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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 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 June 30, 2022

OR

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

Commission file number 001-37359

BLUEPRINT MEDICINES CORPORATION
(Exact Name of Registrant as Specified in Its Charter)

Delaware	**26-3632015**
(State or Other Jurisdiction of Incorporation or Organization)	**(I.R.S. Employer Identification No.)**
45 Sidney Street **Cambridge, Massachusetts**	**02139**
(Address of Principal Executive Offices)	**(Zip Code)**

(617) 374-7580
(Registrant's Telephone Number, Including Area Code)

(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

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

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See 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 ☑

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

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common stock, par value $0.001 per share	BPMC	Nasdaq Global Select Market

Number of shares of the registrant's common stock, $0.001 par value, outstanding on July 29, 2022: 59,719,570

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Unless otherwise stated, all references to "us," "our," "Blueprint," "Blueprint Medicines," "we," the "Company" and similar designations in this Quarterly Report on Form 10-Q refer to Blueprint Medicines Corporation and its consolidated subsidiaries. Blueprint Medicines, AYVAKIT®, AYVAKYT®, GAVRETO® and associated logos are trademarks of Blueprint Medicines Corporation. Other brands, names and trademarks contained in this Quarterly Report on Form 10-Q are the property of their respective owners.

FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements that involve substantial risks and uncertainties. All statements, other than statements of historical facts, contained in this Quarterly Report on Form 10-Q are forward-looking statements. In some cases, you can identify forward-looking statements by words such as "aim," "anticipate," "believe," "contemplate," "continue," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "seek," "should," "target," "will," "would" or the negative of these words or other comparable terminology, although not all forward-looking statements contain these identifying words.

The forward-looking statements in this Quarterly Report on Form 10-Q include, but are not limited to, statements about:

- the timing or likelihood of regulatory actions, filings and approvals for our current and future drug candidates, including our ability to obtain marketing approval for avapritinib and pralsetinib for additional indications or in additional geographies;
- our ability and plans in continuing to expand out our commercial infrastructure and successfully launching, marketing and selling AYVAKIT® (avapritinib) (marketed in Europe under the brand name AYVAKYT®), GAVRETO® (pralsetinib) and any current and future drug candidates for which we receive marketing approval;
- our plans, timelines and expectations for interactions with the U.S. Food and Drug Administration (FDA) and other regulatory authorities;
- our plans and timelines to update the primary endpoint of the registrational PIONEER trial of AYVAKIT in patients with non-advanced SM;
- our expectations regarding the potential benefits of AYVAKIT in treating patients with non-advanced SM and advanced SM;
- the rate and degree of market acceptance of AYVAKIT/AYVAKYT, GAVRETO and any current and future drug candidates for which we receive marketing approval;
- the pricing and reimbursement of AYVAKIT/AYVAKYT, GAVRETO and any current and future drug candidates for which we receive marketing approval;
- the initiation, timing, progress and results of our preclinical studies and clinical trials, including our ongoing clinical trials and any planned clinical trials for our current and future drug candidates as monotherapies or in combination with other agents and research and development programs;
- our ability to advance drug candidates into, and successfully complete, clinical trials;
- our ability to successfully develop manufacturing processes for any of our current and future drugs or drug candidates and to secure manufacturing, packaging and labeling arrangements for development activities and commercial production;
- the implementation of our business model and strategic plans for our business, drugs, drug candidates, platform and technology;
- the scope and length of protection we are able to establish and maintain for intellectual property rights covering our current and future drugs, drug candidates and technology;

- the potential benefits of our collaboration with F. Hoffmann-La Roche Ltd and Genentech, Inc. to develop and commercialize pralsetinib globally (excluding Greater China), our cancer immunotherapy collaboration with F. Hoffmann-La Roche Ltd and Hoffmann-La Roche Inc., our collaboration with CStone Pharmaceuticals to develop and commercialize avapritinib, pralsetinib and fisogatinib in Greater China, our collaboration with Zai Lab to develop and commercialize BLU-701 and BLU-945 as inhibitors of epidermal growth factor receptor (EGFR), and our collaboration with Proteovant Therapeutics to discover and advance novel targeted protein degrader therapies, as well as our ability to maintain these collaborations and establish additional strategic collaborations;
- the potential benefits of our exclusive license agreement with Clementia Pharmaceuticals, Inc. to develop and commercialize BLU-782 for fibrodysplasia ossificans progressiva;
- the potential benefits of our strategic financing transactions with Garnich Adjacent Investments S.a.r.l. (Sixth Street Partners) and Royalty Pharma Investments 2019 ICAV (Royalty Pharma) and the potential acceleration of our commercial products and pipeline resulting from the non-dilutive growth capital;
- the development of companion diagnostic tests for our current or future drugs or drug candidates;
- our financial performance, estimates of our revenues, expenses and capital requirements and our needs for future financing, including our ability to achieve a self-sustainable financial profile;
- developments relating to our competitors and our industry;
- the actual or potential benefits of designations granted by the FDA, such as orphan drug, fast track and breakthrough therapy designation or priority review; and
- the impact and scope of the ongoing COVID-19 pandemic on our business, operations, strategy, goals and anticipated milestones, including our ongoing and planned research and discovery activities, ability to conduct ongoing and planned clinical trials, clinical supply of our current or future drug candidates or third party products intended for use as combination therapies or as comparator agents, and the launch, marketing, sale and commercial supply of AYVAKIT/AYVAKYT, GAVRETO and any current or future drug candidates for which we receive marketing approval.

Any forward-looking statements in this Quarterly Report on Form 10-Q reflect our current views with respect to future events or to our future financial performance and involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. We have included important factors in the cautionary statements included in this Quarterly Report on Form 10-Q, particularly in the “Risk Factors” section, that could cause actual results or events to differ materially from the forward-looking statements that we make. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures or investments we may make or enter into.

You should read this Quarterly Report on Form 10-Q and the documents that we have filed as exhibits to this Quarterly Report on Form 10-Q completely and with the understanding that our actual future results, performance or achievements may be materially different from what we expect. Except as required by law, we assume no obligation to update or revise these forward-looking statements for any reason, even if new information becomes available in the future.

This Quarterly Report on Form 10-Q also contains estimates, projections and other information concerning our industry, our business and the markets for certain diseases, including data regarding the estimated size of those markets, and the incidence and prevalence of certain medical conditions. Information that is based on estimates, forecasts, projections, market research or similar methodologies is inherently subject to uncertainties and actual events or circumstances may differ materially from events and circumstances reflected in this information. Unless otherwise expressly stated, we obtained this industry, business, market and other data from reports, research surveys, studies and similar data prepared by market research firms and other third parties, industry, medical and general publications, government data and similar sources.

For purposes of this Quarterly Report on Form 10-Q, including the footnotes to our condensed consolidated financial statements, (i) with respect to our collaboration for pralsetinib, Roche means F. Hoffmann-La Roche Ltd and Genentech, Inc., and (ii) with respect to our cancer immunotherapy collaboration, Roche means F. Hoffmann-La Roche Ltd and Hoffmann-La Roche Inc.

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

Blueprint Medicines Corporation
Condensed Consolidated Balance Sheets
(in thousands, except share and per share data)
(Unaudited)

	June 30, 2022	December 31, 2021
Assets		
Current assets:		
Cash and cash equivalents	$ 173,399	$ 209,948
Marketable securities	679,712	267,166
Accounts receivable	27,123	25,155
Unbilled accounts receivable	2,287	11,875
Inventory	35,454	21,817
Prepaid expenses and other current assets	34,204	18,064
Total current assets	952,179	554,025
Marketable securities	94,048	557,529
Property and equipment, net	32,987	30,700
Operating lease right-of-use assets, net	86,033	90,162
Restricted cash	5,171	5,171
Other assets	22,028	14,638
Total assets	$ 1,192,446	$ 1,252,225
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	15,053	8,333
Accrued expenses	119,282	121,829
Current portion of operating lease liabilities	9,435	8,093
Current portion of deferred revenue	9,478	11,510
Liability related to the sale of future royalties	5,512	—
Total current liabilities	158,760	149,765
Operating lease liabilities, net of current portion	98,160	103,315
Deferred revenue, net of current portion	12,661	25,066
Liability related to the sale of future royalties, net of current portion	165,742	—
Other long-term liabilities	9,373	3,344
Total liabilities	444,696	281,490
Commitments and Contingencies (Note 15)		
Stockholders' equity:		
Preferred stock, $0.001 par value; 5,000,000 shares authorized; no shares issued and outstanding	—	—
Common stock, $0.001 par value; 120,000,000 shares authorized; 59,688,295 and 59,141,086 shares issued and outstanding at June 30, 2022 and December 31, 2021, respectively	60	59
Additional paid-in capital	2,303,087	2,250,250
Accumulated other comprehensive loss	(14,248)	(4,133)
Accumulated deficit	(1,541,149)	(1,275,441)
Total stockholders' equity	747,750	970,735
Total liabilities and stockholders' equity	$ 1,192,446	$ 1,252,225

Blueprint Medicines Corporation
Condensed Consolidated Statements of Operations and Comprehensive Loss
(in thousands, except per share data)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Revenues:				
Product revenue, net	$ 28,454	$ 11,433	$ 52,295	$ 20,388
Collaboration revenue	8,093	15,862	46,983	28,483
Total revenues	36,547	27,295	99,278	48,871
Cost and operating expenses:				
Cost of sales	4,886	6,493	9,964	6,595
Collaboration loss sharing	2,145	—	5,410	—
Research and development	128,466	80,027	231,599	159,738
Selling, general and administrative	58,688	49,286	115,747	91,288
Total cost and operating expenses	194,185	135,806	362,720	257,621
Other income (expense):				
Interest income, net	427	633	869	1,371
Other income (expense), net	632	(373)	177	(587)
Total other income	1,059	260	1,046	784
Loss before income taxes	(156,579)	(108,251)	(262,396)	(207,966)
Income tax expense	(3,130)	(193)	(3,313)	(193)
Net loss	$ (159,709)	$ (108,444)	$ (265,709)	$ (208,159)
Other comprehensive loss:				
Unrealized losses on available-for-sale investments	(2,308)	(624)	(10,328)	(1,024)
Currency translation adjustments	170	(114)	213	404
Comprehensive loss	$ (161,847)	$ (109,182)	$ (275,824)	$ (208,779)
Net loss per share - basic and diluted	$ (2.68)	$ (1.86)	$ (4.47)	$ (3.58)
Weighted-average number of common shares used in net loss per share - basic and diluted	59,617	58,406	59,465	58,216

Blueprint Medicines Corporation
Condensed Consolidated Statements of Stockholders' Equity
(in thousands, except share data)
(Unaudited)

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Stockholders' Equity
	Shares	Amount				
Balance at December 31, 2021	59,141,086	$ 59	$ 2,250,250	$ (4,133)	$ (1,275,441)	$ 970,735
Issuance of common stock under stock plan	414,888	1	1,297	—	—	1,298
Stock-based compensation expense	—	—	23,609	—	—	23,609
Other comprehensive loss	—	—	—	(7,977)	—	(7,977)
Net loss	—	—	—	—	(105,999)	(105,999)
Balance at March 31, 2022	59,555,974	$ 60	$ 2,275,156	$ (12,110)	$ (1,381,440)	$ 881,666
Issuance of common stock under stock plan	92,274	$ —	$ 535	$ —	$ —	$ 535
Purchase of common stock under ESPP	40,047	—	1,872	—	—	1,872
Stock-based compensation expense	—	—	25,524	—	—	25,524
Other comprehensive loss	—	—	—	(2,138)	—	(2,138)
Net loss	—	—	—	—	(159,709)	(159,709)
Balance at June 30, 2022	59,688,295	$ 60	$ 2,303,087	$ (14,248)	$ (1,541,149)	$ 747,750
Balance at December 31, 2020	57,793,533	$ 58	$ 2,106,600	$ (5,214)	$ (631,356)	$ 1,470,088
Issuance of common stock under stock plan	483,879	—	8,318	—	—	8,318
Stock-based compensation expense	—	—	21,212	—	—	21,212
Other comprehensive income	—	—	—	117	—	117
Net loss	—	—	—	—	(99,714)	(99,714)
Balance at March 31, 2021	58,277,412	$ 58	$ 2,136,130	$ (5,097)	$ (731,070)	$ 1,400,021
Issuance of common stock under stock plan	254,823	$ 1	$ 11,709	$ —	$ —	11,710
Purchase of common stock under ESPP	22,324	—	1,733	—	—	1,733
Stock-based compensation expense	—	—	24,522	—	—	24,522
Other comprehensive loss	—	—	—	(738)	—	(738)
Net loss	—	—	—	—	(108,444)	(108,444)
Balance at June 30, 2021	58,554,559	$ 59	$ 2,174,094	$ (5,835)	$ (839,514)	$ 1,328,804

Blueprint Medicines Corporation
Condensed Consolidated Statements of Cash Flows
(in thousands)
(Unaudited)

	Six Months Ended June 30,	
	2022	**2021**
Cash flows from operating activities		
Net loss	$ (265,709)	$ (208,159)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	3,098	3,200
Noncash lease expense	4,107	3,073
Stock-based compensation	48,746	44,991
Other	550	1,352
Changes in assets and liabilities:		
Accounts receivable	(2,128)	(18,407)
Unbilled accounts receivable	9,591	4,446
Inventory	(14,694)	(4,542)
Prepaid expenses and other current assets	(16,314)	(755)
Other assets	(13,188)	(3,829)
Accounts payable	6,589	(2,544)
Accrued expenses	441	(1,044)
Other long-term liabilities	6,157	—
Deferred revenue	(14,438)	(2,880)
Operating lease liabilities	(3,790)	(3,845)
Net cash used in operating activities	(250,982)	(188,943)
Cash flows from investing activities		
Purchases of property and equipment	(3,709)	(835)
Purchases of investments	(39,937)	(382,644)
Maturities of investments	79,623	400,500
Net cash provided by investing activities	35,977	17,021
Cash flows from financing activities		
Gross proceeds from the sale of future royalties	175,000	—
Net proceeds from stock option exercises and employee stock purchase plan	3,762	21,865
Net cash provided by financing activities	178,762	21,865
Net decrease in cash, cash equivalents, and restricted cash	(36,243)	(150,057)
Cash, cash equivalents and restricted cash at beginning of period	215,119	689,804
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(306)	(259)
Cash, cash equivalents and restricted cash at end of period	$ 178,570	$ 539,488
Supplemental cash flow information		
Debt issuance costs incurred but unpaid at period end	5,022	—
Property and equipment purchases unpaid at period end	$ 1,829	$ 230
Cash paid for taxes, net	$ 771	$ 598

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the condensed consolidated balance sheets that sum to the total of the same such amounts shown in the condensed consolidated statements of cash flows (in thousands).

	June 30, 2022	June 30, 2021
Cash and cash equivalents	$ 173,399	$ 534,317
Restricted cash	5,171	5,171
Total cash, cash equivalents, and restricted cash shown in condensed consolidated statements of cash flows	$ 178,570	$ 539,488

Blueprint Medicines Corporation
Notes to Condensed Consolidated Financial Statements
(Unaudited)

1. Nature of Business

Blueprint Medicines Corporation (the Company), a Delaware corporation incorporated on October 14, 2008, is a precision therapy company focused on genomically defined cancers and blood disorders. The Company's approach is to leverage its novel research engine to systematically and reproducibly identify drivers of diseases in genomically defined patient populations, and to craft highly selective and potent drug candidates that are intended to provide significant and durable clinical responses to patients.

The Company has two approved precision therapies and is globally advancing multiple programs for systemic mastocytosis (SM), lung cancer and other genomically defined cancers, and cancer immunotherapy. The Company is devoting substantially all of its efforts to research and development for current and future drug candidates and commercialization of AYVAKIT/AYVAKYT, GAVRETO and any current or future drug candidates that obtain marketing approval.

As of June 30, 2022, the Company had cash, cash equivalents and marketable securities of $947.2 million. Based on the Company's current operating plans, the Company anticipates that its existing cash, cash equivalents and marketable securities will be sufficient to enable it to fund its current operations for at least the next twelve months from the issuance of the financial statements.

2. Summary of Significant Accounting Policies and Recent Accounting Pronouncements

Basis of Presentation

The unaudited interim condensed consolidated financial statements of the Company included herein have been prepared in accordance with accounting principles generally accepted in the United States (GAAP) as found in the Accounting Standards Codification (ASC), Accounting Standards Update (ASU) of the Financial Accounting Standards Board (FASB) and the rules and regulations of the Securities and Exchange Commission (SEC). Certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted from this report, as is permitted by such rules and regulations. Accordingly, these financial statements should be read in conjunction with the financial statements as of and for the year ended December 31, 2021 and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2021, filed with the SEC on February 17, 2022 (2021 Annual Report on Form 10-K).

The unaudited interim condensed consolidated financial statements have been prepared on the same basis as the audited financial statements, and updated, as necessary, in this report. In the opinion of the Company's management, the accompanying unaudited interim condensed consolidated financial statements contain all adjustments that are necessary to present fairly the Company's financial position as of June 30, 2022, the results of its operations for the three and six months ended June 30, 2022 and 2021, stockholder's equity for the three and six months ended June 30, 2022 and 2021 and cash flows for six months ended June 30, 2022 and 2021. Such adjustments are of a normal and recurring nature. The results for the three and six months ended June 30, 2022 are not necessarily indicative of the results for the year ending December 31, 2022 or for any future period.

The accompanying unaudited interim condensed consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, Blueprint Medicines Security Corporation, which is a Massachusetts subsidiary created to buy, sell and hold securities, Blueprint Medicines (Switzerland) GmbH, Blueprint Medicines (Netherlands) B.V., Blueprint Medicines (UK) Ltd, Blueprint Medicines (Germany) GmbH, Blueprint Medicines (Spain) S.L., Blueprint Medicines (France) SAS, and Blueprint Medicines (Italy) S.r.L. Lengo Therapeutics, Inc. (Lengo), which was acquired on December 30, 2021, was dissolved in June 2022. All intercompany transactions and balances have been eliminated.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires the Company's management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. Management considers many factors in selecting appropriate financial accounting policies and in developing the estimates and assumptions that are used in the preparation of the financial statements. Management must apply significant judgment in this process. Management's estimation process often may yield a range of potentially reasonable estimates and management must select an amount that falls within that range of reasonable estimates. Estimates are used in the following areas, among others: revenue recognition, inventory, operating lease right-of-use assets, operating lease liabilities, stock-based compensation expense, accrued expenses, liability related to the sale of future royalties, and income taxes. The length of time and full extent to which the ongoing COVID-19 pandemic will directly or indirectly impact the Company's business, results of operations and financial condition, including revenues, expenses, reserves and allowances, manufacturing and supply, clinical trials, research and development costs and employee-related amounts, will depend on future developments that are highly uncertain, subject to change and difficult to predict, including as a result of new information that may emerge concerning COVID-19, including the identification and spread of new variants, and the actions taken to contain or treat COVID-19, as well as the economic impact thereof on local, regional, national and international customers and markets. The Company considers the impact of COVID-19 while making the estimates within its consolidated financial statements and there may be changes to those estimates in future periods. Actual results may differ from these estimates. The Russian invasion of Ukraine has not had a material impact on the Company's business, results of operations and financial condition.

Significant Accounting Policies

The significant accounting policies used in preparation of these condensed consolidated financial statements for the three and six months ended June 30, 2022 are consistent with those discussed in Note 2 to the consolidated financial statements in the 2021 Annual Report on Form 10-K, with the below exception.

Liability related to the sale of future royalties

The Company accounts for net proceeds from sales of the Company's rights to receive future royalty payments as a liability related to the sale of future royalties if the Company has significant continuing involvement in the generation of the related future cash flows. Interest on the liability related to the sale of future royalties will be recognized using the effective interest rate method over the life of the related royalty stream. The liability related to the sale of future royalties and the related interest expenses are based on the Company's current estimates of future royalties and commercial milestones expected to be achieved and received over the life of the arrangement, which the Company determines by using forecasts of the underlying drug products of the underlying regions. The Company will periodically assess the expected payments and to the extent the amount or timing of the future estimated payments is materially different than previous estimates, the Company will account for any such change by adjusting the liability related to the sale of future royalties and prospectively recognizing the related interest expense.

New Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the FASB or other standard setting bodies that the Company adopts as of the specified effective date. The Company does not believe that the adoption of recently issued standards have or may have a material impact on its condensed consolidated financial statements and disclosures.

3. Liability Related to The Sale of Future Royalties

On June 30, 2022, the Company entered into a purchase and sale agreement (royalty purchase agreement) with Royalty Pharma. Pursuant to the royalty purchase agreement, the Company received an upfront payment of $175.0 million in consideration for the Company's rights to receive royalty payments on the net sales of GAVRETO worldwide excluding the CStone territory and U.S. territory under the terms of the Roche pralsetinib collaboration agreement.

Although the Company sold all of the rights to receive royalties on the net sales of GAVRETO worldwide excluding the CStone territory and U.S. territory to Royalty Pharma, the Company continues to co-develop pralsetinib

with Roche globally and are therefore involved in the generation of these future royalties. Due to the Company's significant continuing involvement, the Company continues to account for any royalties and development and commercialization milestones earned related to the underlying territory under the Roche pralsetinib collaboration agreement as collaboration revenue on its consolidated statements of operations and comprehensive loss. Net proceeds from the transaction were recorded as a liability related to sale of future royalties on the consolidated balance sheet. The Company will amortize the $175.0 million, net of transaction costs of $3.7 million using the effective interest method over the estimated life of the arrangement.

As payments are made to Royalty Pharma, the balance of the liability will be effectively repaid over the life of the royalty purchase agreement. In order to determine the amortization of the liability, the Company estimates the total amount of future royalty payments to be received by the Company and paid to Royalty Pharma over the life of the arrangement. The exact amount of repayment is likely to change each reporting period. The Company will periodically assess the expected payments to Royalty Pharma and will prospectively adjust the amortization of the liability related to the sale of future royalties for material changes in such payments.

As of June 30, 2022, the carrying value of the liability related to the sale of future royalties was $171.3 million, net of closing costs of $3.7 million. The carrying value of the liability related to the sale of future royalties approximates fair value as of June 30, 2022.

The following table shows the activity within the liability account (in thousands):

Carrying value as of January 1, 2022	$ —
Sale of future royalties	175,000
Interest expense recognized	—
Capitalized closing costs	(3,746)
Payments	—
Carrying value as of June 30, 2022	$ 171,254

Pursuant to the royalty purchase agreement, the Company is eligible to receive certain milestone payments totaling up to $165.0 million, subject to the achievement of specified net sales milestones by Roche. The potential milestone payments will be added to the carrying value of the liability related to sale of future royalties when the milestones are achieved and received.

4. Marketable Securities

Marketable securities consisted of the following at June 30, 2022 and December 31, 2021 (in thousands):

June 30, 2022	**Amortized Cost**	**Unrealized Gain**	**Unrealized Losses**	**Fair Value**
Marketable securities, available-for-sale:				
U.S. government agency securities	$ 451,134	$ —	(6,717)	$ 444,417
U.S. treasury obligations	335,643	—	(6,300)	329,343
Total	$ 786,777	$ —	$ (13,017)	$ 773,760

December 31, 2021	**Amortized Cost**	**Unrealized Gain**	**Unrealized Losses**	**Fair Value**
Marketable securities, available-for-sale:				
U.S. government agency securities	$ 498,582	$ 21	$ (1,460)	$ 497,143
U.S. treasury obligations	328,801	—	(1,249)	327,552
Total	$ 827,383	$ 21	$ (2,709)	$ 824,695

As of June 30, 2022, the Company held 77 debt securities that were in an unrealized loss position with an aggregate fair value of $773.8 million. Of the 77 debt securities, 3 were in an unrealized loss position for more than twelve months with an aggregate fair value of $39.2 million. As of December 31, 2021, the Company held 74 debt

securities that were in an unrealized loss position with an aggregate fair value of $750.5 million. As of December 31, 2021, there were no securities held by the Company in an unrealized loss position for more than twelve months. The Company has the intent and ability to hold such securities until recovery. As a result, the Company did not record any charges for credit-related impairments for its marketable debt securities for the three and six months ended June 30, 2022 and 2021.

As of June 30, 2022, 14 securities with an aggregate fair value of $94.0 million had remaining maturities between one year and five years. As of December 31, 2021, 56 securities with an aggregate fair value of $557.5 million had remaining maturities between one year and five years.

The Company received proceeds of $79.6 million from maturities of debt securities for the three and six months ended June 30, 2022, and $185.1 million and $400.5 million for the three and six months ended June 30, 2021, respectively. The Company did not realize any gains or losses from maturities of debt securities for the three and six months ended June 30, 2022 and 2021.

5. Fair Value of Financial Instruments

The following table summarizes cash equivalents and marketable securities measured at fair value on a recurring basis as of June 30, 2022 (in thousands):

Description	June 30, 2022	Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Cash equivalents:				
Money market funds	$ 8,940	$ 8,940	$ —	$ —
Marketable securities, available-for-sale:				
U.S. government agency securities	444,417	—	444,417	—
U.S. treasury obligations	329,343	329,343	—	—
Total	$ 782,700	$ 338,283	$ 444,417	$ —

The following table summarizes cash equivalents and marketable securities measured at fair value on a recurring basis as of December 31, 2021 (in thousands):

Description	December 31, 2021	Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Cash equivalents:				
Money market funds	$ 118,880	$ 118,880	$ —	$ —
Marketable securities, available-for-sale:				
U.S. government agency securities	497,143	—	497,143	—
U.S. treasury obligations	327,552	327,552	—	—
Total	$ 943,575	$ 446,432	$ 497,143	$ —

6. Product Revenue Reserves and Allowances

In January 2020, the U.S. Food and Drug Administration (FDA) approved AYVAKIT for the treatment of adults with unresectable or metastatic gastrointestinal stromal tumor (GIST) harboring a PDGFRA exon 18 mutation, including PDGFRA D842V mutations. In September 2020, the European Commission granted conditional marketing authorization to AYVAKYT as a monotherapy for the treatment of adult patients with unresectable or metastatic GIST harboring the PDGFRA D842V mutation. In June 2021, the FDA granted a subsequent approval for AYVAKIT, expanding the labeled indications to include adult patients with advanced systemic mastocytosis (Advanced SM), including aggressive SM (ASM), SM with an associated hematological neoplasm (SM-AHN) and mast cell leukemia (MCL). In March 2022, the European Commission expanded the marketing authorization for AYVAKYT to include the treatment of adult patients with ASM, SM-AHN, or MCL, after at least one systemic therapy.

In September 2020, the FDA granted accelerated approval of GAVRETO for the treatment of adult patients with metastatic RET fusion-positive non-small cell lung cancer (NSCLC) as detected by an FDA approved test. In

December 2020, the FDA granted a subsequent accelerated approval for GAVRETO, expanding the labeled indications to include adult and pediatric patients 12 years of age and older with advanced or metastatic RET-mutant medullary thyroid cancer (MTC) who require systemic therapy, or with advanced or metastatic RET fusion-positive thyroid cancer who require systemic therapy and who are radioactive iodine-refractory (if radioactive iodine is appropriate).

The Company recorded net product revenue from the U.S. product sales of GAVRETO in 2021 until it transferred, on July 1, 2021, certain responsibilities associated with product sales to customers, pricing and distribution matters related to U.S. product sales of GAVRETO to its collaboration partner. The Company did not record any net product revenue from product sales of GAVRETO subsequent to this transition date. For additional information, see Note 10, *Collaboration and License Agreements*.

The following table summarizes revenue recognized from product sales for the three and six months ended June 30, 2022 and 2021 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
AYVAKIT/AYVAKYT	$ 28,454	$ 8,555	$ 52,295	$ 15,682
GAVRETO	—	2,878	—	4,706
Total product revenue	$ 28,454	$ 11,433	$ 52,295	$ 20,388

The following table summarizes activity in each of the product revenue allowance and reserve categories for the six months ended June 30, 2022 and 2021 (in thousands):

	Six Months Ended June 30,	
	2022	2021
Beginning balance at January 1	$ 4,345	$ 1,192
Provision related to product sales	9,408	3,199
Adjustment related to prior periods sales	(570)	—
Credits and payments made	(6,120)	(1,837)
Ending balance at June 30	$ 7,063	$ 2,554

The total reserves that are included in the Company's unaudited condensed consolidated balance sheets as of June 30, 2022 and December 31, 2021, are summarized as follows (in thousands):

	June 30, 2022	December 31, 2021
Reduction of accounts receivable, net	$ 912	$ 419
Component of accrued expenses	6,151	3,926
Total revenue-related reserves	$ 7,063	$ 4,345

7. Inventory

Capitalized inventory consists of the following at June 30, 2022 and December 31, 2021 (in thousands):

	June 30, 2022	December 31, 2021
Raw materials	$ 14,443	$ 10,788
Work in process	21,986	17,702
Finished goods	2,523	3,916
Total	$ 38,952	$ 32,406

Balance sheet classification

	June 30, 2022	December 31, 2021
Inventory	$ 35,454	$ 21,817
Other assets	3,498	10,589
Total	$ 38,952	$ 32,406

Inventory amounts written down as a result of excess, obsolescence, unmarketability or other reasons are charged to cost of sales. The Company did not recognize any material write-down for the three and six months ended June 30, 2022 and the three and six months ended June 30, 2021. Long-term inventory, which primarily consists of work in process and raw materials, is included in other assets in the unaudited condensed consolidated balance sheets.

8. Restricted Cash

At June 30, 2022 and December 31, 2021, $5.2 million and $5.2 million, respectively, of the Company's cash is restricted by a bank primarily related to security deposits for the Company's building lease agreements.

9. Accrued Expenses

Accrued expenses consist of the following (in thousands):

	June 30, 2022	December 31, 2021
Research, development and commercial contract costs	$ 60,166	$ 68,164
Employee compensation	19,959	29,166
Accrued professional fees	22,519	12,611
Revenue-related reserves	6,151	3,926
Other	10,487	7,962
Total	$ 119,282	$ 121,829

10. Collaboration and License Agreements

Proteovant

In February 2022, the Company entered into an exclusive collaboration agreement (the Proteovant collaboration agreement) with Oncopia Therapeutics, Inc., d/b/a Proteovant Therapeutics, Inc., (Proteovant), pursuant to which the parties will jointly research and advance up to two novel protein degrader therapies into development candidates, as well as up to two additional novel protein degrader target programs as may be mutually agreed to by the Company and Proteovant (each a target program). On a target program-by-target program basis, the Company will have an exclusive option to obtain a worldwide, exclusive license to develop and commercialize any licensed compound and licensed product under each target program. Proteovant will have the right to opt into the global development and U.S. commercialization of certain licensed compounds and licensed products under the second target program that the Company options, and if the parties add additional target programs, Proteovant will have the same opt-in right for the fourth target program that the Company options.

The Company paid Proteovant an upfront payment of $20.0 million in connection with the execution of the agreement and Proteovant will be eligible to receive up to an additional $632.0 million in contingent milestone payments including specified research, development, regulatory and commercialization milestones and tiered percentage royalties on a licensed product-by-licensed product basis ranging from the mid- to high-single digits on net sales on the first two target programs, subject to adjustment in specified circumstances. If Proteovant opts in to the second target program, the parties will split profits and losses of that program equally in the U.S. along with development costs and the milestone payments for the program will be reduced accordingly. Proteovant will be eligible to receive milestone payments and royalties on ex-U.S. sales. In addition, the parties may jointly extend the collaboration, with the same structure and financial terms, to two additional program targets through additional funding by the Company.

The Company concluded that Proteovant is providing the Company with research services throughout the period until the Company can exercise its option to obtain a worldwide, exclusive license to develop and commercialize any licensed compound. Therefore, the Company recorded the $20.0 million upfront payment as an asset on the unaudited condensed consolidated financial statements and will record it as research and development expense over the expected research period. During the three and six months ended June 30, 2022, the Company recorded research and development expense of $1.0 million and $1.5 million, respectively, under the Proteovant collaboration agreement. The Company will reevaluate the research period at the end of each reporting period and as any changes in circumstances occur, and if necessary, the Company will adjust its estimate of expected research period accordingly. Each research and development milestone payment will be accrued and expensed when probable.

Zai Lab

In November 2021, the Company entered into a collaboration (the Zai Lab agreement) with Zai Lab (Shanghai) Co., Ltd., (Zai Lab), pursuant to which the Company granted Zai Lab exclusive rights to develop and commercialize the Company's drug candidates BLU-701 and BLU-945 for the treatment of EGFR-driven non-small cell lung cancer in Greater China, including Mainland China, Hong Kong, Macau and Taiwan (collectively, the Zai Lab territory), either as a monotherapy or as part of a combination therapy. The Company retains exclusive rights to the licensed products outside the Zai Lab territory.

Under the Zai Lab agreement, the Company received an upfront cash payment of $25.0 million and, in addition to the upfront payment received, the Company is eligible to receive up to $590.0 million in contingent payments, including specified development, regulatory and sales-based milestones and tiered percentage royalties on a licensed product-by-licensed product basis ranging from the low-teens to mid-teens on annual net sales of each licensed product in the Zai Lab territory, subject to adjustment in specified circumstances. Zai Lab will be responsible for costs related to clinical trials in the Zai Lab territory, other than the specified shared services costs as defined in the Zai Lab agreement which will be shared by the Company and Zai Lab.

Pursuant to the terms of the Zai Lab agreement, Zai Lab is responsible for conducting all development and commercialization activities in the Zai Lab territory related to the licensed drug candidates. In addition, under the Zai Lab agreement, each party has granted the other party specified intellectual property licenses to enable the other party to perform its obligations and exercise its rights under the Zai Lab agreement, including license grants to enable each party to conduct research, development and commercialization activities pursuant to the terms of the Zai Lab agreement.

The Zai Lab agreement will continue on a licensed product-by-product and region-by-region basis until the later of (i) the 12th anniversary of the date of the first commercial sale of a licensed product in the Zai Lab territory, (ii) the date of expiration of the last valid patent claim related to the Company's patent rights of the product in the Zai Lab territory, and (iii) the expiration of the last regulatory exclusivity for that product in a region in the Zai Lab territory. Zai Lab may terminate the agreement for convenience by giving a written notice after the second anniversary of the effective date (a) at least 12 months after the date of notice, in the event such notice is given after the first commercial sale of a licensed product in the Zai Lab territory or (b) at least nine months after the date of such notice, in the event such notice is given prior to the first commercial sale of the first licensed product in the Zai Lab territory. Either party may terminate the Zai Lab agreement for the other party's uncured material breach or insolvency. Upon termination, all licenses and all other rights granted by the Company to Zai Lab will terminate. Each party will retain its joint ownership interests in any joint collaboration technology.

The Company evaluated the Zai Lab agreement to determine whether it is a collaborative arrangement in the scope of ASC 808. The Company concluded that the Zai Lab agreement is a collaborative agreement under ASC 808 as both parties are active participants in the clinical trials and are exposed to significant risks and rewards of those activities under the Zai Lab agreement. The Company determined that the Zai Lab agreement contained two material components: (i) licenses granted to Zai Lab to exploit and develop each licensed product in the Zai Lab territory and related activities in the Zai Lab territory, including manufacturing, and (ii) the parties' participation in the global development of the licensed products. The Company used the criteria specified in ASC 606 to determine which of the components of the Zai Lab agreement are performance obligations with a customer and concluded that Zai Lab is the Company's customer for the licenses and related activities in the Zai Lab territory under ASC 606. The global development activities under the agreement does not present a transaction with a customer and the payments received by the Company for global

development activities, including manufacturing, are accounted for as a reduction of related expenses. During the three and six months ended June 30, 2022, no material reduction of expenses was recorded from the Zai Lab agreement.

The Company evaluated the Zai Lab territory specific licenses and related activities under ASC 606 as these transactions are considered transactions with a customer and identified three material promises at the outset of the Zai Lab agreement, which consists of the following for each licensed product: (1) the exclusive license, (2) the initial know-how transfer and (3) manufacturing activities related to development and commercial supply of the licensed product in the Zai Lab territory. The Company determined that the exclusive license and the initial know-how transfer were not distinct from each other, as the exclusive license has limited value without the corresponding know-how transfer. As such, for the purposes of ASC 606, the Company determined that these two material promises, the exclusive license and the initial know-how, should be combined into one distinct performance obligation. The Company further evaluated the material promise associated with manufacturing activities related to development and commercial supply of the licensed products in the Zai Lab territory, given Zai Lab is not obligated to purchase any minimum amount or quantities of the development and commercial supply from the Company, the Company concluded that, for the purpose of ASC 606, the provision of manufacturing activities related to development and commercial supply of the licensed product in Zai Lab territory was an option but not a performance obligation of the Company at the inception of the Zai Lab collaboration agreement and will be accounted for if and when exercised. The Company also concluded that there is no separate material right in connection with the development and commercial supply of the licensed product, as the expected pricing was not issued at a significant and incremental discount. Therefore, the manufacturing activities were excluded as performance obligation at the outset of the arrangement.

The Company evaluated the license under ASC 606 and concluded that the license is a functional intellectual property license. The Company determined that Zai Lab benefited from the license along with the initial know-how transfer at the time of grant, and therefore the related performance obligation is satisfied at a point in time. Additionally, the Company is entitled to sales milestones and royalties from Zai Lab upon future sales of the licensed products in the Zai Lab territory, and revenue will be recognized when the related sales occur. Costs that are incurred associated with Zai Lab territory specific activities are reimbursable from Zai and are recognized as revenue. During the three and six months ended June 30, 2022, the Company recorded $0.5 million and $0.6 million, respectively, in revenue related to Zai Lab territory specific activities in the unaudited condensed consolidated financial statements.

For the purposes of ASC 606, the transaction price of the Zai Lab agreement as of the outset of the arrangement was determined to be $25.0 million, which consisted of the upfront cash payment. The other potential milestone payments that the Company is eligible to receive were excluded from the transaction price, as all milestone amounts were fully constrained based on the probability of achievement. The Company satisfied the performance obligation upon delivery of the licenses and initial know-how transfer and recognized the upfront payment of $25.0 million as revenue during the year ended December 31, 2021.

The Company will reevaluate the transaction price at the end of each reporting period and as uncertain events are resolved or other changes in circumstances occur, and if necessary, the Company will adjust its estimate of the transaction price, and any addition to the transaction price would be recognized as revenue when it becomes probable that inclusion would not lead to a significant revenue reversal.

Roche – Pralsetinib Collaboration

In July 2020, the Company entered into a collaboration agreement (the Roche pralsetinib collaboration agreement) with F. Hoffmann-La Roche Ltd and Genentech, Inc., a member of the Roche Group (collectively, Roche), pursuant to which the Company granted Roche exclusive rights to develop and commercialize the Company's drug candidate pralsetinib worldwide, excluding the CStone territory (as defined below), and a co-exclusive license in the U.S. to develop and commercialize pralsetinib. In addition, Roche has the right to opt in to a next-generation RET compound co-developed by the Company and Roche.

Under the Roche pralsetinib collaboration agreement, the Company received an upfront cash payment of $675.0 million, and through June 30, 2022, the Company has received an aggregate of $105.0 million in specified regulatory and commercialization milestones. In addition to the upfront and milestone payments received through June 30, 2022, the Company is eligible to receive up to $822.0 million in contingent payments, including specified development,

regulatory and sales-based milestones for pralsetinib and any licensed product containing a next-generation RET compound.

In the U.S., the Company and Roche agreed to work together to co-commercialize pralsetinib and equally share responsibilities, profits and losses. In addition, the Company is eligible to receive tiered royalties ranging from high-teens to mid-twenties on annual net sales of pralsetinib outside the U.S., excluding Greater China (the Roche territory). The Company and Roche have also agreed to co-develop pralsetinib globally in RET-altered solid tumors, including non-small cell lung cancer, medullary thyroid carcinoma and other thyroid cancers, as well as other solid tumors. The Company and Roche will share global development costs for pralsetinib at a rate of 45 percent for the Company and 55 percent for Roche up to a specified amount of aggregate joint development costs, after which the Company's share of global development costs for pralsetinib will be reduced by a specified percentage. The Company and Roche will also share specified global development costs for any next-generation RET compound co-developed under the collaboration in a similar manner.

Unless earlier terminated in accordance with its terms, the Roche pralsetinib collaboration agreement will expire on a licensed product-by-licensed product basis (i) in the U.S. upon the expiration of the gross profit sharing term for such licensed product and (ii) outside the U.S. on a country-by-country basis at the end of the applicable royalty term for such licensed product. Roche may terminate the agreement in its entirety or on a licensed product-by-licensed product or country-by-country basis subject to certain notice periods. Either party may terminate the Roche pralsetinib collaboration agreement for the other party's uncured material breach or insolvency. Subject to the terms of the Roche pralsetinib collaboration agreement, effective upon termination of the agreement, the Company is entitled to retain specified licenses to be able to continue to exploit the licensed products.

In connection with the Roche collaboration agreement, on July 13, 2020, the Company also entered into a stock purchase agreement with Roche Holdings, Inc. (Roche Holdings) pursuant to which the Company issued and sold an aggregate of 1,035,519 shares of common stock to Roche Holdings at a purchase price of $96.57 per share and received an aggregate of $100.0 million in the third quarter of 2020. The closing for a minority portion of the equity investment occurred following the expiration of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and other customary closing conditions.

The Company considered the ASC 606 criteria for combining contracts and determined that the Roche pralsetinib collaboration agreement and stock purchase agreement should be combined into a single contract because they were negotiated and entered into in contemplation of one another. The Company accounted for the common stock issued to Roche Holdings based on the fair market value of the common stock on the dates of issuance. The fair market value of the common stock issued to Roche Holdings was $79.3 million, based on the closing price of the Company's common stock on the dates of issuance, resulting in a $20.7 million premium. The Company determined that the premium paid by Roche Holdings for the common stock should be attributed to the transaction price of the Roche pralsetinib collaboration agreement.

The Company determined that the Roche pralsetinib collaboration agreement contained four material components: (i) licenses granted to Roche to develop and commercialize pralsetinib worldwide, excluding the CStone territory (pralsetinib license); (ii) the Roche territory-specific commercialization activities for pralsetinib, including manufacturing (Roche territory activities); (iii) the parties' joint development activities for pralsetinib worldwide, excluding the CStone territory; and (iv) the parties' joint commercialization activities for pralsetinib in the U.S. The Company considered the guidance in ASC 606 to determine which of the components of the Roche pralsetinib collaboration agreement are performance obligations with a customer and concluded that the pralsetinib license and the Roche territory activities are within the scope of ASC 606 because Roche is the Company's customer in those transactions.

The Company evaluated the Roche pralsetinib license under ASC 606 and concluded that the pralsetinib license is a functional intellectual property license and is a distinct performance obligation. The Company determined that Roche benefited from the pralsetinib license at the time of grant, and therefore the related performance obligation is satisfied at a point in time.

The Company evaluated the Roche territory activities under ASC 606 and identified one material promise associated with manufacturing activities related to development and commercial supply of pralsetinib in the Roche

territory for up to 24 months. Given that Roche is not obligated to purchase any minimum amount or quantities of the development and commercial supply from the Company, the Company concluded that, for the purpose of ASC 606, the provision of manufacturing activities related to development and commercial supply of pralsetinib in Roche territory was an option but not a performance obligation of the Company at the inception of the Roche collaboration agreement and will be accounted for if and when exercised. The Company also concluded that there is no separate material right in connection with the development and commercial supply of pralsetinib, as the expected pricing was not issued at a significant and incremental discount. Therefore, the manufacturing activities were excluded as performance obligations at the outset of the arrangement. Additionally, the Company is entitled to sales milestones and royalties from Roche upon future sales of pralsetinib in the Roche territory, and revenue are recognized when the related sales occur. Costs that are incurred associated with the Roche territory activities are reimbursable from Roche and are recognized as revenue.

For the purposes of ASC 606, the transaction price of the Roche collaboration agreement at the outset of the arrangement was determined to be $695.7 million, which consisted of the upfront cash payment of $675.0 million and the $20.7 million premium on the sale of common stock to Roche Holdings, which was allocated to the performance obligation related to the pralsetinib licenses. Through June 30, 2022, the Company has achieved an aggregate of $105.0 million in specified regulatory and commercialization milestones and added the $105.0 million to the estimated transaction price of the Roche pralsetinib agreement. The other potential milestone payments that the Company is eligible to receive under the Roche pralsetinib agreement have been excluded from the transaction price, as all the remaining milestone amounts were fully constrained based on the probability of achievement. The Company will reevaluate the transaction price at the end of each reporting period and as uncertain events are resolved or other changes in circumstances occur, and if necessary, the Company will adjust its estimate of the transaction price, and any addition to the transaction price would be recognized as revenue when it becomes probable that inclusion would not lead to a significant revenue reversal.

The following table summarizes revenue recognized under the Roche pralsetinib collaboration during the three and six months ended June 30, 2022 and 2021 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Manufacturing and research and development services related to Roche territory-specific activities	$ 35	$ 1,912	$ 691	$ 3,684
Royalty revenue	313	—	600	—
Total Roche pralsetinib collaboration revenue	$ 348	$ 1,912	$ 1,291	$ 3,684

For the parties' participation in global development for pralsetinib and the U.S. commercialization activities for GAVRETO, the Company concluded that those activities and cost-sharing payments related to such activities are within the scope of ASC 808, as both parties are active participants in the development, manufacturing and commercialization activities and are exposed to significant risks and rewards of those activities under the Roche pralsetinib collaboration agreement. Payments to or reimbursements from Roche related to the global development activities are accounted for as an increase to or reduction of research and development expenses. Prior to July 1, 2021, the Company was the principal for product sales to customers in the U.S. and recognized revenues on sales to third parties in product revenue, net in its consolidated statements of operations and comprehensive loss. On July 1, 2021, Roche took over certain responsibilities associated with product sales to customers, pricing and distribution matters for GAVRETO in the U.S. and became the principal for recording product sales to customers in the U.S., and the Company recognized its portion of the commercial losses sharing as collaboration loss sharing in its consolidated statements of operations and comprehensive loss.

The following table summarizes the amount recognized from collaboration loss sharing after Roche became the principal for product sales of GAVRETO to customers in the U.S. (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
The Company's share of loss in the U.S. for pralsetinib	$ 2,145	$ —	$ 5,410	$ —

The following table summarizes the amounts recognized as reductions to selling, general and administrative expenses related to the commercialization of GAVRETO in the U.S. and reductions to or increases in research and development expenses related to global development activities for pralsetinib under the Roche pralsetinib collaboration during the three and six months ended June 30, 2022 and 2021 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Reductions to selling, general and administrative expenses	$ 4,416	$ 2,157	$ 9,248	$ 5,155
Reductions to (increases in) research and development expenses	$ (3,714)	$ 2,072	$ (3,704)	$ 6,154

The following table summarizes the contract assets associated with the Roche pralsetinib collaboration as of June 30, 2022 and December 31, 2021 (in thousands):

	June 30, 2022	December 31, 2021
Accounts receivable, net	$ 980	$ 2,679
Unbilled accounts receivable	$ —	$ 6,802

In June 2022, although the Company sold its right to receive royalty payments from Roche's sales of GAVRETO in Roche territory to Royalty Pharma, given the Company's significant continuing involvement in the generation of future royalties, the Company continues to account for any royalties and development and commercialization milestones earned related to the Roche territory activities under the Roche pralsetinib collaboration agreement as collaboration revenue on its consolidated statements of operations and comprehensive loss. For additional information, see Note 3 – *Liability related to the sale of future royalties*.

Clementia

In October 2019, the Company entered into a license agreement (the Clementia agreement) with Clementia Pharmaceuticals, Inc. (Clementia), a wholly-owned subsidiary of Ipsen S.A. Under the Clementia agreement, the Company granted an exclusive, worldwide, royalty-bearing license to Clementia to develop and commercialize BLU-782, the Company's oral, highly selective investigational ALK2 inhibitor in Phase 1 clinical development for the treatment of fibrodysplasia ossificans progressiva (FOP), as well as specified other compounds related to the BLU-782 program.

Under the Clementia agreement, the Company received an upfront cash payment of $25.0 million and through June 30, 2022, the Company has received an aggregate of $50.0 million in cash milestone payments. Subject to the terms of the Clementia agreement, in addition to the upfront and milestone payments received through June 30, 2022, the Company is eligible to receive up to $460.0 million in contingent payments, including specified development, regulatory and sales-based milestones for licensed products. In addition, Clementia is obligated to pay to the Company royalties on aggregate annual worldwide net sales of licensed products at tiered percentage rates ranging from the low- to mid-teens, subject to adjustment in specified circumstances under the Clementia agreement, and to purchase specified manufacturing inventory from the Company for a total of $1.5 million.

Unless earlier terminated in accordance with the terms of the Clementia agreement, the agreement will expire on a country-by-country, licensed product-by-licensed product basis on the date when no royalty payments are or will become due. Clementia may terminate the agreement at any time on or after the second anniversary of the effective date of the agreement upon at least 12 months' prior written notice to the Company, which cannot be delivered before the first anniversary of the effective date. Either party may terminate the agreement for the other party's uncured material breach or insolvency and in certain other circumstances agreed to by the parties. In certain termination circumstances, the Company is entitled to retain specified licenses to be able to continue to exploit the Clementia licensed products.

The Company evaluated the Clementia agreement under ASC 606, as the agreement represented a transaction with a customer. The Company identified the following material promises under the agreement: (1) the exclusive license to develop, manufacture and commercialize BLU-782; (2) the technology transfer of BLU-782 program; (3) the transfer

of existing manufacturing inventory; and (4) the transfer of in-process manufacturing inventory. In addition, the Company determined that the exclusive license and technology transfer were not distinct from each other, as the exclusive license has limited value without the corresponding technology transfer. As such, for the purposes of ASC 606, the Company determined that these four material promises, described above, should be combined into three performance obligations: (1) the exclusive license and the technology transfer; (2) the transfer of existing manufacturing inventory; and (3) the transfer of in-process manufacturing inventory.

The Company determined that the transaction price as of the outset of the arrangement was $46.5 million, which consisted of the upfront amount of $25.0 million, the $20.0 million cash milestone payment received in the third quarter of 2020, the purchase of existing manufacturing inventory of $1.2 million and the purchase of in-process manufacturing inventory of $0.3 million. The transaction price was allocated to the three performance obligations on a relative stand-alone selling price basis. The Company satisfied the performance obligations upon delivery of the license and completion of the technology transfer and inventory transfers. During 2019, the Company completed the delivery of the license, the technology transfer and the transfer of existing manufacturing inventory and recognized a total of $46.2 million as revenue.

During the three months ended June 30, 2022, no revenue was recognized from the Clementia collaboration. During the six months ended June 30, 2022, cash consideration associated with an achieved development milestone of $30.0 million was added to the estimated transaction price for the Clementia agreement and recognized as revenue. The other potential milestone payments that the Company is eligible to receive were excluded from the transaction price, as the amounts were fully constrained based on the probability of achievement. The Company will reevaluate the transaction price at the end of each reporting period and as uncertain events are resolved or other changes in circumstances occur, and if necessary, the Company will adjust its estimate of the transaction price, and any addition to the transaction price would be recognized as revenue when it becomes probable that inclusion would not lead to a significant revenue reversal.

During the three and six months ended June 30, 2021, no material revenue was recognized from the Clementia collaboration. There was no revenue deferred as a contract liability associated with the Clementia agreement as of June 30, 2022 and December 31, 2021.

CStone Pharmaceuticals

In June 2018, the Company entered into a collaboration and license agreement (the CStone agreement) with CStone Pharmaceuticals (CStone) pursuant to which the Company granted CStone exclusive rights to develop and commercialize the Company's drug candidates avapritinib, pralsetinib and fisogatinib, including back-up forms and certain other forms thereof, in Mainland China, Hong Kong, Macau and Taiwan (each, a CStone region and collectively, the CStone territory), either as a monotherapy or as part of a combination therapy.

The Company received an upfront cash payment of $40.0 million, and through June 30, 2022, the Company has achieved an aggregate of $27.0 million in milestones under this collaboration. Subject to the terms of the CStone agreement, in addition to the upfront payments received and milestones achieved through June 30, 2022, the Company will be eligible to receive up to $319.0 million in contingent payments, including specified development, regulatory and sales-based milestones for licensed products. In addition, CStone will be obligated to pay the Company tiered percentage royalties on a licensed product-by-licensed product basis ranging from the mid-teens to low twenties on annual net sales of each licensed product in the CStone territory, subject to adjustment in specified circumstances. CStone will be responsible for costs related to the development of the licensed products in the CStone territory, other than specified costs related to the development of fisogatinib as a combination therapy in the CStone territory that will be shared by the Company and CStone.

Pursuant to the terms of the CStone agreement, CStone is responsible for conducting all development and commercialization activities in the CStone territory related to the licensed products. Subject to specified exceptions, during the term of the CStone agreement, each party has agreed that neither it nor its affiliates will conduct specified development and commercialization activities in the CStone territory related to selective inhibitors of FGFR4, KIT, PDGFRA and RET. In addition, under the CStone agreement, each party has granted the other party specified intellectual property licenses to enable the other party to perform its obligations and exercise its rights under the CStone

agreement, including license grants to enable each party to conduct research, development and commercialization activities pursuant to the terms of the CStone agreement.

The CStone agreement will continue on a licensed product-by-licensed product and CStone region-by-CStone region basis until the later of (i) 12 years after the first commercial sale of a licensed product in a CStone region in the CStone territory and (ii) the date of expiration of the last valid patent claim related to the Company's patent rights or any joint collaboration patent rights for the licensed product that covers the composition of matter, method of use or method of manufacturing such licensed product in such region. Subject to the terms of the CStone agreement, CStone may terminate the CStone agreement in its entirety or with respect to one or more licensed products for convenience by providing written notice to the Company, and CStone may terminate the CStone agreement with respect to a licensed product for convenience at any time by providing written notice to the Company following the occurrence of specified events. In addition, the Company may terminate the CStone agreement under specified circumstances if CStone or certain other parties challenges the Company's patent rights or any joint collaboration patent rights or if CStone or its affiliates do not conduct any material development or commercialization activities with respect to one or more licensed products for a specified period of time, subject to specified exceptions. Either party may terminate the CStone agreement for the other party's uncured material breach or insolvency. In certain termination circumstances, the parties are entitled to retain specified licenses to be able to continue to exploit the licensed products, and in the event of termination by CStone for the Company's uncured material breach, the Company will be obligated to pay CStone a low single digit percentage royalty on a licensed product-by-licensed product basis on annual net sales of such licensed product in the CStone territory, subject to a cap and other specified exceptions.

The Company evaluated the CStone agreement to determine whether it is a collaborative arrangement for purposes of ASC 808. The Company determined that there were two material components of the CStone agreement: (i) the CStone territory-specific license and related activities in the CStone territory, and (ii) the parties' participation in global development of the licensed products. The Company concluded that the CStone territory-specific license and related activities in the CStone territory are not within the scope of ASC 808 because the Company is not exposed to significant risks and rewards. The Company concluded that CStone is a customer with regard to the component that includes the CStone territory-specific license and related activities in CStone territory, which include manufacturing. For the parties' participation in global development of the licensed products, the Company concluded that the research and development activities and cost-sharing payments related to such activities are within the scope of ASC 808 as both parties are active participants exposed to the risk of the activities under the CStone agreement. The Company concluded that CStone is not a customer with regard to the global development component in the context of the CStone agreement. Therefore, payments received by the Company for global development activities under the CStone agreement, including manufacturing, are accounted for as a reduction of related expenses.

A summary of manufacturing and research and development services related to the global development activities, net of expenses payable to CStone during the three and six months ended June 30, 2022 and 2021 is as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Manufacturing and research and development services related to global development activities, net of expenses payable to CStone	$ 662	$ 269	$ 1,150	$ 1,008

The Company evaluated the CStone territory-specific license and related activities in the CStone territory under ASC 606, as these transactions are considered transactions with a customer. The Company identified the following material promises under the arrangement: (1) the three exclusive licenses granted in the CStone territory to develop, manufacture and commercialize the three licensed products; (2) the initial know-how transfer for each licensed product; (3) manufacturing activities related to development and commercial supply of the licensed products; (4) participation in the joint steering committee (JSC) and joint project teams (JPT); (5) regulatory responsibilities; and (6) manufacturing technology and continuing know-how transfers. The Company determined that each licensed product is distinct from the other licensed products. In addition, the Company determined that the exclusive licenses and initial know-how transfers for each licensed product were not distinct from each other, as each exclusive license has limited value without the corresponding initial know-how transfer. For purposes of ASC 606, the Company determined that participation on the JSC and JPTs, the regulatory responsibilities and the manufacturing technology and continuing know-how transfers are qualitatively and quantitatively immaterial in the context of the CStone agreement and therefore are excluded from

performance obligations. As such, the Company determined that these six material promises, described above, should be combined into one performance obligation for each of the three candidates.

The Company evaluated the provision of manufacturing activities related to development and commercial supply of the licensed products as an option for purposes of ASC 606 to determine whether these manufacturing activities provide CStone with any material rights. The Company concluded that the manufacturing activities were not issued at a significant and incremental discount, and therefore do not provide CStone with any material rights. As such, the manufacturing activities are excluded as performance obligations at the outset of the arrangement.

Based on these assessments, the Company identified three distinct performance obligations at the outset of the CStone agreement, which consists of the following for each licensed product: (1) the exclusive license and (2) the initial know-how transfer.

Under the CStone agreement, in order to evaluate the transaction price for purposes of ASC 606, the Company determined that the upfront amount of $40.0 million constituted the entirety of the consideration to be included in the transaction price as of the outset of the arrangement, which was allocated to the three performance obligations. The potential milestone payments that the Company is eligible to receive were excluded from the transaction price, as all milestone amounts were fully constrained based on the probability of achievement. The Company satisfied the performance obligations upon delivery of the licenses, initial know-how transfers and product trademark and recognized the upfront payment of $40.0 million as revenue during the year ended December 31, 2018.

The Company did not achieve any milestones under the CStone agreement during the three months ended June 30, 2022 and 2021. During the six months ended June 30, 2022 and 2021, cash considerations associated with achieved regulatory and development milestones of $4.0 million and $9.0 million, respectively, were added to the estimated transaction price for the CStone agreement and recognized as revenue in such periods. The Company will reevaluate the transaction price at the end of each reporting period and as uncertain events are resolved or other changes in circumstances occur, and if necessary, the Company will adjust its estimate of the transaction price, and any addition to the transaction price would be recognized as revenue when it becomes probable that inclusion would not lead to a significant revenue reversal.

In 2021, the Company entered into commercial supply agreements and an avapritinib manufacturing technology transfer agreement with CStone related to supply of drug substance of avapritinib and drug product of avapritinib and pralsetinib to assist CStone's commercialization activities conducted specifically for the CStone territory. In the first quarter of 2022, the Company entered into a pralsetinib manufacturing technology transfer agreement with CStone related to supply of drug substance of pralsetinib. The manufacturing activities in these agreements were considered as distinct performance obligations from the CStone collaboration agreement and collaboration revenue is recognized upon delivery of the drug substance and drug product to CStone.

A summary of revenue recognized under the CStone agreement during the three and six months ended June 30, 2022 and 2021 is as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
License milestone revenue	$ —	$ —	$ 4,000	$ 9,000
Manufacturing services and royalty revenue related to CStone territory-specific activities	6,082	12,302	11,294	12,573
Total CStone collaboration revenue	$ 6,082	$ 12,302	$ 15,294	$ 21,573

The following table presents the contract assets associated with the CStone collaboration as of June 30, 2022 and December 31, 2021 (in thousands):

	June 30, 2022	December 31, 2021
Accounts receivable, net	$ 11,858	$ 8,164
Unbilled accounts receivable	$ 1,873	$ 5,034

As of June 30, 2022, the Company had $4.6 million of deferred revenue as a contract liability associated with the CStone collaboration. This contract liability results primarily from advance payments made by CStone in connection with commercial supply of pralsetinib for the CStone territory. The contract liability associated with the CStone collaboration was $4.8 million at December 31, 2021.

Roche – Immunotherapy Collaboration

In March 2016, the Company entered into a collaboration and license agreement (as amended, the Roche immunotherapy agreement) with F. Hoffmann-La Roche Ltd and Hoffmann-La Roche Inc. (collectively, Roche) for the discovery, development and commercialization of small molecule therapeutics targeting kinases believed to be important in cancer immunotherapy (including BLU-852, a development candidate for the kinase target MAP4K1, which is believed to play a role in T cell regulation), as single products or possibly in combination with other therapeutics.

Under the Roche immunotherapy agreement, Roche was originally granted up to five option rights to obtain an exclusive license to exploit products derived from the collaboration programs in the field of cancer immunotherapy. Such option rights are triggered upon the achievement of Phase 1 proof-of-concept. As a result of amendments to the Roche immunotherapy agreement in prior reporting periods, the Company and Roche are currently conducting activities for up to two programs under the collaboration. For one of the two collaboration programs, if Roche exercises its option, Roche will receive worldwide, exclusive commercialization rights for the licensed product. For the other collaboration program, if Roche exercises its option, the Company will retain commercialization rights in the U.S. for the licensed product, and Roche will receive commercialization rights outside of the U.S. for the licensed product. The Company will also retain worldwide rights to any products for which Roche elects not to exercise its applicable option.

Prior to Roche's exercise of an option, the Company has the lead responsibility for drug discovery and preclinical development of all collaboration programs. In addition, the Company has the lead responsibility for the conduct of all Phase 1 clinical trials other than those Phase 1 clinical trials for any product in combination with Roche's portfolio of therapeutics, for which Roche has the right to lead the conduct of such Phase 1 clinical trials. Pursuant to the Roche immunotherapy agreement, the parties share the costs of Phase 1 development for each collaboration program. In addition, Roche will be responsible for post-Phase 1 development costs for each licensed product for which it retains global commercialization rights, and the Company and Roche will share post-Phase 1 development costs for each licensed product for which the Company retains commercialization rights in the U.S.

The Company received an upfront cash payment of $45.0 million, and through June 30, 2022, the Company has received an aggregate of $23.5 million in milestone payments under this collaboration. Subject to the terms of the Roche immunotherapy agreement, as amended, in addition to the upfront and milestone payments received through June 30, 2022, the Company is eligible to receive up to approximately $319.3 million in contingent option fees and milestone payments related to specified research, preclinical, clinical, regulatory and sales-based milestones. In addition, for any licensed product for which Roche retains worldwide commercialization rights, the Company will be eligible to receive tiered royalties ranging from low double-digits to high-teens on future net sales of the licensed product. For any licensed product for which the Company retains commercialization rights in the U.S., the Company and Roche will be eligible to receive tiered royalties ranging from mid-single-digits to low double-digits on future net sales in the other party's respective territories in which it commercializes the licensed product. The upfront cash payment and any payments for milestones, option fees and royalties are non-refundable, non-creditable and not subject to set-off.

The Roche immunotherapy agreement will continue until the date when no royalty or other payment obligations are or will become due, unless earlier terminated in accordance with the terms of the Roche immunotherapy agreement. Prior to its exercise of its first option, Roche may terminate the Roche immunotherapy agreement at will, in whole or on

a collaboration target-by-collaboration target basis, upon 120 days' prior written notice to the Company. Following its exercise of an option, Roche may terminate the Roche immunotherapy agreement at will, in whole, on a collaboration target-by-collaboration target basis, on a collaboration program-by-collaboration program basis or, if a licensed product has been commercially sold, on a country-by-country basis, (i) upon 120 days' prior written notice if a licensed product has not been commercially sold or (ii) upon 180 days' prior written notice if a licensed product has been commercially sold. Either party may terminate the Roche immunotherapy agreement for the other party's uncured material breach or insolvency and in certain other circumstances agreed to by the parties. In certain termination circumstances, the Company is entitled to retain specified licenses to be able to continue to exploit the licensed products.

The Company assessed this arrangement in accordance with ASC 606 upon the adoption of the new standard on January 1, 2018, and concluded that the contract counterparty, Roche, is a customer prior to the exercise, if any, of an option by Roche. The Company identified the following material promises under the arrangement: (1) a non-transferable, sub-licensable and non-exclusive license to use the Company's intellectual property and collaboration compounds to conduct research activities; (2) research and development activities through Phase 1 clinical trials under the research plan; (3) five option rights for licenses to develop, manufacture, and commercialize the collaboration targets; (4) participation on a joint research committee (JRC) and joint development committee (JDC); and (5) regulatory responsibilities under Phase 1 clinical trials. The Company determined that the license and research and development activities were not distinct from another, as the license has limited value without the performance of the research and development activities. Participation on the JRC and JDC to oversee the research and development activities was determined to be quantitatively and qualitatively immaterial and therefore is excluded from performance obligations. The regulatory responsibilities related to filings and obtaining approvals related to the drugs that may result from each program do not represent separate performance obligations based on their dependence on the research and development efforts. As such, the Company determined that these promises should be combined into a single performance obligation.

The Company evaluated the option rights for licenses to develop, manufacture, and commercialize the collaboration targets to determine whether it provides Roche with any material rights. The Company concluded that the options were not issued at a significant and incremental discount, and therefore do not provide material rights. As such, they are excluded as performance obligations at the outset of the arrangement.

Based on these assessments, the Company identified one performance obligation at the outset of the Roche immunotherapy agreement, which consists of: (1) the non-exclusive license; (2) the research and development activities through Phase 1; and (3) regulatory responsibilities under Phase 1 clinical trials.

Under the Roche immunotherapy agreement, in order to evaluate the appropriate transaction price, the Company determined that as of January 1, 2018, the upfront amount of $45.0 million constituted the entirety of the consideration to be included in the transaction price as of the outset of the arrangement, which was allocated to the single performance obligation. The option exercise payments that may be received are excluded from the transaction price until each customer option is exercised as it was determined that the options are not material rights. The potential milestone payments that the Company is eligible to receive prior to the exercise of the options were initially excluded from the transaction price, as all milestone amounts were fully constrained based on the probability of achievement. The Company will reevaluate the transaction price at the end of each reporting period and as uncertain events are resolved or other changes in circumstances occur, and, if necessary, adjust its estimate of the transaction price.

Through June 30, 2022, the Company has achieved an aggregate of $23.5 million in research milestones under this collaboration, and these amounts were added to the estimated transaction price and allocated to the existing performance obligation as it became probable that a significant reversal of cumulative revenue would not occur for each of the research milestones achieved. In the first quarter of 2022, it was determined that Roche will initiate a Phase 1 clinical development plan for BLU-852, one of the ongoing programs, in combination with atezolizumab, an approved drug product commercialized by Roche, and pursuant to the Roche immunotherapy agreement, the Company will share the development cost up to $15.0 million. As a result, the Company reduced the aggregated transaction price of this collaboration from $68.5 million to $53.5 million and recorded its commitment of $15.0 million as a contract liability on its unaudited condensed consolidated financial statements.

The Company recognizes revenue associated with the performance obligation as the research and development services are provided using an input method, according to the costs incurred as related to the research and development activities on each program and the costs expected to be incurred in the future to satisfy the performance obligation. The

transfer of control occurs over this time period and, in management's judgment, is the best measure of progress towards satisfying the performance obligation. The amounts received that have not yet been recognized as revenue are deferred as a contract liability on the Company's consolidated balance sheet and will be recognized over the remaining research and development period until the performance obligation is satisfied. In the first quarter of 2022, a reduction in the costs expected to be incurred in the future to satisfy certain performance obligations under the collaboration became probable as a result of Roche and the Company endorsing the Phase 1 clinical development plan for one of the ongoing programs in combination with Roche's product.

Because of the revision to the cost expected to be incurred to satisfy the performance obligation and the reduction of the $15.0 million payment commitment to Roche from the aggregated transaction price of $68.5 million, the Company recorded a cumulative revenue catch-up of $2.9 million during the six months ended June 30, 2022. A summary of revenue recognized or revenue reduced under the Roche immunotherapy agreement during the three and six months ended June 30, 2022 and 2021 is as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Roche collaboration research and development services revenue	$ 1,183	$ 1,349	$ (765)	$ 2,885

During the three and six months ended June 30, 2022 and 2021, the Company recognized the following revenue due to the changes in the contract liability balances (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Amounts included in the contract liability at the beginning of the period	$ 1,395	$ 1,064	$ 2,405	$ 2,302

The following table summarizes the contract liability related to the Roche immunotherapy agreement as of June 30, 2022, and December 31, 2021 (in thousands):

	June 30, 2022			December 31, 2021		
	Current	Noncurrent	Total	Current	Noncurrent	Total
Deferred revenue	$ 4,903	$ 12,661	$ 17,564	$ 6,339	$ 25,066	$ 31,405
Accrued expenses	7,780	6,157	13,937	—	—	—

The research and development services related to the performance obligation are expected to be performed over a remaining period of approximately 3.5 years.

11. Stock-based compensation

2015 Stock Option and Incentive Plan

In 2015, the Company's board of directors and stockholders approved the 2015 Stock Option and Incentive Plan (the 2015 Plan), which replaced the Company's 2011 Stock Option and Grant Plan, as amended (the 2011 Plan). The 2015 Plan includes incentive stock options, nonstatutory stock options, stock appreciation rights, restricted stock, restricted stock units, unrestricted stock, performance share awards and cash-based awards. The Company initially reserved a total of 1,460,084 shares of common stock for the issuance of awards under the 2015 Plan. The 2015 Plan provides that the number of shares reserved and available for issuance under the 2015 Plan will be cumulatively increased on January 1 of each calendar year by 4% of the number of shares of common stock issued and outstanding on the immediately preceding December 31 or such lesser amount as specified by the compensation committee of the board of directors. For the calendar year beginning January 1, 2022, the number of shares reserved for issuance under the 2015 Plan was increased by 2,365,643 shares. In addition, the total number of shares reserved for issuance is subject to adjustment in the event of a stock split, stock dividend or other change in the Company's capitalization. As of June 30, 2022, there were 4,096,926 shares available for future grant under the 2015 Plan.

2020 Inducement Plan

In March 2020, the Company's board of directors adopted the 2020 Inducement Plan (the Inducement Plan), pursuant to which the Company may grant, subject to the terms of the Inducement Plan and Nasdaq rules, nonstatutory stock options, stock appreciation rights, restricted stock awards, restricted stock units, and other stock-based awards. The Company initially reserved a total of 1,000,000 shares of common stock for the issuance of awards under the Inducement Plan. In June 2022, the Company's board of directors approved the reservation of an additional 1,500,000 shares of common stock for the issuance of awards under the Inducement Plan. The number of shares reserved and available for issuance under the Inducement Plan can be further increased at any time with the approval of the Company's board of directors. The Inducement Plan permits the board of directors or a committee thereof to use the stock-based awards available under the Inducement Plan to attract key employees for the growth of the Company. As of June 30, 2022, there were 1,606,017 shares available for future grant under the Inducement Plan.

Stock options

The following table summarizes the stock option activity for the six months ended June 30, 2022:

	Shares	Weighted-Average Exercise Price
Outstanding at December 31, 2021	5,682,022	$ 69.37
Granted	1,013,605	61.67
Exercised	(119,121)	15.39
Canceled	(189,289)	79.11
Outstanding at June 30, 2022	6,387,217	$ 68.86
Exercisable at June 30, 2022	3,881,205	$ 64.81

As of June 30, 2022, the total unrecognized compensation expense related to unvested stock option awards was $97.4 million, which is expected to be recognized over a weighted-average period of approximately 2.65 years.

Restricted stock units

The following table summarizes the restricted stock units activity for the six months ended June 30, 2022:

	Shares	Weighted-Average Grant Date Fair Value
Unvested shares at December 31, 2021	1,590,160	$ 83.85
Granted	743,828	61.43
Vested	(388,087)	79.36
Forfeited	(88,534)	78.98
Unvested shares at June 30, 2022	1,857,367	$ 76.02

As of June 30, 2022, the total unrecognized compensation expense related to unvested restricted stock units was $122.4 million, which is expected to be recognize over a weighted-average period of approximately 2.84 years.

2015 Employee Stock Purchase Plan

In 2015, the Company's board of directors and stockholders approved the 2015 Employee Stock Purchase Plan (the 2015 ESPP), which became effective upon the closing of the Company's initial public offering in May 2015. The Company initially reserved a total of 243,347 shares of common stock for issuance under the 2015 ESPP. The 2015 ESPP provides that the number of shares reserved and available for issuance under the 2015 ESPP will be cumulatively increased on January 1 of each calendar year by 1% of the number of shares of common stock issued and outstanding on the immediately preceding December 31 or such lesser amount as specified by the compensation committee of the board of directors. For the calendar year beginning January 1, 2022, the number of shares reserved for issuance under the 2015 ESPP was increased by 591,410 shares.

Stock-based compensation expense

The Company recognized stock-based compensation expense totaling $25.3 million and $48.7 million for the three and six months ended June 30, 2022, respectively, and $24.3 million and $45.0 million for the three and six months ended June 30, 2021, respectively. Stock-based compensation expense by award type included within the unaudited condensed consolidated statements of operations and comprehensive loss was as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Stock options	$ 12,811	$ 14,965	$ 25,755	$ 29,107
Restricted stock units	12,396	9,270	22,782	16,064
Employee stock purchase plan	317	287	596	563
Subtotal	25,524	24,522	49,133	45,734
Capitalized stock-based compensation costs	(177)	(215)	(387)	(743)
Stock-based compensation expense included in total cost and operating expenses	$ 25,347	$ 24,307	$ 48,746	$ 44,991

Stock-based compensation expense, that is included in operating expenses, by classification within the unaudited condensed consolidated statements of operations and comprehensive loss is as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Research and development	$ 10,497	$ 10,485	$ 20,538	$ 19,432
Selling, general and administrative	14,850	13,822	28,208	25,559
Total	$ 25,347	$ 24,307	$ 48,746	$ 44,991

12. Net Loss per Share

Basic net loss per share is calculated by dividing net loss by the weighted average shares outstanding during the period, without consideration for common stock equivalents. Diluted net loss per share is calculated by adjusting weighted average shares outstanding for the dilutive effect of common stock equivalents outstanding for the period. For purposes of the dilutive net loss per share calculation, stock options, unvested restricted stock units and ESPP shares are considered to be common stock equivalents but are excluded from the calculation of diluted net loss per share, as their effect would be anti-dilutive; therefore, basic and diluted net loss per share were the same for all periods presented as a result of the Company's net loss.

The following common stock equivalents were excluded from the calculation of diluted net loss per share for the three and six months ended June 30, 2022 and 2021 because including them would have had an anti-dilutive effect (in thousands):

	June 30,	
	2022	2021
Stock options	6,387	6,199
Restricted stock units	1,857	1,556
ESPP shares	46	25
Total	8,290	7,780

13. Income Taxes

The Company utilizes the asset and liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are determined based on the difference between the financial statement carrying amounts and tax basis of assets and liabilities using enacted tax rates in effect for years in which the temporary

differences are expected to reverse. The Company provides a valuation allowance when it is more likely than not that deferred tax assets will not be realized.

The realization of deferred income tax assets is dependent on the generation of sufficient taxable income during future periods in which temporary differences are expected to reverse. Where the realization of such assets does not meet the more likely than not criterion, the Company applies a valuation allowance against the deferred income tax asset under consideration. The valuation allowance is reviewed periodically and if the assessment of the more likely than not criterion changes, the valuation allowance is adjusted accordingly. As of June 30, 2022, the Company has a full valuation allowance applied against its U.S. and foreign deferred tax assets.

On March 11, 2021, President Joe Biden signed into law a relief and stimulus package known as the American Rescue Plan Act of 2021 (ARPA) stimulus package. While this Act provides various tax provisions including for example, extending the employee retention credit through the end of 2021, modifying the paid sick and family leave credits, repealing the worldwide interest allocation rules that were scheduled to take effect in 2021, and expanding the number of employees subject to the limit on the deduction for executive compensation under Section 162(m) beginning in 2027, among other things, based on the Company's initial review of the various business tax provisions offered in the ARPA along with having a valuation allowance on its U.S. deferred tax assets, it does not believe that there is an impact to the Company and as such the recording of a discrete item was not required during the three and six months ended June 30, 2022.

Effective January 1, 2022, a provision of the Tax Cuts and Jobs Act (TCJA) has taken effect creating a significant change to the treatment of research and experimental (R&E) expenditures under Section 174 of the IRC (Sec. 174 expenses). Historically, businesses have had the option of deducting Sec. 174 expenses in the year incurred or capitalizing and amortizing the costs over five years. The new TCJA provision, however, eliminates this option and will require Sec. 174 expenses associated with research conducted in the U.S to be capitalized and amortized over a five-year period. For expenses associated with research outside of the United States, Sec. 174 expenses will be capitalized and amortized over a 15-year period. The Company prepared an analysis of the tax impact of capitalizing and amortizing these costs over the required periods and is expected to be in a taxable income position after the estimated addback for calendar year ended December 31, 2022.

On June 30, 2022, the Company entered into a royalty purchase agreement with Royalty Pharma and a purchase and sale agreement with Sixth Street Partners. Pursuant to the agreements, the Company received gross proceeds of $175.0 million from Royalty Pharma in June 2022 and $250.0 million from Sixth Street Partners in July 2022 upon the transactions closing. The total cash consideration of $425.0 million, in its entirety, is considered taxable income for calendar year ended December 31, 2022. Therefore, the $425.0 million is included in the estimated taxable income calculation when estimating the Company's forecasted 2022 annual effective tax rate.

As of June 30, 2022, the Company expects to be in a taxable income position for the calendar year ended December 31, 2022, and recorded an income tax expense of $3.1 million and $3.3 million for the three and six months ended June 30, 2022, respectively.

14. Leases

The Company's building leases are comprised of office and laboratory spaces under non-cancelable operating leases. The lease agreements contain various clauses for renewal at the Company's option, and the renewal options were not included in the calculation of the operating lease assets and the operating lease liabilities as the renewal options were not reasonably certain of being exercised as of June 30, 2022. The lease agreements do not contain residual value guarantees and the components of lease cost for the three and six months ended June 30, 2022 and 2021 were as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
Operating leases:	2022	2021	2022	2021
Lease cost	$ 4,942	$ 4,451	$ 10,911	$ 9,177
Sublease income	(600)	(268)	(1,381)	(595)
Net lease cost	$ 4,342	$ 4,183	$ 9,530	$ 8,582

The Company has not entered into any material short-term leases or financing leases as of June 30, 2022.

Supplemental cash flow information related to leases for the six months ended June 30, 2022 and 2021 is as follows (in thousands):

	Six Months Ended June 30,	
	2022	2021
Cash paid for amounts included in the measurement of lease liabilities:	$ 7,763	$ 7,394
Lease liabilities arising from obtaining right-of-use assets:		
Operating leases	$ —	$ —

The weighted average remaining lease term and weighted average discount rate of the operating leases are as follows:

	Operating leases
Weighted average remaining lease term in years	7.3
Weighted average discount rate	7.4%

15. Commitments and Contingencies

Purchase Commitments Associated with Commercial Supply Agreements

In connection with the commercialization of AYVAKIT/AYVAKYT and GAVRETO, the Company has negotiated manufacturing agreements with certain vendors that require the Company to meet minimum purchase obligations on an annual basis. During the six months ended June 30, 2022, there were no material changes to the Company's contractual obligations described in Note 18 to the consolidated financial statements in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2021.

Legal Proceedings

The Company is not currently a party to any material legal proceedings. At each reporting date, the Company evaluates whether or not a potential loss amount or a potential range of loss is probable and reasonably estimable under the provisions of the authoritative guidance that addresses accounting for contingencies. The Company expenses the costs related to its legal proceedings as they are incurred.

Indemnification Agreements

In the ordinary course of business, the Company may provide indemnification of varying scope and terms to vendors, lessors, business partners, and other parties with respect to certain matters including, but not limited to, losses arising out of breach of such agreements or from intellectual property infringement claims made by third parties. In addition, the Company has entered into indemnification agreements with members of its board of directors and senior management that will require the Company, among other things, to indemnify them against certain liabilities that may arise from their status or service as directors or officers of the Company. The maximum potential amount of future payments that the Company could be required to make, or otherwise be liable for, under these indemnification agreements is, in many cases, unlimited. To date, the Company has not incurred any material costs as a result of such indemnifications. The Company is not aware of any claims under indemnification arrangements, and it has not accrued any liabilities related to such obligations in its consolidated financial statements as of June 30, 2022 or December 31, 2021.

16. Subsequent events

Synthetic Royalty Facility

In July 2022, the Company closed a transaction pursuant to a purchase and sale agreement with Sixth Street Partners and received gross proceeds of $250.0 million in exchange for future royalty payments at a rate of 9.75% on up to $900 million each year of (i) aggregate worldwide annual net product sales of AYVAKIT/ AYVAKYT (avapritinib) and, if it is approved, BLU-263, excluding in Greater China, and (ii) aggregate worldwide annual net product sales of BLU-263, subject to a cumulative cap of 1.45 times the upfront invested capital or a total of $362.5 million. In the event that certain revenue targets are not achieved by specified dates, the royalty rate and cumulative cap shall be increased to 15% and 1.85 times the invested capital (or $462.5 million), respectively. Net proceeds from the transaction will be recorded as a liability on the consolidated balance sheet.

Debt Facility

In July 2022, the Company closed on a financing transaction for up to $660.0 million with Sixth Street Partners (financing agreement). The financing agreement entered into by the parties in connection with the transaction provides for (i) a senior secured term loan facility of up to $150.0 million and (ii) a senior secured delayed draw term loan facility of up to $250.0 million to be funded in two tranches at the Company's choice. The loans will mature on June 30, 2028 and bear interest at a variable rate equal to either the Secured Overnight Financing Rate (SOFR) plus six and one half percent (6.50%) or the base rate plus five and one half percent (5.50%), subject to a floor of one percent (1%) and two percent (2%) with respect to the SOFR and base rate, respectively. The initial gross proceeds of $150.0 million was funded in July 2022. In addition, the Company may at any time request an incremental term loan in an amount not to exceed $260.0 million on terms to be agreed and subject to the consent of the lenders providing such incremental term loan.

The Company's obligations under the financing agreement will be secured, subject to certain exceptions, by security interests in the substantially all of the Company's assets and the Company's certain subsidiaries. The financing agreement contains negative covenants that, among other things and subject to certain exceptions, could restrict the Company's ability to incur additional liens, incur additional indebtedness, make investments, including acquisitions, engage in fundamental changes, sell or dispose of assets that constitute collateral, including certain intellectual property, pay dividends or make any distribution or payment on or redeem, retire or purchase any equity interests, amend, modify or waive certain material agreements or organizational documents and make payments of certain subordinated indebtedness. The financing agreement also requires the Company to have consolidated liquidity of at least (i) $50.0 million during the period commencing from the date on which the term loans are funded to the date which is the day before the next term loans are funded and (ii) $80.0 million for each day thereafter.

License Agreement and Stock Purchase and Rights Agreement with IDRx

In August 2022, the Company entered into a license agreement and a stock purchase and rights agreement with IDRx, Inc., a recently launched clinical-stage biopharmaceutical company. Pursuant to the agreements, the Company licensed its internally discovered KIT exon 13 inhibitor to IDRx in exchange for a 15% Series A preferred equity investment in IDRx and the eligibility to receive future milestone and tiered royalty payments. Among IDRx's founders are Alexis Borisy, George Demetri, M.D., and Nicholas Lydon, Ph.D., who each currently serve as members of the board of directors of the Company.

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

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our unaudited condensed consolidated financial statements and related notes appearing elsewhere in this Quarterly Report on Form 10-Q and the audited consolidated financial statements and related notes thereto and management's discussion and analysis of financial condition and results of operations included in our Annual Report on Form 10-K for the year ended December 31, 2021, filed with the Securities and Exchange Commission (the SEC) on February 17, 2022. Some of the information contained in this discussion and analysis or set forth elsewhere in this Quarterly Report on Form 10-Q, including information with respect to our plans and strategy for our business, includes forward-looking statements that involve risks and uncertainties. As a result of many factors, including those factors set forth in the "Risk Factors" section of this Quarterly Report on Form 10-Q, our actual results or timing of certain events could differ materially from the results or timing described in, or implied by, these forward-looking statements.

Overview

We are a global precision therapy company that is inventing life-changing medicines for people with cancer and blood disorders. Applying an approach that is both precise and agile, we create therapies that selectively target genetic drivers, with the goal of staying one step ahead across stages of disease. Since 2011, we have leveraged our research platform, including expertise in molecular targeting and world-class drug design capabilities, to rapidly and reproducibly translate science into a broad pipeline of precision therapies. Today, we are delivering our approved medicines, AYVAKIT®/AYVAKYT® (avapritinib) and GAVRETO® (pralsetinib), to patients in the U.S. and Europe, and we are globally advancing multiple programs for systemic mastocytosis (SM), lung cancer and other genomically defined cancers, and cancer immunotherapy.

Our drug discovery approach combines our biological insights with our proprietary compound library and chemistry expertise to design highly selective and potent precision therapies, with the goal of delivering significant and durable clinical benefit to patients based on the genetic driver of their disease. This uniquely targeted, scalable approach is designed to empower the rapid design and development of new treatments and increase the likelihood of success. In addition, our business model integrates our research engine with robust clinical development and commercial capabilities in oncology and hematology to create a cycle of innovation.

Systemic Mastocytosis and other Mast Cell Disorders — AYVAKIT® / AYVAKYT® (avapritinib) and BLU-263

Avapritinib

We are developing and commercializing avapritinib for the treatment of advanced SM and developing avapritinib for the treatment of non-advanced SM. SM is a rare hematologic disorder that causes an overproduction of mast cells and the accumulation of mast cells in the bone marrow and other organs, which can lead to a wide range of debilitating symptoms and, in advanced forms of the disease, organ dysfunction and failure. Nearly all cases of SM are driven by the KIT D816V mutation, which aberrantly activates mast cells.

In June 2021, the FDA approved avapritinib under the brand name AYVAKIT for the treatment of adult patients with advanced SM, including aggressive SM (ASM), SM with an associated hematologic neoplasm (SM-AHN), and mast cell leukemia (MCL). In March 2022, the European Commission expanded the marketing authorization for AYVAKYT to include the treatment of adult patients with ASM, SM-AHN, or MCL, after at least one systemic therapy. We launched AYVAKYT in advanced SM in Germany within one week after receiving the European Commission approval and plan to make AYVAKYT commercially available in other European countries based on local reimbursement and access pathways.

At the European Hematology Association (EHA) Annual Meeting in June 2022, we presented data showing that AYVAKIT improved overall survival (OS) and other clinical outcomes in patients with advanced SM, when indirectly compared to real-world data for prior best available therapies.

We are also evaluating avapritinib in an ongoing registration-enabling Phase 2 clinical trial in non-advanced SM, which we refer to as our PIONEER trial. In January 2022, we announced that the PIONEER trial was fully enrolled.

In June 2022, we announced that we updated the primary endpoint of the registration-enabling PIONEER trial of AYVAKIT in patients with non-advanced SM, based on a written recommendation from the FDA on statistical considerations ahead of the planned database lock. The mean absolute change in total symptom score (TSS), previously a key secondary endpoint, is now the primary endpoint and the proportion of patients with a 30 percent or greater decrease in TSS, previously the primary endpoint, is now a key secondary endpoint. Both analyses were previously defined as key endpoints that the PIONEER trial was powered to assess. In addition, both endpoints are based on the Indolent SM Symptom Assessment Form, a patient-reported outcomes tool that has been developed and validated in collaboration with the SM community and global regulatory authorities. We plan to report top-line data for Part 2 of the PIONEER trial in August 2022 and to submit a supplemental new drug application (sNDA) to the FDA for avapritinib in non-advanced SM in the second half of 2022.

The FDA has granted breakthrough therapy designation to avapritinib for (i) the treatment of advanced SM, including the subtypes of ASM, SM-AHN and MCL, and (ii) the treatment of moderate to severe indolent SM. In addition, the FDA has granted orphan drug designation to avapritinib for the treatment of mastocytosis, and the European Commission has granted orphan medicinal product designation to avapritinib for the treatment of mastocytosis.

BLU-263

We are developing BLU-263, an investigational, orally available, potent and highly selective KIT inhibitor, for the treatment of non-advanced SM and other mast cell disorders. BLU-263 is designed to have equivalent potency as avapritinib, with low off-target activity and lower central nervous system (CNS) penetration relative to avapritinib based on preclinical data, which we believe will enable development of BLU-263 in a broad population of patients with non-advanced SM, including patients with lower disease burden and potentially patients with other mast cell disorders.

In April 2021, we presented results from a Phase 1 trial of BLU-263 in healthy volunteers at the virtual American Association for Cancer Research (AACR) Annual Meeting, which showed that BLU-263 was well-tolerated at all doses tested. Based on these data, we initiated the Phase 2/3 trial of BLU-263 in patients with non-advanced SM, which we refer to as our HARBOR trial, in the second quarter of 2021. We anticipate presenting initial data from the HARBOR trial in the second half of 2022.

RET-altered Cancers — GAVRETO® (pralsetinib)

We are developing and commercializing pralsetinib for the treatment of RET fusion-positive non-small cell lung cancer (NSCLC), and for the treatment of RET-altered thyroid carcinoma, including medullary thyroid cancer (MTC). We are also developing pralsetinib for the treatment of other RET-altered solid tumors. We have granted exclusive licenses to F. Hoffmann-La Roche Ltd and Genentech, Inc., a member of the Roche Group (which we refer to together as Roche) and CStone Pharmaceuticals (CStone), to develop and commercialize pralsetinib in their respective territories. See "— Collaborations and Licenses Summary" below.

Pralsetinib received accelerated approval in the U.S. under the brand name GAVRETO for the treatment of (i) adult patients with metastatic RET fusion-positive NSCLC as detected by an FDA approved test, (ii) adult and pediatric patients 12 years of age and older with advanced or metastatic RET-mutant MTC who require systemic therapy, and (iii) 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).

In November 2021, Roche announced that the European Commission granted conditional marketing authorization for GAVRETO as a monotherapy for the treatment of adults with RET fusion-positive advanced NSCLC not previously treated with a RET inhibitor. Roche submitted a Type II variation MAA to the EMA for pralsetinib for RET-altered thyroid cancers in December 2021, as well as marketing applications for pralsetinib for RET-altered NSCLC and thyroid cancers across multiple global geographies in 2021. Marketing applications are planned for pralsetinib for RET-altered NSCLC and thyroid cancers across additional global geographies in 2022.

In March 2021, China's NMPA approved GAVRETO for the treatment of RET fusion-positive NSCLC patients previously treated with platinum-based chemotherapy. In March 2022, China's National Medicinal Products

Administration (NMPA) approved GAVRETO for the treatment of RET-mutant MTC and RET fusion-positive thyroid cancer. In February 2022, the Taiwan Food and Drug Administration (TFDA) accepted CStone's NDA for the treatment of patients with RET fusion-positive locally advanced or metastatic NSCLC, RET-mutant MTC, and RET fusion-positive TC. GAVRETO was approved in Hong Kong in July 2022 for the treatment of RET fusion-positive NSCLC.

We evaluated pralsetinib in an ongoing registration-enabling Phase 1/2 clinical trial in patients with RET-altered NSCLC, MTC and other advanced solid tumors, which we referred to as the ARROW trial. In addition, Roche is conducting multiple ongoing studies, including a registration-enabling Phase 3 clinical trial in treatment-naïve patients with RET fusion-positive NSCLC, which is referred to as the ACCELERET-Lung trial; and a registration-enabling Phase 3 clinical trial in patients with locally advanced or metastatic RET-mutated MTC who have not previously received a standard of care multi-kinase inhibitor therapy, which is referred to as the ACCELERET-MTC trial. In June 2021, we reported updated data from the ARROW trial in metastatic RET fusion-positive NSCLC and other advanced solid tumors at the 2021 American Society of Clinical Oncology (ASCO) Annual Meeting. The ARROW trial was fully enrolled in December 2021 and was subsequently transferred to Roche in May 2022. Pursuant to our collaboration with Roche, we are co-developing pralsetinib globally in RET-altered solid tumors, including NSCLC, MTC and other thyroid cancers, as well as other solid tumors.

The FDA has granted breakthrough therapy designation to pralsetinib for (i) the treatment of patients with RET fusion-positive NSCLC that has progressed following platinum-based chemotherapy, and (ii) the treatment of patients with RET mutation-positive MTC that requires systemic treatment and for which there are no acceptable alternative treatments. In addition, the FDA has granted orphan drug designation to pralsetinib for the treatment of RET-rearranged NSCLC, JAK1/2-positive NSCLC or TRKC-positive NSCLC.

PDGFRA-Driven Gastrointestinal Stromal Tumors — AYVAKIT® / AYVAKYT® (avapritinib)

We are commercializing avapritinib for the treatment of patients with PDGFRA exon 18 gastrointestinal stromal tumors (GIST), a rare disease that is a sarcoma, or tumor of bone or connective tissue, of the gastrointestinal tract. Avapritinib is approved in the U.S. under the brand name AYVAKIT for the treatment of adults with unresectable or metastatic GIST harboring a PDGFRA exon 18 mutation, including PDGFRA D842V mutations, and is approved in Europe with conditional marketing authorization under the brand name AYVAKYT as a monotherapy for the treatment of adult patients with unresectable or metastatic GIST harboring a PDGFRA D842V mutation.

In March 2021, CStone announced that China's NMPA approved AYVAKIT for the treatment of adults with unresectable or metastatic GIST harboring a PDGFRA exon 18 mutation, including PDGFRA D842V mutations. AYVAKIT received accelerated approval in April 2021 from the TFDA and approval in Hong Kong in December 2021, both for adults with unresectable or metastatic GIST harboring PDGFRA D842V mutations.

The FDA has granted breakthrough therapy designation for avapritinib for the treatment of unresectable or metastatic GIST harboring the PDGFRA D842V mutation. In addition, the FDA has granted orphan drug designation to avapritinib for the treatment of GIST, and the European Commission has granted orphan medicinal product designation to avapritinib for the treatment of GIST.

EGFR-Mutated NSCLC — BLU-945, BLU-701 and BLU-451

We are developing three investigational epidermal growth factor receptor (EGFR) inhibitors, BLU-945, BLU-701 and BLU-451, which was formerly known as LNG-451, with the goal of addressing nearly all activating mutations (>90 percent) in EGFR-driven NSCLC; specifically, exon 19 deletions, the L858R mutation, and exon 20 insertions. The introduction of EGFR-targeted therapies, including osimertinib, has transformed the care of patients with EGFR-driven NSCLC. However, there remain significant opportunities to improve outcomes for EGFR-mutant NSCLC patients. First, osimertinib has demonstrated shorter overall survival and progression-free survival in patients with L858R activating mutations. Second, the majority of patients will progress due to the emergence of tumor resistance, including specific EGFR-driven, on target resistance as well as off-target bypass resistance. Third, the brain is a common site of disease progression that has proven difficult to treat. Our portfolio of investigational therapies are designed to address each of these opportunities, alone and in combination with other therapies, with the goal of prolonging patient benefit and preventing the emergence of tumor resistance in the front line, addressing on- and off-target mechanisms of resistance in

the second line and later lines of treatment, and preventing and treating brain metastases with enhanced CNS penetration.

BLU-945 and BLU-701 were specifically designed to provide comprehensive coverage of common activating and resistance mutations, spare wild-type EGFR and other kinases to limit off-target toxicities, which is expected to improve the potential combinability with other therapies, and treat or prevent CNS metastases. We believe these profiles may enable BLU-945 and BLU-701 to become the backbones of a range of combination strategies with the potential to address important medical needs for patients with EGFR-driven NSCLC, including in early line treatment settings. We plan to develop BLU-945 and BLU-701 in combination with each other and other therapies, including osimertinib chemotherapy, and antibody drug conjugates, as initial treatments designed to address outstanding unmet needs in patients with activating mutations and prevent both on-target and off-target resistance from emerging. In addition, we plan to develop BLU-945 and BLU-701 as monotherapies and in combination with other therapies in certain biomarker-selected patient populations in the second line and later lines of treatment. We plan to initiate these combination studies as expansion cohorts in the Phase 1/2 trials in EGFR-mutated NSCLC, which we refer to as our SYMPHONY and HARMONY trials throughout the remainder of 2022 and into 2023, with the goal of generating data to further inform development and registration strategies, including opportunities for expedited approvals. We believe that our comprehensive development plan will allow us to address the unmet needs in EGFR-mutant NSCLC that affect nearly 60,000 patients in major markets, including the US, European Union (EU), the UK, and Japan.

In December 2021, we completed our acquisition of Lengo Therapeutics, Inc., along with its lead compound LNG-451, which we now refer to as BLU-451. BLU-451 is an oral precision therapy in development for the treatment of NSCLC in patients with EGFR exon 20 mutations.

EGFR-Positive NSCLC — BLU-945

BLU-945 is a selective and potent investigational inhibitor of EGFR harboring either the activating L858R or exon 19 deletion mutations combined with the acquired T790M and C797S mutations, the most common on-target resistance mutations to first-generation EGFR inhibitors and osimertinib, respectively. In early data from the ongoing Phase 1 dose escalation part of the SYMPHONY trial presented at the AACR Annual Meeting in April 2022, BLU-945 demonstrated dose-dependent decreases in EGFR variant allele fractions via circulating tumor DNA (ctDNA) analysis, and radiographic tumor reductions including an unconfirmed partial response (PR) observed in a patient treated with 400 mg once daily (QD), the highest dose tested as of the data cutoff date. Pharmacokinetic results showed BLU-945 exposures at higher doses were associated with broad EGFR mutation coverage, including the activating L858R mutation with or without acquired resistance mutations. BLU-945 was generally well-tolerated, with no significant adverse events (AEs) associated with wild-type EGFR inhibition. The maximum tolerated dose and recommended Phase 2 dose have not yet been identified, and dose escalation is continuing. We initiated a BLU-945 and osimertinib combination cohort in the ongoing Phase 1/2 SYMPHONY trial in the second quarter of 2022, with initiation of further combination cohorts planned in the second half of 2022 and in 2023.

EGFR-Positive NSCLC — BLU-701

BLU-701 is a selective and potent investigational inhibitor of EGFR harboring either the activating L858R or exon 19 deletion mutations combined with the acquired C797S mutation. In preclinical data presented at the virtual AACR Annual Meeting in April 2021, BLU-701 showed strong and durable inhibition of tumor growth at doses that are EGFR wild-type sparing, and the potential to be used in both first- and second-line settings. BLU-701 indicated significant CNS penetration in preclinical models, with comparable exposure in the plasma and brain, which illustrates its potential to treat or prevent CNS metastases in patients with EGFR-driven tumors. Based on these preclinical data, in the fourth quarter of 2021, we initiated a Phase 1/2 trial of BLU-701 in EGFR-mutant NSCLC, which we refer to as our HARMONY trial. We plan to present initial clinical data from the HARMONY trial in the second half of 2022.

EGFR-Positive NSCLC – Combinations with BLU-945 and/or BLU-701

Based on their differentiated selectivity profiles and potency against on-target EGFR activating and resistant mutants, we believe BLU-945 and BLU-701 have the potential to become backbone therapies for a range of monotherapy or combination strategies for EGFR-positive NSCLC in the first line and later lines of treatment. These combination strategies include BLU-945 and BLU-701 with osimertinib, chemotherapy, and antibody drug conjugates,

as well as BLU-945 and BLU-701 together. Our development plans are driven by BLU-945 and BLU-701 preclinical data which demonstrate coverage of both activating and resistance mutations in EGFRm NSCLC, a broad window over wild-type, and strong CNS penetration. Preclinical data presented at the British Thoracic Oncology Group (BTOG) Annual Conference in January 2022 and the AACR Meeting in April 2022 showed potent antitumor activity on models of exon 19 deletion or LR-driven disease, with or without on-target resistance, supporting the development of both investigational agents in combination in the first- and second-line settings. We plan to initiate these combination studies as expansion cohorts in the ongoing Phase 1/2 SYMPHONY and HARMONY trials during the remainder of 2022 and in 2023.

EGFR Exon 20 Insertion-Positive NSCLC — BLU-451

BLU-451 is a selective and potent investigational inhibitor under development for the treatment of EGFR exon 20 insertion-positive NSCLC. In April 2022, we presented the first preclinical data for BLU-451 at the AACR Annual Meeting demonstrating that BLU-451 is a wild-type EGFR-sparing, CNS penetrant molecule which potently inhibited a broad range of exon 20 insertions and uncommon oncogenic point mutations. In addition, BLU-451 led to measurable tumor regression in a preclinical intracranial tumor model. Based on these foundational preclinical data, in March 2022 we initiated the Phase 1/2 trial of BLU-451 in patients with EGFR-driven NSCLC harboring exon 20 insertion mutations. We plan to present clinical proof-of-concept data for BLU-451 in the first half of 2023.

CDK2-Vulnerable Cancers — BLU-222

We are developing an investigational inhibitor, BLU-222, targeting CDK2 for the treatment of patients with CDK2-vulnerable cancers. CDK2 is cell cycle regulator and an important cancer target, with relevance across multiple malignancies, including hormone-receptor-positive breast cancer and other CCNE1 amplified tumors, including subsets of ovarian and endometrial cancer. In subsets of patients across multiple cancer types, aberrant CCNE1 hyperactivates CDK2, resulting in cell cycle dysregulation and tumor proliferation. Aberrant CCNE1 has been observed as a primary driver of disease, as well as a mechanism of resistance to CDK4/6 inhibitors and other therapies.

At the AACR Annual Meeting in April 2022, we presented preclinical data showing BLU-222 demonstrated significant antitumor activity in a CCNE1-amplified ovarian cancer model. BLU-222 in combination with standard of care agents, including chemotherapy and the PARP inhibitor olaparib, led to sustained tumor regression even after treatment cessation. In the first quarter of 2022, we initiated the Phase 1/2 trial of BLU-222 in CDK2-vulnerable cancers, which we refer to as our VELA trial. BLU-222 is being developed as monotherapy and in combination with other agents, including CDK4/6 inhibitors and ER antagonists, in hormone-receptor-positive, HER2-negative breast cancer (HR+/HER- BC), and as a single agent and in combination in CCNE1-amplified tumor types. We plan to present initial clinical data for BLU-222 in the first half of 2023.

Advanced Cancers — BLU-852

BLU-852 is a selective and potent investigational inhibitor of MAP4K1, a well-characterized immunokinase involved in the regulation of immune cells. Preclinical data presented at the virtual AACR Annual Meeting in April 2021 show that MAP4K1 inhibition enhanced intratumoral immune cell activation, overcame Treg mediated T cell suppression, and reduced tumor burden both as a monotherapy and in combination with checkpoint inhibition. These preclinical data support the continued development of BLU-852. Under our ongoing cancer immunotherapy collaboration, we expect Roche to initiate a Phase 1 trial of BLU-852, as a single agent and in combination with atezolizumab, in advanced cancers in 2023.

Discovery Platform

We plan to continue to leverage our discovery platform to systematically and reproducibly identify kinases that are drivers of diseases in genomically defined patient populations, and craft drug candidates that potently and selectively target these kinases. In addition, we plan to expand our discovery platform by building capabilities, supported by external collaborations, for targeted protein degradation of both kinase and non-kinase targets in precision oncology, with the goal of advancing transformative therapies to patients and further broadening the significant productivity of our research engine. Beyond the discovery programs described above, we have multiple pre-development candidate

programs for undisclosed kinase targets. In 2022, we plan to nominate two development candidates from our discovery programs. We also plan to share our vision for our expanded discovery platform at an R&D Day in the second half of 2022.

Under our targeted protein degradation collaboration with Proteovant, we plan to research and advance up to two novel protein degrader programs into development, with the option to expand to two additional programs. Under our immunotherapy collaboration with Roche, we are conducting activities for up to two discovery programs, including BLU-852. See "—*Collaborations and Licenses*" Summary below.

Development and Commercialization Rights

We currently have worldwide development and commercialization rights to avapritinib, other than the rights licensed to CStone for these drug candidates in Mainland China, Hong Kong, Macau and Taiwan (the CStone territory). We have entered into distribution agreements for certain European countries in which we do not have our own infrastructure, and we plan to pursue additional regulatory approvals and commercialization of avapritinib in additional countries, including through additional distribution agreements.

We have granted Roche an exclusive license to develop and commercialize pralsetinib worldwide, excluding the CStone territory and the U.S., and a co-exclusive license in the U.S. to develop and commercialize pralsetinib. We have granted CStone an exclusive license to develop and commercialize pralsetinib in the CStone territory.

We currently have worldwide development and commercialization rights to BLU-945 and BLU-701, other than the rights licensed to Zai Lab for these drug candidates in Mainland China, Hong Kong, Macau, and Taiwan (collectively, the Zai territory).

Other than the discovery-stage cancer immunotherapy programs (including BLU-852) under our collaboration with Roche, we have worldwide development and commercialization rights to all of our development and discovery programs, including BLU-451, BLU-222 and BLU-263.

We have granted an exclusive worldwide license to Clementia Pharmaceuticals, Inc. (Clementia), a wholly-owned subsidiary of Ipsen S.A., to develop and commercialize BLU-782.

Collaborations and Licenses

Roche—Immunotherapy Collaboration. In March 2016, we entered into a collaboration with Roche to discover, develop and commercialize small molecule therapeutics targeting kinases believed to be important in cancer immunotherapy (including the kinase target MAP4K1, which is believed to play a role in T cell regulation), as single products or possibly in combination with other therapeutics.

Roche—Pralsetinib Collaboration. In July 2020, we entered into a collaboration with Roche to develop and commercialize pralsetinib for the treatment of RET-altered cancers. Under the collaboration, we and Genentech are co-commercializing GAVRETO in the U.S., and Roche has exclusive commercialization rights for pralsetinib outside of the U.S., excluding the CStone territory. We and Roche are also co-developing pralsetinib globally in RET-altered solid tumors, including NSCLC, MTC and other thyroid cancers, and expanding development of pralsetinib in multiple treatment settings.

CStone. In June 2018, we entered into a collaboration with CStone to develop and commercialize avapritinib, pralsetinib and fisogatinib, as well as back-up forms and certain other forms, in the CStone territory either as a monotherapy or as part of a combination therapy.

Clementia. In October 2019, we entered into a license agreement with Clementia Pharmaceuticals, Inc. (Clementia), a wholly-owned subsidiary of Ipsen S.A., and granted Clementia an exclusive, worldwide, royalty-bearing license to develop and commercialize BLU-782, as well as specified other compounds related to the BLU-782 program. BLU-782 is an investigational, orally available, potent and highly selective inhibitor that targets mutant ALK2 in

development for the treatment of FOP. The FDA has granted a rare pediatric disease designation, orphan drug designation and fast track designation to BLU-782, each for the treatment of FOP. Clementia initiated patient dosing in a Phase 2 clinical trial of BLU-782, now referred to as IPN60130, in the first quarter of 2022.

Zai Lab. In November 2021, we entered into a collaboration with Zai Lab to develop and commercialize BLU-701 and BLU-945 for the treatment of EGFR-driven NSCLC in Greater China, including Mainland China, Hong Kong, Macau and Taiwan. The collaboration aims to accelerate and expand global development of BLU-701 and BLU-945.

Proteovant. In February 2022, we entered into a collaboration with Proteovant to research and advance novel targeted protein degrader therapies to address medical needs in oncology and hematology. The collaboration will leverage Proteovant's artificial intelligence-enhanced targeted protein degradation platform and our small molecule precision medicine capabilities to discover and advance up to two novel protein degrader target programs into development, with the option to extend to two additional programs.

Mergers & Acquisitions Summary

Lengo Therapeutics. In December 2021, we completed our acquisition of Lengo Therapeutics, Inc., along with its lead compound LNG-451, now known as BLU-451, which is in development for the treatment of NSCLC in patients with EGFR exon 20 insertion mutations. The acquisition also brought additional undisclosed preclinical precision oncology programs and research tools, including a catalog of covalent, highly brain penetrant kinase inhibitors that we plan to add to our proprietary compound library to further enable future drug discovery efforts.

We will continue to evaluate additional collaborations, acquisitions, partnerships and licenses that could maximize the value of our programs and allow us to leverage the expertise of strategic collaborators, partners and licensors, including in additional geographies where we may not have current operations or expertise. We are also focused on engaging in collaborations, acquisitions, partnerships and license agreements to capitalize on or expand our discovery platform.

Financing Arrangement Summary

Royalty Purchase. In June 2022, we entered into a royalty purchase agreement with Royalty Pharma. Pursuant to the royalty purchase agreement, we received an upfront cash payment of $175.0 million and the right to receive up to $165.0 million in certain milestone payments, subject to the achievement of specified net sales milestones by Roche, in exchange for all of our existing rights to receive royalty payments on the net sales of GAVRETO worldwide excluding the CStone territory and U.S. territory under the terms of the Roche pralsetinib collaboration agreement.

Synthetic Royalty Facility. In June 2022, we entered a purchase and sale agreement with Sixth Street Partners. In July 2022, upon the closing of the transaction pursuant to the purchase and sale agreement, we received gross proceeds of $250.0 million in exchange for future royalty payments at a rate of 9.75% on up to $900 million each year of (i) aggregate worldwide annual net product sales of AYVAKIT/ AYVAKYT (avapritinib) and, if it is approved, BLU-263, excluding in Greater China, and (ii) aggregate worldwide annual net product sales of BLU-263, subject to a cumulative cap of 1.45 times the upfront invested capital or a total of $362.5 million. In the event that certain revenue targets are not achieved by specified dates, the royalty rate and cumulative cap shall be increased to 15% and 1.85 times the invested capital (or $462.5 million), respectively.

Debt Facility. In June 2022, we entered into a financing agreement for up to $660.0 million with Sixth Street Partners. The Financing Agreement provides for (i) a senior secured term loan facility of up to $150.0 million and (ii) a senior secured delayed draw term loan facility of up to $250.0 million to be funded in two tranches at the Company's choice. The loans will mature on June 30, 2028 and bear interest at a variable rate equal to either the SOFR plus six and one half percent (6.50%) or the base rate plus five and one half percent (5.50%), subject to a floor of one percent (1%) and two percent (2%) with respect to the SOFR and base rate, respectively. The initial gross proceeds of $150.0 million was funded in July 2022. In addition, we may at any time request an incremental term loan in an amount not to exceed $260.0 million on terms to be agreed and subject to the consent of the lenders providing such incremental term loan.

Note on the Ongoing COVID-19 Pandemic

Due to the continued evolution and global impact of the ongoing COVID-19 pandemic, we cannot precisely determine or quantify the impact this pandemic will have on our business, operations and financial performance. For our ongoing and planned clinical trials, while we anticipate and have experienced some delays or disruptions due to the COVID-19 pandemic, we have successfully worked with impacted clinical trial sites to ensure study continuity. We actively monitor for COVID-19-related impacts to our supply chain, and we currently have sufficient supply or plans for supply to meet our anticipated global commercial and clinical development needs for our approved drugs and clinical-stage drug candidates. COVID-19 may also impact and has impacted our commercial activities for AYVAKIT/AYVAKYT and GAVRETO, including patient access to testing and identification, but we have observed an increase in in-person engagements and will continue to conduct commercial and medical affairs field activities across our portfolio in virtual formats where in-person interactions are not feasible. We will continue to assess the duration, scope and severity of the COVID-19 pandemic as it evolves and the existing and potential impacts on our business, operations and financial performance, and we will continue to work closely with our third-party vendors, collaborators and other parties in order to seek to advance our pipeline of targeted therapies as quickly as possible, while keeping the health and safety of our employees and their families, healthcare providers, patients and communities a top priority. Please refer to our Risk Factors in Part II, Item IA of this Quarterly Report on Form 10-Q for further discussion of risks related to the COVID-19 pandemic.

Note on the Conflict in Ukraine

On February 24, 2022, Russian forces invaded Ukraine, which has resulted in conflict and disruption in the region. In response to this action taken by Russia, the U.S. and other countries immediately imposed various economic sanctions against Russia. In the event Russia's invasion continues or geographically expands, additional governmental sanctions may be enacted. The direct and indirect impacts of this evolving situation and its effect on global economies in future periods are difficult to predict. We are monitoring the invasion in Ukraine, the impact in the region, and any broader economic effects from the crisis. To date, the Russian invasion of Ukraine has not had a material impact on our business, operations or financial performance.

Financial Operations Overview

To date, we have financed our operations primarily through public offerings of our common stock, private placements of our convertible preferred and common stock, collaborations, a license agreement and a royalty monetization. Through June 30, 2022, we have received an aggregate of $3.2 billion from such transactions, including $1.9 billion in aggregate gross proceeds from the sale of common stock in our initial public offering (IPO), follow-on public offerings, through our "at the market" stock offering program and the equity investment by Roche, $115.1 million in gross proceeds from the issuance of convertible preferred stock, $175.0 million in gross proceeds from our royalty purchase agreement with Royalty Pharma, $1.0 billion in upfront payments and milestone payments under our collaborations with Roche, CStone and Zai Lab, our license agreement with Clementia and our former collaboration with Alexion Pharma Holding (Alexion). In addition, in July 2022, we received a total of $400.0 million in gross proceeds related to our purchase and sale agreement and financing agreement with Sixth Street Partners. Since January 2020, we have also generated revenue through the sales of our approved drug products.

Since inception, we have incurred significant operating losses, with the exception of the year ended December 31, 2020. Our net loss was $265.7 million for the six months ended June 30, 2022. For the year ended December 31, 2021, our net loss was $644.1 million, which included $260.0 million of expenses related to the acquisition of Lengo, and our net income was $313.9 million for the year ended December 31, 2020, primarily due to the collaboration revenue recorded under our collaboration with Roche for pralsetinib. Our net loss was $347.7 million for the year ended December 31, 2019. As of June 30, 2022, we had an accumulated deficit of $1,541.1 million. We expect to continue to incur significant expenses and operating losses over the next few years. We anticipate that our expenses will continue to increase in connection with our ongoing activities, particularly as we:

- maintain and expand our sales, marketing and distribution infrastructure to continue to commercialize our drug and any current or future drug candidates for which we may obtain marketing approval;

- seek marketing approval for our drug candidates, including avapritinib and pralsetinib in additional indications or avapritinib in additional geographies;
- continue to advance clinical development activities for avapritinib and pralsetinib and initiate or advance clinical development activities for other current or future drug candidates as monotherapies or in combination with other agents;
- continue to discover, validate and develop additional drug candidates or development candidates, including BLU-701, BLU-945, BLU-451, BLU-263 and BLU-222;
- continue to manufacture increasing quantities of drug substance and drug product material for use in preclinical studies, clinical trials and commercialization and to purchase quantities of other agents for use in our clinical trial as we develop our drugs and drug candidates as potential combination therapies or for use as comparator agents;
- conduct development and commercialization activities for companion diagnostic tests for our drugs and drug candidates;
- conduct research and development activities under our collaborations with Roche, CStone, Zai Lab and Proteovant;
- maintain, expand and protect our intellectual property portfolio;
- acquire or in-license additional businesses, technologies, drugs or drug candidates, form strategic alliances or create joint ventures with third parties; and
- hire additional research, clinical, quality, manufacturing, regulatory, commercial and general and administrative personnel.

Revenue

In January 2020, the FDA granted approval of avapritinib under the brand name AYVAKIT for the treatment of adults with unresectable or metastatic GIST harboring a PDGFRA exon 18 mutation, including PDGFRA D842V mutations. In September 2020, the European Commission granted conditional marketing authorization to AYVAKYT as a monotherapy for the treatment of adult patients with unresectable or metastatic GIST harboring the PDGFRA D842V mutation. In June 2021, the FDA granted a subsequent approval for AYVAKIT, expanding the labeled indications to include adult patients with advanced SM, including aggressive SM, SM with an associated hematological neoplasm and mast cell leukemia. In March 2022, the European Commission expanded the marketing authorization for AYVAKYT to include the treatment of adult patients with ASM, SM-AHN, or MCL, after at least one systemic therapy.

In September 2020, the FDA granted accelerated approval to pralsetinib under the brand name GAVRETO for the treatment of adult patients with metastatic RET fusion-positive NSCLC as detected by an FDA approved test. In December 2020, the FDA granted a subsequent accelerated approval for GAVRETO, expanding the labeled indications to include adult and pediatric patients 12 years of age and older with advanced or metastatic RET-mutant MTC who require systemic therapy, or with advanced or metastatic RET fusion-positive thyroid cancer who require systemic therapy and who are radioactive iodine-refractory (if radioactive iodine is appropriate).

For the three and six months ended June 30, 2022, our revenue primarily consisted of product sales of AYVAKIT/ AYVAKYT as well as collaboration revenue under our collaborations with CStone and Roche and license agreement with Clementia. We transferred certain responsibilities associated with product sales to customers, pricing and distribution matters related to U.S. product sales of GAVRETO to Roche on July 1, 2021, and have not recorded any net product revenue from product sales of GAVRETO after this date. For additional information, see Note 10*, Collaboration and License Agreements*, to our unaudited condensed consolidated financial statements. Collaboration revenue for the three and six months ended June 30, 2022 primarily includes amounts that were recognized related to

milestone payments, amounts due to us for supply of inventory (under our collaboration agreements) and research and development services, and royalties on drug sales.

In the future, we expect to generate revenue from a combination of sources, including sales of our current drug product and any current or future drug candidates for which we receive marketing approval, royalties on drug sales, upfront, milestone, profit sharing and other payments, if any, under any current or future collaborations and licenses, including revenues related to the supply of our drug candidates or approved drugs to our various collaboration partners. We expect that any revenue we generate will fluctuate from quarter to quarter as a result of the timing and amount of product sales, license fees, research and development services, payments for manufacturing services, and option fees, milestone payments or other payments under our collaboration or license agreements, if any.

Cost of Sales

Our cost of sales includes the cost of producing and distributing inventories that are related to product revenue as well as the sale of drug substance and drug product to our collaboration partners during the respective period, including salary related expenses and stock-based compensation expense for employees involved with production and distribution, freight, and indirect overhead costs. In addition, shipping and handling costs for product shipments are recorded in cost of sales as incurred.

Prior to receiving the initial FDA approval for AYVAKIT and GAVRETO in January 2020 and September 2020, respectively, and subsequent approval for AYVAKIT in June 2021, we manufactured inventory to be sold upon commercialization and recorded approximately $37.7 million related to this inventory as research and development expense. As a result, certain manufacturing costs related to the inventory build-up incurred before FDA approval were expensed in prior periods and are therefore excluded from the cost of goods sold for the three and six months ended June 30, 2022. We estimate our cost of goods sold related to product revenue as a percentage of net product revenue will continue to be positively impacted as we sell through certain inventory that was previously expensed prior to FDA approval. We expect to utilize low-cost inventory for an extended period of time. Once the low-cost inventory balances are sold through, we estimate our costs of goods sold related to product sales to remain in the mid-single digit percentage range. Cost of goods sold related to sales of drug products to our collaboration partners are at lower margins and will partially offset the positive impact of the previously expensed inventory.

Expenses

Collaboration Loss Sharing

On July 1, 2021, Roche took over certain responsibilities associated with product sales to customers, pricing and distribution matters related to GAVRETO in the U.S. and became the principal for recording product sales to customers in the U.S. Collaboration loss sharing consists of our share of the losses incurred from sales of GAVRETO to customers in the U.S. under our collaboration for pralsetinib with Roche. For additional information, see Note 10*, Collaboration and License Agreements*, to our unaudited condensed consolidated financial statements. We expect collaboration loss sharing will fluctuate from quarter to quarter as a result of the timing and amount of GAVRETO sales.

Research and Development Expenses

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

- expenses incurred to acquire in-process research and development asset with no alternative future use;
- employee-related expenses including salaries, benefits, and stock-based compensation expense;
- expenses incurred under agreements with third parties that conduct research and development, preclinical activities, clinical activities and manufacturing on our behalf;

- expenses incurred under agreements with third parties for the development and commercialization of companion diagnostic tests;
- expenses incurred in connection with research and development activities under our immunotherapy collaboration with Roche, and development activities under our collaboration for pralsetinib with Roche;
- the cost of consultants in connection with our research and development activities;
- the cost associated with regulatory quality assurance and quality control operations;
- the cost of lab supplies and acquiring, developing and manufacturing preclinical study materials, clinical trial materials and commercial supply materials; and
- facilities, depreciation, and other expenses, which include direct and allocated expenses for rent and maintenance of facilities, insurance, and other operating costs in support of research and development activities.

Research and development costs are expensed as incurred. Costs for certain activities are recognized based on an evaluation of the progress to completion of specific tasks. Nonrefundable advance payments for goods or services to be received in the future for use in research and development activities are capitalized. The capitalized amounts are expensed as the related goods are delivered or the services are performed.

The successful development of our drug candidates is highly uncertain. As such, at this time, we cannot reasonably estimate or know the nature, timing and estimated costs of the efforts that will be necessary to complete the remainder of the development of these drug candidates. We are also unable to predict when, if ever, material net cash inflows will commence from the sale of our current or future drug candidates for which we received marketing approval. This is due to the numerous risks and uncertainties associated with developing drugs, including the uncertainty of:

- establishing an appropriate safety profile with IND-enabling toxicology studies;
- successful initiation, enrollment in, and completion of clinical trials;
- receipt of marketing approvals from applicable regulatory authorities;
- establishing manufacturing capabilities or making arrangements with third-party manufacturers to ensure adequate clinical and commercial supply;
- obtaining and maintaining patent and trade secret protection and regulatory exclusivity for AYVAKIT/AYVAKYT, GAVRETO and our drug candidates;
- commercializing AYVAKIT/AYVAKYT, GAVRETO and our drug candidates, if and when approved, whether alone or in collaboration with others;
- market acceptance of AYVAKIT/AYVAKYT, GAVRETO and any future drug we may commercialize; and
- continued acceptable safety profile of the drugs following approval.

A change in the outcome of any of these variables with respect to the development of any of our drug candidates would significantly change the costs and timing associated with the development of that drug candidate.

Research and development activities are central to our business model. Drug candidates in later stages of clinical development generally have higher development costs than those in earlier stages of clinical development,

primarily due to the increased size and duration of later-stage clinical trials. We expect research and development costs to increase significantly for the foreseeable future as our drug candidate development programs progress and as we conduct and continue our clinical trials to evaluate our approved drugs for additional indications. However, we do not believe that it is possible at this time to accurately project total program-specific expenses through commercialization. There are numerous factors associated with the successful commercialization of any of our approved drugs or drug candidates for which we may receive marketing approval, including future trial design and various regulatory requirements, many of which cannot be determined with accuracy at this time based on our stage of development. In addition, future commercial and regulatory factors beyond our control will impact our clinical development programs and plans.

A significant portion of our research and development expenses have been external expenses, which we track on a program-by-program basis following nomination as a development candidate. Our internal research and development expenses are primarily personnel-related expenses, including stock-based compensation expense. Except for internal research and development expenses related to collaboration agreements, we do not track our internal research and development expenses on a program-by-program basis as they are deployed across multiple projects under development.

The following table summarizes our external research and development expenses by program for the three and six months ended June 30, 2022 and 2021. Other development and pre-development candidate expenses, unallocated expenses and internal research and development expenses have been classified separately.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
	(in thousands)		(in thousands)	
Avapritinib external expenses	$ 13,961	$ 16,640	$ 23,933	$ 32,504
Pralsetinib external expenses	8,674	1,868	19,631	10,785
BLU-263 external expenses	8,925	5,934	18,021	9,150
BLU-701/945 external expenses	22,459	12,098	36,936	22,299
BLU-222 external expenses	14,640	2,706	20,719	5,248
BLU-451 external expenses	4,368	—	6,503	—
Other development and pre-development candidate expenses and unallocated expenses	22,073	16,898	40,411	32,197
Internal research and development expenses	33,366	23,883	65,445	47,555
Total research and development expenses	$ 128,466	$ 80,027	$ 231,599	$ 159,738

* Pralsetinib external expenses includes reduction for reimbursable expenses from Roche or increases in reimbursements to Roche under our collaboration for pralsetinib with Roche, and other development and pre-development candidate expenses includes reduction for reimbursable expenses under our other collaboration agreement.

We expect that our research and development expenses will increase in future periods as we expand our operations and incur additional costs in connection with our clinical trials and preparing regulatory filings. These increases will likely include the costs related to the implementation and expansion of clinical trial sites and related patient enrollment, monitoring, program management and manufacturing expenses for active pharmaceutical ingredient (API), drug product and drug substance for current and future clinical trials and commercial inventory. In addition, we expect that our research and development expenses will increase in future periods as we incur additional costs in connection with research and development activities under our immunotherapy collaboration with Roche, development activities under our collaboration for pralsetinib with Roche, research and development activities under our collaboration with Proteovant and development activities for companion diagnostic tests for any current and future drug candidates.

Selling, General and Administrative Expenses

Selling, general and administrative expenses consist primarily of compensation and benefits, including stock-based compensation expense, for commercial operations and for personnel in executive, finance, accounting, commercial, business development, information technology, legal and human resources functions. Other significant costs include facility costs not otherwise included in research and development expenses, commercial development

activities, legal fees related to intellectual property and corporate matters and fees for accounting and consulting services.

We expect that our selling, general and administrative expenses will continue to increase in the future to support additional research and development activities and commercialization activities, including expanding our sales, marketing and distribution infrastructure to commercialize any drugs for which we may obtain marketing approval for additional indications or in additional geographies and expanding our operations globally. These increases will likely include increased costs related to the hiring of additional personnel, legal, auditing and filing fees and general compliance and consulting expenses, among other expenses. We have incurred and will continue to incur additional expenses associated with operating as a public company and expanding the scope of our operations.

Interest Income (Expense), Net

Interest income (expense), net consists primarily of income earned on cash equivalents and marketable securities.

As a result of the royalty purchase agreement with Royalty Pharma, we expect our interest expense to increase in the future. Interest expense on liability related to the sale of future royalties consists of the periodic interest calculated using the effective interest rate method over the future estimated royalty payments due to Royalty Pharma over the life of the purchase and sale agreement. For additional information, see Note 3, *Liability Related to the Sale of Future Royalties*, to our unaudited condensed consolidated financial statements.

Other Income (Expense), Net

Other income (expense), net consists primarily of foreign currency transaction gains or losses.

Income Tax Expense

Income tax expense consists of federal, state and foreign income taxes incurred.

Critical Accounting Policies and Estimates

For a description of our critical accounting policies and estimates, please see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Financial Operations Overview—Critical Accounting Policies and Estimates” in our Annual Report on Form 10-K for the year ended December 31, 2021. There have been no significant changes to our critical accounting policies and estimates since December 31, 2021 with the exception of the below new policy.

Liability related to the sale of future royalties

We account for net proceeds from sales of our rights to receive future royalty payments as a liability related to the sale of future royalties if we have significant continuing involvement in the generation of the related future cash flows. Interest on the liability related to the sale of future royalties will be recognized using the effective interest rate method over the life of the related royalty stream. The liability related to the sale of future royalties and the expected interest expenses are based on our current estimates of future royalties and commercial milestones expected to be achieved and received over the life of the arrangement, which we determine by using forecasts of the underlying drug products of the underlying regions. We will periodically assess the expected payments and to the extent the amount or timing of the future estimated payments is materially different than our previous estimates, we will account for any such change by adjusting the liability related to the sale of future royalties and prospectively recognizing the related interest expense.

Results of Operations

Comparison of Three Months Ended June 30, 2022 and 2021

The following table summarizes our results of operations for the three months ended June 30, 2022 and 2021, together with the changes in those items in dollars and as a percentage:

	Three Months Ended June 30,			
	2022	2021	Dollar Change	% Change
	(in thousands)			
Revenues:				
Product revenue, net	$ 28,454	$ 11,433	$ 17,021	149 %
Collaboration revenue	8,093	15,862	(7,769)	(49)
Total revenues	36,547	27,295	9,252	34
Cost and operating expenses:				
Cost of sales	4,886	6,493	(1,607)	(25)
Collaboration loss sharing	2,145	—	2,145	100
Research and development	128,466	80,027	48,439	61
Selling, general and administrative	58,688	49,286	9,402	19
Total cost and operating expenses	194,185	135,806	58,379	43
Other income (expense):				
Interest income, net	427	633	(206)	(33)
Other income (expense), net	632	(373)	1,005	269
Total other income, net	1,059	260	799	307
Loss before income taxes	(156,579)	(108,251)	(48,328)	(45)
Income tax expense	(3,130)	(193)	(2,937)	(1,522)
Net loss	$ (159,709)	$ (108,444)	$ (51,265)	(47)%

Product Revenue, Net

Net product revenue increased by $17.0 million from $11.4 million for three months ended June 30, 2021 to $28.5 million for three months ended June 30, 2022.

We started generating revenue from sales of AYVAKIT in the first quarter of 2020 following FDA approval of AYVAKIT for the treatment of adults with unresectable or metastatic GIST harboring a PDGFRA exon 18 mutation, including PDGFRA D842V mutations. In September 2020, the European Commission granted conditional marketing authorization to avapritinib under the brand name AYVAKYT as a monotherapy for the treatment of adult patients with unresectable or metastatic GIST harboring the PDGFRA D842V mutation. In June 2021, the FDA granted a subsequent approval for AYVAKIT, expanding the labeled indications to include adult patients with advanced SM, including aggressive SM, SM with an associated hematological neoplasm and mast cell leukemia. In March 2022, the European Commission expanded the marketing authorization for AYVAKYT to include the treatment of adult patients with ASM, SM-AHN, or MCL, after at least one systemic therapy.

We started generating revenue from sales of GAVRETO in the third quarter of 2020 following the initial FDA approval of GAVRETO. GAVRETO was originally approved for the treatment of adult patients with metastatic RET fusion-positive NSCLC and subsequently approved for adult and pediatric patients 12 years of age and older with advanced or metastatic thyroid cancer who require systemic therapy and who are radioactive iodine-refractory (if radioactive iodine is appropriate). We transferred certain responsibilities associated with product sales to customers, pricing and distribution matters related to U.S. product sales of GAVRETO to our collaboration partner on July 1, 2021, and have not recorded any net product revenue from product sales of GAVRETO after this date. For additional information, see Note 10, *Collaboration and License Agreements*, to our unaudited condensed consolidated financial statements.

The following table summarizes revenue recognized from sales of AYVAKIT/AYVAKYT and GAVRETO during the three months ended June 30, 2022 and 2021 (in thousands):

	Three Months Ended June 30,					
	2022			2021		
	United States	Rest of World	Total	United States	Rest of World	Total
AYVAKIT/AYVAKYT	$ 24,682	$ 3,772	$ 28,454	$ 6,718	$ 1,837	$ 8,555
GAVRETO	—	—	—	2,878	—	2,878
Total product revenue, net	$ 24,682	$ 3,772	$ 28,454	$ 9,596	$ 1,837	$ 11,433

Collaboration Revenue

Collaboration revenue decreased by $7.8 million from $15.9 million for the three months ended June 30, 2021 to $8.1 million for the three months ended June 30, 2022. The following table summarizes the revenue recognized from our collaboration and license agreements during the three months ended June 30, 2022 and 2021 (in thousands):

	Three Months Ended June 30,	
	2022	2021
CStone collaboration	$ 6,082	$ 12,302
Cancer immunotherapy with Roche	1,183	1,349
Other	828	2,211
Total collaboration and license revenue	$ 8,093	$ 15,862

Revenue recognized under our CStone collaboration for the three months ended June 30, 2022 consisted of manufacturing services related to CStone territory-specific activities and royalties on drug sales. Revenue recognized under our cancer immunotherapy collaboration with Roche for the three months ended June 30, 2022 consisted of amortization of the total $53.5 million of upfront and milestone payments achieved as of such period. Other revenue for the three months ended June 30, 2022 was associated with Roche territory-specific activities under our collaboration with Roche for pralsetinib and Zai Lab territory-specific activities under our collaboration with Zai Lab.

Revenue recognized under our CStone collaboration for the three months ended June 30, 2021 was primarily generated by the manufacturing services associated with CStone territory-specific activities during the quarter, including supply of drug substance and drug product to CStone for sale in their territory. Revenue recognized under our cancer immunotherapy collaboration with Roche for three months ended June 30, 2021 consisted of amortization of the total $64.5 million of upfront and milestone payments achieved as of such period. Other revenue for the three months ended June 30, 2021 was primarily associated with services related to Roche territory-specific activities under our collaboration with Roche for pralsetinib.

Cost of Product Sales

Cost of product sales decreased by $1.6 million from $6.5 million during the three months ended June 30, 2021 to $4.9 million for the three months ended June 30, 2022 and was related to manufacturing costs associated with our products sales as well as costs associated with the sale of drug products to our collaboration partners. The following table summarizes the cost of sales by type during the three months ended June 30, 2022 and 2021 (in thousands):

	Three Months Ended June 30,	
	2022	2021
Cost of product sales	$ 795	$ 1,362
Cost of collaboration sales	4,091	5,131
Total cost of sales	$ 4,886	$ 6,493

The decrease in costs of product sales was primarily driven by the decrease in sale of drug products to our collaboration partners. In addition, costs associated with our net product revenue remain at higher margins as certain costs associated with the manufacture of our drugs prior to FDA approval were recorded as research and development expenses and, therefore, were not included in cost of sales during such period.

Collaboration Loss Sharing

Our loss sharing under the collaboration with Roche for pralsetinib was $2.1 million for the three months ended June 30, 2022.

Research and Development Expense

Research and development expense increased by $48.4 million from $80.0 million for the three months ended June 30, 2021 to $128.5 million for the three months ended June 30, 2022. The increase in research and development expense was primarily due to an increase of $30.5 million in increased clinical supply manufacturing and clinical development activities due to the progression and expansion of our clinical trials, an increase of $9.8 million in costs related to early discovery and expanding the platform, and an increase of $8.1 million in personnel expenses.

Selling, General and Administrative Expense

Selling, general and administrative expense increased by $9.4 million from $49.3 million for the three months ended June 30, 2021 to $58.7 million for the three months ended June 30, 2022. The increase in selling, general and administrative expense was primarily related to an increase of $6.7 million in personnel expenses associated with the expansion of our commercial infrastructure for commercialization of AYVAKIT/AYVAKIT, including a $1.0 million increase in stock-based compensation expense.

Interest Income, Net

Interest income, net, decreased by $0.2 million from $0.6 million for the three months ended June 30, 2021 to $0.4 million for the three months ended June 30, 2022.

Other Income (Expense), Net

Other income, net, increased by $1.0 million from $0.4 million expense for the three months ended June 30, 2021 to $0.6 million income for the three months ended June 30, 2022.

Income Tax Expense

Income tax expense increased by $2.9 million from $0.2 million for the three months ended June 30, 2021 to $3.1 million for three months ended June 30, 2022. On June 30, 2022, we entered into a royalty purchase agreement with Royalty Pharma and a purchase and sale agreement with Sixth Street Partners. Pursuant to the agreements, we received

gross proceeds of $175.0 million from Royalty Pharma in June 2022 and $250.0 million from Sixth Street Partners in July 2022 upon the transactions closing. Both cash considerations in their entirety are considered as taxable income for the calendar year ending December 31, 2022 which resulted in the Company being in an estimated taxable income position for the calendar year ending December 31, 2022 and the increase in income tax expense for three months ended June 30, 2022. For additional information, see Note 13, *Income Taxes*, to our unaudited condensed consolidated financial statements.

Comparison of Six Months Ended June 30, 2022 and 2021

The following table summarizes our results of operations for the six months ended June 30, 2022 and 2021, together with the changes in those items in dollars and as a percentage:

	Six Months Ended June 30,			
	2022	2021	Dollar Change	% Change
		(in thousands)		
Revenues:				
Product revenue, net	$ 52,295	$ 20,388	$ 31,907	156 %
Collaboration revenue	46,983	28,483	18,500	65
Total revenues	99,278	48,871	50,407	103
Cost and operating expenses:				
Cost of sales	9,964	6,595	3,369	51
Collaboration loss sharing	5,410	—	5,410	100
Research and development	231,599	159,738	71,861	45
Selling, general and administrative	115,747	91,288	24,459	27
Total cost and operating expenses	362,720	257,621	105,099	41
Other income (expense):				
Interest income, net	869	1,371	(502)	(37)
Other income (expense), net	177	(587)	764	130
Total other income, net	1,046	784	262	33
Loss before income taxes	(262,396)	(207,966)	(54,430)	(26)
Income tax expense	(3,313)	(193)	(3,120)	(1,617)
Net loss	$ (265,709)	$ (208,159)	$ (57,550)	(28)%

Product Revenue, Net

Net product revenue increased by $31.9 million from $20.4 million for the six months ended June 30, 2021 to $52.3 million for the six months ended June 30, 2022.

We started generating revenue from sales of AYVAKIT in the first quarter of 2020 following FDA approval of AYVAKIT for the treatment of adults with unresectable or metastatic GIST harboring a PDGFRA exon 18 mutation, including PDGFRA D842V mutations. In September 2020, the European Commission granted conditional marketing authorization to avapritinib under the brand name AYVAKYT as a monotherapy for the treatment of adult patients with unresectable or metastatic GIST harboring the PDGFRA D842V mutation. In June 2021, the FDA granted a subsequent approval for AYVAKIT, expanding the labeled indications to include adult patients with advanced SM, including aggressive SM, SM with an associated hematological neoplasm and mast cell leukemia. In March 2022, the European Commission expanded the marketing authorization for AYVAKYT to include the treatment of adult patients with ASM, SM-AHN, or MCL, after at least one systemic therapy.

We started generating revenue from sales of GAVRETO in the third quarter of 2020 following the initial FDA approval of GAVRETO. GAVRETO was originally approved for the treatment of adult patients with metastatic RET fusion-positive NSCLC and subsequently approved for adult and pediatric patients 12 years of age and older with advanced or metastatic thyroid cancer who require systemic therapy and who are radioactive iodine-refractory (if radioactive iodine is appropriate). We transferred certain responsibilities associated with product sales to customers, pricing and distribution matters related to U.S. product sales of GAVRETO to our collaboration partner on July 1, 2021,

and have not recorded any net product revenue from product sales of GAVRETO after this date. For additional information, see Note 10, *Collaboration and License Agreements*, to our unaudited condensed consolidated financial statements.

The following table summarizes revenue recognized from sales of AYVAKIT/AYVAKYT and GAVRETO during the six months ended June 30, 2022 and 2021 (in thousands):

	Six Months Ended June 30,					
	2022			2021		
	United States	Rest of World	Total	United States	Rest of World	Total
AYVAKIT/AYVAKYT	$ 45,834	$ 6,461	$ 52,295	$ 12,293	$ 3,389	$ 15,682
GAVRETO	—	—	—	4,706	—	4,706
Total product revenue, net	$ 45,834	$ 6,461	$ 52,295	$ 16,999	$ 3,389	$ 20,388

Collaboration Revenue

Collaboration revenue increased by $18.5 million from $28.5 million for the six months ended June 30, 2021 to $47.0 million for the six months ended June 30, 2022. The following table summarizes the revenue recognized from our collaboration and license agreements during the six months ended June 30, 2022 and 2021 (in thousands):

	Six Months Ended June 30,	
	2022	2021
Clementia license agreement	$ 30,000	$ 40
CStone collaboration	15,294	21,574
Collaboration with Roche for pralsetinib	1,291	3,684
Other	398	3,185
Total collaboration and license revenue	$ 46,983	$ 28,483

Revenue recognized under our license agreement with Clementia for the six months ended June 30, 2022 consisted of a specified development milestone payment. Revenue recognized under our CStone collaboration for the six months ended June 30, 2022 consisted of $4.0 million in a specified regulatory milestone payment and $11.3 million associated with the manufacturing services related to CStone territory-specific activities and royalties on drug sales. Revenue recognized under our collaboration with Roche for pralsetinib for the six months ended June 30, 2022 was associated with services related to Roche territory-specific activities and royalties on drug sales.

Revenue recognized under our CStone collaboration for the six months ended June 30, 2021 primarily consisted of $9.0 million in milestone revenue related to regulatory and development milestones that were achieved during the period and $10.5 million related to manufacturing services associated with CStone territory-specific activities during the period, including supply of drug substance and drug product to CStone for sale in their territory. Revenue recognized under our collaboration with Roche for pralsetinib for the six months ended June 30, 2021 was associated with services related to Roche territory-specific activities. Other revenue for the six months ended June 30, 2021 was primarily related to amortization of the total $64.5 million of upfront and milestone payments achieved as of such period under our cancer immunotherapy collaboration with Roche.

Cost of Product Sales

Cost of product sales increased by $3.4 million from $6.6 million during the six months ended June 30, 2021 to $10.0 million for the six months ended June 30, 2022 and was related to manufacturing costs associated with our products sales as well as costs associated with the sale of drug product to our collaboration partners. The following table summarizes the cost of sales by type during the six months ended June 30, 2022 and 2021 (in thousands):

	Six Months Ended June 30,	
	2022	2021
Cost of product sales	$ 1,428	$ 1,464
Cost of collaboration sales	8,536	5,131
Total cost of sales	$ 9,964	$ 6,595

The increase in costs of product sales was primarily driven by the increase in sales to our collaboration partners. Costs associated with our net product revenue remain at higher margins as certain costs associated with the manufacture of our drugs prior to FDA approval were recorded as research and development expenses and, therefore, were not included in cost of sales during such period.

Collaboration Loss Sharing

Our loss sharing under the collaboration with Roche for pralsetinib was $5.4 million for the six months ended June 30, 2022.

Research and Development Expense

Research and development expense increased by $71.9 million from $159.7 million for the six months ended June 30, 2021 to $231.6 million for the six months ended June 30, 2022. The increase in research and development expense was primarily due to an increase of $41.6 million in increased clinical supply manufacturing and clinical development activities due to the progression and expansion of our clinical trials, an increase of $13.7 million in costs related to early discovery and expanding the platform, and an increase of $16.6 million in personnel expenses, including an increase of $1.1 million in stock-based compensation expense.

Selling, General and Administrative Expense

Selling, general and administrative expense increased by $24.5 million from $91.3 million for the six months ended June 30, 2021 to $115.7 million for the six months ended June 30, 2022. The increase in selling, general and administrative expense was primarily related to an increase of $15.9 million in personnel expenses, including a $2.6 million increase in stock-based compensation expense, an increase of $6.6 million in other general expenses to operate the business, and an increase of $1.9 million in commercial expenses primarily related to the expansion of our commercial infrastructure for commercialization of AYVAKIT/AYVAKYT.

Interest Income, Net

Interest income, net, decreased by $0.5 million from $1.4 million for the six months ended June 30, 2021 to $0.9 million for the six months ended June 30, 2022.

Other Income (Expense), Net

Other income, net, increased by $0.8 million from $0.6 million expense for the six months ended June 30, 2021 to $0.2 million income for the six months ended June 30, 2022.

Income Tax Expense

Income tax expense increased by $3.1 million from $0.2 million for the six months ended June 30, 2021 to $3.3 million for the six months ended June 30, 2022. On June 30, 2022, we entered into a royalty purchase agreement with Royalty Pharma and a purchase and sale agreement with Sixth Street Partners. Pursuant to the agreements, we received gross proceeds of $ 175.0 million from Royalty Pharma in June 2022 and $250.0 million from Sixth Street Partners in July 2022 upon the transactions closing. Both cash considerations in their entirety are considered as taxable income for the calendar year ending December 31, 2022 which resulted in the Company being in a taxable income position for the calendar year ending December 31, 2022 and the increase in income tax expense for the six months ended June 30, 2022. For additional information, see Note 13, *Income Taxes*, to our unaudited condensed consolidated financial statements.

Liquidity and Capital Resources

Sources of Liquidity

To date, we have financed our operations primarily through public offerings of our common stock, private placements of our convertible preferred and common stock, collaborations, a license agreement and a royalty monetization. Through June 30, 2022, we have received an aggregate of $3.2 billion from such transactions, including $1.9 billion in aggregate gross proceeds from the sale of common stock in our IPO, follow-on public offerings, through our "at the market" stock offering program and the equity investment by Roche, $115.1 million in gross proceeds from the issuance of convertible preferred stock, $175.0 million in gross proceeds from our royalty purchase agreement with Royalty Pharma, $1.0 billion in upfront payments and milestone payments under our collaborations with Roche, CStone and Zai Lab our license agreement with Clementia and our former collaboration with Alexion. In addition, in July 2022, we received a total of $400.0 million in gross proceeds related to our purchase and sale agreement and financing agreement with Sixth Street Partners. Since January 2020, we have also generated revenue through the sales of our approved drug products.

As of June 30, 2022, we had cash, cash equivalents and marketable securities of $947.2 million.

Cash Flows

The following table provides information regarding our cash flows for the six months ended June 30, 2022 and 2021:

	Six Months Ended June 30,	
(in thousands)	**2022**	**2021**
Net cash used in operating activities	$ (250,982)	$ (188,943)
Net cash provided by investing activities	35,977	17,021
Net cash provided by financing activities	178,762	21,865
Net decrease in cash, cash equivalents, and restricted cash	$ (36,243)	$ (150,057)

Net Cash Used in Operating Activities. For the six months ended June 30, 2022, compared to the same period in 2021, the $62.0 million increase in net cash used in operating activities was primarily due to an increase of $57.6 million in the net loss.

Net Cash Provided by Investing Activities. For the six months ended June 30, 2022, compared to the same period in 2021, the $19.0 million increase in net cash provided by investing activities was primarily due to an increase of $21.8 million in net proceeds from maturities of available-for-sale marketable securities.

Net Cash Provided by Financing Activities. For the six months ended June 30, 2022, compared to the same period in 2021, the $156.9 million increase in net cash provided by financing activities was primarily due to an increase of $175.0 million in gross proceeds received from the sale of future royalties transaction with Royalty Pharma.

Debt Financing

In June 2022, we entered into a royalty purchase agreement with Royalty Pharma. Pursuant to the royalty purchase agreement, we received an upfront payment of $175.0 million in consideration for our rights to receive royalty payments on the net sales of GAVRETO worldwide excluding the CStone territory and U.S. territory under the terms of the Roche pralsetinib collaboration agreement. Net proceeds from the transaction were recorded as a liability related to sale of future royalties on the consolidated balance sheet. As of June 30, 2022, the carrying value of the liability related to the sale of future royalties was $171.3 million, net of closing costs of $3.7 million.

Pursuant to the royalty purchase agreement, we are eligible to receive certain milestone payments totaling up to $165.0 million, subject to the achievement of specified net sales milestones by Roche. The potential milestone payments will be added to the carrying value of the liability related to sale of future royalties when the milestones are achieved and received. For additional information, see Note 3, *Liability Related to the Sale of Future Royalties*, to our unaudited condensed consolidated financial statements.

In July 2022, we closed a purchase and sale agreement with Sixth Street Partners and received gross proceeds of $250.0 million in exchange for future royalty payments at a rate of 9.75% on up to $900 million each year of (i) aggregate worldwide annual net product sales of AYVAKIT/AYVAKYT (avapritinib) and, if it is approved, BLU-263, excluding in Greater China, and (ii) aggregate worldwide annual net product sales of BLU-263, subject to a cumulative cap of 1.45 times the upfront invested capital or a total of $362.5 million. In the event that certain revenue targets are not achieved by specified dates, the royalty rate and cumulative cap shall be increased to 15% and 1.85 times the invested capital (or $462.5 million), respectively. Net proceeds from the transaction will be recorded as a liability on the consolidated balance sheet.

In July 2022, we closed a financing agreement for up to $660.0 million with Sixth Street Partners. The financing agreement entered into by the parties in connection with the transaction provides for (i) a senior secured term loan facility of up to $150.0 million and (ii) a senior secured delayed draw term loan facility of up to $250.0 million to be funded in two tranches at our choice. The loans will mature on June 30, 2028 and bear interest at a variable rate equal to either the Secured Overnight Financing Rate (SOFR) plus six and one half percent (6.50%) or the base rate plus five and one half percent (5.50%), subject to a floor of one percent (1%) and two percent (2%) with respect to the SOFR and base rate, respectively. The initial gross proceeds of $150.0 million was funded in July 2022. In addition, we may at any time request an incremental term loan in an amount not to exceed $260.0 million on terms to be agreed and subject to the consent of the lenders providing such incremental term loan.

Our obligations under the financing agreement will be secured, subject to certain exceptions, by security interests in the substantially all of our assets and our certain subsidiaries. The financing agreement contains negative covenants that, among other things and subject to certain exceptions, could restrict the our ability to incur additional liens, incur additional indebtedness, make investments, including acquisitions, engage in fundamental changes, sell or dispose of assets that constitute collateral, including certain intellectual property, pay dividends or make any distribution or payment on or redeem, retire or purchase any equity interests, amend, modify or waive certain material agreements or organizational documents and make payments of certain subordinated indebtedness. The financing agreement also requires us to have consolidated liquidity of at least (i) $50.0 million during the period commencing from the date on which the term loans are funded to the date which is the day before the next term loans are funded and (ii) $80.0 million for each day thereafter.

Funding Requirements

We expect our expenses to increase in connection with our ongoing activities, particularly as we continue the research and development of, initiate or continue clinical trials of, and seek marketing approval for our drug candidates, including marketing approval for avapritinib and pralsetinib for additional indications or avapritinib in additional geographies, to the extent these expenses are not the responsibility of our collaborators. In addition, we expect to incur additional significant commercialization expenses for AYVAKIT/AYVAKYT, GAVRETO and other drug candidates, if approved, related to drug sales, marketing, manufacturing and distribution to the extent that such sales, marketing, manufacturing and distribution are not the responsibility of potential collaborators or licensors. We will also incur additional significant costs if we choose to pursue additional indications or geographies for any of our approved drugs or drug candidates or otherwise expand more rapidly than we presently anticipate. Accordingly, we may seek to obtain

additional funding from time to time in connection with our continuing operations. If we are unable to raise capital when needed or on attractive terms, we may be forced to delay, reduce or eliminate certain of our research and development programs or future commercialization efforts.

As of June 30, 2022, we had cash, cash equivalents and marketable securities of $947.2 million. Based on our current operating plans, we anticipate our existing cash, cash equivalents and marketable securities, together with anticipated future product revenues, will provide sufficient capital to enable us to achieve a self-sustainable financial profile.

Our future capital requirements will depend on many factors, including:

- the success of our commercialization efforts and market acceptance for AYVAKIT/AYVAKYT, GAVRETO or any of our current or future drug candidates for which we receive marketing approval;
- the costs of maintaining, expanding or contracting for sales, marketing and distribution capabilities in connection with commercialization of AYVAKIT/AYVAKYT and any of our current or future drug candidates for which we receive marketing approval;
- the costs of securing manufacturing, packaging and labeling arrangements to ensure adequate supply for development activities and commercial production, including API, drug substance and drug product material for use in preclinical studies, clinical trials, our compassionate use program and for use as commercial supply, as applicable;
- the cost of purchasing quantities of agents for use in our clinical trials in connection with our efforts to develop our drugs and drug candidates, including for development as combination therapies;
- the scope, progress, results and costs of drug discovery, preclinical development, laboratory testing and clinical trials for our approved drugs and drug candidates;
- the costs, timing and outcome of regulatory review of marketing applications for our drug candidates, including seeking marketing approval for avapritinib and pralsetinib for additional indications or avapritinib in additional geographies;
- the success of our collaborations with Roche, CStone, Zai Lab and Proteovant and our license agreement with Clementia, as well as our ability to establish and maintain additional collaborations, partnerships or licenses on favorable terms, if at all;
- the achievement of milestones or occurrence of other developments that trigger payments under our existing collaboration or license agreements, or any collaboration, partnership or license agreements that we may enter into in the future;
- the extent to which we are obligated to reimburse, or entitled to reimbursement of, research and development, clinical or other costs under future collaboration agreements, if any;
- the extent to which we acquire or in-license other approved drugs, drug candidates or technologies and the terms of any such arrangements;
- the success of our current or future collaborations for the development and commercialization of companion diagnostic tests;
- the costs of preparing, filing and prosecuting patent applications, maintaining and enforcing our intellectual property rights and defending intellectual property-related claims; and
- the costs of continuing to expand our operations.

Identifying potential drug candidates, conducting preclinical development and testing and clinical trials and, for any drug candidates that receive marketing approval, establishing and maintaining commercial infrastructure is a time-consuming, expensive and uncertain process that takes years to complete, and we may never generate the necessary data or results required to obtain additional marketing approvals, including for avapritinib and pralsetinib in additional indications or avapritinib in additional geographies, and achieve substantial revenues for any of our drugs that receive marketing approval, including for AYVAKIT/AYVAKYT and GAVRETO. In addition, our drugs and any current or future drug candidates that receive marketing approvals, including avapritinib and pralsetinib for additional indications or avapritinib in additional geographies, may not achieve commercial success. Accordingly, we may need to rely on additional financing to achieve our business objectives. Adequate additional financing may not be available to us on acceptable terms, or at all.

Until such time, if ever, as we can generate substantial drug revenues, we expect to finance our cash needs primarily through a combination of public and private equity offerings, debt financings, collaborations, strategic alliances and licensing arrangements. We do not have any committed external source of funds, other than our collaborations with Roche, CStone and Zai Lab, the license agreement with Clementia, the royalty purchase agreement with Royalty Pharma, and the financing agreement with Sixth Street Partners, which are limited in scope and duration and subject to the achievement of milestones or royalties on sales of licensed products, if any. To the extent that we raise additional capital through the sale of common stock or securities convertible or exchangeable into common stock, the ownership interest of our stockholders will be diluted, and the terms of these securities may include liquidation or other preferences that materially adversely affect the rights of our common stockholders. Debt financing, if available, would increase our fixed payment obligations and may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends.

If we raise funds through additional collaborations, strategic alliances or licensing arrangements with third parties, we may have to relinquish valuable rights to our intellectual property, future revenue streams, research programs, drugs or drug candidates or to grant licenses on terms that may not be favorable to us. If we are unable to raise additional funds through equity or debt financings when needed, we may be required to delay, limit, reduce or terminate our drug development or future commercialization efforts or grant rights to develop and market drug and drug candidates that we would otherwise prefer to develop and market ourselves.

Contractual Obligations

Our contractual obligations primarily consist of our obligations under non-cancellable operating leases and unconditional purchase obligations related to certain commercial manufacturing agreements.

During the six months ended June 30, 2022, there were no material changes to our contractual obligations and commitments described under “Management’s Discussion and Analysis of Financial Condition and Results of Operations” included in the Annual Report on Form 10-K for the year ended December 31, 2021.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

As of June 30, 2022 and December 31, 2021, we had cash, cash equivalents and marketable securities of $947.2 million and $1,034.6 million, respectively, consisting primarily of money market funds and investments in U.S. government agency and treasury obligations.

Our primary exposure to market risk is interest rate sensitivity, which is affected by changes in the general level of U.S. interest rates resulting from the Federal Reserve’s raising of interest rates. Due to the short-term duration of our investment portfolio and the low risk profile of our investments, we believe an immediate 10% change in interest rates would not have a material effect on the fair market value of our investment portfolio. We have the ability to hold our investments until maturity, and therefore, we would not expect our operating results or cash flows to be affected to any significant degree by the effect of a change in market interest rates on our investment portfolio.

We are also exposed to market risk related to changes in foreign currency exchange rates, including recent changes resulting from the Russian invasion of Ukraine. From time to time, we contract with vendors that are located in Asia and Europe, which are denominated in foreign currencies. We are subject to fluctuations in foreign currency rates

in connection with these agreements. We do not currently hedge our foreign currency exchange rate risk. As of June 30, 2022 and December 31, 2021, we held limited funds and future obligations denominated in foreign currencies.

Inflation generally affects us by increasing our cost of labor, clinical trial and manufacturing costs. We do not believe that inflation had a material effect on our business, financial condition or results of operations during the three and six months ended June 30, 2022 and 2021.

Item 4. Controls and Procedures

Management's Evaluation of our Disclosure Controls and Procedures

We maintain "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, or the Exchange Act, that are designed to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is (1) recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms and (2) accumulated and communicated to our management, including our principal executive and principal financial officer, as appropriate to allow timely decisions regarding required disclosure. Our management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and our management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Our disclosure controls and procedures are designed to provide reasonable assurance of achieving their control objectives.

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer (our principal executive officer and principal financial officer, respectively), evaluated the effectiveness of our disclosure controls and procedures as of June 30, 2022. Based upon such evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of June 30, 2022, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during the fiscal quarter covered by this report that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

We are not currently a party to any material legal proceedings.

Item 1A. Risk Factors

The following risk factors and other information included in this Quarterly Report on Form 10-Q should be carefully considered. The risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties not presently known to us or that we presently deem less significant may also impair our business operations. Please see the Section titled "Forward-Looking Statements" of this Quarterly Report on Form 10-Q for a discussion of some of the forward-looking statements that are qualified by these risk factors. If any of the following risks occur, our business, financial condition, results of operations and future growth prospects could be materially and adversely affected.

Risk Factor Summary

Below is a summary of the material risks to our business, operations and the investment in our common stock. This summary does not address all of the risks that we face. Risks and uncertainties not presently known to us or that we presently deem less significant may also impair our business operations. Additional discussion of the risks summarized in this risk factor summary, and other risks that we face, can be found below and should be carefully considered, together with other information in this Quarterly Report on Form 10-Q in its entirety before making investment decisions regarding our common stock.

- We have limited experience as a commercial company and the marketing and sale of AYVAKIT® (avapritinib) (marketed in Europe under the brand name AYVAKYT®), GAVRETO® (pralsetinib) or any future approved drugs may be unsuccessful or less successful than anticipated.
- The commercial success of our current and future drugs will depend upon the degree of market acceptance by physicians, patients, third-party payors and others in the medical community.
- If we are unable to establish additional commercial capabilities and infrastructure, we may be unable to generate sufficient revenue to sustain our business.
- If the market opportunities for our approved drugs or drug candidates are smaller than we estimate or if any approval that we obtain is based on a narrower definition of the patient population, our revenue and ability to achieve profitability will be adversely affected.
- We face substantial competition, which may result in others commercializing, developing or discovering drugs before or more successfully than we do.
- Product liability lawsuits against us could cause us to incur substantial liabilities and could limit commercialization of any of our approved drugs or drug candidates that we may develop.
- If we are unable to advance our drug candidates to clinical development, develop our drug candidates as monotherapies or in combination with other agents, obtain regulatory approval for our drug candidates, including for avapritinib and pralsetinib for additional indications or in additional geographies, and ultimately commercialize them, or experience significant delays in doing so, our business will be materially harmed.
- If we experience delays or difficulties in the enrollment of patients in clinical trials, our receipt of necessary regulatory approvals could be delayed or prevented.

- If we are not able to obtain, or if there are delays in obtaining, required regulatory approvals for our drug candidates and, if applicable, for any related companion diagnostic tests, we will not be able to commercialize, or may be delayed in commercializing, such drug candidates, and our ability to generate revenue will be materially impaired.

- Our drugs and drug candidates may cause undesirable side effects that could delay or prevent their clinical development or regulatory approval, limit the commercial profile of an approved label, result in restrictive distribution or result in significant negative consequences following marketing approval, if any.

- We may not be successful in our efforts to expand our pipeline of drug candidates.

- We are required to comply with comprehensive and ongoing regulatory requirements for any of our current or future approved drugs, including conducting confirmatory clinical trials for any drug that receives accelerated approval. In addition, our current or future approved drugs could be subject to labeling and other restrictions and market withdrawal and we may be subject to penalties if we fail to comply with regulatory requirements or experience unanticipated problems with our drugs.

- We are a precision therapy company with a limited operating history. We have incurred significant operating losses since our inception and anticipate that we will incur continued losses for the foreseeable future.

- We have entered into collaborations and licenses with our partners for the development and commercialization of several of our drugs and drug candidates. If our collaborations are not successful, we may not be able to capitalize on the market potential of these drugs and drug candidates.

- We rely on third parties to conduct our clinical trials. If these third parties do not successfully carry out their contractual duties, comply with regulatory requirements or meet expected deadlines, we may not be able to obtain regulatory approval for or commercialize our drug candidates and our business could be substantially harmed.

- We contract with third parties for the manufacture of our approved drugs and drug candidates, including for preclinical, clinical and commercial supply. This reliance on third parties increases the risk that we will not have sufficient quantities of our approved drugs or drug candidates or such quantities at an acceptable cost, which could delay, prevent or impair our development or commercialization efforts.

- If we are unable to adequately protect our proprietary technology or obtain and maintain patent protection for our technology and drugs or if the scope of the patent protection obtained is not sufficiently broad, our competitors could develop and commercialize technology and drugs similar or identical to ours, and our ability to successfully commercialize our technology and drugs may be impaired.

- Third parties may initiate legal proceedings alleging that we are infringing their intellectual property rights, the outcome of which would be uncertain and could have a material adverse effect on the success of our business.

- Our business, results of operations and future growth prospects could be materially and adversely affected by the ongoing COVID-19 pandemic.

- We may acquire or in-license businesses, technologies or platforms, approved drugs, drug candidates or discovery-stage programs, or form strategic alliances, collaborations or partnerships, in the future, and we may not realize the benefits of such acquisitions, in-licenses, alliances, collaborations or partnerships.

- The price of our common stock has been and may in the future be volatile and fluctuate substantially.

Risks Related to Commercialization

We have limited experience as a commercial company and the marketing and sale of AYVAKIT/AYVAKYT, GAVRETO or any future approved drugs may be unsuccessful or less successful than anticipated.

We have two approved precision therapies, AYVAKIT/AYVAKYT and GAVRETO. While we have been commercializing AYVAKIT and GAVRETO in the U.S. and AYVAKYT in Europe, we have limited experience as a commercial company, and there is limited information about our ability to successfully overcome many of the risks and uncertainties encountered by companies commercializing drugs in the biopharmaceutical industry. Marketing applications for avapritinib and pralsetinib are currently under review or planned in the U.S. or globally. To execute our business plan, in addition to successfully marketing and selling our approved drugs, we will need to successfully:

- establish and maintain our relationships with healthcare providers who will be treating patients who may receive our drugs and any future drugs;
- obtain and maintain adequate pricing and reimbursement for AYVAKIT/AYVAKYT, GAVRETO and any future drugs;
- gain regulatory acceptance for the development and commercialization of current or future drug candidates in our pipeline, including for additional indications or in additional geographies for marketed drugs in our portfolio;
- maintain our existing collaborations with Roche, CStone Pharmaceuticals and Zai Lab;
- expand our global operations or enter into collaboration, partnerships or distribution arrangements in geographies where we may not have current operations or expertise; and
- manage our spending as costs and expenses increase due to clinical trials, marketing approvals, and commercialization.

If we are unsuccessful in accomplishing these objectives, we may not be able to successfully commercialize our current or future approved drugs, develop current or future drug candidates, expand our business or continue our operations.

The commercial success of AYVAKIT/AYVAKYT and GAVRETO, as well as any other drugs that we may bring to the market, will depend upon the degree of market acceptance by physicians, patients, third-party payors and others in the medical community.

AYVAKIT/AYVAKYT and GAVRETO, as well any other drugs that we may bring to the market, may not gain market acceptance by physicians, patients, third-party payors and others in the medical community. If these drugs do not achieve an adequate level of acceptance, we may not generate significant product revenues and may not become profitable. The degree of market acceptance for AYVAKIT/AYVAKYT and GAVRETO, as well as any current or future drug candidates for which we receive marketing approval, will depend on a number of factors, including:

- the potential efficacy and potential advantages over alternative treatments;
- the prevalence and severity of any side effects, including any limitations or warnings contained in the drug's approved labeling;
- the relative convenience and ease of administration;
- the willingness of eligible patients to try new therapies and of physicians to prescribe these therapies;

- the length of time that patients who are prescribed our drugs remain on treatment;
- the pricing of our drugs and any current or future drug candidates for which we receive marketing approval;
- publicity concerning our current and future drugs, or competing products and treatments; and
- sufficient third-party insurance coverage or reimbursement.

Even if a drug candidate displays a favorable efficacy and safety profile in preclinical and clinical studies and the drug candidate receives marketing approval, market acceptance of the drug will not be known until after it is launched. Our efforts to educate the medical community and third-party payors on the benefits of our drugs may require significant resources, including more resources than those required for treatments marketed by competitors, and may never be successful. Any of these factors may cause our approved drugs, as well as any current or future drug candidates for which we receive marketing approval, to be unsuccessful or less successful than anticipated.

If we are unable to establish additional commercial capabilities and infrastructure, we may be unable to generate sufficient revenue to sustain our business.

We are continuing to build out our commercial capabilities and infrastructure and have limited sales and distribution experience and limited capabilities for marketing and market access. To successfully commercialize our approved drugs or any current or future drug candidates for which we receive marketing approval, we will need to develop these capabilities and further expand our infrastructure to support commercial operations in the U.S., Europe and other regions, either on our own or with others. We may be competing with many companies that currently have extensive and well-funded marketing and sales operations. Without a significant internal team or the support of a third party to perform these functions, including marketing and sales functions, we may be unable to compete successfully against these more established companies.

We cannot be sure that we will be able to or can successfully compete with other companies to recruit, hire and retain a sufficient number of sales representatives or that they will be effective at promoting our drugs. In addition, we will need to commit significant additional management and other resources to maintain and grow our sales organization. We may not be able to achieve the necessary development and growth in a cost-effective manner or realize a positive return on our investment.

Factors that may inhibit our efforts to commercialize our drugs include:

- our inability to recruit, train and retain adequate numbers of sales and marketing personnel;
- the inability of sales personnel to obtain access to or to persuade adequate numbers of physicians to prescribe our drugs;
- unforeseen costs and expenses associated with maintaining an independent sales and marketing organization; and
- delays or disruptions to sales and marketing activities, including due to the ongoing COVID-19 pandemic.

In the event that we are unable to effectively deploy our sales organization or distribution strategy on a timely and efficient basis, if at all, the commercialization of our drugs could be delayed which would negatively impact our ability to generate product revenues.

If the market opportunities for our approved drugs or drug candidates are smaller than we estimate or if any approval that we obtain is based on a narrower definition of the patient population, our revenue and ability to achieve profitability will be adversely affected.

The precise incidence and/or prevalence for SM, RET-altered cancers, EGFR-mutated NSCLC, CCNE aberrant cancers and GIST are unknown. Our projections of the number of people who have these diseases, the frequency of the genetic alterations targeted by our drugs and drug candidates and the subset of patients who have the potential to benefit from our treatment options are based on estimates. These estimates have been derived from a variety of sources, including scientific literature, surveys of clinics, patient foundations or third-party market research, and may prove to be incorrect. Further, new studies may change the estimated incidence or prevalence of these cancers and the number of patients may turn out to be lower than expected. Additionally, the potentially addressable patient population for our approved drugs and drug candidates may be limited or may not be amenable to treatment with our precision therapies.

Accordingly, the number of patients in the U.S., France, Germany, Italy, Spain, the United Kingdom (UK) and Japan, which we collectively refer to as the Major Markets, and elsewhere, including the number of addressable patients in those markets, may turn out to be lower than expected, patients may not be otherwise amenable to treatment with our drugs, patients treated with our drugs and drug candidates may develop mutations that confer resistance to treatment or new patients may become increasingly difficult to identify or gain access to, all of which would adversely affect our results of operations and our business.

We face substantial competition, which may result in others commercializing, developing or discovering drugs before or more successfully than we do.

The development and commercialization of new drugs is highly competitive. We face competition with respect to our drugs and current clinical-stage drug candidates, and we will face competition with respect to any drugs and drug candidates that we may seek to develop or commercialize in the future, from major pharmaceutical companies, specialty pharmaceutical companies and biotechnology companies worldwide. There are a number of large pharmaceutical and biotechnology companies that currently market and sell drugs or are pursuing the development of therapies in the field of kinase inhibition for cancer and other diseases. Some of these competitive drugs and therapies are based on scientific approaches that are the same as or similar to our approach, and others are based on entirely different approaches. Potential competitors also include academic institutions, government agencies and other public and private research organizations that conduct research, seek patent protection and establish collaborative arrangements for research, development, manufacturing and commercialization. Specifically, there are a large number of companies developing or marketing treatments for cancer, including many major pharmaceutical and biotechnology companies.

AYVAKIT/AYVAKYT faces competition for advanced SM from Novartis AG's midostaurin and imatinib, and may face competition from drug candidates in development, including that being developed by Cogent Biosciences, Inc. If avapritinib and BLU-263 are approved for non-advanced SM, they may face competition from drug candidates in development, including those being developed by AB Science S.A., Allakos Inc. and Cogent Biosciences, Inc.

GAVRETO faces competition for RET fusion-positive NSCLC and RET-altered thyroid carcinoma, including MTC, from Eli Lilly and Company's selpercatinib. If pralsetinib receives marketing approval for patients with other solid tumors, it will likely also face competition from selpercatinib for these additional indications. In addition, pralsetinib may face competition from other drug candidates in development for RET-altered cancers, including those being developed by AstraZeneca plc, Boston Pharmaceuticals, Inc., Eisai Inc., Exelixis, Inc., GlaxoSmithKline plc, Mirati Therapeutics, Inc., Novartis AG, Pfizer Inc., Stemline Therapeutics, Inc., and Turning Point Therapeutics, Inc., as well as several approved multi-kinase inhibitors with RET activity being evaluated in clinical trials, including alectinib, apatinib, cabozantinib, dovitinib, lenvatinib, sorafenib, sunitinib and vandetinib. Pralsetinib's commercial potential may also face indirect competition from chemotherapeutic agents and immuno-oncology products, including those developed by AstraZeneca PLC, Bristol-Myers Squibb Company, EMD Serono & Pfizer Inc., Merck & Co., and Regeneron Pharmaceuticals, Inc.

AYVAKIT/AYVAKYT may face competition from drug candidates in development for PDGFRA-driven GIST, including those being developed by AB Science S.A., ARIAD Pharmaceuticals, Inc., a wholly-owned subsidiary of Takeda Pharmaceutical Company Limited, AROG Pharmaceuticals, Inc., AstraZeneca plc, Celldex Therapeutics, Inc.,

Cogent Biosciences, Inc., Deciphera Pharmaceuticals, LLC, Exelixis, Inc., Ningbo Tai Kang Medical Technology Co. Ltd., Theseus Pharmaceuticals and Xencor, Inc.

We are developing BLU-701 and BLU-945 for treatment-resistant EGFR-mutated NSCLC, which, if approved, will face competition from AstraZeneca plc's osimertinib and aumolertinib, which is under collaboration between Jiangsu Hansoh Pharmaceutical Group Co., Ltd. and EQRX, Inc. and approved in China. In addition, BLU-701 and BLU-945 may face competition from drug candidates in development for EGFR-mutated NSCLC, including those being developed by Allist Pharmaceuticals, Arrivent Biopharma, Inc., Betta Pharmaceuticals, Black Diamond Therapeutics, Inc., Boehringer Ingelheim RCV GmbH & Co KG, Bridge Biotherapeutics, Inc., C4 Therapeutics, Inc., Daiichi Sankyo Company, Limited, EpimAb Biotherapeutics, Inc., Janssen Pharmaceuticals, Inc., Kanaph Therapeutics, Merus N.V., SystImmune, Inc., Theseus Pharmaceuticals, Inc., RedCloud Bio, and Erasca, Inc.. BLU-701 and BLU-945 may also face indirect competition from chemotherapeutic agents and immuno-oncology products, including those developed by AstraZeneca PLC, Bristol-Myers Squibb Company, EMD Serono & Pfizer Inc., Merck & Co., and Regeneron Pharmaceuticals, Inc.

We are developing BLU-451 for EGFR exon 20 insertion-positive NSCLC, which, if approved, will face competition from Janssen Pharmaceuticals, Inc. and Takeda Pharmaceuticals. In addition, BLU-451 may face competition from drug candidates in development for EGFR exon 20 insertion-positive NSCLC, including those being developed by Abbisko Therapeutics Co., Ltd., Bayer AG, Cullinan Oncology, Inc., Dizal Pharmaceutical Co. Ltd., Shenzhen Forward Pharmaceutical Co., Ltd., Shanghai Junshi Biosciences Co., Ltd., Oric Pharmaceuticals, Inc., and Scorpion Therapeutics, Inc. BLU-451 may also face indirect competition from chemotherapeutic agents and immuno-oncology products, including those developed by AstraZeneca PLC, Bristol-Myers Squibb Company, EMD Serono & Pfizer Inc., Merck & Co., and Regeneron Pharmaceuticals, Inc.

We are developing BLU-222 for cancers vulnerable to CDK2 inhibition, including cyclin E aberrant cancers, which, if approved, will face competition from indication-specific therapies such as Genentech's bevacizumab, AstraZeneca and Merck's olaparib, AstraZeneca and Daiichi Sankyo's trastuzumab deruxtecan, Clovis Oncology's rucaparib, GSK's niraparib, Merck's pembrolizumab, and Eisai's lenvatinib. In addition, BLU-222 may face competition from drug candidates in development, including those being developed by Allorian Therapeutics, Inc., ARC Therapeutics, Inc., Cedilla Therapeutics, Inc., Cyclacel Pharmaceuticals Inc., Debiopharm Group, Incyte Corporation, Monte Rosa Therapeutics, Inc., Nuvation Bio, Inc., Regor Therapeutics Inc., Schrodinger, Inc., Simcere Pharmaceutical, Pfizer Inc., AstraZeneca plc, Zentalis Pharmaceuticals, Inc., Relay Therapeutics, and Repare Therapeutics, Inc.

We are developing BLU-852 for advanced cancers susceptible to MAP4K1 inhibition, which, if approved, will face competition from immuno-oncology products, including those developed by Bristol-Myers Squibb Company, Merck & Co., Inc., Regeneron Pharmaceuticals, Inc., Sanofi S.A., and AstraZeneca plc. In addition, BLU-852 may face competition from drug candidates in development for advanced cancers susceptible to MAP4K1 inhibition, including those being developed by Treadwell Therapeutics, Inc., BeiGene Ltd., Nimbus Therapeutics, LLC, MingMed Biotechnology Co., Ltd., and Pfizer Inc. Many of the companies against which we are competing or against which we may compete in the future have significantly greater financial resources and expertise in research and development, manufacturing, preclinical testing, conducting clinical trials, obtaining regulatory approvals and marketing approved drugs than we do. Mergers and acquisitions in the pharmaceutical, biotechnology and diagnostic industries may result in even more resources being concentrated among a smaller number of our competitors. Smaller or early stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. These competitors also compete with us in recruiting and retaining qualified scientific and management personnel and establishing clinical trial sites and patient registration for clinical trials, as well as in acquiring technologies complementary to, or necessary for, our programs.

Our commercial opportunity could be reduced or eliminated if our competitors develop and commercialize drugs that are safer, more effective, have fewer or less severe side effects, are more convenient or are less expensive than any drugs that we or our collaborators may develop. Our competitors also may obtain FDA or other regulatory approval for their drugs more rapidly than we may obtain approval for ours, which could result in our competitors establishing a strong market position before we or our collaborators are able to enter the market. The key competitive factors affecting the success of all of our drug candidates, if approved, are likely to be their efficacy, safety, convenience, price, the effectiveness of any related companion diagnostic tests, the level of generic competition and the availability of reimbursement from government and other third-party payors.

Product liability lawsuits against us could cause us to incur substantial liabilities and could limit commercialization of any of our approved drugs or drug candidates that we may develop.

We face an inherent risk of product liability exposure related to the testing of our approved drugs and drug candidates in human clinical trials and use of our drug candidates through compassionate use programs, and an even greater risk in connection with our commercialization of our current and future drugs. If we cannot successfully defend ourselves against claims that any of our approved drugs or drug candidates caused injuries, we could incur substantial liabilities. Regardless of merit or eventual outcome, liability claims may result in:

- decreased demand for any of our approved drugs or drug candidates that we may develop and commercialize;
- injury to our reputation and significant negative media attention;
- withdrawal of clinical trial participants;
- significant costs to defend the related litigation;
- substantial monetary awards to trial participants or patients;
- loss of revenue; and
- the inability to commercialize any of approved drugs or drug candidates that we may develop.

Although we maintain product liability insurance coverage, it may not be adequate to cover all liabilities that we may incur. We anticipate that we may need to further increase our insurance coverage as we begin additional clinical trials or if we successfully commercialize additional drug candidates. Insurance coverage is increasingly expensive. We may not be able to maintain insurance coverage at a reasonable cost or in an amount adequate to satisfy any liability that may arise.

Increasing demand for compassionate use of our drug candidates could negatively affect our reputation and harm our business.

We are developing drug candidates for the treatment of indications for which there are currently limited or no available therapeutic options. It is possible for individuals or groups to target companies with disruptive social media campaigns related to a request for access to unapproved drugs for patients with significant unmet medical need. If we experience a similar social media campaign regarding our decision to provide or not provide access to any of our current or future drug candidates under an expanded access policy, our reputation may be negatively affected and our business may be harmed.

Media attention to individual patients' expanded access requests has resulted in the introduction and enactment of legislation at the local and national level referred to as "Right to Try" laws, such as the federal Right to Try Act of 2017, which are intended to allow patients access to unapproved therapies earlier than traditional expanded access programs. A possible consequence of both activism and legislation in this area may be the need for us to initiate an unanticipated expanded access program or to make our drug candidates more widely available sooner than anticipated.

In addition, some patients who receive access to drugs prior to their commercial approval through compassionate use, expanded access programs or right to try access, collectively referred to as compassionate use programs, have life-threatening illnesses and have exhausted all other available therapies. The risk for serious adverse events in this patient population is high, which, if those adverse events are determined to be drug-related, could have a negative impact on the safety profile of our drug candidates if we were to provide them to these patients, which could cause significant delays or an inability to successfully commercialize our drug candidates and materially harm our business. If we were to provide patients with any of our drug candidates under a compassionate use program, our supply capabilities may limit the number of patients who are able to enroll in the program and we may in the future need to restructure or pause any compassionate use program in order to enroll sufficient numbers of patients in our controlled

clinical trials required for regulatory approval and successful commercialization of our drug candidates, which could prompt adverse publicity or other disruptions related to current or potential participants in such programs.

If we or our collaborators are unable to successfully develop and commercialize companion diagnostic tests for our drugs and drug candidates, or experience significant delays in doing so we may not realize the full commercial potential of our drugs and drug candidates.

Because we are focused on precision medicine, in which predictive biomarkers will be used to identify the right patients for our drugs and drug candidates, we believe that our success may depend, in part, on the development and commercialization of companion diagnostic tests. There has been limited success to date industrywide in developing and commercializing these types of companion diagnostic tests. To be successful, we need to address a number of scientific, technical and logistical challenges. We have entered into agreements to develop and/or commercialize companion diagnostic tests with third parties, including for avapritinib in order to identify GIST patients with the PDGFRA D842V mutation, and pralsetinib in order to identify NSCLC patients with RET fusions and MTC patients with RET mutations. We have limited experience in the development and commercialization of companion diagnostic tests with third parties and may not be successful in developing and commercializing appropriate companion diagnostic tests with third parties to pair with our approved drugs or drug candidates that receive marketing approval. In addition, current commercially available diagnostic tests may become unavailable in the future. Companion diagnostic tests are subject to regulation by the FDA and similar regulatory authorities outside the U.S. as medical devices and require separate regulatory clearance or approval prior to commercialization. We are relying on third parties to design, manufacture, obtain regulatory clearance or approval for and commercialize the companion diagnostic tests, including for avapritinib and pralsetinib, and we expect to rely in whole or in part on third parties to design, manufacture, obtain regulatory clearance or approval for and commercialize any other companion diagnostic tests for current and future drug candidates. We and our collaborators may encounter difficulties in developing and obtaining clearance or approval for the companion diagnostic tests, including issues relating to selectivity/specificity, analytical validation, reproducibility, or clinical validation. In addition, our collaborators for any companion diagnostic test that we may seek to develop:

- may not perform their respective obligations as expected or as required under our agreements with them;
- may not pursue commercialization of a companion diagnostic test even if it receives any required regulatory clearances or approvals;
- may elect not to continue the development of a companion diagnostic test based on changes in their or other third parties' strategic focus or available funding, or external factors, such as an acquisition, that divert resources or create competing priorities;
- may not commit sufficient resources to the marketing and distribution of a companion diagnostic test; and
- may terminate their relationship with us.

Any delay or failure by us or our collaborators to develop or obtain regulatory clearance or approval of the companion diagnostic tests could delay, prevent or revoke approval of our drug candidates. If we, or any third parties that we have engaged or may in the future engage to assist us are unable to successfully develop and commercialize companion diagnostic tests for our drugs and drug candidates, or experience delays in doing so:

- the development of our approved drugs and drug candidates may be adversely affected if we are unable to appropriately select patients for enrollment in our clinical trials;
- our drug candidates may not receive marketing approval if safe and effective use of a therapeutic drug candidate depends on an in vitro diagnostic;
- regulatory authorities may impose post-marketing requirements regarding the development and commercialization of companion diagnostic tests for our drugs and drug candidates; and

- we may not realize the full commercial potential of any of our approved drugs or drug candidates that receive marketing approval if, among other reasons, we are unable to appropriately select patients who are likely to benefit from treatment with our drugs.

As a result, our business may be materially harmed.

In addition, third party collaborators may encounter production difficulties that could constrain the supply of the companion diagnostic tests, and both they and we may have difficulties gaining acceptance of the use of the companion diagnostic tests in the clinical community. If such companion diagnostic tests fail to gain market acceptance, it would have an adverse effect on our ability to derive revenues from sales of our current and future drugs. In addition, the diagnostic company with whom we contract may decide to discontinue selling or manufacturing the companion diagnostic test that we anticipate using in connection with development and commercialization of our approved drugs and drug candidates or our relationship with such diagnostic company may otherwise terminate. We may not be able to enter into arrangements with another diagnostic company to obtain supplies of an alternative diagnostic test for use in connection with the development and commercialization of our drugs and drug candidates or do so on commercially reasonable terms, which could adversely affect and/or delay the development or commercialization of our drugs and drug candidates.

Our reliance on single-source third-party suppliers could harm our ability to commercialize our drugs or any drug candidates that may be approved in the future.

We do not currently own or operate manufacturing facilities for the production of our drugs or any drug candidates that may be approved in the future. We primarily rely on single-source third-party suppliers to manufacture and supply our drugs, which may not be able to produce sufficient inventory to meet commercial demand in a timely manner, or at all. Our third-party suppliers may not be required to provide us with any guaranteed minimum production levels or have dedicated capacity for our drugs. As a result, there can be no assurances that we will be able to obtain sufficient quantities of our drugs or any other drug candidates that may be approved in the future, which could have a material adverse effect on our business as a whole.

If, in the future, we are unable to maintain sales and marketing capabilities or enter into agreements with third parties to sell and market our drugs and drug candidates, we may not be successful in commercializing our drugs and drug candidates if and when they are approved.

There are risks involved with both establishing our own sales and marketing capabilities and entering into arrangements with third parties to perform these services. For example, recruiting and training a sales force is expensive and time-consuming and could delay any drug launch. If the commercial launch of a drug candidate for which we establish marketing capabilities is delayed or does not occur for any reason, we would have prematurely or unnecessarily incurred these commercialization expenses, which may be costly.

If we enter into arrangements with third parties to perform sales, marketing and distribution services, our drug revenues or the profitability of these drug revenues to us are likely to be lower than if we were to market and sell any current or future drugs ourselves. We likely will have little control over such third parties, and any of them may fail to devote the necessary resources and attention to sell and market our drugs effectively. In addition, we may not be successful in entering into arrangements with third parties to sell and market our current and future drugs or may be unable to do so on terms that are favorable to us.

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 drugs and drug candidates, if approved. Further, our business, results of operations, financial condition and prospects will be materially adversely affected.

Risks Related to Drug Development and Regulatory Approval

If we are unable to advance our drug candidates to clinical development, obtain regulatory approval for our drug candidates, including for avapritinib and pralsetinib in additional indications or in additional geographies, and ultimately commercialize them, or experience significant delays in doing so, our business will be materially harmed.

Our ability to generate substantial drug revenues, if ever, will depend heavily on the successful development and commercialization of our drugs and drug candidates. Each of our drug candidates will require additional preclinical or clinical development, management of clinical, preclinical and manufacturing activities, regulatory approval in multiple jurisdictions, obtaining manufacturing supply, substantial investment and significant marketing efforts before we generate substantial revenues from sales for those drug candidates, if approved. In addition, for some of our drug candidates, in order to select patients most likely to respond to treatment and rapidly confirm mechanistic and clinical proof-of-concept, or to identify appropriate patients for our drugs or drug candidates for which we obtain approval, we may be required or we may seek to develop companion diagnostic tests, which are assays or tests to identify an appropriate patient population. Companion diagnostic tests are subject to regulation as medical devices and must themselves be cleared or approved for marketing by the FDA or certain other foreign regulatory agencies before we may commercialize our drug candidates. The success of our approved drugs and drug candidates will depend on several factors, including the following:

- successful enrollment in, and initiation and completion of, clinical trials, including our ongoing and planned clinical trials for our drugs and drug candidates as monotherapies and in combination with other agents;
- successful initiation and completion of preclinical studies for our other drug candidates;
- successful development of any companion diagnostic tests for use with our drugs and drug candidates;
- receipt of regulatory approvals from applicable regulatory authorities and transitioning any conditional marketing authorizations to full approvals;
- in-house commercial manufacturing capabilities or arrangements with third-parties for clinical supply and commercial manufacturing, packaging and labeling and the receipt by such third-party manufacturers of requisite approvals to supply commercial inventories of our approved drugs and drug candidates;
- obtaining and maintaining patent and trade secret protection or regulatory exclusivity for our drugs and drug candidates;
- successful commercialization of our approved drugs and drug candidates, if and when approved, whether alone or in collaboration with others;
- acceptance of our approved drugs and drug candidates, if and when approved, by patients, the medical community and third-party payors;
- effectively competing with other therapies;
- obtaining and maintaining healthcare coverage and adequate reimbursement;
- enforcing and defending intellectual property rights and claims; and
- maintaining a continued acceptable safety profile of our drugs and drug candidates following approval.

If we do not achieve one or more of these factors in a timely manner or at all, we could experience significant delays or an inability to successfully commercialize our drugs and drug candidates, which would materially harm our

business. If we do not receive regulatory approvals for our drug candidates, we may not be able to continue our operations.

If we experience delays or difficulties in the enrollment of patients in clinical trials, our receipt of necessary regulatory approvals could be delayed or prevented.

We may not be able to initiate or continue clinical trials for our drug candidates, including avapritinib and pralsetinib for additional indications, if we are unable to locate and enroll a sufficient number of eligible patients to participate in these trials as required by the FDA or similar regulatory authorities outside the U.S. Because the target patient populations for our drug candidates and approved drugs in clinical development for additional indications are relatively small, it may be difficult to successfully identify patients. Although we have entered into or plan to enter into agreements with third parties to develop companion diagnostic tests for use in some of our other current or future clinical trials in order to help identify eligible patients, we may experience delays in reaching, or fail to reach, agreement on acceptable terms to develop such companion diagnostic tests. Any third parties whom we engage to develop companion diagnostic tests may experience delays or may not be successful in developing such companion diagnostic tests, furthering the difficulty in identifying patients for our clinical trials. In addition, current commercially available diagnostic tests to identify appropriate patients for our clinical trials or any approved drug candidates may become unavailable in the future.

In addition, we have experienced some delays or disruptions in enrollment in our ongoing clinical trials due to the COVID-19 pandemic, and we anticipate we may experience additional delays or disruptions in the future due to the ongoing COVID-19 pandemic and changes in local site or IRB policies availabilities of site staff reprioritization of hospital resources, restricted access to healthcare professionals and testing sites and other containment measures or concerns among patients about participating in clinical trials during a pandemic. Furthermore, some of our competitors have ongoing clinical trials for drug candidates that treat the same indications as our drug candidates and approved drugs in clinical development for additional indications, and patients who would otherwise be eligible for our clinical trials may instead enroll in clinical trials of our competitors' drug candidates.

Patient enrollment may be affected by other factors including:

- the severity of the disease under investigation;
- the size of the target patient population;
- the eligibility criteria for the clinical trial;
- the availability of an appropriate genomic screening test;
- the perceived risks and benefits of the drug candidate under study;
- the efforts to facilitate timely enrollment in clinical trials;
- the patient referral practices of physicians;
- the ability to monitor patients adequately during and after treatment; and
- the proximity and availability of clinical trial sites for prospective patients.

Our inability to identify patients appropriate for enrollment in our clinical trials, or to enroll a sufficient number of patients in our clinical trials, would result in significant delays and could require us to abandon one or more clinical trials altogether. Enrollment delays in our clinical trials may result in increased development costs for our drug candidates, which would cause the value of our company to decline and limit our ability to obtain additional financing. If we are unable to include patients with the driver of the disease, including the applicable genomic alteration for diseases in genomically defined patient populations, this could compromise our ability to seek participation in the FDA's

expedited review and approval programs, including breakthrough therapy designation and fast track designation, or otherwise to seek to accelerate clinical development and regulatory timelines.

If we are not able to obtain, or if there are delays in obtaining, required regulatory approvals for our drug candidates and, if applicable, for any related companion diagnostic tests, we will not be able to commercialize, or may be delayed in commercializing, such drug candidates, and our ability to generate revenue will be materially impaired.

Our drug candidates and any companion diagnostic tests related to our approved drugs or drug candidates, including the companion diagnostic tests that we are developing or have developed for avapritinib in order to identify GIST patients with the PDGFRA D842V mutation, and pralsetinib in order to identify NSCLC patients with RET fusions and MTC patients with RET mutations, and the activities associated with their development and commercialization, including their design, testing, manufacture, safety, efficacy, recordkeeping, labeling, storage, approval, advertising, promotion, sale, distribution, import and export, are subject to comprehensive regulation by the FDA and other regulatory agencies in the U.S. and by comparable authorities in other countries. Before we can commercialize any of our drug candidates, we must obtain marketing approval. We may also need marketing clearance or approval for any related companion diagnostic tests, including the companion diagnostic tests that we are developing for avapritinib and pralsetinib.

We expect to rely on third-party CROs and/or regulatory consultants to assist us in filing and supporting the applications necessary to gain regulatory approvals. Securing regulatory approval requires the submission of extensive preclinical and clinical data and supporting information to the various regulatory authorities for each therapeutic indication to establish the drug candidate's safety and efficacy. Securing regulatory approval also requires the submission of information about the drug manufacturing process to, and inspection of manufacturing facilities by, the relevant regulatory authority. Should FDA determine that an inspection is necessary for approval of a marketing application and an inspection cannot be completed during the review cycle due to restrictions on travel, FDA has stated that it generally intends to issue a complete response letter. Further, if there is inadequate information to make a determination on the acceptability of a facility, FDA may defer action on the application until an inspection can be completed. Our drug candidates may not be effective, may be only moderately effective or may prove to have undesirable or unintended side effects, toxicities or other characteristics that may preclude our obtaining marketing approval or prevent or limit commercial use.

The process of obtaining regulatory approvals, if approval is obtained at all, both in the U.S. and abroad is expensive, may take many years if additional clinical trials are required and can vary substantially based upon a variety of factors, including the type, complexity and novelty of the drug candidates involved. Changes in marketing approval policies during the development period, changes in or the enactment of additional statutes or regulations, or changes in regulatory review for each submitted NDA for a drug candidate, pre-market approval (PMA) application for a companion diagnostic test or equivalent application types, may cause delays in the approval or rejection of an application. The FDA and comparable authorities in other countries have substantial discretion in the approval process and may refuse to accept any application or may decide that our data are insufficient for approval and require additional preclinical, clinical or other studies. We currently have multiple marketing applications for our drug candidates under review across the world.

Our drug candidates could be delayed in receiving, or fail to receive, regulatory approval for many reasons, including the following:

- the FDA or comparable foreign regulatory authorities may disagree with the design or implementation of our clinical trials;
- we may be unable to demonstrate to the satisfaction of the FDA or comparable foreign regulatory authorities that a drug candidate is safe and effective for its proposed indication or a related companion diagnostic test is suitable to identify appropriate patient populations;
- the results of clinical trials may not meet the level of statistical significance required by the FDA or comparable foreign regulatory authorities for approval;

- we may be unable to demonstrate that a drug candidate's clinical and other benefits outweigh its safety risks;
- the FDA or comparable foreign regulatory authorities may disagree with our interpretation of data from preclinical studies or clinical trials;
- the data collected from clinical trials of our drug candidates may not be sufficient to support the submission of an NDA or other submission or to obtain regulatory approval in the U.S. or elsewhere;
- the FDA or comparable foreign regulatory authorities may find deficiencies with or fail to approve the manufacturing processes or facilities of third-party manufacturers with which we contract for clinical and commercial supplies;
- the approval policies or regulations of the FDA or comparable foreign regulatory authorities may significantly change in a manner rendering our clinical data insufficient for approval; and
- delays or disruptions impacting the FDA or comparable foreign regulatory authorities due to the ongoing COVID-19 pandemic.

As of May 26, 2021, the FDA noted it is continuing to ensure timely reviews of applications for medical products during the ongoing COVID-19 pandemic in line with its user fee performance goals and conducting mission critical domestic and foreign inspections to ensure compliance of manufacturing facilities with FDA quality standards. On July 16, 2020, FDA noted that it is continuing to expedite oncology product development with its staff teleworking full-time. However, FDA may not be able to continue its current pace and approval timelines could be extended, including where a pre-approval inspection or an inspection of clinical sites is required and due to the ongoing COVID-19 pandemic and travel restrictions FDA is unable to complete such required inspections during the review period. During the COVID-19 pandemic, a number of companies announced receipt of complete response letters due to the FDA's inability to complete required inspections for their applications. In addition, even if we were to obtain approval, regulatory authorities may approve any of our drug candidates for fewer or more limited indications than we request, may not approve the price we intend to charge for our drugs and related companion diagnostic tests, may grant approval contingent on the performance of costly post-marketing clinical trials or other post-marketing requirements, or may approve a drug candidate with a label that does not include the labeling claims necessary or desirable for the successful commercialization of that drug candidate. Any of the foregoing scenarios could materially harm the commercial prospects for our drug candidates.

If we experience delays in obtaining approval or if we fail to obtain approval of our drug candidates and companion diagnostic tests related to our approved drugs and drug candidates, the commercial prospects for our approved drugs or drug candidates may be harmed and our ability to generate revenues will be materially impaired.

The ability of the FDA to review and approve new products can be affected by a variety of factors, including government budget and funding levels, the ability to hire and retain key personnel and accept the payment of user fees, and statutory, regulatory and policy changes. Average review times at the agency have fluctuated in recent years as a result. In addition, government funding of the SEC and other government agencies on which our operations may rely, including those that fund research and development activities, is subject to the political process, which is inherently fluid and unpredictable.

Disruptions at the FDA and other agencies may also slow the time necessary for new drug candidates to be reviewed and/or approved by necessary government agencies, which would adversely affect our business. If a prolonged government shutdown occurs, it could 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. Further, future government shutdowns could impact our ability to access the public markets and obtain necessary capital in order to properly capitalize and continue our operations.

Results from earlier stage trials may not be predictive of the results of later stage trials and interim and preliminary data from our clinical trials that we announce or publish from time to time may change as more patient data become available or as additional analyses are conducted and as the data are subject to audit and verification procedures that could result in material changes in the final data.

The results of preclinical studies and early clinical trials of our drug candidates may not be predictive of the results of later-stage clinical trials. In addition, initial success in clinical trials may not be indicative of results obtained when such trials are completed. There is typically an extremely high rate of attrition from the failure of drug candidates proceeding through clinical trials. Drug candidates in later stages of clinical trials may fail to show the desired safety and efficacy profile despite having progressed through preclinical studies and initial clinical trials. A number of companies in the biopharmaceutical industry have suffered significant setbacks in advanced clinical trials due to lack of efficacy or emergence of unacceptable safety issues, notwithstanding promising results in earlier trials. Most drug candidates that commence clinical trials are never approved as products and there can be no assurance that any of our future clinical trials will ultimately be successful or support further clinical development of any of our drug candidates. Drug candidates that appear promising in the early phases of development may fail to reach the market for several reasons, including:

- preclinical studies or clinical trials may show the drug candidates to be less effective than expected (e.g., a clinical trial could fail to meet its primary endpoint(s)) or to have unacceptable side effects or toxicities;
- failure to establish clinical endpoints that applicable regulatory authorities would consider clinically meaningful;
- failure to receive the necessary regulatory approvals;
- manufacturing issues, formulation issues, pricing or reimbursement issues or other factors that make a drug candidate uneconomical; and
- the proprietary rights of others and their competing products and technologies that may prevent one of our drug candidates from being commercialized.

In addition, differences in trial design between early-stage clinical trials and later-stage clinical trials make it difficult to extrapolate the results of earlier clinical trials to later clinical trials. Moreover, clinical data are often susceptible to varying interpretations and analyses, and many companies that have believed their drug candidates performed satisfactorily in clinical trials have nonetheless failed to obtain marketing approval of their products.

Additionally, from time to time, we may publish interim or preliminary data from our clinical studies. Interim data from clinical trials that we may complete are subject to the risk that one or more of the clinical outcomes may materially change as patient enrollment continues and more patient data become available. Preliminary data also remain subject to audit and verification procedures that may result in the final data being materially different from the preliminary data we previously published. As a result, interim and preliminary data should be viewed with caution until the final data are available. Material adverse changes between preliminary or interim data and final data could significantly harm our business prospects.

Our drugs and drug candidates may cause undesirable side effects that could delay or prevent their regulatory approval, limit the commercial profile of an approved label, result in restrictive distribution or result in significant negative consequences following marketing approval, if any.

Undesirable side effects caused by any of our approved drugs or drug candidates could cause us to interrupt, delay or halt preclinical studies or could cause us or regulatory authorities to interrupt, delay or halt clinical trials and could result in a more restrictive label or the delay or denial of regulatory approval by the FDA or other regulatory authorities. As is the case with all oncology drugs, it is likely that there may be side effects associated with the use of our drugs and drug candidates. Results of our trials could reveal a high and unacceptable severity and prevalence of these or other side effects. In such an event, our trials could be suspended or terminated, and the FDA or comparable foreign regulatory authorities could order us to cease further development of or deny approval of our drugs or drug candidates

for any or all targeted indications. The drug related side effects could affect patient recruitment or the ability of enrolled patients to complete clinical trials or result in potential product liability claims. Any of these occurrences may harm our business, financial condition and prospects significantly.

Further, our approved drugs and drug candidates could cause undesirable side effects in preclinical studies or clinical trials related to on target toxicity. If on target toxicity is observed, or if our drugs or drug candidates have characteristics that are unexpected, we may need to abandon their development or limit development to more narrow uses or subpopulations in which the undesirable side effects or other characteristics are less prevalent, less severe or more acceptable from a risk benefit perspective. Many compounds that initially showed promise in early stage testing for treating cancer have later been found to cause side effects that prevented further development of the compound.

Further, clinical trials by their nature utilize a sample of the potential patient population. With a limited number of patients and limited duration of exposure, rare and severe side effects of our drugs or drug candidates may only be uncovered with a significantly larger number of patients exposed to the drugs or drug candidate. If we or others identify undesirable side effects caused by any of our approved drugs or drug candidates (or any other similar drugs) after marketing approval, a number of potentially significant negative consequences could result, including:

- regulatory authorities may withdraw or limit their approval of such drug;
- regulatory authorities may require the addition of labeling statements, such as a “boxed” warning or a contraindication;
- we may be required to create a medication guide outlining the risks of such side effects for distribution to patients;
- we may be required to change the way such drug is distributed or administered, conduct additional clinical trials or change the labeling of such drug;
- regulatory authorities may require a Risk Evaluation and Mitigation Strategy (REMS) plan to mitigate risks, which could include medication guides, physician communication plans, or elements to assure safe use, such as restricted distribution methods, patient registries and other risk minimization tools;
- we may be subject to regulatory investigations and government enforcement actions;
- we may decide to remove such drug from the marketplace;
- we could be sued and held liable for injury caused to individuals exposed to or taking our drugs and drug candidates; and
- our reputation may suffer.

We believe that any of these events could prevent us from achieving or maintaining market acceptance of the affected drugs or drug candidates and could substantially increase the costs of commercializing our approved drugs and drug candidates, if approved, and significantly impact our ability to successfully commercialize our approved drugs and drug candidates and generate revenues.

A fast track or breakthrough therapy designation by the FDA for our drug candidates may not lead to a faster development or regulatory review or approval process, and it does not increase the likelihood that our drug candidates will receive marketing approval.

We may seek fast track or breakthrough therapy designation for some of our current or future drug candidates. Fast track designation is designed for drug candidates intended for the treatment of a serious or life-threatening disease or condition, where nonclinical or clinical data demonstrate the potential to address an unmet medical need for this disease or condition. A breakthrough therapy is defined as a drug that is intended, alone or in combination with one or more other drugs, to treat a serious or life-threatening disease or condition, and preliminary clinical evidence indicates

that the drug may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. For drugs that have been designated as fast track or breakthrough therapies, interaction and communication between the FDA and the sponsor of the trial can help to identify the most efficient path for clinical development while minimizing the number of patients placed in ineffective control regimens. The FDA has granted fast track designation to BLU-782 for the treatment of FOP. The FDA has granted breakthrough therapy designation to avapritinib for the treatment of moderate to severe indolent SM. In addition, the FDA previously granted breakthrough designation to our drugs, AYVAKIT and GAVRETO, for the treatment of certain patients with GIST, advanced SM and RET-altered cancers, respectively.

Designation as a fast track or breakthrough therapy is within the discretion of the FDA. Accordingly, even if we believe one of our drug candidates meets the criteria for designation as a fast track or breakthrough therapy, the FDA may disagree and instead determine not to make such designation. In any event, the receipt of a fast track or breakthrough therapy designation for a drug candidate may not result in a faster development process, review or approval compared to other drugs and does not assure ultimate approval by the FDA. In addition, even if one or more of our drug candidates qualify as fast track or breakthrough therapies, the FDA may later decide that the drugs no longer meet the conditions for qualification.

We have in the past and may in the future seek approval of our drug candidates, where applicable, under the FDA's accelerated approval pathway. This pathway may not lead to a faster development, regulatory review or approval process and does not increase the likelihood that our drug candidates will receive marketing approval.

We may seek approval of our drug candidates, where applicable, under the FDA's accelerated approval pathway. A product may be eligible for accelerated approval if it treats a serious or life-threatening condition, generally provides a meaningful advantage over available therapies, and demonstrates an effect on a surrogate endpoint that is reasonably likely to predict clinical benefit or on a clinical endpoint that can be measured earlier than irreversible morbidity or mortality (IMM), that is reasonably likely to predict an effect on IMM or other clinical benefit. As a condition of accelerated approval, the FDA likely would require that we perform adequate and well-controlled post-marketing clinical trials to confirm the product's clinical benefit. These confirmatory trials must be completed with due diligence. In addition, the FDA currently requires, unless otherwise informed by the agency, pre-approval of promotional materials for products receiving accelerated approval, which could adversely impact the timing of the commercial launch of the product. Thus, even if we seek to utilize the accelerated approval pathway, we may not be able to obtain accelerated approval and, even if we do, we may not experience a faster development, regulatory review or approval process for that product. In addition, receiving accelerated approval does not assure that the product's accelerated approval will eventually be converted to a traditional approval.

We may be unsuccessful in obtaining or may be unable to maintain the benefits associated with orphan drug designation, including the potential for market exclusivity.

The FDA has granted orphan drug designation to avapritinib for the treatment of GIST and the treatment of mastocytosis, to pralsetinib for the treatment of RET-rearranged NSCLC, JAK1/2-positive NSCLC or TRKC-positive NSCLC for the treatment of HCC. In addition, the European Commission has granted medicinal product designation to avapritinib for the treatment of GIST and the treatment of mastocytosis. As part of our business strategy, we may seek orphan drug designation for some of our other drug candidates, and we may be unsuccessful. Regulatory authorities in some jurisdictions, including the U.S. and the European Union (EU), may designate drugs for relatively small patient populations as orphan drugs. Under the Orphan Drug Act, the FDA may designate a drug as an orphan drug if it is a drug intended to treat a rare disease or condition, which is generally defined as a patient population of fewer than 200,000 individuals annually in the U.S., or a patient population greater than 200,000 in the U.S. where there is no reasonable expectation that the cost of developing the drug will be recovered from sales in the U.S. In the U.S., 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.

Similarly, in the EU, the European Commission grants orphan medicinal product designation after receiving the opinion of the European Medicines Agency's (EMA) Committee for Orphan Medicinal Products on an orphan medicinal product designation application. Orphan medicinal product designation is intended to promote the development of drugs that are intended for the diagnosis, prevention or treatment of life threatening or chronically debilitating conditions affecting not more than five (5) in ten thousand (10,000) persons in the EU and for which no satisfactory method of

diagnosis, prevention, or treatment has been authorized for marketing in the EU (or, if such a method exists, the drug would be of significant benefit to those affected by the condition). In addition, designation is granted for drugs intended for the diagnosis, prevention, or treatment of a life threatening, seriously debilitating or serious and chronic condition and when, without incentives, it is unlikely that sales of the drug in the EU would generate sufficient return to justify the necessary investment in developing the drug. In the EU, orphan medicinal product designation entitles a party to financial incentives such as reduction of fees or fee waivers.

Generally, if a drug with an orphan drug designation subsequently receives the first marketing approval for the indication for which it has such designation, the drug is entitled to a period of marketing exclusivity, which precludes the EMA or the FDA from approving another marketing application for the same drug and indication for that time period, except in limited circumstances. The applicable period is seven years in the U.S. and ten years in the EU. The EU exclusivity period can be reduced to six years if a drug no longer meets the criteria for orphan medicinal product designation or if the drug is sufficiently profitable so that market exclusivity is no longer justified.

Even if we obtain orphan drug exclusivity for a drug, that exclusivity may not effectively protect the designated drug from competition because different drugs can be approved for the same condition. Even after an orphan drug is approved, the FDA can subsequently approve the same drug for the same condition if the FDA concludes that the later drug is clinically superior in that it is shown to be safer, more effective or makes a major contribution to patient care.

On August 3, 2017, Congress passed the FDA Reauthorization Act of 2017 (FDARA). FDARA, among other things, codified the FDA's preexisting regulatory interpretation, to require that a drug Sponsor demonstrate the clinical superiority of an orphan drug that is otherwise the same as a previously approved drug for the same rare disease in order to receive orphan drug exclusivity. The law reverses prior precedent holding that the Orphan Drug Act unambiguously requires that the FDA recognize the orphan exclusivity period regardless of a showing of clinical superiority. Moreover, in the Consolidated Appropriations Act of 2021, Congress did not further change this interpretation when it clarified that the interpretation codified in FDARA would apply in cases where FDA issued an orphan designation before the enactment of FDARA but where product approval came after the enactment of FDARA. The FDA may further reevaluate the Orphan Drug Act and its regulations and policies. We do not know if, when, or how the FDA may change the orphan drug regulations and policies in the future, and it is uncertain how any changes might affect our business. Depending on what changes the FDA may make to its orphan drug regulations and policies, our business could be adversely impacted. In addition, a designated orphan drug may not receive orphan drug exclusivity if it is approved for a use that is broader than the indication for which it received orphan designation. Moreover, orphan drug exclusive marketing rights in the U.S. 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 quantity of the drug to meet the needs of patients with the rare disease or condition. 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. While we intend to continue seek orphan drug designation for our drug candidates, we may never receive such designations. Even if we receive orphan drug designation for any of our drug candidates, there is no guarantee that we will enjoy the benefits of those designations.

The FDA may further reevaluate the Orphan Drug Act and its regulations and policies. We do not know if, when, or how the FDA may change the orphan drug regulations and policies in the future, and it is uncertain how any changes might affect our business. Depending on what changes the FDA may make to its orphan drug regulations and policies, our business could be adversely impacted.

We may not be successful in our efforts to expand our pipeline of drug candidates.

A key element of our strategy is to use our novel target discovery engine to identify kinases that are drivers of diseases in genomically defined patient populations with high unmet medical need in order to build a pipeline of drug candidates. Although our research and development efforts to date have resulted in a pipeline of drug candidates, we may not be able to continue to identify novel kinase drivers and develop drug candidates. We may also pursue opportunities to acquire or in-license additional businesses, technologies or drugs, form strategic alliances or create joint ventures with third parties to complement or augment our existing business. For example, in February 2022 we entered into a collaboration with Proteovant to research and advance novel targeted protein degrader therapies leveraging Proteovant's artificial intelligence-enhanced targeted protein degradation platform and our small molecule precision

medicine capabilities. However, we may not be able to identify any drug candidates for our pipeline through such acquisitions or in-licenses.

Even if we are successful in continuing to build and expand our pipeline, the potential drug candidates that we identify may not be suitable for clinical development. For example, they may be shown to have harmful side effects or other characteristics that indicate that they are unlikely to be drugs that will be successful in clinical trials or receive marketing approval and achieve market acceptance. If we do not successfully develop and commercialize drug candidates, we will not be able to obtain drug revenues in future periods, which likely would result in significant harm to our financial position and adversely affect our stock price.

We may expend our limited resources to pursue a particular drug candidate or indication and fail to capitalize on drug candidates or indications that may be more profitable or for which there is a greater likelihood of success.

Because we have limited human capital and financial resources, we focus on research programs and drug candidates that we identify for specific indications. As a result, we may forego or delay pursuit of opportunities with other drug candidates or for other indications that later prove to have greater commercial potential. Our resource allocation decisions may cause us to fail to capitalize on viable commercial drugs or profitable market opportunities. Our spending on current and future research and development programs and drug candidates for specific indications may not yield any commercially viable drugs. If we do not accurately evaluate the commercial potential or target market for a particular drug candidate, we may relinquish valuable rights to that drug candidate through collaboration, licensing or other royalty arrangements in cases in which it would have been more advantageous for us to retain sole development and commercialization rights to such drug candidate.

At any time and for any reason, we may determine that one or more of our discovery programs or preclinical or clinical drug candidates or programs does not have sufficient potential to warrant the allocation of resources toward such program or drug candidate. Accordingly, we may choose not to develop a potential drug candidate or elect to suspend, deprioritize or terminate one or more of our discovery programs or preclinical or clinical drug candidates or programs. If we suspend, deprioritize or terminate a program or drug candidate in which we have invested significant resources, we will have expended resources on a program that will not provide a full return on our investment and may have missed the opportunity to have allocated those resources to potentially more productive uses, including existing or future programs or drug candidates.

We intend to develop drug candidates in combination with other therapies, which exposes us to additional risks.

We intend to develop, launch and commercialize BLU-945, BLU-701, BLU-222 and potentially other drug candidates in combination with one or more approved or unapproved therapies. Even if any drug candidate we develop were to receive marketing approval for use in combination with other approved therapies, the FDA, the EMA or other regulatory authorities could still revoke approval of the therapy used in combination with our drug candidate. If the therapies used in combination with our drug candidates are replaced as the standard of care for the indications we choose for any of our drug candidates, the FDA, EMA or regulatory authorities may require us to conduct additional clinical trials which may experience complications surrounding trial execution, such as complexities surrounding trial design, establishing trial protocols and interpretability of results, clinical site access and initiation, patient recruitment and enrollment, quality and supply of clinical doses, safety issues or a lack of clinically relevant activity. The uncertainty resulting for the use of our drug candidates in combination with other approved or unapproved therapies may make it difficult to accurately predict side effects in the future clinical trials. The occurrence of any of these risks could result in our own drug candidates, if approved, being removed from the market if they are not also approved as monotherapies or being less successful commercially.

Further, we will not be able to market and sell any drug candidate we develop in combination with an unapproved therapy for a combination indication if that unapproved therapy does not ultimately obtain marketing approval either alone or in combination with our drug candidate. In addition, unapproved therapies face the same risks described with respect to our drug candidates currently in development and clinical trials, including the potential for serious adverse effects, delay in their clinical trials and lack of FDA approval.

If the FDA, EMA or other regulatory authorities do not approve these other products or revoke their approval of, or if safety, efficacy, quality, manufacturing or supply issues arise with, the agents we choose to evaluate in combination with our drug candidates we may be unable to obtain approval of or market such combination therapy.

Risks Related to Government Legislations and Regulations

We are required to comply with comprehensive and ongoing regulatory requirements for any of our current or future approved drugs, including conducting confirmatory clinical trials for any drug that receives accelerated approval. In addition, our current or future approved drugs could be subject to labeling and other restrictions and market withdrawal and we may be subject to penalties if we fail to comply with regulatory requirements or experience unanticipated problems with our drugs.

We have in the past and may in the future seek approval of current or future drug candidates, where applicable, under the FDA's accelerated approval pathway. Any current or future drug candidate for which we receive accelerated approval from the FDA, including GAVRETO, or similar conditional approval from the EMA, including AYVAKYT, or comparable regulatory authorities in other jurisdictions may be required to undergo one or more confirmatory clinical trials, as a condition of accelerated approval, be required to perform adequate and well-controlled post-marketing clinical trials to confirm the product's clinical benefit. These post-market confirmatory trials must be completed according to timelines agreed upon with the FDA. If such drug candidate fails to meet its safety and efficacy endpoints in such confirmatory clinical trials, the regulatory authority may withdraw its approval. There is no assurance that any such drug candidate will successfully advance through its confirmatory clinical trial(s). Therefore, even if a drug candidate receives accelerated approval from the FDA or similar conditional approval from the EMA or comparable regulatory authorities, such approval may be withdrawn at a later date.

If the FDA or a comparable foreign regulatory authority approves any of our drug candidates, the manufacturing processes, labeling, packaging, distribution, adverse event reporting, storage, advertising, promotion and recordkeeping for the drug will be subject to extensive and ongoing regulatory requirements. These requirements include submissions of safety and other post marketing information and reports, registration, as well as continued compliance with current Good Manufacturing Practices (cGMPs) and Good Clinical Practices (GCPs) for any clinical trials that we conduct post approval. In addition, drug manufacturers and other entities involved in the manufacture and distribution of approved drugs are subject to periodic unannounced inspections by the FDA and state agencies for compliance with cGMP requirements. For certain commercial prescription drug products, manufacturers and other parties involved in the supply chain must also meet chain of distribution requirements and build electronic, interoperable systems for product tracking and tracing and for notifying the FDA of counterfeit, diverted, stolen and intentionally adulterated products or other products that are otherwise unfit for distribution in the United States. Any regulatory approvals that we receive for our drug candidates may also be subject to limitations on the approved indicated uses for which the drug may be marketed or to the conditions of approval, or contain requirements for potentially costly post marketing testing, including Phase 4 clinical trials, and surveillance to monitor the safety and efficacy of the drug. Later discovery of previously unknown problems with a drug, including adverse events of unanticipated severity or frequency, or with our third party manufacturers or manufacturing processes, or failure to comply with regulatory requirements, may result in, among other things:

- restrictions on the marketing or manufacturing of the drug, withdrawal of the drug from the market, "dear doctor" letters or drug recalls;
- fines, warning letters or holds on clinical trials;
- refusal by the FDA to approve pending applications or supplements to approved applications filed by us, or suspension or revocation of marketing approvals;
- drug seizure or detention, or refusal to permit the import or export of drugs; and
- injunctions or the imposition of civil or criminal penalties.

The FDA's policies may change and additional government regulations may be enacted that could prevent, limit or delay regulatory approval of our drug candidates. If we are slow or unable to adapt to changes in existing

requirements or the adoption of new requirements or policies, or if we are not able to maintain regulatory compliance, we may lose any marketing approval that we may have obtained, which would adversely affect our business, prospects and ability to achieve or sustain profitability.

Regulatory agencies may also impose requirements for costly post-marketing studies or clinical trials and surveillance to monitor the safety or efficacy of a product. The FDA and other agencies, including the Department of Justice (DOJ), closely regulate and monitor the post-approval marketing and promotion of products to ensure that they are manufactured, marketed and distributed only for the approved indications and in accordance with the provisions of the approved labeling. The FDA imposes stringent restrictions on manufacturers' communications regarding off-label use, and if we, or any future collaborators, do not market any of our products for which we, or they, receive marketing approval for only their approved indications, we, or they, may be subject to warnings or enforcement action for off-label marketing, government investigations, or litigation. Violation of the Federal Food, Drug, and Cosmetic Act and other statutes, including the False Claims Act, relating to the promotion and advertising of prescription drugs may lead to investigations or allegations of violations of federal and state healthcare fraud and abuse laws and state consumer protection laws.

Even if we are able to commercialize any of our approved drugs or drug candidates, if approved, such drug or drug candidate may become subject to unfavorable pricing regulations or third-party coverage and reimbursement policies, which would harm our business.

The regulations that govern regulatory approvals, pricing and reimbursement for new drugs vary widely from country to country. Some countries require approval of the sale price of a drug before it can be marketed. In many countries, the pricing review period begins after marketing approval is granted. In some foreign markets, prescription pharmaceutical pricing remains subject to continuing governmental control even after initial approval is granted. As a result, we might obtain marketing approval for a drug candidate in a particular country, but then be subject to price regulations that delay our commercial launch of the drug candidate, possibly for lengthy time periods, and negatively impact the revenues we are able to generate from the sale of the drug candidate in that country. Adverse pricing limitations may hinder our ability to recoup our investment in one or more drug candidates, even if our drug candidates obtain marketing approval.

Our ability to commercialize any drugs and drug candidates successfully also will depend in part on the extent to which coverage and reimbursement for these drugs and drug candidates and related treatments will be available from government authorities, private health insurers and other organizations. In the U.S. and markets in other countries, patients generally rely on third-party payors to reimburse all or part of the costs associated with their treatment. Adequate coverage and reimbursement from governmental healthcare programs, such as Medicare and Medicaid, and commercial payors is critical to new product acceptance. Our ability to successfully commercialize additional products will depend in part on the extent to which coverage and adequate reimbursement for these products and related treatments will be available from government health administration authorities, private health insurers and other organizations. Government authorities and other third-party payors, such as private health insurers and health maintenance organizations, decide which medications they will pay for and establish reimbursement levels. In the United States, the principal decisions about reimbursement for new medicines are typically made by the Centers for Medicare & Medicaid Services (CMS), an agency within the U.S. Department of Health and Human Services (HHS). CMS decides whether and to what extent a new medicine will be covered and reimbursed under Medicare and private payors tend to follow CMS to a substantial degree. The availability of coverage and extent of reimbursement by governmental and private payors is essential for most patients to be able to afford treatments. Sales of these or other products that we may identify will depend substantially, both domestically and abroad, on the extent to which the costs of our products will be paid by health maintenance, managed care, pharmacy benefit and similar healthcare management organizations, or reimbursed by government health administration authorities, private health coverage insurers and other third-party payors. If coverage and adequate reimbursement is not available, or is available only to limited levels, we may not be able to successfully commercialize our products. Even if coverage is provided, the approved reimbursement amount may not be high enough to allow us to establish or maintain pricing sufficient to realize a sufficient return on our investment. A primary trend in the U.S. healthcare industry and elsewhere is cost containment. Government authorities and other third-party payors have attempted to control costs by limiting coverage and the amount of reimbursement for particular drugs. Increasingly, third-party payors are requiring that drug companies provide them with predetermined discounts from list prices and are challenging the prices charged for drugs. We cannot be sure that coverage will be available for any drug candidate that we commercialize and, if coverage is available, the level of reimbursement. Reimbursement may

impact the demand for, or the price of, any drug candidate for which we obtain marketing approval. If reimbursement is not available or is available only to limited levels, we may not be able to successfully commercialize any drug candidate for which we obtain marketing approval. Further, due to the ongoing COVID-19 pandemic, many individuals have lost or will be losing employer-based insurance coverage, which may adversely affect our ability to commercialize our products. It is unclear what effect, if any, American Rescue Plan and other government efforts to expand coverage will have on the number of covered individuals. See section entitled "Business – Coverage and Reimbursement" included in our Annual Report on Form 10-K for the year ended December 31, 2021.

There may be significant delays in obtaining reimbursement for newly approved drugs, and coverage may be more limited than the purposes for which the drug is approved by the FDA or similar regulatory authorities outside the U.S. Moreover, eligibility for reimbursement does not imply that any drug will be paid for in all cases or at a rate that covers our costs, including research, development, manufacture, sale and distribution. Interim reimbursement levels for new drugs, if applicable, may also not be sufficient to cover our costs and may not be made permanent. Reimbursement rates may vary according to the use of the drug and the clinical setting in which it is used, may be based on reimbursement levels already set for lower-cost drugs and may be incorporated into existing payments for other services. Net prices for drugs may be reduced by mandatory discounts or rebates required by government healthcare programs or private payors and by any future relaxation of laws that presently restrict imports of drugs from countries where they may be sold at lower prices than in the U.S. Private third-party payors often rely upon Medicare coverage policy and payment limitations in setting their own reimbursement policies. Our inability to promptly obtain coverage and profitable payment rates from both government-funded and private payors for any approved drugs that we develop could have a material adverse effect on our operating results, our ability to raise capital needed to commercialize drugs and our overall financial condition.

Healthcare legislative reform measures may have a material adverse effect on our business and results of operations.

The United States has enacted or proposed legislative and regulatory changes affecting the healthcare system that could prevent or delay marketing approval of our current drug candidates or any future drug candidates, restrict or regulate post-approval activities and affect our ability to profitably sell any product for which we obtain marketing approval. Changes in regulations, statutes or the interpretation of existing regulations could impact our business in the future by requiring, for example: (i) changes to our manufacturing arrangements; (ii) additions or modifications to product labeling; (iii) the recall or discontinuation of our products; or (iv) additional record-keeping requirements. If any such changes were to be imposed, they could adversely affect the operation of our business. In the United States, there have been and continue to be a number of legislative initiatives to contain healthcare costs. For example, in March 2010, the ACA was passed, which substantially changes the way healthcare is financed by both governmental and private insurers, and significantly impacts the U.S. pharmaceutical industry. See section entitled "Business – Coverage and Reimbursement" included in our Annual Report on Form 10-K for the year ended December 31, 2021.

At the state level, legislatures have increasingly passed legislation and implemented regulations designed to control pharmaceutical and biological product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing.

We may face competition in the U.S. for our development candidates and investigational medicines, if approved, from therapies sourced from foreign countries that have placed price controls on pharmaceutical products. Proponents of drug reimportation may attempt to pass legislation that would directly allow reimportation under certain circumstances. Legislation or regulations allowing the reimportation of drugs, if enacted, could decrease the price we receive for any products that we may develop and adversely affect our future revenues and prospects for profitability. For example, on July 9, 2021, President Biden issued an executive order directing the FDA to, among other things, continue to clarify and improve the approval framework for generic drugs and identify and address any efforts to impede generic drug competition which could adversely impact our business.

The Creating and Restoring Equal Access to Equivalent Samples Act (CREATES Act) was enacted in 2019 requiring sponsors of approved new drug applications and biologics license applications to provide sufficient quantities of product samples on commercially reasonable, market-based terms to entities developing generic drugs and biosimilar biological products. The law establishes a private right of action allowing developers to sue application holders that refuse to sell them product samples needed to support their applications. If we are required to provide product samples or

allocate additional resources to responding to such requests or any legal challenges under this law, our business could be adversely impacted.

Other legislative measures have also been enacted that may impose additional pricing and product development pressures on our business, and we expect that additional foreign, federal and state healthcare reform measures will be adopted in the future, any of which could limit the amounts that federal and state governments will pay for healthcare products and services, which could result in limited coverage and reimbursement and reduced demand for our drugs and drug candidates, if approved, or additional pricing pressures.

We are currently unable to predict what additional legislation or regulation, if any, relating to the health care industry may be enacted in the future or what effect recently enacted federal legislation or any such additional legislation or regulation would have on our business. The pendency or approval of such proposals or reforms could result in a decrease in our stock price or limit our ability to raise capital or to enter into collaboration agreements for the further development and commercialization of our approved drugs and drug candidates.

Our relationships with customers and third-party payors will be subject to applicable anti-kickback, fraud and abuse and other healthcare laws and regulations, which could expose us to criminal sanctions, civil penalties, exclusion from government healthcare programs, contractual damages, reputational harm and diminished profits and future earnings.

Our arrangements with third-party payors and customers expose us to broadly applicable fraud and abuse and other healthcare laws and regulations, including but not limited to, the federal healthcare Anti-Kickback Statute, the False Claims Act, the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA), the Physician Payment Sunshine Act, HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act of 2009 (HITECH), the federal false statements statute, federal consumer protection and unfair competition laws and similar state and foreign laws and regulations that may regulate the business or financial arrangements and relationships through which we market, sell and distribute our drugs. The number and complexity of federal, state, and foreign laws continue to increase, and additional governmental resources are being used to enforce these laws and to prosecute companies and individuals who are believed to be violating them. See section entitled “Business – Other Healthcare Laws” included in our Annual Report on Form 10-K for the year ended December 31, 2021.

In the U.S., to help patients who have no or inadequate insurance access our drug, we have a patient assistance program that we administer in conjunction with our patient support program vendor. If we or our vendors are deemed to fail to comply with relevant laws, regulations or evolving government guidance in the operation of 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. Regardless of whether we have complied with the law, a government investigation could impact our business practices, harm our reputation, divert the attention of management, increase our expenses and reduce the availability of assistance to our patients.

Ensuring that our future business arrangements with third parties comply with applicable healthcare laws and regulations could involve substantial costs. It is possible that governmental authorities will conclude that our business practices do not comply with current or future statutes, regulations or case law involving applicable fraud and abuse or other healthcare laws and regulations. If our operations, including anticipated activities to be conducted by our sales team, were to be found to be in violation of any of these laws or any other governmental regulations that may apply to us, we may be subject to significant civil, criminal and administrative penalties, damages, fines, exclusion from government-funded healthcare programs, such as Medicare and Medicaid, and the curtailment or restructuring of our operations. If any of the physicians or other providers or entities with whom we expect to do business is found to be not in compliance with applicable laws, they may be subject to criminal, civil or administrative sanctions, including exclusions from government-funded healthcare programs.

Our future growth may depend, in part, on our ability to penetrate foreign markets, where we would be subject to additional regulatory burdens and other risks and uncertainties.

Our future profitability may depend, in part, on our ability to commercialize current or future drug candidates in foreign markets for which we may rely on collaboration with third parties. We are not permitted to market or promote any of our drug candidates before we receive regulatory approval from the applicable regulatory authority in that foreign market. To obtain separate regulatory approval in many other countries we must comply with numerous and varying regulatory requirements of such countries regarding safety and efficacy and governing, among other things, clinical trials, manufacturing, commercial sales, pricing and distribution of our drug candidates, and we cannot predict success in these jurisdictions. If we seek to develop our drug candidates or obtain approval of our drug candidates and ultimately commercialize our drug candidates in foreign markets, we would be subject to additional risks and uncertainties, including:

- our customers' ability to obtain reimbursement for our drug candidates in foreign markets;
- our inability to directly control commercial activities because we are relying on third parties;
- the burden of complying with complex and changing foreign regulatory, tax, accounting and legal requirements, including the European General Data Protection Regulation 2016/679, commonly referred to as GDPR;
- different medical practices and customs in foreign countries affecting acceptance in the marketplace;
- import or export licensing requirements;
- longer accounts receivable collection times;
- longer lead times for shipping;
- language barriers for technical training;
- reduced protection of intellectual property rights in some foreign countries;
- the existence of additional potentially relevant third-party intellectual property rights;
- foreign currency exchange rate fluctuations; and
- the interpretation of contractual provisions governed by foreign laws in the event of a contract dispute.

Foreign sales of our drug candidates could also be adversely affected by the imposition of governmental controls, political and economic instability, trade restrictions and changes in tariffs.

Governments outside the U.S. tend to impose strict price controls, which may adversely affect our revenues, if any.

In some countries, particularly countries in the EU, the pricing of prescription pharmaceuticals is subject to governmental control. In these countries, pricing negotiations with governmental authorities can take considerable time after the receipt of marketing approval for a drug. To obtain reimbursement or pricing approval in some countries, we may be required to conduct a clinical trial that compares the cost-effectiveness of our drug candidate to other available

therapies. If reimbursement of our drugs is unavailable or limited in scope or amount, or if pricing is set at unsatisfactory levels, our business could be materially harmed.

If we fail to comply with environmental, health and safety laws and regulations, we could become subject to fines or penalties or incur costs that could have a material adverse effect on the success of our business.

We are subject to numerous environmental, health and safety laws and regulations, including those governing laboratory procedures and the handling, use, storage, treatment and disposal of hazardous materials and wastes. Our operations involve the use of hazardous and flammable materials, including chemicals and biological and radioactive materials. Our operations also produce hazardous waste products. We generally contract with third parties for the disposal of these materials and wastes. We cannot eliminate the risk of contamination or injury from these materials. In the event of contamination or injury resulting from our use of hazardous materials, we could be held liable for any resulting damages, and any liability could exceed our resources. We also could incur significant costs associated with civil or criminal fines and penalties.

Although we maintain workers' compensation insurance to cover us for costs and expenses we may incur due to injuries to our employees resulting from the use of hazardous materials, this insurance may not provide adequate coverage against potential liabilities. We do not maintain insurance for environmental liability or toxic tort claims that may be asserted against us in connection with our storage or disposal of biological, hazardous or radioactive materials.

Risks Related to Our Financial Position and Need for Additional Capital

We are a precision therapy company with a limited operating history. We have incurred significant operating losses since our inception and anticipate that we will incur continued losses for the foreseeable future.

We are a precision therapy company with a limited operating history. To date, we have not yet demonstrated our ability to conduct large-scale sales and marketing activities necessary for successful commercialization. We currently have two approved precision therapies and are transitioning to a company capable of supporting commercial activities. We may not be successful in such a transition.

We commenced operations in April 2011 and we have focused substantially all of our efforts and financial resources to date on organizing and staffing our company, business planning, raising capital, establishing our intellectual property building our discovery platform, including our proprietary compound library and new target discovery engine, identifying kinase drug targets and potential drug candidates, conducting preclinical studies and clinical development for our drug candidates, commencing pre-commercial activities and the commercial launches for AYVAKIT/AYVAKYT and GAVRETO, and producing the active pharmaceutical ingredient (API), drug substance and drug product material for use in preclinical studies and clinical trials for our drug candidates and commercial sale of our approved drugs.

To date, we have financed our operations primarily through public offerings of our common stock, private placements of our convertible preferred and common stock, collaborations, a license agreement and a royalty monetization. Through June 30, 2022, we have received an aggregate of $3.2 billion from such transactions, including $1.9 billion in aggregate gross proceeds from the sale of common stock in our IPO, follow on public offerings, through our "at the market" stock offering program and the equity investment by Roche, $115.1 million in gross proceeds from the issuance of convertible preferred stock, $175.0 million in gross proceeds from our royalty purchase agreement with Royalty Pharma, $1.0 billion in upfront payments and milestone payments under our collaborations with Roche, CStone and Zai Lab our license agreement with Clementia and our former collaboration with Alexion. In addition, in July 2022, we received a total of $400.0 million in gross proceeds related to our purchase and sale agreement and financing agreement with Sixth Street Partners. Since January 2020, we also have generated revenue through sales of our drug products.

Since inception, we have incurred significant operating losses, with the exception of the year ended December 31, 2020. Our net loss was $265.7 million for the six months ended June 30, 2022. For the year ended December 31, 2021, our net loss was $644.1 million, which included $260.0 million of expenses related to the acquisition of Lengo, and our net income was $313.9 million for the year ended December 31, 2020 primarily due to the collaboration revenue recorded under our collaboration with Roche for pralsetinib. Our net loss was $347.7 million for the year ended December 31, 2019. As of June 30, 2022, we had an accumulated deficit of $1,541.1 million.

Substantially all of our operating losses have resulted from costs incurred in connection with our research and development programs and from general and administrative costs associated with our operations. We expect to continue to incur significant expenses and operating losses over the next few years. We anticipate that our expenses will continue to increase in connection with our ongoing activities. Our prior losses, combined with expected future losses, have had and will continue to have an adverse effect on our stockholders' equity and working capital. We expect our research and development expenses to significantly increase in connection with continuing our existing clinical trials and beginning additional clinical trials. In addition, we will incur significant sales, marketing and outsourced manufacturing expenses in connection with the commercialization of any of our drugs or any drug candidates for which we may receive marketing approval. In addition, we have incurred and will continue to incur substantial costs associated with operating as a public company. Because of the numerous risks and uncertainties associated with developing pharmaceuticals, we are unable to predict the extent of any future losses or when we will become profitable, if at all. Even if we do become profitable, we may not be able to sustain or increase our profitability on a quarterly or annual basis. Our ability to become profitable depends upon our ability to generate substantial revenue.

To date, we have not generated substantial revenue from drug sales. Our ability to generate substantial revenue depends on a number of factors, including, but not limited to, our ability to:

- initiate and successfully complete clinical trials that meet their clinical endpoints;
- initiate and successfully complete all safety studies required to obtain U.S. and foreign marketing approval for our drug candidates, including for avapritinib and pralsetinib for additional indications or in additional geographies;
- continue to maintain and expand commercial manufacturing capabilities or make arrangements with third-party manufacturers to ensure clinical supply and commercial manufacturing;
- maintain and, if necessary, expand a sales, marketing and distribution infrastructure to commercialize AYVAKIT/AYVAKYT, GAVRETO and any current or future drug candidates for which we obtain marketing approval; and
- achieve market acceptance in the medical community and with third-party payors for AYVAKIT/AYVAKYT, GAVRETO and any current or future drug candidates for which we receive marketing approval.

We expect to incur significant sales and marketing costs as we commercialize AYVAKIT/AYVAKYT, jointly commercialize GAVRETO with Roche and commercialize any current or future drug candidates for which we receive marketing approval. Even if we initiate and successfully complete pivotal clinical trials of our drug candidates, and our drug candidates are approved for commercial sale, and despite expending these costs, our drug candidates may not be commercially successful. We may not achieve profitability soon after generating drug sales, if ever. If we are unable to generate substantial drug revenue, we will not become profitable and may be unable to continue operations without continued funding.

We may seek to raise additional funding from time to time. If we are unable to raise capital when needed, we may be forced to delay, reduce or eliminate some of our drug development programs or commercialization efforts.

The development and commercialization of pharmaceuticals is capital-intensive. We are currently advancing multiple drug candidates and development programs through clinical and preclinical development. We expect our expenses to increase in connection with our ongoing activities, particularly as we continue the research and development of, initiate or continue clinical trials of, and seek marketing approval for our drug candidates, including marketing approval for avapritinib for additional indications or in additional geographies and for pralsetinib. In addition, we expect to incur additional significant commercialization expenses for AYVAKIT/AYVAKYT, GAVRETO and other drug candidates, if approved, related to drug sales, marketing, manufacturing and distribution to the extent that such sales, marketing, manufacturing and distribution are not the responsibility of potential collaborators or licensors. We may also need to raise additional funds if we choose to pursue additional indications or geographies for any of our approved drugs or drug candidates or otherwise expand more rapidly than we presently anticipate.

Our future capital requirements will depend on and could increase significantly as a result of many factors, including:

- the success of our commercialization efforts and market acceptance for AYVAKIT/AYVAKYT, GAVRETO or any of our current or future drug candidates for which we receive marketing approval;
- the costs of maintaining, expanding or contracting for sales, marketing and distribution capabilities in connection with commercialization of AYVAKIT/AYVAKYT, GAVRETO and any of our current or future drug candidates for which we receive marketing approval;
- the costs of securing manufacturing, packaging and labeling arrangements for development activities and commercial production, including API, drug substance and drug product material for use in preclinical studies, clinical trials, our compassionate use program and for use as commercial supply, as applicable;
- the cost of purchasing quantities of agents for use in our clinical trials in connection with our efforts to develop our drugs and drug candidates, including for development as combination therapies;
- the scope, progress, results and costs of drug discovery, preclinical development, laboratory testing and clinical trials for our approved drugs and drug candidates;
- the costs, timing and outcome of regulatory review of marketing applications for our drug candidates, including seeking marketing approval for avapritinib and pralsetinib for additional indications or in additional geographies;
- the success of our collaborations with Roche, CStone and Zai Lab and our license agreement with Clementia, as well as our ability to establish and maintain additional collaborations, partnerships or licenses on favorable terms, if at all;
- the achievement of milestones or occurrence of other developments that trigger payments under our existing collaboration or license agreements, or any collaboration, partnership or license agreements that we may enter into in the future;
- the extent to which we are obligated to reimburse, or entitled to reimbursement of, research and development, clinical or other costs under future collaboration agreements, if any;
- the extent to which we acquire or in-license other approved drugs, drug candidates or technologies and the terms of any such arrangements;
- the success of our current or future collaborations for the development and commercialization of companion diagnostic tests;
- the costs of preparing, filing and prosecuting patent applications, maintaining and enforcing our intellectual property rights and defending intellectual property-related claims; and
- the costs of continuing to expand our operations.

Accordingly, we may seek additional funding in connection with our continuing operations or business objectives. Any additional fundraising efforts may divert our management from their day-to-day activities, which may adversely affect our ability to develop and commercialize any of our approved drugs or drug candidates. We cannot guarantee that future financing will be available in sufficient amounts or on terms acceptable to us, if at all. Moreover, the terms of any financing may adversely affect the holdings or the rights of our stockholders and the issuance of additional securities, whether equity or debt, by us, or the possibility of such issuance, may cause the market price of our shares to decline. We could also be required to seek funds through collaborations, partnerships, licensing arrangements or otherwise at an earlier stage than would be desirable and we may be required to relinquish rights to some of our

technologies, drugs or drug candidates or otherwise agree to terms unfavorable to us, any of which may have a material adverse effect on our business, operating results and prospects.

If we are unable to obtain funding on a timely basis or on attractive terms, we may be required to significantly curtail, delay or discontinue one or more of our research or development programs or the commercialization of any of our approved drugs or be unable to expand our operations or otherwise capitalize on our business opportunities, as desired, which could materially affect our business, financial condition and results of operations.

Raising additional capital may cause dilution to our stockholders, restrict our operations or require us to relinquish rights to our technologies or drug candidates.

Until such time, if ever, as we can generate substantial drug revenues, we expect to finance our cash needs primarily through a combination of public and private equity offerings, debt financings, collaborations, strategic alliances and licensing arrangements. We do not have any committed external source of funds, other than our collaborations with Roche, CStone and Zai Lab and the license agreement with Clementia, which are limited in scope and duration and subject to the achievement of milestones or royalties on sales of licensed products, if any. To the extent that we raise additional capital through the sale of common stock or securities convertible or exchangeable into common stock, the ownership interest of our stockholders will be diluted, and the terms of these securities may include liquidation or other preferences that materially adversely affect the rights of our common stockholders. Debt financing, if available, would increase our fixed payment obligations and may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends.

If we raise funds through additional collaborations, strategic alliances or licensing arrangements with third parties, we may have to relinquish valuable rights to our intellectual property, future revenue streams, research programs, drugs or drug candidates or to grant licenses on terms that may not be favorable to us. If we are unable to raise additional funds through equity or debt financings when needed, we may be required to delay, limit, reduce or terminate our drug development or future commercialization efforts or grant rights to develop and market drugs and drug candidates that we would otherwise prefer to develop and market ourselves.

In June 2022, we entered into a royalty purchase agreement with Royalty Pharma, pursuant to which, we sold our right to receive all of the royalties payable to the Company with respect to net sales by Roche, in all countries besides China, Hong Kong, Macau, Taiwan (collectively, “Greater China”) and the U.S., of GAVRETO under the Collaboration Agreement, dated July 13, 2020, by and between the Company and Roche, as amended. As consideration for the arrangement, we received $175.0 million upfront in cash and may receive up to $165.0 million in milestone payments. As a result, we will no longer derive cash from royalty payments from sales of GAVRETO in all countries besides Greater China and the U.S., other than in the form of contingent milestone payments under the royalty purchase agreement with Royalty Pharma.

In June 2022, we entered into a purchase and sale agreement with Sixth Street Partners, the other purchasers from time to time party thereto, and Sixth Street Partners as representative for the purchasers, pursuant to which, we sold our right to receive future royalty payments at a rate of 9.75% on up to $900 million each year of (i) aggregate worldwide annual net product sales of AYVAKIT/ AYVAKYT, excluding in Greater China, and (ii) aggregate worldwide annual net product sales of BLU-263, subject to a cumulative cap of 1.45 times the upfront invested capital or a total of $362.5 million. In the event that certain revenue targets are not achieved by specified dates, the royalty rate and cumulative cap shall be increased to 15% and 1.85 times the invested capital (or $462.5 million), respectively. As consideration for the arrangement, we received $250.0 million in cash.

Our level of indebtedness and the terms of the Sixth Street financing agreement could adversely affect our operations and limit our ability to plan for or respond to changes in our business. If we are unable to comply with restrictions in the financing agreement, the repayment of our existing indebtedness could be accelerated.

Under the financing agreement by and among the Company, the other lenders from time to time party thereto and Tao Talents, LLC, as the administrative agent for the lenders, we have incurred a substantial amount of debt, which could adversely affect our business. In July 2022, we drew down the senior secured term loan of $150.0 million. The facility also includes a senior secured delayed draw term loan of up to $250.0 million to be funded in two tranches: (i) a tranche A delayed draw loan in an aggregate principal amount of $100.0 million and (ii) a tranche B delayed draw term

loan in an aggregate principal amount of up to $150.0 million. We may also at any time request an incremental term loan in an amount not to exceed $260.0 million on terms to be agreed and subject to the consent of the lenders providing such incremental term loan.

Our level of indebtedness could affect our business in the following ways, among other things: make it more difficult for us to satisfy our contractual and commercial commitments; require us to use a substantial portion of our cash flow from operations to pay interest and principal, which would reduce funds available for working capital, capital expenditures and other general corporate purposes; limit our ability to obtain additional financing for working capital, capital expenditures, acquisitions and other investments or general corporate purposes; heighten our vulnerability to downturns in our business, our industry or in the general economy; place us at a disadvantage compared to those of our competitors that may have proportionately less debt; limit management's discretion in operating our business; and limit our flexibility in planning for, or reacting to, changes in our business, the industry in which we operate or the general economy.

The financing agreement requires us to make certain payments of principal and interest over time and contains several other restrictive covenants. Among other requirements of the financing agreement, we and our subsidiaries party to the financing agreement must maintain a minimum consolidated liquidity of $ $80.0 million. These and other terms in the Sixth Street Financing Agreement 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 flows from operations in the future that are sufficient to service our debt and support our growth strategies. If we are unable to generate such cash flows, we may be required to adopt one or more alternatives, such as obtaining additional equity capital on terms that may be onerous or highly dilutive, selling assets, or restructuring debt. 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 debt obligations.

Risks Related to Our Dependence on Third Parties

We have entered into collaborations and licenses with our partners for the development and commercialization of several of our drugs and drug candidates. If our collaborations are not successful, we may not be able to capitalize on the market potential of these drugs and drug candidates.

We have entered into collaborations and licenses with Roche, CStone, Zai Lab, Proteovant and Clementia, for the development and commercialization of several of our drugs and drug candidates, and may enter into additional collaborations and licenses with other third parties in the future. The success of these arrangements will depend heavily on the efforts and activities of our collaborators and licensing partners. Collaborators generally have significant discretion in determining the efforts and resources that they will apply to these collaborations. In some situations, we may not be able to influence our collaboration partners' decisions regarding the development and collaboration of our partnered drugs and drug candidates, and as a result, our collaboration partners may not pursue or prioritize the development and commercialization of those partnered drugs and drug candidates in a manner that is in our best interest. Disagreements between parties to a collaboration arrangement regarding clinical development and commercialization matters can lead to delays in the development process or commercializing the applicable drug candidate and, in some cases, termination of the collaboration arrangement or result in litigation or arbitration, which would be time-consuming and expensive. Licensors generally have sole discretion in determining the efforts and resources that they will apply to the licensed products.

Collaborations and licenses with pharmaceutical or biotechnology companies and other third parties often are terminated or allowed to expire by the other party. For example, in the fourth quarter of 2017, Alexion terminated our collaboration related to fibrodysplasia ossificans progressiva for convenience following a strategic review by Alexion of its research and development portfolio. Any termination or expiration of our collaboration or license agreements with Roche, CStone, Zai Lab, Proteovant or Clementia, or of any future collaboration or license agreement, could adversely affect us financially or harm our business reputation.

We rely on third parties to conduct our clinical trials. If these third parties do not successfully carry out their contractual duties, comply with regulatory requirements or meet expected deadlines, we may not be able to obtain regulatory approval for or commercialize our drug candidates and our business could be substantially harmed.

We do not have the ability to independently conduct clinical trials. We rely on medical institutions, clinical investigators, CROs, contract laboratories and other third parties to conduct or otherwise support clinical trials for our approved drugs and drug candidates. We rely heavily on these parties for execution of clinical trials for our drugs and drug candidates and control only certain aspects of their activities. Nevertheless, we are responsible for ensuring that each of our clinical trials is conducted in accordance with the applicable protocol, legal and regulatory requirements and scientific standards, and our reliance on CROs will not relieve us of our regulatory responsibilities. For any violations of laws and regulations during the conduct of our clinical trials, we could be subject to warning letters or enforcement action that may include civil penalties up to and including criminal prosecution.

We and our CROs are required to comply with regulations, including GCPs, for conducting, monitoring, recording and reporting the results of clinical trials to ensure that the data and results are scientifically credible and accurate, and that the trial patients are adequately informed of the potential risks of participating in clinical trials and their rights are protected. These regulations are enforced by the FDA, the Competent Authorities of the Member States of the European Economic Area and comparable foreign regulatory authorities for any drugs in clinical development. The FDA enforces GCP regulations through periodic inspections of clinical trial sponsors, principal investigators and trial sites. If we or our CROs fail to comply with applicable GCPs, the clinical data generated in our clinical trials may be deemed unreliable, and the FDA or comparable foreign regulatory authorities may require us to perform additional clinical trials before approving our marketing applications. We cannot assure you that, upon inspection, the FDA will determine that our current or future clinical trials comply with GCPs. In addition, our clinical trials must be conducted with drug candidates produced under cGMPs regulations. Our failure or the failure of our CROs to comply with these regulations may require us to repeat clinical trials, which would delay the regulatory approval process and could also subject us to enforcement action. We also are required to register ongoing clinical trials and post the results of completed clinical trials on a government-sponsored database, ClinicalTrials.gov, within certain timeframes. Failure to do so can result in fines, adverse publicity and civil and criminal sanctions.

Although we intend to design and sponsor the clinical trials for our approved drugs and drug candidates, CROs will conduct all of our clinical trials. As a result, many important aspects of our development programs, including their conduct and timing, will be outside of our direct control. Our reliance on third parties to conduct current or future clinical trials will also result in less direct control over the management of data developed through clinical trials than would be the case if we were relying entirely upon our own staff. Communicating with outside parties can also be challenging, potentially leading to mistakes as well as difficulties in coordinating activities. Outside parties may:

- have staffing difficulties;
- fail to comply with contractual obligations;
- experience regulatory compliance issues;
- undergo changes in priorities or become financially distressed; or
- form relationships with other entities, some of which may be our competitors.

Some of these factors may be beyond our control. For example, the performance of our CROs may also be delayed or disrupted by the ongoing COVID-19 pandemic, including due to travel or quarantine policies, availabilities of staff, exposure of CRO staff to COVID-19 or re-prioritization of CRO resources as a result of the pandemic. These factors may materially adversely affect the willingness or ability of third parties to conduct our clinical trials and may subject us to unexpected cost increases that are beyond our control. If the CROs do not perform clinical trials in a satisfactory manner, breach their obligations to us or fail to comply with regulatory requirements, the development, regulatory approval and commercialization of our approved drugs for additional indications and our drug candidates may be delayed, we may not be able to obtain regulatory approval and commercialize our drug candidates, or our development program materially and irreversibly harmed. If we are unable to rely on clinical data collected by our

CROs, we could be required to repeat, extend the duration of, or increase the size of any clinical trials we conduct and this could significantly delay commercialization and require significantly greater expenditures.

If any of our relationships with these third-party CROs terminate, we may not be able to enter into arrangements with alternative CROs. If CROs do not successfully carry out their contractual duties or obligations or meet expected deadlines, if they need to be replaced or if the quality or accuracy of the clinical data they obtain is compromised due to the failure to adhere to our clinical protocols, regulatory requirements or for other reasons, any clinical trials such CROs are associated with may be extended, delayed or terminated, and we may not be able to obtain regulatory approval for or successfully commercialize our drug for additional indications or our drug candidates. As a result, we believe that our financial results and the commercial prospects for our drugs or our drug candidates in the subject indication would be harmed, our costs could increase and our ability to generate substantial revenue could be delayed.

We contract with third parties for the manufacture of our approved drugs and drug candidates, including for preclinical, clinical and commercial supply. This reliance on third parties increases the risk that we will not have sufficient quantities of our approved drugs or drug candidates or such quantities at an acceptable cost, which could delay, prevent or impair our development or commercialization efforts.

We do not currently own or operate, nor do we have any plans to establish in the future, any manufacturing facilities or personnel. We rely, and expect to continue to rely, primarily on third parties for the manufacture of our drug candidates for preclinical development and clinical testing, as well as for the commercial manufacture of our current and future drugs. This reliance on third parties increases the risk that we will not have sufficient quantities of our drugs or drug candidates or such quantities at an acceptable cost or quality, which could delay, prevent or impair our development or commercialization efforts.

The facilities used by our contract manufacturing organizations (CMOs) to manufacture our drugs and drug candidates must be approved by the FDA pursuant to inspections that will be conducted after we submit our marketing applications to the FDA. We do not control the manufacturing process of, and will be completely dependent on, our CMOs for compliance with cGMPs in connection with the manufacture of our drugs and drug candidates. Manufacturers and manufacturers' facilities are required to comply with extensive FDA, and comparable foreign regulatory authority requirements, including ensuring that quality control and manufacturing procedures conform to cGMP regulations and applicable product tracking and tracing requirements. If our CMOs cannot successfully manufacture material that conforms to our specifications and the strict regulatory requirements of the FDA or others, they will not be able to secure and/or maintain regulatory approval for their manufacturing facilities. In addition, we have no control over the ability of our CMOs to maintain adequate quality control, quality assurance and qualified personnel. If the FDA or a comparable foreign regulatory authority does not approve these facilities for the manufacture of our drugs and drug candidates or is unable to conduct inspections necessary to approve these facilities due to delays or disruptions caused by the ongoing COVID-19 pandemic, or if the FDA or a comparable regulatory authority withdraws any such approval in the future, we may be delayed in obtaining approval of these facilities for the manufacture of our drugs and drug candidates or need to find alternative manufacturing facilities, which would significantly impact our ability to develop, obtain regulatory approval for or market our drug candidates, if approved, and could require comparability studies for the setup of manufacturing operations at alternative facilities. If any CMO with whom we contract fails to perform its obligations, we may be forced to manufacture the materials ourselves, for which we may not have the capabilities or resources, or enter into an agreement with a different CMO, which we may not be able to do on reasonable terms, if at all. In either scenario, our clinical trials supply or commercial distribution could be delayed significantly as we establish alternative supply sources. In some cases, the technical skills required to manufacture our products or drug candidates may be unique or proprietary to the original CMO and we may have difficulty, or there may be contractual restrictions prohibiting us from, transferring such skills to a back-up or alternate supplier, or we may be unable to transfer such skills at all. In addition, if we are required to change CMOs for any reason, we will be required to verify that the new CMO maintains facilities and procedures that comply with quality standards and with all applicable regulations. We will also need to verify, such as through a manufacturing comparability study, that any new manufacturing process will produce our drug candidate according to the specifications previously submitted to or approved by the FDA or another regulatory authority. The delays associated with the verification of a new CMO could negatively affect our ability to develop drug candidates or commercialize our products in a timely manner or within budget. Furthermore, a CMO may possess technology related to the manufacture of our drug candidate that such CMO owns independently. This would increase our reliance on such CMO or require us to obtain a license from such CMO in order to have another CMO manufacture

our drug candidates. In addition, in the case of the CMOs that supply our drug candidates, changes in manufacturers often involve changes in manufacturing procedures and processes, which could require that we conduct bridging studies between our prior clinical supply used in our clinical trials and that of any new manufacturer. We may be unsuccessful in demonstrating the comparability of clinical supplies which could require the conduct of additional clinical trials. Further, our failure, or the failure of our third-party manufacturers, to comply with applicable regulations could result in sanctions being imposed on us, including clinical holds, fines, injunctions, civil penalties, delays, suspension or withdrawal of approvals, license revocation, seizures or recalls of drug candidates or drugs, if approved, operating restrictions and criminal prosecutions, any of which could significantly and adversely affect our business and supplies of our drugs and drug candidates.

Since March 2020 when foreign and domestic inspections of facilities were largely placed on hold, the FDA has been working to resume routine surveillance, bioresearch monitoring and pre-approval inspections on a prioritized basis. Since April 2021, the FDA has conducted limited inspections and employed remote interactive evaluations, using risk management methods, to meet user fee commitments and goal dates. Ongoing travel restrictions and other uncertainties continue to impact oversight operations both domestic and abroad and it is unclear when standard operational levels will resume. The FDA is continuing to complete mission-critical work, prioritize other higher-tiered inspectional needs (e.g., for-cause inspections), and carry out surveillance inspections using risk-based approaches for evaluating public health. Should FDA determine that an inspection is necessary for approval and an inspection cannot be completed during the review cycle due to restrictions on travel, and the FDA does not determine a remote interactive evaluation to be adequate, the agency has stated that it generally intends to issue, depending on the circumstances, a complete response letter or defer action on the application until an inspection can be completed. During the COVID-19 pandemic, a number of companies announced receipt of complete response letters due to the FDA's inability to complete required inspections for their applications. Regulatory authorities outside the U.S. may adopt similar restrictions or other policy measures in response to the COVID-19 pandemic and may experience delays in their regulatory activities.

We do not have long-term supply agreements with all of our CMOs, and may purchase our required drug supply, including the API, drug product and drug substance used in our drugs and drug candidates, on a purchase order basis with certain CMOs. In addition, we may be unable to establish or maintain any agreements with third-party manufacturers or to do so on acceptable terms. Even if we are able to establish and maintain agreements with third-party manufacturers, reliance on third-party manufacturers entails additional risks, including:

- reliance on the third party for regulatory compliance and quality assurance;
- the possible breach of the manufacturing agreement by the third party;
- the possible misappropriation of our proprietary information, including our trade secrets and know-how; and
- the possible termination or nonrenewal of the agreement by the third party at a time that is costly or inconvenient for us.

Any of our drugs and drug candidates that we may develop may compete with other approved drugs and drug candidates for access to manufacturing facilities. There are a limited number of manufacturers that operate under cGMP regulations and that might be capable of manufacturing for us. In March 2020, the U.S. enacted the CARES Act in response to the U.S. COVID-19 pandemic. Throughout the ongoing COVID-19 pandemic, there has been public concern over the availability and accessibility of critical medical products, and the CARES Act enhances FDA's existing authority with respect to drug shortage measures. Under the CARES Act, we must have in place a risk management plan in place that identifies and evaluates the risks to the supply of approved drugs for certain serious diseases or conditions for each establishment where the drug or API is manufactured. The risk management plan will be subject to FDA review during an inspection. If we experience shortages in the supply of our marketed products, our results could be materially impacted.

Any performance failure on the part of our existing or future manufacturers could delay clinical development or marketing approval. We do not currently have arrangements in place for redundant supply for all of our bulk drug substances. If our current CMOs cannot perform as agreed, we may experience shortages that require reporting to the FDA or foreign regulatory authorities and may be required to replace such manufacturers. Although we believe that

there are several potential alternative manufacturers who could manufacture our approved drugs and drug candidates, we may incur added costs and delays in identifying and qualifying any such replacement.

Our current and anticipated future dependence upon others for the manufacture of our drugs or drug candidates could result in significant delays or gaps in availability of such drugs or drug candidates and may adversely affect our future profit margins and our ability to commercialize any drugs that receive marketing approval on a timely and competitive basis.

The third parties upon whom we rely for the supply of the API, drug substance and drug product used in avapritinib and pralsetinib are our sole source of supply, and the loss of any of these suppliers could significantly harm our business.

The API, drug substance and drug product used in our drug and drug candidates are supplied to us primarily from single-source suppliers. Our ability to successfully develop our drug candidates, supply our drug candidates for clinical trials and to ultimately supply our commercial drugs in quantities sufficient to meet the market demand, depends in part on our ability to obtain the API, drug substance and drug product for these drugs in accordance with regulatory requirements and in sufficient quantities for clinical testing and commercialization. Although we have entered into arrangements to establish redundant or second-source supply of some of the API, drug product or drug substance for avapritinib and pralsetinib, if any of our suppliers ceases its operations for any reason or is unable or unwilling to supply API, drug product or drug substance in sufficient quantities or on the timelines necessary to meet our needs, including as a result of the ongoing COVID-19 pandemic, it could significantly and adversely affect our business, the supply of our drug candidates or approved drugs and our financial condition.

For all of our drug candidates, we may from time to time explore opportunities to identify and qualify additional manufacturers to provide such API, drug substance and drug product prior to submission of an NDA to the FDA and/or an MAA to the EMA. We are not certain that our single-source suppliers will be able to meet our demand for their products, either because of the nature of our agreements with those suppliers, our limited experience with those suppliers or our relative importance as a customer to those suppliers. It may be difficult for us to assess their ability to timely meet our demand in the future based on past performance. While our suppliers have generally met our demand for their products on a timely basis in the past, they may subordinate our needs in the future to their other customers. In addition, we currently have sufficient supply or plans for supply to meet our anticipated global commercial and clinical development needs for our approved drugs and clinical-stage drug candidates through 2022. However, the ongoing COVID-19 pandemic could adversely impact our suppliers and result in delays or disruptions in our current or future supply chain.

Establishing additional or replacement suppliers for the API, drug substance and drug product used in our drug candidates or approved drugs, if required, may not be accomplished quickly. If we are able to find a replacement supplier, such replacement supplier would need to be qualified and may require additional regulatory approval, which could result in further delay. While we seek to maintain adequate inventory of the API, drug substance and drug product used in our drug candidates and approved drugs, any interruption or delay in the supply of components or materials, or our inability to obtain such API, drug substance and drug product from alternate sources at acceptable prices in a timely manner could impede, delay, limit or prevent our development efforts, which could harm our business, results of operations, financial condition and prospects.

Certain of our research and development, clinical trials and manufacturing and supply for certain raw materials used in our drugs and our drug candidates takes place in China through third-party CROs, collaborators or manufacturers. A significant disruption in the operation of those CROs, collaborators or manufacturers, could materially adversely affect our business, financial condition and results of operations.

We have relied on certain third parties located in China to manufacture and supply certain raw materials used in our drugs and our drug candidates, and we expect to continue to use such third party manufacturers for such purposes. In addition, certain of our drug candidates are being evaluated at clinical trial sites in China under our collaboration with CStone and through CROs located in China. A natural disaster, epidemic or pandemic disease outbreaks, including the ongoing COVID-19 pandemic, trade war, political unrest or other events in China could disrupt the business or operations of CROs, collaborators, manufacturers or other third parties with whom we conduct business now or in the future. Any disruption in China that significantly impacts such third parties, including services provided by CROs for

our research and development programs, clinical trial operations conducted by CROs or our collaborators, or our manufacturers ability to produce raw materials in adequate quantities to meet our needs could impair our ability to operate our business on a day-to-day basis and impede, delay, limit or prevent the research, development or commercialization of our current and future approved drugs or drug candidates. In addition, for any activities conducted in China, we are exposed to the possibility of product supply disruption and increased costs in the event of changes in the policies of the U.S. or Chinese governments, political unrest or unstable economic conditions in China, and we may be exposed to fluctuations in the value of the local currency in China for goods and services. Our costs for any of these services or activities could also increase as a result of future appreciation of the local currency in China or increased labor costs if the demand for skilled laborers increases in China and the availability of skilled labor declines in China.

Risks Related to Intellectual Property

If we are unable to adequately protect our proprietary technology or obtain and maintain patent protection for our technology and drugs or if the scope of the patent protection obtained is not sufficiently broad, our competitors could develop and commercialize technology and drugs similar or identical to ours, and our ability to successfully commercialize our technology and drugs may be impaired.

Our commercial success depends in part on our ability to obtain and maintain proprietary or intellectual property protection in the U.S. and other countries for our drugs and drug candidates and our core technologies, including our novel target discovery engine and our proprietary compound library and other know-how. We seek to protect our proprietary and intellectual property position by, among other methods, filing patent applications in the U.S. and abroad related to our proprietary compounds, as well as the use of these compounds in the treatment of diseases, formulations, solid state forms, and manufacturing processes and other technologies, inventions and improvements that are important to the development and implementation of our business. We also rely on copyright, trade secrets, know-how and continuing technological innovation to develop and maintain our proprietary and intellectual property position.

We own or license patents and patent applications that relate to our approved drugs AYVAKIT® (avapritinib) and GAVRETO® (pralsetinib) and our drug candidates BLU-263, BLU-945, BLU-701, BLU-451, BLU-222, and BLU-852. We also own or license patents and patent applications relating to other compounds that are inhibitors of KIT and PDGFRA, RET, EGFR, CDK2, and MAP4K1 as well as methods of use, formulations, solid state forms, and manufacturing processes. The issued U.S. patent directed to AYVAKIT® composition of matter has a statutory expiration date in 2034, the issued U.S. patent directed to GAVRETO® composition of matter has a statutory expiration date in 2036.

As of July 12, 2022, the patent portfolio for our KIT and PDGFRA program, including AYVAKIT® and BLU-263 contains 12 issued U.S. patents, 20 issued foreign patents, including two European patents validated in 38 and 12 countries, six pending U.S. non-provisional patent applications, one pending U.S. provisional application, four pending PCT international patent applications and 54 pending foreign patent applications. The patents that have issued or will issue covering our KIT and PDGFRA program will have a statutory expiration date between 2034 and 2043. Patent term adjustments, patent term extensions, and supplementary protection certificates could result in later expiration dates.

As of July 12, 2022, the patent portfolio for our RET program, including GAVRETO® contains nine issued U.S. patents, four pending U.S. non-provisional patent applications, three pending PCT international applications, 56 pending foreign patent applications and 13 issued foreign patents. The patents that have issued or will issue covering our RET program will have a statutory expiration date between 2036 and 2041. Patent term adjustments, patent term extensions, and supplementary protection certificates could result in later expiration dates.

As of July 12, 2022, the patent portfolio for our EGFR program, including BLU-945, BLU-701, and BLU-451 contains one issued U.S. patent, two pending U.S. non-provisional patent applications, 8 pending U.S. provisional applications, 12 pending PCT international patent applications and 41 pending foreign patent applications and two issued foreign patents, including one European patent validated in 6 countries directed to our EGFR program, including BLU-945, BLU-701, and BLU-451. The patents that have issued or will issue covering our EGFR program will have a statutory expiration date between 2034 and 2043. Patent term adjustments, patent term extensions, and supplementary protection certificates could result in later expiration dates.

As of July 12, 2022, the patent portfolio for our CDK2 program, including BLU-222 contains one pending U.S. non-provisional application, two pending U.S. provisional applications, two pending PCT international applications, and three pending foreign patent applications. The patents that will issue covering our CDK2 program will have a statutory expiration date of 2042. Patent term adjustments, patent term extensions, and supplementary protection certificates could result in later expiration dates. As of July 12, 2022, the patent portfolio for our MAP4K1 program, including BLU-852 contains one pending U.S. non-provisional application, three pending U.S. provisional applications, two pending PCT international applications, and two pending foreign patent applications. The patents that will issue covering our MAP4K1 program will have a statutory expiration date of between 2041 and 2042. Patent term adjustments, patent term extensions, and supplementary protection certificates could result in later expiration dates.

The intellectual property portfolio directed to our platform includes patents and patent applications directed to novel gene fusions and the uses of these fusions for detecting and treating conditions implicated with these fusions. As of July 12, 2022, the patent portfolio directed to our platform contains nine issued U.S. patents, five pending U.S. non-provisional patent applications, one pending European Union patent applications and eight issued European patents. Any U.S. or ex-U.S. patent issuing from the pending applications directed to this technology, if issued, will have statutory expiration dates ranging from 2034 to 2035.

The patent position of biotechnology and pharmaceutical companies generally is highly uncertain, involves complex legal and factual questions and has in recent years been the subject of much litigation.

The degree of patent protection we require to successfully commercialize any of our approved drugs and drug candidates may be unavailable or severely limited in some cases and may not adequately protect our rights or permit us to gain or keep any competitive advantage. We cannot provide any assurances that any of our patents have, or that any of our pending patent applications that mature into issued patents will include, claims with a scope sufficient to protect our drugs and drug candidates. In addition, the laws of foreign countries may not protect our rights to the same extent as the laws of the U.S. Furthermore, patents have a limited lifespan. In the U.S., the natural expiration of a patent is generally twenty years after it is filed. Various extensions may be available; however, the life of a patent, and the protection it affords, is limited. Given the amount of time required for the development, testing and regulatory review of new drug candidates, patents protecting such candidates might expire before or shortly after such candidates are commercialized. As a result, our owned and licensed patent portfolio may not provide us with adequate and continuing patent protection sufficient to exclude others from commercializing drugs similar or identical to our drugs and drug candidates, including generic versions of such drugs or drug candidates.

Other parties have developed technologies that may be related or competitive to our own, and such parties may have filed or may file patent applications, or may have received or may receive patents, claiming inventions that may overlap or conflict with those claimed in our own patent applications or issued patents, with respect to either the same methods or formulations or the same subject matter, in either case, that we may rely upon to dominate our patent position in the market. Publications of discoveries in the scientific literature often lag behind the actual discoveries, and patent applications in the U.S. and other jurisdictions are typically not published until 18 months after filing, or in some cases not at all. Therefore, we cannot know with certainty whether we were the first to make the inventions claimed in our owned or licensed patents or pending patent applications, or that we were the first-to-file for patent protection of such inventions. As a result, the issuance, scope, validity, enforceability and commercial value of our patent rights cannot be predicted with any certainty. For example, we are aware of a patent owned by a third party that has generic method of treatment claims that may cover pralsetinib. If the claims of this third-party patent are asserted against us, we do not believe pralsetinib or our proposed activities related to such compound would be found to infringe any valid claim of this patent. While we may decide to initiate proceedings to challenge the validity of these patents in the future, we may be unsuccessful, and courts or patent offices in the U.S. and abroad could uphold the validity of any such patents. If we were to challenge the validity of any issued U.S. patent in court, we would need to overcome a statutory presumption of validity that attaches to every U.S. patent. This means that in order to prevail, we would have to present clear and convincing evidence as to the invalidity of the patent's claims.

In addition, the patent prosecution process is expensive and time-consuming, and we may not be able to file and prosecute all necessary or desirable patent applications at a reasonable cost or in a timely manner. Patent prosecution is a lengthy process, during which the scope of the claims initially submitted for examination by the U.S. Patent and Trademark Office (USPTO) have been significantly narrowed by the time they issue, if at all. It is also possible that we will fail to identify patentable aspects of our research and development output before it is too late to obtain patent

protection. Moreover, there may be circumstances, when we do not have the right to control the preparation, filing and prosecution of patent applications, or to maintain the patents, covering technology that we license from third parties. Therefore, these patents and applications may not be prosecuted and enforced in a manner consistent with the best interests of our business.

Even if we acquire patent protection that we expect should enable us to maintain such competitive advantage, third parties may challenge the validity, enforceability or scope thereof, which may result in such patents being narrowed, invalidated or held unenforceable. The issuance of a patent is not conclusive as to its inventorship, scope, validity or enforceability, and our owned and licensed patents may be challenged in the courts or patent offices in the U.S. and abroad. For example, we may be subject to a third-party submission of prior art to the USPTO challenging the priority of an invention claimed within one of our patents, which submissions may also be made prior to a patent's issuance, precluding the granting of any of our pending patent applications. We may become involved in opposition, derivation, reexamination, inter partes review, post-grant review or interference proceedings challenging our patent rights or the patent rights of others from whom we have obtained licenses to such rights. Competitors may claim that they invented the inventions claimed in our issued patents or patent applications prior to us or may file patent applications before we do. Competitors may also claim that we are infringing on their patents and that we therefore cannot practice our technology as claimed under our patents, if issued. Competitors may also contest our patents, if issued, by showing the patent examiner that the invention was not original, was not novel or was obvious. In litigation, a competitor could claim that our patents, if issued, are not valid for a number of reasons. If a court agrees, we would lose our rights to those challenged patents.

In addition, we may in the future be subject to claims by our former employees, consultants, advisors, and other third parties who have access to our proprietary know-how asserting an ownership right in our patents or patent applications, as a result of the work they performed on our behalf. Although we generally require all of our employees, consultants and advisors and any other third parties who have access to our proprietary know-how, information or technology to assign or grant similar rights to their inventions to us, we cannot be certain that we have executed such agreements with all parties who may have contributed to our intellectual property, nor can we be certain that our agreements with such parties will be upheld in the face of a potential challenge, or that they will not be breached, for which we may not have an adequate remedy.

An adverse determination in any such submission or proceeding may result in loss of exclusivity or freedom to operate or in patent claims being narrowed, invalidated or held unenforceable, in whole or in part, which could limit our ability to stop others from using or commercializing similar or identical technology and drugs, without payment to us, or could limit the duration of the patent protection covering our technology, drugs and drug candidates. Such challenges may also result in our inability to manufacture or commercialize our drugs or drug candidates, if approved, without infringing third-party patent rights. In addition, if the breadth or strength of protection provided by our patents and patent applications is threatened, it could dissuade companies from collaborating with us to license, develop or commercialize current or future drugs and drug candidates.

Even if they are unchallenged, our issued patents and our pending patents, if issued, may not provide us with any meaningful protection or prevent competitors from designing around our patent claims to circumvent our owned or licensed patents by developing similar or alternative technologies or drugs in a non-infringing manner. For example, a third party may develop a competitive drug that provides benefits similar to one or more of our drugs and drug candidates but that has a different composition that falls outside the scope of our patent protection. If the patent protection provided by the patents and patent applications we hold or pursue with respect to our drugs and drug candidates is not sufficiently broad to impede such competition, our ability to successfully commercialize our drugs or drug candidates, if approved, could be negatively affected, which would harm our business.

Third parties may initiate legal proceedings alleging that we are infringing their intellectual property rights, the outcome of which would be uncertain and could have a material adverse effect on the success of our business.

Our commercial success depends upon our ability and the ability of our collaborators to develop, manufacture, market and sell our current and future drugs and use our proprietary technologies without infringing the proprietary rights and intellectual property of third parties. The biotechnology and pharmaceutical industries are characterized by extensive and frequent litigation regarding patents and other intellectual property rights. We may in the future become party to, or threatened with, adversarial proceedings or litigation regarding intellectual property rights with respect to our

drugs, drug candidates and technology, including interference proceedings before the USPTO. Our competitors or other third parties may assert infringement claims against us, alleging that our drugs are covered by their patents. Given the vast number of patents in our field of technology, we cannot be certain that we do not infringe existing patents or that we will not infringe patents that may be granted in the future. Many companies have filed, and continue to file, patent applications related to small molecule therapeutics. Some of these patent applications have already been allowed or issued, and others may issue in the future. For example, we are aware of a patent owned by a third party that has generic method of treatment claims that may cover pralsetinib. If the claims of this third-party patent are asserted against us, we do not believe pralsetinib or our proposed activities related to such compound would be found to infringe any valid claim of this patent. While we may decide to initiate proceedings to challenge the validity of these patents in the future, we may be unsuccessful, and courts or patent offices in the U.S. and abroad could uphold the validity of any such patents. If we were to challenge the validity of any issued U.S. patent in court, we would need to overcome a statutory presumption of validity that attaches to every U.S. patent. This means that in order to prevail, we would have to present clear and convincing evidence as to the invalidity of the patent's claims.

Since this area is competitive and of strong interest to pharmaceutical and biotechnology companies, there will likely be additional patent applications filed and additional patents granted in the future, as well as additional research and development programs expected in the future. Furthermore, because patent applications can take many years to issue and may be confidential for 18 months or more after filing, and because pending patent claims can be revised before issuance, there may be applications now pending which may later result in issued patents that may be infringed by the manufacture, use or sale of our drugs and drug candidates. If a patent holder believes any of our approved drugs or drug candidate infringes on its patent, the patent holder may sue us even if we have received patent protection for our drugs, drug candidates and technology. Moreover, we may face patent infringement claims from non-practicing entities that have no relevant drug revenue and against whom our own patent portfolio may thus have no deterrent effect.

If we are found to infringe a third party's intellectual property rights, we could be required to obtain a license from such third party to continue developing and marketing our drug candidates and technology. However, we may not be able to obtain any required license on commercially reasonable terms or at all. Even if we were able to obtain such a license, it could be granted on non-exclusive terms, thereby providing our competitors and other third parties access to the same technologies licensed to us. Without such a license, we could be forced, including by court order, to cease developing and commercializing the infringing technology, drugs or drug candidates. In addition, we could be found liable for monetary damages, including treble damages and attorneys' fees if we are found to have willfully infringed such third-party patent rights. A finding of infringement could prevent us from commercializing our current and future drugs or force us to cease some of our business operations, which could materially harm our business.

We may become involved in lawsuits to protect or enforce our patents and other intellectual property rights, which could be expensive, time-consuming and unsuccessful.

Competitors and other third parties may infringe, misappropriate or otherwise violate our patents and other intellectual property rights. To counter infringement or unauthorized use, we may be required to file infringement claims. A court may disagree with our allegations, however, and may refuse to stop the other party from using the technology at issue on the grounds that our patents do not cover the third-party technology in question. Further, such third parties could counterclaim that we infringe their intellectual property or that a patent we have asserted against them is invalid or unenforceable. In patent litigation in the U.S., defendant counterclaims challenging the validity, enforceability or scope of asserted patents are commonplace. In addition, third parties may initiate legal proceedings against us to assert such challenges to our intellectual property rights. The outcome of any such proceeding is generally unpredictable. Grounds for a validity challenge could be an alleged failure to meet any of several statutory requirements, including lack of novelty, obviousness or non-enablement. Patents may be unenforceable if someone connected with prosecution of the patent withheld relevant information from the USPTO or made a misleading statement during prosecution. It is possible that prior art of which we and the patent examiner were unaware during prosecution exists, which could render our patents invalid. Moreover, it is also possible that prior art may exist that we are aware of but do not believe is relevant to our current or future patents, but that could nevertheless be determined to render our patents invalid.

An adverse result in any litigation proceeding could put one or more of our patents at risk of being invalidated or interpreted narrowly. If a defendant were to prevail on a legal assertion of invalidity or unenforceability of our patents covering any of our approved drugs or drug candidates, we would lose at least part, and perhaps all, of the patent

protection covering such drug or drug candidate. Competing drugs may also be sold in other countries in which our patent coverage might not exist or be as strong. If we lose a foreign patent lawsuit, alleging our infringement of a competitor's patents, we could be prevented from marketing our drugs in one or more foreign countries. Any of these outcomes would have a materially adverse effect on our business.

Intellectual property litigation could cause us to spend substantial resources and distract our personnel from their normal responsibilities.

Litigation or other legal proceedings relating to intellectual property claims, with or without merit, is unpredictable and generally expensive and time-consuming and is likely to divert significant resources from our core business, including distracting our technical and management personnel from their normal responsibilities. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments and if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock. Such litigation or proceedings could substantially increase our operating losses and reduce the resources available for development activities or any future sales, marketing or distribution activities.

We may not have sufficient financial or other resources to adequately conduct such litigation or proceedings. Some of our competitors may be able to sustain the costs of such litigation or proceedings more effectively than we can because of their greater financial resources and more mature and developed intellectual property portfolios. Accordingly, despite our efforts, we may not be able to prevent third parties from infringing upon or misappropriating or from successfully challenging our intellectual property rights. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings could have a material adverse effect on our ability to compete in the marketplace.

Obtaining and maintaining patent protection depends on compliance with various procedural, document submission, fee payment and other requirements imposed by governmental patent agencies, and our patent protection could be reduced or eliminated for non-compliance with these requirements.

The USPTO and various foreign governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other similar provisions during the patent application process. In addition, periodic maintenance fees on issued patents often must be paid to the USPTO and foreign patent agencies over the lifetime of the patent. While an unintentional lapse can in many cases be cured by payment of a late fee or by other means in accordance with the applicable rules, there are situations in which noncompliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. Non-compliance events that could result in abandonment or lapse of a patent or patent application include, but are not limited to, failure to respond to official actions within prescribed time limits, non-payment of fees and failure to properly legalize and submit formal documents. If we fail to maintain the patents and patent applications covering our drugs, drug candidates or procedures, we may not be able to stop a competitor from marketing drugs that are the same as or similar to our drugs or drug candidates, which would have a material adverse effect on our business.

We may not be able to effectively enforce our intellectual property rights throughout the world.

Filing, prosecuting and defending patents on our drugs and drug candidates in all countries throughout the world would be prohibitively expensive. The requirements for patentability may differ in certain countries, particularly in developing countries. Moreover, our ability to protect and enforce our intellectual property rights may be adversely affected by unforeseen changes in foreign intellectual property laws. In addition, the patent laws of some foreign countries do not afford intellectual property protection to the same extent as the laws of the U.S. Many companies have encountered significant problems in protecting and defending intellectual property rights in certain foreign jurisdictions. The legal systems of some countries, particularly developing countries, do not favor the enforcement of patents and other intellectual property rights. This could make it difficult for us to stop the infringement of our patents or the misappropriation of our other intellectual property rights. For example, many foreign countries have compulsory licensing laws under which a patent owner must grant licenses to third parties. Consequently, we may not be able to prevent third parties from practicing our inventions in all countries outside the U.S. Competitors may use our drugs, drug candidates and technologies in jurisdictions where we have not obtained patent protection to develop their own drugs and, further, may export otherwise infringing drugs to territories where we have patent protection, if our ability to

enforce our patents to stop infringing activities is inadequate. These drugs may compete with our drugs and drug candidates, and our patents or other intellectual property rights may not be effective or sufficient to prevent them from competing.

Proceedings to enforce our patent rights in foreign jurisdictions, whether or not successful, could result in substantial costs and divert our efforts and resources from other aspects of our business. Furthermore, while we intend to protect our intellectual property rights in the major markets for our drugs and drug candidates, we cannot ensure that we will be able to initiate or maintain similar efforts in all jurisdictions in which we may wish to market our drug candidates. Accordingly, our efforts to protect our intellectual property rights in such countries may be inadequate.

Changes to the patent law in the U.S. and other jurisdictions could diminish the value of patents in general, thereby impairing our ability to protect our drugs and drug candidates.

As is the case with other biopharmaceutical companies, our success is heavily dependent on intellectual property, particularly patents. Obtaining and enforcing patents in the biopharmaceutical industry involve both technological and legal complexity and is therefore costly, time-consuming and inherently uncertain. Recent patent reform legislation in the U.S. and other countries, including the Leahy-Smith America Invents Act (Leahy-Smith Act) signed into law on September 16, 2011, could increase those uncertainties and costs. The Leahy-Smith Act includes a number of significant changes to U.S. patent law. These include provisions that affect the way patent applications are prosecuted, redefine prior art and provide more efficient and cost-effective avenues for competitors to challenge the validity of patents. In addition, the Leahy-Smith Act has transformed the U.S. patent system into a "first-to-file" system. The first-to-file provisions, however, only became effective on March 16, 2013. Accordingly, it is not yet clear what, if any, impact the Leahy-Smith Act will have on the operation of our business. However, the Leahy-Smith Act and its implementation could make it more difficult to obtain patent protection for our inventions and increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of our issued patents, all of which could harm our business, results of operations and financial condition.

The U.S. Supreme Court has ruled on several patent cases in recent years, either narrowing the scope of patent protection available in certain circumstances or weakening the rights of patent owners in certain situations. In addition, there have been recent proposals for additional changes to the patent laws of the U.S. and other countries that, if adopted, could impact our ability to obtain patent protection for our proprietary technology or our ability to enforce our proprietary technology. Depending on future actions by the U.S. Congress, the U.S. courts, the USPTO and the relevant law-making bodies in other countries, the laws and regulations governing patents could change in unpredictable ways that would weaken our ability to obtain new patents or to enforce our existing patents and patents that we might obtain in the future.

If we are unable to protect the confidentiality of our trade secrets, our business and competitive position may be harmed.

In addition to the protection afforded by patents, we rely upon unpatented trade secret protection, unpatented know-how and continuing technological innovation to develop and maintain our competitive position. With respect to the building of our proprietary compound library, we consider trade secrets and know-how to be our primary intellectual property. We seek to protect our proprietary technology and processes, in part, by entering into confidentiality agreements with our collaborators, scientific advisors, employees and consultants, and invention assignment agreements with our consultants and employees. We may not be able to prevent the unauthorized disclosure or use of our technical know-how or other trade secrets by the parties to these agreements, however, despite the existence generally of confidentiality agreements and other contractual restrictions. Monitoring unauthorized uses and disclosures is difficult, and we do not know whether the steps we have taken to protect our proprietary technologies will be effective. If any of the collaborators, scientific advisors, employees and consultants who are parties to these agreements breaches or violates the terms of any of these agreements, we may not have adequate remedies for any such breach or violation, and we could lose our trade secrets as a result. Enforcing a claim that a third party illegally obtained and is using our trade secrets, like patent litigation, is expensive and time-consuming, and the outcome is unpredictable. In addition, courts outside the U.S. are sometimes less willing to protect trade secrets.

Our trade secrets could otherwise become known or be independently discovered by our competitors. Competitors could purchase our drugs and drug candidates and attempt to replicate some or all of the competitive

advantages we derive from our development efforts, willfully infringe our intellectual property rights, design around our protected technology or develop their own competitive technologies, drugs, and drug candidates that fall outside of our intellectual property rights. If any of our trade secrets were to be lawfully obtained or independently developed by a competitor, we would have no right to prevent them, or those to whom they communicate it, from using that technology or information to compete with us. If our trade secrets are not adequately protected so as to protect our market against competitors' drugs, our competitive position could be adversely affected, as could our business.

We may be subject to damages resulting from claims that we or our employees have wrongfully used or disclosed alleged trade secrets of our competitors or are in breach of non-competition or non-solicitation agreements with our competitors.

We could in the future be subject to claims that we or our employees have inadvertently or otherwise used or disclosed alleged trade secrets or other proprietary information of former employers or competitors. Although we try to ensure that our employees and consultants do not use the intellectual property, proprietary information, know-how or trade secrets of others in their work for us, we may in the future be subject to claims that we caused an employee to breach the terms of his or her non-competition or non-solicitation agreement, or that we or these individuals have, inadvertently or otherwise, used or disclosed the alleged trade secrets or other proprietary information of a former employer or competitor. Litigation may be necessary to defend against these claims. Even if we are successful in defending against these claims, litigation could result in substantial costs and could be a distraction to management. If our defenses to these claims fail, in addition to requiring us to pay monetary damages, a court could prohibit us from using technologies or features that are essential to our drugs or drug candidates if such technologies or features are found to incorporate or be derived from the trade secrets or other proprietary information of the former employers. An inability to incorporate such technologies or features would have a material adverse effect on our business and may prevent us from successfully commercializing our drugs and drug candidates, if approved. In addition, we may lose valuable intellectual property rights or personnel as a result of such claims. Moreover, any such litigation or the threat thereof may adversely affect our ability to hire employees or contract with independent sales representatives. A loss of key personnel or their work product could hamper or prevent our ability to commercialize our drugs and drug candidates, if approved, which would have an adverse effect on our business, results of operations and financial condition.

Risks Related to Our Business, including Employee Matters, Managing Growth and Others

Our business, results of operations and future growth prospects could be materially and adversely affected by the ongoing COVID-19 pandemic.

Due to the continued evolution and uncertain global impacts of the ongoing COVID-19 pandemic and the identification of new variants of COVID-19, we cannot precisely determine or quantify the impact this pandemic will have on our business, operations and financial performance. The extent to which the ongoing COVID-19 pandemic may impact our business, results of operations and future growth prospects will depend on a variety of factors and future developments, which are highly uncertain and cannot be predicted with confidence, including the duration, scope and severity of the pandemic, the duration and extent of travel restrictions and social distancing in the U.S. and other countries, business closures or business disruptions and the effectiveness of actions taken in the U.S. and other countries to contain and treat COVID-19.

For example, public health actions being undertaken globally in response to the ongoing COVID-19 pandemic, including quarantines, stay-at-home, executive and similar government orders and the prioritization of healthcare resources, could adversely impact our business, results of operations and future growth prospects. For ongoing and planned clinical trials, we anticipate and have experienced some temporary delays or disruptions due to the COVID-19 pandemic, including limited or reduced patient access to trial investigators, hospitals and trial sites, delayed initiation of new clinical trial sites and limited on-site personnel support at various trial sites, which could adversely impact our development plans, including the initiation of planned clinical trials, the rate of enrollment and our ability to conduct ongoing clinical trials. There may also be local orders affecting one or more trial sites, which may trigger mandated changes to our clinical trial protocols or temporary suspensions in the affected trial sites. In addition, quarantines, stay-at-home, executive and similar government orders, or the perception that such orders, shutdowns or other restrictions on the conduct of business operations have occurred and could continue to occur or be expanded in scope or duration, which could adversely impact:

- ongoing and planned clinical trials;
- our employees and business operations;
- personnel at our third-party suppliers and other vendors in the U.S. and other countries;
- the availability, cost or supply of materials, which may cause delays or disruptions to development plans for our drug candidates or clinical or commercial supply chains for our current or future approved drugs and drug candidates; and
- sales and marketing activities related to AYVAKIT/AYVAKYT, GAVRETO and any drug candidates for which we may receive marketing approval in the U.S. or other geographies in the future.

To the extent the ongoing COVID-19 pandemic adversely affects our business, results of operations and future growth prospects, it may also have the effect of heightening many of the other risks described in this "Risk Factors" section.

Our future success depends on our ability to retain key executives and to attract, retain and motivate qualified personnel.

We are highly dependent on the research and development, clinical, commercial, business development, financial and legal expertise of our executive officers, as well as the other principal members of our management, scientific and clinical team. Although we have entered into employment agreements with our executive officers, each of our executive officers may terminate their employment with us at any time. In addition, insurance coverage is increasingly expensive, including with respect to directors and officers liability insurance (D&O insurance). We may not be able to maintain D&O insurance at a reasonable cost or in an amount adequate to satisfy any liability that may arise. An inability to secure and maintain D&O insurance may make it difficult for us to retain and attract talented and skilled directors and officers to serve our company, which could adversely affect our business. We do not maintain "key person" insurance for any of our executives or other employees.

In addition, we rely on consultants and advisors, including scientific and clinical advisors, to assist us in formulating our research and development and commercialization strategy. Our consultants and advisors may be employed by employers other than us and may have commitments under consulting or advisory contracts with other entities that may limit their availability to us. If we are unable to continue to attract and retain high quality personnel, our ability to pursue our growth strategy will be limited.

We expect to continue hiring qualified development personnel. Recruiting and retaining qualified scientific, clinical, regulatory, manufacturing and sales and marketing personnel is critical to our success. The loss of the services of our executive officers or other key employees could impede the achievement of our research, development and commercialization objectives and seriously harm our ability to successfully implement our business strategy. Furthermore, 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. We also experience competition for the hiring of scientific and clinical personnel from universities and research institutions. Failure to succeed in clinical trials may make it more challenging to recruit and retain qualified scientific personnel.

We will need to develop and expand our company, and we may encounter difficulties in managing this development and expansion, which could disrupt our operations.

As of July 15, 2022, we had 580 full-time and part-time employees, and we expect to continue to increase our number of employees and expand the scope of our operations. To manage our anticipated future growth, we must continue to implement and improve our managerial, operational and financial systems, expand our facilities and continue to recruit and train additional qualified personnel. Also, our management may need to divert a disproportionate amount of its attention away from its day-to-day activities and devote a substantial amount of time to managing these

development activities. Due to our limited resources, we may not be able to effectively manage the expansion of our operations or recruit and train additional qualified personnel. This may result in weaknesses in our infrastructure, give rise to operational mistakes, loss of business opportunities, loss of employees and reduced productivity among remaining employees. Physical expansion of our operations in the future may lead to significant costs, including capital expenditures, and may divert financial resources from other projects, such as the development of our drug candidates. If our management is unable to effectively manage our expected development and expansion, our expenses may increase more than expected, our ability to generate or increase our revenue could be reduced and we may not be able to implement our business strategy. Our future financial performance and our ability to commercialize our drug candidates, if approved, and compete effectively will depend, in part, on our ability to effectively manage the future development and expansion of our company.

Unfavorable global economic or political conditions could adversely affect our business, financial condition or results of operations.

Our results of operations could be adversely affected by general conditions in the global economy and in the global financial markets. For example, the ongoing COVID-19 pandemic has caused extreme volatility and disruptions in the capital and credit markets. In addition, geopolitical developments, such as the Russian invasion of Ukraine or deterioration in the bilateral relationship between the U.S. and China could contribute to disruption, instability and volatility in the global markets, as well as an increased inflation, which in turn could adversely impact our operations and those of third parties upon which we rely. Related sanctions, export controls or other actions that may be initiated by nations including the U.S., the European Union or Russia (e.g., potential cyberattacks, disruption of energy flows) could adversely affect our business, our supply chain, CROs, CMOs, clinical trial sites, collaborative partners, or other third parties with which we conduct business. There can be no assurance that further deterioration in credit and financial markets and confidence in economic conditions will not occur. A severe or prolonged economic downturn could result in a variety of risks to our business, including, weakened demand for our drug candidates and our ability to raise additional capital when needed on acceptable terms, if at all. A weak or declining economy could also strain our suppliers, possibly resulting in supply disruption, or cause our customers to delay making payments for our services.

Political development can also lead to uncertainty to regulations and rules that may materially affect our business. For example, as the UK regulatory system is now independent from the EU, Brexit could result in the UK significantly altering its regulations affecting the clearance or approval of our drug or drug candidates that are developed in the UK. Any new regulations could add time and expense to the conduct of our business, as well as the process by which our drug candidates receive regulatory approval in the UK, as compared to the European Union and elsewhere.

Rising inflation rates could negatively impact our revenues and profitability if increases in the prices of our products or a decrease in spending on products in the biopharmaceutical industry in general results in lower sales by us or those who we collaborate with. In addition, if our costs increase and we are not able to correspondingly adjust our commercial relationships to account for this increase, our net income would be adversely affected, and the adverse impact may be material.

Inflation rates, particularly in the U.S., have increased recently to levels not seen in years. Increased inflation may result in decreased demand for our products, increased operating costs (including our labor costs), reduced liquidity, and limitations on our ability to access credit or otherwise raise debt and equity capital. In addition, the United States Federal Reserve has raised, and may again raise, interest rates in response to concerns about inflation. Increases in interest rates, especially if coupled with reduced government spending and volatility in financial markets, may have the effect of further increasing economic uncertainty and heightening these risks. In an inflationary environment, we may be unable to raise the sales prices of our products at or above the rate at which our costs increase, which could reduce our profit margins and have a material adverse effect on our financial results and net income. We also may experience lower than expected sales and potential adverse impacts on our competitive position if there is a decrease in spending on products in the biopharmaceutical industry in general or a negative reaction to our pricing or the pricing of those we do, or will collaborate with. A reduction in our revenue would be detrimental to our profitability and financial condition and could also have an adverse impact on our future growth.

We or the third parties upon whom we depend may be adversely affected by earthquakes or other natural disasters and our business continuity and disaster recovery plans may not adequately protect us from a serious disaster.

Earthquakes or other natural disasters could severely disrupt our operations, and have a material adverse effect on our business, results of operations, financial condition and prospects. If a natural disaster, power outage or other event occurred that prevented us from using all or a significant portion of our headquarters, that damaged critical infrastructure, such as clinical trial sites or the manufacturing facilities of our third-party CMOs, or that otherwise disrupted operations, it may be difficult or, in certain cases, impossible for us to continue our business for a substantial period of time. The disaster recovery and business continuity plans we have in place may prove inadequate in the event of a serious disaster or similar event. We may incur substantial expenses as a result of the limited nature of our disaster recovery and business continuity plans, which, could have a material adverse effect on our business.

Our internal computer systems, or those of our third-party collaborators, service providers, contractors or consultants, may fail or suffer security breaches, which could result in a material disruption of our drugs' and drug candidates' development programs and have a material adverse effect on our reputation, business, financial condition or results of operations.

Our internal computer systems and those of our current or future third-party collaborators, service providers, contractors and consultants are vulnerable to damage from computer viruses, unauthorized access, natural disasters, terrorism, war and telecommunication and electrical failures. Attacks on information technology systems are increasing in their frequency, levels of persistence, sophistication and intensity, and they are being conducted by increasingly sophisticated and organized groups and individuals with a wide range of motives and expertise. In addition to extracting sensitive information, such attacks could include the deployment of harmful malware, ransomware, denial-of-service attacks, social engineering and other means to affect service reliability and threaten the confidentiality, integrity and availability of information. The prevalent use of mobile devices also increases the risk of data security incidents. While we have not experienced any material system failure, accident or security breach to date, if such an event were to occur and cause interruptions in our operations or the operations of third-party collaborators, service providers, contractors and consultants, it could result in a material disruption of our drugs' and drug candidates' development programs and significant reputational, financial, legal, regulatory, business or operational harm. For example, the loss of clinical trial data for our drugs or drug candidates 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 results in a loss of or damage to our data or applications or other data or applications relating to our technology or drug candidates, or inappropriate disclosure of confidential or proprietary information, we could incur liabilities and the further development of our drug candidates could be delayed. In addition, our liability insurance may not be sufficient in type or amount to cover us against claims related to security breaches, cyberattacks and other related breaches.

Any failure or perceived failure by us or any third-party collaborators, service providers, contractors or consultants to comply with our privacy, confidentiality, data security or similar obligations to third parties, or any data security incidents or other security breaches that result in the unauthorized access, release or transfer of sensitive information, including physician data, patient data, or any personally identifiable information, may result in governmental investigations, enforcement actions, regulatory fines, litigation or public statements against us, could cause third parties to lose trust in us or could result in claims by third parties asserting that we have breached our privacy, confidentiality, data security or similar obligations, any of which could have a material adverse effect on our reputation, business, financial condition or results of operations. Moreover, data security incidents and other security breaches can be difficult to detect, and any delay in identifying them may lead to increased harm. While we have implemented data security measures intended to protect our information technology systems and infrastructure, there can be no assurance that such measures will successfully prevent service interruptions or data security incidents.

Interruptions in the availability of server systems or communications with Internet or cloud-based services, or failure to maintain the security, confidentiality, accessibility or integrity of data stored on such systems, could harm our business.

We rely upon a variety of Internet service providers, third-party hosting facilities and cloud computing platform providers to support our business. Failure to maintain the security, confidentiality, accessibility or integrity of data stored on such systems could damage our reputation in the market, cause us to lose revenue or market share, increase our service costs, cause us to incur substantial costs, subject us to liability for damages and/or fines and divert our resources

from other tasks, any one of which could materially adversely affect our business, financial condition, results of operations and prospects. Any damage to, or failure of, such systems, or communications to and between such systems, could result in interruptions in our operations. If our security measures or those of our third-party data center hosting facilities, cloud computing platform providers, or third-party service partners, are breached, and unauthorized access is obtained to our data or our information technology systems, we may incur significant legal and financial exposure and liabilities.

We do not have control over the operations of the facilities of our cloud service providers and our third party providers may be vulnerable to damage or interruption from natural disasters, cybersecurity attacks, terrorist attacks, power outages and similar events or acts of misconduct. In addition, any changes in our cloud service providers' service levels may adversely affect our ability to meet our requirements and operate our business.

Compliance with global privacy and data security requirements could result in additional costs and liabilities to us or inhibit our ability to collect and process data globally, and the failure to comply with such requirements could have a material adverse effect on our business, financial condition or results of operations.

Privacy and data security have become significant issues in the U.S., Europe and in many other jurisdictions where we conduct or may in the future conduct our operations. The regulatory framework for the collection, use, safeguarding, sharing and transfer of information worldwide is rapidly evolving and is likely to remain uncertain for the foreseeable future. Globally, virtually every jurisdiction in which we operate has established its own data security and privacy frameworks with which we must comply. Notably, for example, on May 25, 2018, the European General Data Protection Regulation 2016/679, which is commonly referred to as GDPR, took effect. The GDPR applies to any company established in the EEA as well as any company outside the EEA that collects or otherwise processes personal data in connection with the offering goods or services to individuals in the EEA or the monitoring of their behavior. The GDPR enhances data protection obligations for processors and controllers of personal data, including, for example, expanded disclosures about how personal information is to be used, limitations on retention of information, mandatory data breach notification requirements and onerous new obligations on services providers. The GDPR imposes additional obligations and risk upon our business and substantially increase the penalties to which we could be subject in the event of any non-compliance, including fines of up to €20 million or 4% of total worldwide annual turnover, whichever is higher. Further to the UK's exit from the European Union on January 31, 2020, the GDPR ceased to apply in the UK at the end of the transition period on December 31, 2020. However, as of January 1, 2021, the UK's European Union (Withdrawal) Act 2018 incorporated the GDPR (as it existed on December 31, 2020 but subject to certain UK specific amendments) into UK law (referred to as the 'UK GDPR'). The UK GDPR and the UK Data Protection Act 2018 set out the UK's data protection regime, which is independent from but aligned to the EU's data protection regime. Non-compliance with the UK GDPR may result in monetary penalties of up to £17.5 million or 4% of worldwide revenue, whichever is higher. In this document, "GDPR" refers to both the EU and the UK GDPR, unless specified otherwise. Given the breadth and depth of changes in data protection obligations, preparing for and complying with the GDPR requirements has required and will continue to require significant time, resources and a review of our technologies, systems and practices, as well as those of any third-party collaborators, service providers, contractors or consultants that process or transfer personal data collected in the EEA.

Further, European data protection laws also prohibit the transfer of personal data from the EEA and Switzerland to third countries that are not considered to provide adequate protections are provided for personal data, including the U.S. With regard to transfers of personal data from the EEA, transfers to third countries that have not been approved as "adequate" are prohibited unless an appropriate safeguard specified by the GDPR is implemented, such as the Standard Contractual Clauses (SCCs) approved by the European Commission or binding corporate rules, or a derogation applies. In 2020, the Court of Justice of the European Union (CJEU) deemed that transfers made pursuant to the EU SCCs and other alternative transfer mechanisms, including binding corporate rules, need to be analyzed on a case-by-case basis to ensure EU standards of data protection are met in the jurisdiction where the data importer is based, and there continue to be concerns about whether these transfer mechanisms will face additional challenges. European regulators have issued recent guidance following the CJEU case that imposes significant new diligence requirements on transferring data outside the European Union, including under an approved transfer mechanism. This guidance requires an "essential equivalency" assessment of the laws of the destination country transferred. If essentially equivalent protections are not available in the destination country, the exporting entity must then assess if supplemental measures can be put in place that, in combination with the chosen transfer mechanism, would address the deficiency in the laws and ensure that essentially equivalent protection can be given to the data.

On June 4, 2021, the European Commission issued new SCCs that account for the CJEU's decision and other developments, which need to be put in place for new contracts involving the transfer of personal data from the European Economic Area to a third country since September 27, 2021, and incorporated into existing contracts by December 27, 2022. The New SCCs do not apply to the UK, but the UK Information Commissioner's Office has published its own transfer mechanism, the International Data Transfer Agreement (UK IDTA), which entered into force on 21 March 2022, and enables data transfers originating from the UK. It requires a similar assessment of the data protection provided in the importer's country. The UK IDTA needs to be concluded in new contracts involving the transfer of personal data from the UK as of 22 September 2022. Organizations have until 21 March 2024 to update existing agreements. Complying with these obligations and applicable guidance regarding cross-border data transfers could be expensive and time consuming, and may require us to modify our data handling policies and procedures and may ultimately prevent or restrict us from transferring personal data outside the European Economic Area of the UK which could cause significant business disruption.

While we have taken steps to mitigate the impact on us with respect to transfers of data, such as implementing the SCCs in new contracts with our service providers, customers, subsidiaries, and are updating existing contracts with the new SCCs in anticipation of the December 2022 deadline, the validity of these transfer mechanisms remains uncertain. Complying with this guidance as it exists today and evolves will be expensive and time consuming and may ultimately prevent us from transferring personal data outside the European Union, which would cause significant business disruption for ourselves and our customers and potentially require the changes in the way our products are configured, hosted and supported.

In addition, we are subject to Swiss data protection laws, including the Federal Act on Data Protection (FADP). While the FADP provides broad protections to personal data, on September 25, 2020, the Swiss federal Parliament enacted a revised version of the FADP, which is anticipated to become effective in 2022 or the beginning of 2023. The new version of the FADP aligns Swiss data protection law with the GDPR.

Further, in addition to existing European data protection law, the European Union also is considering another draft data protection regulation. The proposed regulation, known as the Regulation on Privacy and Electronic Communications (ePrivacy Regulation), would replace the current ePrivacy Directive. The Draft Regulation is still the subject of negotiations between the Council of the European Union and the European Parliament. An update is expected in 2022. The aim is for the Draft Regulation to be in force some time in 2023. New rules related to the ePrivacy Regulation are likely to include enhanced consent requirements in order to use communications content and communications metadata, as well as obligations and restrictions on the processing of data from an end-user's terminal equipment, which may negatively impact our product offerings and our relationships with our customers.

Preparing for and complying with the evolving application of the GDPR, national laws in Switzerland and the UK, as well as ePrivacy Regulation (if and when it becomes effective) has required and will continue to require us to incur substantial operational costs and may require us to change our business practices. Despite our efforts to bring practices into compliance with the GDPR, appliable national data protection laws and before the effective date of the ePrivacy Regulation, we may not be successful either due to internal or external factors such as resource allocation limitations. Non-compliance could result in proceedings, fines or penalties against us by governmental entities, customers, data subjects, consumer associations or others.

As another prominent example, we are also subject to data protection regulation in the UK. Following the UK's withdrawal from the EU on January 31, 2020 and the end of the transitional arrangements agreed between the UK and EU as of January 1, 2021, the GDPR has been incorporated into UK domestic law by virtue of section 3 of the European Union (Withdrawal) Act 2018 and amended by the Data Protection, Privacy and Electronic Communications (Amendments etc.) (EU Exit) Regulations 2019 (UK GDPR). United Kingdom-based organizations doing business in the European Union will need to continue to comply with the GDPR. Although the UK is regarded as a third country under the EU's GDPR, the European Commission has now issued a decision recognizing the UK as providing adequate protection under the EU GDPR and, therefore, transfers of personal data originating in the EU to the UK remain unrestricted. Like the EU GDPR, the UK GDPR restricts personal data transfers outside the UK to countries not regarded by the UK as providing adequate protection. The UK government has confirmed that personal data transfers from the UK to the EEA remain free flowing. Non-compliance with the UK GDPR may result in monetary penalties of up to £17.5 million or 4% of worldwide revenue, whichever is higher. Although the UK is regarded as a third country under the EU's GDPR, the European Commission has now issued a decision recognizing the UK as providing adequate

protection under the EU GDPR and, therefore, transfers of personal data originating in the EU to the UK remain unrestricted. Like the EU GDPR, the UK GDPR restricts personal data transfers outside the UK to countries not regarded by the UK as providing adequate protection. The Information Commissioner's Office (ICO) has recently introduced new mechanisms for international transfers of personal data originating from the U.K. (an International Data Transfer Agreement, or IDTA, along with a separate addendum to the EU SCCs), which are in force as of March 21, 2022, to replace the old form EU SCCs for U.K. transfers. The new IDTA or the U.K. addendum must be used for any new contract entered into as of September 21, 2022 and implemented in existing contracts that incorporate the prior version of the SCCs by March 21, 2024. We will be required to implement these new safeguards when conducting restricted cross-border data transfers and doing so will require significant effort and cost. These and other future developments regarding the flow of data across borders could increase the cost and complexity of delivering our services in some markets and may lead to governmental enforcement actions, litigation, fines, and penalties or adverse publicity, which could adversely affect our business and financial position.

In addition to European data protection requirements, we are subject to the California Consumer Privacy Act (CCPA), which took effect on January 1, 2020 and imposes sweeping privacy and security obligations on many companies doing business in California and provides for substantial fines for non-compliance and, in some cases, a private right of action to consumers who are victims of data breaches involving their unredacted or unencrypted personal information. While there is currently an exception for protected health information that is subject to HIPAA and clinical trial regulations, as currently written, the CCPA may impact our business activities. The CCPA became enforceable as of July 1, 2020, but there continues to be uncertainty about how the law will be interpreted and enforced.

Additionally, a new California ballot initiative, the California Privacy Rights Act (CPRA) was passed in November 2020. Effective starting on January 1, 2023, the CPRA imposes additional obligations on companies covered by the legislation and will significantly modify the CCPA, including by expanding consumers' rights with respect to certain sensitive personal information. The CPRA also creates a new state agency that will be vested with authority to implement and enforce the CCPA and the CPRA. The effects of the CCPA and the CPRA are potentially significant and may require us to modify our data collection or processing practices and policies and to incur substantial costs and expenses in an effort to comply and increase our potential exposure to regulatory enforcement and/or litigation.

Also, on March 2, 2021, Virginia enacted the Consumer Data Protection Act (CDPA). The CDPA will become effective January 1, 2023. The CDPA will regulate how businesses, which the CDPA refers to as "controllers", collect and share personal information. The law applies to companies that conduct business in Virginia or product products or services that are targeted to residents of Virginia and either: (1) annually control or process personal data of at least 100,000 Virginia residents; or (2) control or process the personal data of at least 25,000 Virginia residents and derive over 50% of gross revenue from the sale of personal data. While the CDPA incorporates many similar concepts of the CCPA and CPRA, there are also several key differences in the scope, application, and enforcement of the law that will change the operational practices of controllers. The new law will impact how controllers collect and process personal sensitive data, conduct data protection assessments, transfer personal data to affiliates, and respond to consumer rights requests. In addition, on July 8, 2021, Colorado's governor signed the Colorado Privacy Act (CPA) into law. The CPA is rather similar to the Virginia's CPDA but also contains additional requirements. The new measure applies to companies conducting business in Colorado or who produce or deliver commercial products or services intentionally targeted to its residents of the state and that either: (1) control or process the personal data of at least 100,000 Colorado residents during a calendar year; or (2) derive revenue or receive a discount on the price of goods or services from the sale of personal data and process or control the personal data of at least 25,000 Colorado residents.

Moreover, on March 24, 2022, Utah's governor signed the Utah Consumer Privacy Act (UCPA) into law. The UCPA will take effect on December 31, 2023. Also, in May 2022, Connecticut Governor Lamont signed the Connecticut Data Privacy Act (CTDPA) into laws. The UCPA and CTDPA draw heavily upon their predecessors in Virginia and Colorado. With the CTDPA, Connecticut became the fifth state to enact a comprehensive privacy law. New privacy and data security laws have been proposed in more than half of the states in the U.S. and in the U.S. Congress. With bills proposed in many other jurisdictions, it remains quite possible that other states will follow suit. Such proposed legislation, if enacted, may add additional complexity, variation in requirements, restrictions and potential legal risk, require additional investment of resources in compliance programs, impact strategies and the availability of previously useful data and could result in increased compliance costs and/or changes in business practices and policies. The existence of comprehensive privacy laws in different states in the country will make our compliance obligations more

complex and costly and may increase the likelihood that we may be subject to enforcement actions or otherwise incur liability for noncompliance.

The increasing number and complexity of regional, country and U.S. state data protection laws, and other changes in laws or regulations across the globe, especially those associated with the enhanced protection of certain types of sensitive data, such as healthcare data or other personal information from our clinical trials, could lead to government enforcement actions and significant penalties against us and could have a material adverse effect on our business, financial condition or results of operations.

Our employees, principal investigators, CROs and consultants may engage in misconduct or other improper activities, including non-compliance with regulatory standards and requirements and insider trading.

We are exposed to the risk that our employees, principal investigators, CROs and consultants may engage in fraudulent conduct or other illegal activity. Misconduct by these parties could include intentional, reckless and/or negligent conduct or disclosure of unauthorized activities to us that violate the regulations of the FDA and other regulatory authorities, including those laws requiring the reporting of true, complete and accurate information to such authorities; healthcare fraud and abuse laws and regulations in the U.S. and abroad; or laws that require the reporting of financial information or data accurately. In particular, sales, marketing and business arrangements in the healthcare industry are subject to extensive laws and regulations intended to prevent fraud, misconduct, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. Activities subject to these laws also involve the improper use of information obtained in the course of clinical trials or creating fraudulent data in our preclinical studies or clinical trials, which could result in regulatory sanctions and cause serious harm to our reputation. We have adopted a code of conduct applicable to all of our employees, but it is not always possible to identify and deter misconduct by employees and other third parties, and the precautions we take to detect and prevent this activity 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 comply with these laws or regulations. In addition, we are subject to the risk that a person could allege such fraud or other misconduct, even if none occurred. 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 civil, criminal and administrative penalties, damages, monetary fines, possible exclusion from participation in Medicare, Medicaid and other federal healthcare programs, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of our operations, any of which could adversely affect our ability to operate our business and our results of operations.

We may acquire or in-license businesses, technologies or platforms, approved drugs, drug candidates or discovery-stage programs, or form strategic alliances, collaborations or partnerships, in the future, and we may not realize the benefits of such acquisitions, in-licenses, alliances, collaborations or partnerships.

We may acquire or in-license additional businesses, technologies or platforms, approved drugs, drug candidates or discovery-stage programs, or form strategic alliances, collaborations or partnerships that we believe will complement or augment our existing business. If we acquire businesses with promising markets or technologies, we may not be able to realize the benefit of acquiring such businesses if we are unable to successfully integrate them with our existing operations and company culture. We may encounter numerous difficulties in developing, manufacturing and marketing any new drugs or drug candidates resulting from a strategic alliance, collaboration, partnership or acquisition that delay or prevent us from realizing their expected benefits or enhancing our business. In addition, we cannot assure you that, following any such transaction, we will achieve the expected synergies to justify the transaction.

We may be subject to adverse legislative or regulatory tax changes that could negatively impact our financial condition.

The rules dealing with U.S. federal, state and local income taxation are constantly under review by persons involved in the legislative process and by the IRS and the U.S. Treasury Department. Changes to tax laws (which changes may have retroactive application) could adversely affect our stockholders or us. We assess the impact of various tax reform proposals and modifications to existing tax treaties in all jurisdictions where we have operations to determine the potential effect on our business and any assumptions we have made about our future taxable income. We cannot

predict whether any specific proposals will be enacted, the terms of any such proposals or what effect, if any, such proposals would have on our business if they were to be enacted. For tax years beginning after December 31, 2021, the Tax Cuts and Jobs Act of 2017 eliminates the once available option to deduct research and development expenditures currently and requires taxpayers to amortize them over five years. The U.S. Congress is considering legislation that would defer the amortization requirement to future periods; however, we have no assurance that the provision will be repealed or otherwise modified. If the requirement is not repealed or modified, it will have a material impact on the carryover of taxable losses used to offset future taxable income, and in turn, impacting our cash flows in future years.

Risks Related to Our Common Stock

The price of our common stock has been and may in the future be volatile and fluctuate substantially.

Our stock price has been and may in the future be subject to substantial volatility. For example, our stock traded within a range of a high price of $125.61 and a low price of $13.04 per share for the period beginning on April 30, 2015, our first day of trading on The Nasdaq Global Select Market, through July 29, 2022. As a result of this volatility, our stockholders could incur substantial losses.

The stock market in general has recently experienced relatively large price and volume fluctuations, particularly in response to the COVID-19 outbreak. In particular, the market prices of securities of Nasdaq listed and biopharmaceutical companies have experienced extreme fluctuations that often have been unrelated or disproportionate to the operating results of these companies. Continued market fluctuations could result in extreme volatility in the price of our common stock, which could include a decline in the value of our common stock. In addition, the market price for our common stock may be influenced by many factors, including:

- the success of commercialization of our drugs and drug candidates, if approved;
- the success of competitive drugs or technologies;
- results of clinical trials of our drug candidates or those of our competitors;
- regulatory or legal developments in the U.S. and other countries;
- developments or disputes concerning patent applications, issued patents or other proprietary rights;
- the recruitment or departure of key personnel;
- the level of expenses related to any of our drug candidates or clinical development programs;
- the results of our efforts to discover, develop, acquire or in-license additional drug candidates or drugs;
- actual or anticipated changes in estimates as to financial results, development timelines or recommendations by securities analysts;
- variations in our financial results or those of companies that are perceived to be similar to us;
- changes in the structure of healthcare payment systems;
- market conditions in the pharmaceutical and biotechnology sectors;
- natural disasters, epidemic or pandemic disease outbreaks, including the COVID-19 pandemic, trade wars, political unrest or other similar events;
- general economic, industry and market conditions; and
- the other factors described in this “Risk Factors” section.

Future sales or issuances of common stock or other equity related securities may also adversely affect the market price of our common stock. In February 2022, we entered into a new sales agreement with Cowen through which we may, from time to time, issue and sell shares of our common stock having an aggregate offering price of up to $300.0 million, subject to the terms and conditions of the new sales agreement. If we seek authorization to sell additional shares of common stock under the sales agreement, enter into new "at the market" stock offering programs, or conduct a public offering or private offering through other means, it could lead to additional dilution for our stockholders and may impact our stock price adversely.

These and other market and industry factors may cause the market price and demand for our common stock to fluctuate substantially, regardless of our actual operating performance, which may limit or prevent investors from readily selling their shares of common stock and may otherwise negatively affect the liquidity of our common stock. In the past, when the market price of a stock has been volatile, holders of that stock have instituted securities class action litigation against the company that issued the stock. If any of our stockholders brought a lawsuit against us, we could incur substantial costs defending the lawsuit. Such a lawsuit could also divert the time and attention of our management.

We have in the past relied in part on sales of our common shares through our at-the-market (ATM) offering program to raise capital. Increased volatility and decreases in market prices of equity securities generally and of our common shares in particular may have an adverse impact on our willingness and/or ability to continue to sell our common shares through our ATM offering. Decreases in these sales could affect the cost or availability of equity capital, which could in turn have an adverse effect on our business, including current operations, future growth, revenues, net income and the market prices of our common shares.

In February 2022, we commenced a new at-the-market, or ATM, program to raise capital. Under our ATM program, we have entered into a sales agreement to sell common shares, up to a maximum aggregate market value of $300.0 million, through one or more at-the-market offerings. Given volatility in the capital markets, we may not be willing or able to continue to raise equity capital through our ATM program. We may, therefore, need to turn to other sources of funding that may have terms that are not favorable to us, or reduce our business operations given capital constraints.

Alternative financing arrangements, if we pursue any, could involve issuances of one or more types of securities, including common stock, preferred stock, convertible debt, warrants to acquire common stock or other securities. These securities could be issued at or below the then prevailing market price for our common shares. In addition, if we issue debt securities, the holders of the debt would have a claim to our assets that would be superior to the rights of stockholders until the principal, accrued and unpaid interest and any premium or make-whole has been paid. In addition, if we borrow funds and/or issue debt securities through a subsidiary, the lenders and/or holders of those debt securities would have a right to payment that would be effectively senior to the company's equity ownership in the subsidiary, which would adversely affect the rights of holders of both the company's equity securities and its debt and debt securities.

Interest on any newly-issued debt securities and/or newly-incurred borrowings would increase our operating costs and increase our net loss, and these impacts may be material. If the issuance of new securities results in diminished rights to holders of our common stock, the market price of our common shares could be materially and adversely affected. Should the financing we require to sustain our working capital needs be unavailable or prohibitively expensive when we require it, the consequences could result in a material adverse effect on our business, operating results, financial condition and prospects.

If equity research analysts publish negative evaluations of or downgrade our common stock, the price of our common stock could decline.

The trading market for our common stock relies in part on the research and reports that equity research analysts publish about us or our business. We do not control these analysts. If one or more of the analysts covering our business downgrade their evaluations of our common stock, the price of our common stock could decline. If one or more of these analysts cease to cover our common stock, we could lose visibility in the market for our common stock, which in turn could cause our common stock price to decline.

Our executive officers, directors, principal stockholders and their affiliates maintain the ability to exercise significant influence over our company and all matters submitted to stockholders for approval.

Our executive officers, directors and stockholders who own more than 5% of our outstanding common stock, together with their affiliates and related persons, beneficially own shares of common stock representing a significant percentage of our capital stock. As a result, if these stockholders were to choose to act together, they would be able to influence our management and affairs and the outcome of matters submitted to our stockholders for approval, including the election of directors and any sale, merger, consolidation, or sale of all or substantially all of our assets. This concentration of voting power could delay or prevent an acquisition of our company on terms that other stockholders may desire. In addition, this concentration of ownership might adversely affect the market price of our common stock by:

- delaying, deferring or preventing a change of control of us;
- impeding a merger, consolidation, takeover or other business combination involving us; or
- discouraging a potential acquiror from making a tender offer or otherwise attempting to obtain control of us.

Anti-takeover provisions in our charter documents and under Delaware law could make an acquisition of us, which may be beneficial to our stockholders, more difficult and may prevent attempts by our stockholders to replace or remove our current management.

Provisions in our amended and restated certificate of incorporation and amended and restated bylaws may delay or prevent an acquisition of us or a change in our management. These provisions include a classified board of directors, a prohibition on actions by written consent of our stockholders and the ability of our board of directors to issue preferred stock without stockholder approval. In addition, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the Delaware General Corporation Law, which limits the ability of stockholders owning in excess of 15% of our outstanding voting stock to merge or combine with us. Although we believe these provisions collectively provide for an opportunity to obtain greater value for stockholders by requiring potential acquirors to negotiate with our board of directors, they would apply even if an offer rejected by our board were considered beneficial by some stockholders. In addition, these provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our board of directors, which is responsible for appointing the members of our management.

Our bylaws contain exclusive forum provisions, which may limit a stockholder's ability to bring a claim in a judicial forum it finds favorable and may discourage lawsuits with respect to such claims.

Our amended and restated bylaws, as amended, or bylaws, provide that unless we consent in writing to an alternative forum, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for state law claims for (1) any derivative action, (2) any claim of breach of fiduciary duty, (3) any claim against a current or former director, officer, employee or stockholder, and (4) any action against our company governed by the internal affairs doctrine, which we refer to collectively as the Delaware forum provision. The Delaware forum provision does not apply to any claims arising under the Securities Exchange Act of 1934 or the Securities Act of 1933, as amended, or the Securities Act. Our bylaws further provide that, unless we consent in writing to an alternative forum, the United States District Court for the District of Massachusetts will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act, which we refer to as the federal forum provision. We have chosen the United States District Court for the District of Massachusetts as the exclusive forum for such Securities Act causes of action because our principal executive offices are located in Massachusetts. In addition, our bylaws provide that any person or entity purchasing or otherwise acquiring any interest in shares of our common stock is deemed to have notice of and consented to the Delaware forum provision and the federal forum provision.

The Delaware forum provision and the federal forum provision may impose additional litigation costs on stockholders who assert the provision is not enforceable and may impose more general additional litigation costs in pursuing any such claims, particularly if the stockholders do not reside in or near the State of Delaware or the Commonwealth of Massachusetts. In addition, these forum selection clauses in our bylaws may limit our stockholders'

ability to bring a claim in a judicial forum that they find favorable for disputes with us or our directors, officers or employees, which may discourage such lawsuits against us and our directors, officers and employees even though an action, if successful, might benefit our stockholders. The federal forum provision may also impose additional litigation costs on stockholders who assert the provision is not enforceable or invalid. Alternatively, if the federal forum provision is found inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could have an adverse effect on our business, financial condition or results of operations. The Court of Chancery of the State of Delaware and the United States District Court for the District of Massachusetts may also reach different judgments or results than would other courts, including courts where a stockholder considering an action may be located or would otherwise choose to bring the action, and such judgments may be more or less favorable to us than our stockholders.

Future sales of our common stock, including by us or our directors and executive officers or shares issued upon the exercise of currently outstanding options, could cause our stock price to decline.

A substantial portion of our outstanding common stock can be traded without restriction at any time. In addition, a portion of our outstanding common stock is currently restricted as a result of federal securities laws, but can be sold at any time subject to applicable volume limitations. As such, sales of a substantial number of shares of our common stock in the public market could occur at any time. These sales, or the perception in the market that the holders of a large number of shares intend to sell shares, by us or others, could reduce the market price of our common stock or impair our ability to raise adequate capital through the sale of additional equity securities. In addition, we have a significant number of shares that are subject to outstanding options. The exercise of these options and the subsequent sale of the underlying common stock could cause a further decline in our stock price. These sales also might make it difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate. We cannot predict the number, timing or size of future issuances or the effect, if any, that any future issuances may have on the market price for our common stock.

We have incurred and will continue to incur substantial costs as a result of operating as a public company, and our management is required to devote substantial time to new compliance initiatives and corporate governance practices.

As a public company, we have incurred and expect to continue to incur significant legal, accounting and other expenses. In addition, the Sarbanes-Oxley Act of 2002 and rules subsequently implemented by the Securities and Exchange Commission (SEC) and Nasdaq have imposed various requirements on public companies, including establishment and maintenance of effective disclosure and financial controls and corporate governance practices. Our management and other personnel will need to devote a substantial amount of time to these compliance initiatives. Moreover, these rules and regulations will increase our legal and financial compliance costs and make some activities more time-consuming and costlier.

Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002 (Section 404), we are required to furnish an annual report by our management on our internal control over financial reporting. To achieve compliance with Section 404 within the prescribed period, we have been and will continue to be engaged in a process to document and evaluate our internal control over financial reporting, which is both costly and challenging. In this regard, we will need to continue to dedicate internal resources, potentially engage outside consultants and adopt a detailed work plan to assess and document the adequacy of internal control over financial reporting, continue steps to improve control processes as appropriate, validate through testing that controls are functioning as documented and implement a continuous reporting and improvement process for internal control over financial reporting.

Despite our efforts, there is a risk that in the future neither we nor our independent registered public accounting firm will be able to conclude within the prescribed timeframe that our internal control over financial reporting is effective as required by Section 404 or that we will not be able to comply with the requirements of Section 404 in a timely manner. If this were to occur, the market price of our stock could decline and we could be subject to sanctions or investigations by the SEC or other regulatory authorities, which would require additional financial and management resources. Furthermore, investor perceptions of our company may suffer if deficiencies are found, and this could cause a decline in the market price of our stock. Irrespective of compliance with Section 404, any failure of our internal control over financial reporting could have a material adverse effect on our stated operating results and harm our reputation. If we are unable to implement these requirements effectively or efficiently, it could harm our operations, financial

reporting, or financial results and could result in an adverse opinion on our internal control over financial reporting from our independent registered public accounting firm.

Because we do not anticipate paying any cash dividends on our capital stock in the foreseeable future, capital appreciation, if any, will be the sole source of gain for our stockholders.

We have never declared or paid cash dividends on our capital stock. We currently intend to retain all of our future earnings, if any, to finance the growth and development of our business. In addition, the terms of any future debt agreements may preclude us from paying dividends. As a result, capital appreciation, if any, of our common stock will be the sole source of gain for our stockholders for the foreseeable future.

Our ability to utilize our net operating loss carryforwards and certain other tax attributes may be limited.

Under Section 382 of the Internal Revenue Code of 1986, as amended (the Code), if a corporation undergoes an "ownership change" (generally defined as a greater than 50% change (by value) in the ownership of its equity over a three-year period), the corporation's ability to use its pre-change net operating loss carryforwards and certain other pre-change tax attributes to offset its post-change income may be limited. We may have experienced such ownership changes in the past, and we may experience ownership changes in the future as a result of shifts in our stock ownership, some of which are outside our control. As of December 31, 2021, we had federal net operating loss carryforwards of approximately $872.6 million, and our ability to utilize those net operating loss carryforwards could be limited by an "ownership change" as described above, which could result in increased tax liability to us. In addition, pursuant to the TCJA (as amended by the CARES Act), we may not use net operating loss carry-forwards generated in taxable years beginning after December 31, 2017 to reduce our taxable income in any year beginning after December 31, 2020 by more than 80%, and we may not carry back any net operating losses to prior years. These rules apply regardless of the occurrence of an ownership change.

In April 2022, the Company completed an update to the prior Section 382 study dated February 25, 2021. Since the Section 382 owner shifts are tested on a cumulative basis, the current update incorporates the period from February 7, 2017, the day of the last identified ownership change, through December 31, 2021. The analysis concluded that it is more likely than not that an additional ownership change did not occur during the update analysis period. This is assuming that no further significant shifts in stock ownership have occurred by virtue of equity events that have not yet been reported in publicly available SEC filings.

As part of this update, the Company also analyzed the shifts in the stock ownership of Lengo Therapeutics, Inc. (Lengo), a company acquired on December 29, 2021, for purposes of determining (1) whether and when Lengo experienced an "ownership change," as defined in section 382(g)(1) of the Internal Revenue Code, during the period beginning March 6, 2019, the date of the first reported issuance of Lengo stock, and ending on the date of the Company's acquisition by Blueprint on December 29, 2021 (Owner Shift Analysis), and (2) the extent to which Lengo's net operating loss and tax credit carryforwards may be subject to limitation under sections 382 and 383 as a result of any such ownership changes (Limitation Analysis) (collectively, the Analysis). The analysis concluded that it is more likely than not that ownership changes occurred on (1) March 26, 2020 in connection with the issuance of Series A Preferred stock and (2) on December 29, 2021 in connection with Blueprint's acquisition of the Company.

Item 5. Other Information

Change in Directors

On June 23, 2022, the Company's board of directors unanimously appointed Habib J. Dable to fill the vacancy on the board of directors resulting from the resignation of Charles A. Rowland. Mr. Dable was appointed as a Class III director of the Company, to serve in such capacity until the annual meeting of the Company's stockholders in 2024 or until his earlier resignation, death or removal.

On April 4, 2022, Kathryn Haviland became a member of the Company's board of directors in connection with her employment as our president and chief executive officer as the successor to Jefferey Albers, who transitioned into a new role as our executive chairman on that date.

Item 6. Exhibits

EXHIBIT INDEX

Exhibit Number	Description of Exhibit
10.1* †	Purchase and Sale Agreement, dated as of June 30, 2022, by and between the Registrant and Royalty Pharma Investments 2019 ICAV
10.2* †	Purchase and Sale Agreement, dated as of June 30, 2022, by and among the Registrant Garnich Adjacent Investments S.a.r.l. the various other purchasers from time to time party thereto and Garnish Adjacent Investments S.a.r.l, as Purchaser's Representative
10.3* †	Financing Agreement, dated as of June 30, 2022, by and among the Registrant, as Borrower, certain subsidiaries of the Registrant, as Guarantors, various lenders from time to time party thereto and Tao Talents, LLC, as Administrative Agent for the lenders
31.1*	Certification of Principal Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Principal Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1+	Certifications of Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
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.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File – The cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document

* Filed herewith.

# Indicates management contract or compensatory plan or arrangement.

† Certain portions of the exhibit have been omitted pursuant to Regulation S-K Item 601(b) because it is both (i) not material to investors and (ii) information that the Company treats as private or confidential.

+ The certifications furnished in Exhibit 32.1 hereto are deemed to be furnished with this Quarterly Report on Form 10-Q and will not be deemed to be "filed" for purposes of Section 18 of the Exchange Act. Such certifications will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Registrant specifically incorporates it by reference.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BLUEPRINT MEDICINES CORPORATION

Date: August 2, 2022

By: /s/ Kathryn Haviland
Kathryn Haviland
President, Chief Executive Officer and Director
(Principal Executive Officer)

Date: August 2, 2022

By: /s/ Michael Landsittel
Michael Landsittel
Chief Financial Officer
(Principal Financial Officer)

Exhibit 10.1

CERTAIN INFORMATION IN THIS DOCUMENT, MARKED BY [***], HAS BEEN EXCLUDED PURSUANT TO REGULATION S-K, ITEM 601(b)(10)(iv). SUCH EXCLUDED INFORMATION IS NOT MATERIAL AND IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

PURCHASE AND SALE AGREEMENT

dated as of June 30, 2022

between

BLUEPRINT MEDICINES CORPORATION

and

ROYALTY PHARMA INVESTMENTS 2019 ICAV

PURCHASE AND SALE AGREEMENT

This PURCHASE AND SALE AGREEMENT (this "Agreement") dated as of June 30, 2022 is between Blueprint Medicines Corporation, a Delaware corporation (the "Seller"), and Royalty Pharma Investments 2019 ICAV, an Irish collective asset-management vehicle (the "Purchaser").

W I T N E S S E T H :

WHEREAS, pursuant to the License Agreement, the Seller granted to Licensee an exclusive, royalty-bearing license in the Field under the BPM Technology to commercialize the Licensed Product in the Field on an exclusive basis in the Roche Territory, and the Seller has the right to receive royalties based on Roche Net Sales of the Royalty Product; and

WHEREAS, the Seller desires to sell, contribute, assign, transfer, convey and grant to the Purchaser, and the Purchaser desires to purchase, acquire and accept from the Seller, the Purchased Royalty Interest, upon and subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual agreements, representations and warranties set forth herein and of other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto covenant and agree as follows:

ARTICLE I
DEFINED TERMS AND RULES OF CONSTRUCTION

Section 1.1 Defined Terms. The following terms, as used herein, shall have the following respective meanings:

"Affiliate" means, with respect to any designated Person, any other Person that, directly or indirectly, controls, is controlled by or is under common control with such designated Person. For purposes of this definition, "control" of a Person means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise, and the terms "controlled" and "controlling" have meanings correlative to the foregoing.

"Agreement" has the meaning set forth in the preamble.

"BPM Collaboration Patents" has the meaning set forth in Section 1.21 of the License Agreement.

"BPM Patents" has the meaning set forth in Section 1.28 of the License Agreement.

"BPM Technology" has the meaning set forth in Section 1.29 of the License Agreement.

"Bill of Sale" means that certain bill of sale, dated as of the Closing Date, executed by the Seller and the Purchaser, substantially in the form attached hereto as Exhibit A.

"Business Day" means any day that is not a Saturday, Sunday or other day on which commercial banks in New York, New York are authorized or required by applicable Law to remain closed.

"Calendar Quarter" means each period of three (3) consecutive calendar months, ending March 31, June 30, September 30, and December 31.

"Closing" has the meaning set forth in Section 6.1.

"Closing Date" has the meaning set forth in Section 6.1.

"Closing Purchase Price" has the meaning set forth in Section 2.2.

"Co-Commercialization Arrangement" means all rights and obligations of the Seller and Licensee (including rights and obligations of each of the Collaboration Governance Bodies) under the License Agreement related to the Development, Manufacture, distribution and Commercialization of, regulatory matters related to, and Medical Affairs Activities for, Licensed Products in the Shared Territory.

"Code" means the U.S. Internal Revenue Code of 1986, as amended, and the regulations thereunder.

"Collaboration Governance Bodies" means, collectively, the Joint Commercialization Committee, the Joint Development Committee, the Joint Medical Affairs Committee, the Joint Steering Committee and the Manufacturing Committee as defined in Sections 1.114, 1.115, 1.121, 1.125 and 1.136 of the License Agreement, respectively.

"Commercialization" has the meaning set forth in Section 1.49 of the License Agreement.

"Common Interest and Joint Privilege Agreement" that certain common interest and joint privilege agreement, dated as of the Closing Date, executed by the Seller and the Purchaser, substantially in the form attached hereto as Exhibit I.

"Compound" has the meaning set forth in Section 1.53 of the License Agreement.

"Compulsory Sublicense Compensation" has the meaning set forth in Section 1.56 of the License Agreement.

"Controlled" has the meaning set forth in Section 1.59 of the License Agreement.

"Cover" has the meaning set forth in Section 1.61 of the License Agreement.

"Credit Event" means any insolvency, bankruptcy, receivership, assignment for the benefit of creditors, similar proceeding, or financial distress of Licensee, as a result of which the Licensee fails to pay, or is delayed in paying, all or a portion of the Purchased Royalty Interest.

"Development" has the meaning set forth in Section 1.64 of the License Agreement.

"[***]" has the meaning set forth in [***] of the License Agreement.

"[***]" has the meaning set forth in [***] of the License Agreement.

"Disputes" has the meaning set forth in Section 3.9(d).

"Excess Amount" has the meaning set forth in Section 5.4(c).

"Exploit" has the meaning set forth in Section 1.84 of the License Agreement.

"FDA" means the U.S. Food and Drug Administration and any successor agency thereto.

"Field" has the meaning set forth in Section 1.87 of the License Agreement.

"GAAP" means generally accepted accounting principles in effect in the United States from time to time.

"Governmental Authority" means the government of the United States, any other nation or any political subdivision thereof, whether state or local, and any agency, authority (including supranational authority), commission, instrumentality, regulatory body, court, central bank or other Person exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, including each Patent Office, the FDA and any other government authority in any jurisdiction.

"Joint Collaboration Patents" has the meaning set forth in Section 1.112 of the License Agreement.

"Judgment" means any judgment, order, stipulation, consent order, ruling, injunction, assessment, award, writ or decree.

"Knowledge" means, with respect to the Seller, [***] Article III [***].

"Law" means any law, statute, rule, regulation or ordinance issued or promulgated by a Governmental Authority.

"Lead Backup" has the meaning set forth in Section 1.127 of the License Agreement.

"Lead Product" has the meaning set forth in Section 1.130 of the License Agreement.

"License Agreement" means that certain Collaboration Agreement, dated July 13, 2020, by and among the Seller and Licensee.

"Licensed Product" has the meaning set forth in Section 1.132 of the License Agreement.

"Licensee" means, collectively, F. Hoffmann-La Roche Ltd and Genentech, Inc., and their respective successors and permitted assigns.

"Licensee Consent" means that certain letter agreement, dated on or about the date hereof, by and between the Seller and Licensee, attached hereto as Exhibit B.

"Licensee Instruction" means the direction letter to Licensee in the form attached hereto as Exhibit C.

"Lien" means any security interest, mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or otherwise), charge against or interest in property or other restriction, priority or preferential arrangement, in each case of any kind or nature whatsoever.

"Loss" means any loss, assessment, award, cause of action, claim, charge, cost, expense (including expenses of investigation and attorneys' fees), fine, Judgment, liability, obligation, penalty.

"Manufacture" has the meaning set forth in Section 1.135 of the License Agreement.

"Material Adverse Effect" means (a) a material adverse effect on (i) the legality, validity or enforceability of any of the Transaction Documents or the License Agreement, other than any provision of the License Agreement that relates solely to the Co-Commercialization Arrangement or is otherwise unrelated to the Purchased Royalty Interest, (ii) the ability of the Seller to perform its obligations under any of the Transaction Documents or under the License Agreement, other than any provision of the License Agreement that relates solely to the Co-Commercialization Arrangement or is otherwise unrelated to the Purchased Royalty Interest, (iii) the rights of the Seller under the License Agreement related to the Purchased Royalty Interest, (iv) the Royalty Product or the Royalty Product Patents, or (v) the rights or remedies of the Purchaser under any of the Transaction Documents to which it is a party; or (b) an adverse effect in any material respect on the timing, amount or duration of the payments to be made to the Purchaser in respect of any portion of the Purchased Royalty Interest or the right of the Purchaser to receive the Purchased Royalty Interest.

"Medical Affairs Activities" has the meaning set forth in Section 1.141 of the License Agreement.

"Milestone Measurement Dates" means, with respect to a given Milestone Measurement Period, the dates on which the Purchased Royalty Interest in respect of each Calendar Quarter contained in such Milestone Measurement Period is received by the Seller and the Purchaser (each such date, a "Milestone Measurement Date").

"Milestone Payments" means the amounts set forth below in the third column of the table below, each of which shall be payable only if the amount of the Purchased Royalty Interest received by Purchaser (whenever received) in respect of Roche Net Sales during the applicable time period set forth in the first column in the table below (each such period, a "Milestone Measurement Period") exceeds the applicable threshold set forth below in the second column in the table below (each, a "Milestone Return Threshold").

Milestone Measurement Period	**Milestone Return Threshold**	**Milestone Payment**
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]

[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]

[***]. For example, [***]. For the avoidance of doubt, however, no Milestone Payment shall be paid by the Purchaser to the Seller more than once.

"Mutually Agreed" means:

(a) for matters (i) related solely to the Purchased Royalty Interest or (ii) that would reasonably be expected to result in a Material Adverse Effect, the Seller shall take, or refrain from taking, such reasonable actions in respect of each such matter as are reasonably requested by the Purchaser;

(b) for matters (i) [***] (ii) [***] (iii) (A) that are not related [***] to the Purchased Royalty Interest and (B) that would not reasonably be expected to result in a Material Adverse Effect, the Seller shall have the right to take, or refrain from taking, such actions (in each case, to the extent required or permitted under the License Agreement) in respect of each such matter as the Seller, acting reasonably, deems appropriate; and

(c) (i) [***], or (ii) for all other matters under the License Agreement that do not meet the criteria set forth in clauses (a) or (b) above, the Seller shall take, or refrain from taking, actions in respect of each such matter as the Seller and the Purchaser, each acting reasonably, mutually agree.

"New Arrangement" has the meaning set forth in Section 5.8.

"Other Component" has the meaning set forth in Section 1.46 of the License Agreement.

"Patent Linkage" means foreign equivalents of the FDA publication Approved Drug Products with Therapeutic Equivalence Evaluations, as may be amended from time to time.

"Patent Office" means the applicable patent office, including the United States Patent and Trademark Office and any comparable foreign patent office.

"Patents" has the meaning set forth in Section 1.157 of the License Agreement.

"Permitted Reduction" means any [***].

"Person" means any natural person, firm, corporation, limited liability company, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, Governmental Authority or any other legal entity, including public bodies, whether acting in an individual, fiduciary or other capacity.

"Proceeds" means any amounts actually recovered by the Seller as a result of any settlement or resolution of any actions, suits, proceedings, claims or disputes related to the Purchased Royalty Interest, except for any amounts that are used to reimburse or indemnify

Licensee for costs, expenses, legal fees or other fees relating to such actions, suits, proceedings, claims or disputes.

"Purchased Royalty Interest" means, for the period [***] and thereafter during the term of this Agreement, all of the Seller's right, title and interest in and to: (a) all payments payable to the Seller by Licensee under Section 8.7(a) and Section 8.7(b) of the License Agreement with respect to Roche Net Sales of the Royalty Product in the Roche Territory (including amounts treated as Roche Net Sales pursuant to Section 9.4(d)(i)(A) of the License Agreement), after giving effect to all Permitted Reductions applicable thereto; (b) and all payments payable to the Seller by Licensee under Section 8.7(f) of the License Agreement with respect to Compulsory Sublicense Compensation in respect of sales of the Royalty Product in the Roche Territory; (c) any payments payable to the Seller under the License Agreement in lieu of such payments described in clause (a) and (b); and (d) any interest payments made by Licensee under Section 8.14 of the License Agreement in respect of the payments described in clauses (a), (b) and (c).

"Purchaser" has the meaning set forth in the preamble.

"Purchaser Account" means the account set forth on Exhibit D or such other account as may be designated by the Purchaser in writing from time to time.

"Purchaser Indemnified Party" has the meaning set forth in Section 7.1.

"Reversion Product" has the meaning set forth in Section 1.186 of the License Agreement.

"Roche Net Sales" has the meaning set forth in Section 1.197 of the License Agreement.

"Roche Patents" has the meaning set forth in Section 1.199 of the License Agreement.

"Roche Technology" has the meaning set forth in Section 1.200 of the License Agreement.

"Roche Territory" has the meaning set forth in Section 1.201 of the License Agreement.

"Royalty Product" means, individually or collectively as the context requires, the [***].

"Royalty Reports" means, (a) with respect to the first and second month of each Calendar Quarter, the report required to be prepared and delivered by Licensee to the Seller pursuant to Section 8.8(a) of the License Agreement to the extent actually received by the Seller, and (b) with respect to each Calendar Quarter, the report required to be prepared and delivered by Licensee to the Seller pursuant to Section 8.8(b) of the License Agreement.

"Royalty Product BPM Patents" means [***].

"Royalty Product Joint Patents" means [***].

"Royalty Product Patents" means [***].

"Royalty Product Roche Patents" means [***].

"SEC" means the U.S. Securities and Exchange Commission.

"Second Generation Compound" has the meaning set forth in Section 1.206 of the License Agreement.

"Seller" has the meaning set forth in the preamble.

"Seller Account" means the account set forth on Exhibit E hereto or such other account as may be designated by the Seller in writing from time to time.

"Seller Indemnified Party" has the meaning set forth in Section 7.2.

"Set-Off" means any right of set-off, counterclaim, credit, reduction or deduction by contract or otherwise, other than a Permitted Reduction.

"Shared Territory" has the meaning set forth in Section 1.214 of the License Agreement.

"Shortfall Amount" has the meaning set forth in Section 5.4(c).

[***]

"Terminated Region" has the meaning set forth in Section 1.224 of the License Agreement.

"Transaction Documents" means this Agreement, the Bill of Sale, the Common Interest and Joint Privilege Agreement, the Licensee Consent, and the Licensee Instruction.

"UCC" means the Uniform Commercial Code as in effect from time to time in the State of New York; provided, that, if, with respect to any financing statement or by reason of any provisions of applicable Law, the perfection or the effect of perfection or non-perfection of the back-up security interest or any portion thereof granted pursuant to Section 2.1(b) is governed by the Uniform Commercial Code as in effect in a jurisdiction of the United States other than the State of New York, then "UCC" means the Uniform Commercial Code as in effect from time to time in such other jurisdiction for purposes of the provisions of this Agreement and any financing statement relating to such perfection or effect of perfection or non-perfection.

[***]

"U.S." or "United States" means the United States of America, each territory thereof and the District of Columbia.

Section 1.2 Rules of Construction. Unless the context otherwise requires, in this Agreement:

(a) a term has the meaning assigned to it and an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;

(b) unless otherwise defined, all terms that are defined in the UCC shall have the meanings stated in the UCC;

(c) words of the masculine, feminine or neuter gender shall mean and include the correlative words of other genders;

(d) the definitions of terms shall apply equally to the singular and plural forms of the terms defined;

(e) the terms “either” and “or” are not exclusive, and “include”, “including” and similar terms shall be construed as if followed by the phrase “without limitation”;

(f) references to any Law shall include such Law as from time to time in effect, including any amendment, modification, codification, replacement or reenactment thereof or any substitution therefor;

(g) references to any Person shall be construed to include such Person’s successors and permitted assigns (subject to any restrictions on assignment, transfer or delegation set forth herein or in any of the other Transaction Documents), and any reference to a Person in a particular capacity excludes such Person in other capacities;

(h) the word “extent” in the phrase “to the extent” means the degree to which a subject or other thing extends, and such phrase does not mean simply “if;”

(i) the word “will” shall be construed to have the same meaning and effect as the word “shall”;

(j) the words “hereof”, “herein”, “hereunder” and similar terms when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision hereof, and Article, Section and Exhibit references herein are references to Articles and Sections of, and Exhibits to, this Agreement unless otherwise specified;

(k) in the computation of a period of time from a specified date to a later specified date, the word “from” means “from and including” and each of the words “to” and “until” means “to but excluding”;

(l) references to “$” or otherwise to dollar amounts refer to the lawful currency of the United States; and

(m) where any payment is to be made, any funds are to be applied or any calculation is to be made under this Agreement on a day that is not a Business Day, unless this Agreement otherwise provides, such payment shall be made, such funds shall be applied and such calculation shall be made on the succeeding Business Day, and payments shall be adjusted accordingly.

ARTICLE II
PURCHASE AND SALE OF THE Purchased Royalty Interest

Section 2.1 Purchase and Sale.

(a) Upon the terms and subject to the conditions of this Agreement, at the Closing, the Seller shall sell, contribute, assign, transfer and convey to the Purchaser, and the Purchaser shall purchase, acquire and accept from the Seller, all of the Seller's right, title and interest in and to the Purchased Royalty Interest, free and clear of any and all Liens, other than those Liens created in favor of the Purchaser by the Transaction Documents.

(b) It is the intention of the parties hereto that the sale, transfer, assignment and conveyance contemplated by this Agreement be, and is, a true, complete, absolute and irrevocable sale, transfer, assignment and conveyance by the Seller to the Purchaser of all of the Seller's right, title and interest in and to the Purchased Royalty Interest. Neither the Seller nor the Purchaser intends the transactions contemplated by this Agreement to be, or for any purpose characterized as, a loan from the Purchaser to the Seller or a pledge, a security interest, a financing transaction or a borrowing. Each of the Seller and the Purchaser hereby waives, to the maximum extent permitted by applicable Law, any right to contest or otherwise assert that this Agreement does not constitute a true, complete, absolute and irrevocable sale, transfer, assignment and conveyance by the Seller to the Purchaser of all of the Seller's right, title and interest in and to the Purchased Royalty Interest under applicable Law, which waiver shall, to the maximum extent permitted by applicable Law, be enforceable against the Seller in any bankruptcy or insolvency proceeding relating to the Seller. Accordingly, the Seller shall treat the sale, transfer, assignment and conveyance of the Purchased Royalty Interest as a sale of an "account" or a "payment intangible" (as appropriate) in accordance with the UCC, and the Seller hereby authorizes the Purchaser to file financing statements (and continuation statements with respect to such financing statements when applicable) naming the Seller as the seller and the Purchaser as the buyer in respect of the Purchased Royalty Interest. Not in derogation of the foregoing statement of the intent of the parties hereto in this regard, and for the purposes of providing additional assurance to the Purchaser in the event that, despite the intent of the parties hereto, the sale, transfer, assignment and conveyance contemplated hereby is hereafter held not to be a sale, the Seller does hereby grant to the Purchaser, as security for the payment of amounts to the Purchaser equal to the Purchased Royalty Interest as it becomes due and payable, a security interest in and to all right, title and interest of the Seller, in, to and under the Purchased Royalty Interest and any "proceeds" (as such term is defined in the UCC) thereof, and the Seller does hereby authorize the Purchaser, from and after the Closing, to file such financing statements (and continuation statements with respect to such financing statements when applicable) in such manner and such jurisdictions as are necessary or appropriate to perfect such security interest.

Section 2.2 Purchase Price. The purchase price to be paid in full consideration for the sale, contribution, assignment, transfer and conveyance of the Purchased Royalty Interest is the sum of (a) $175,000,000 (the "Closing Purchase Price"), which the Purchaser shall pay to the Seller at the Closing in immediately available funds by wire transfer to the Seller Account, and (b) the Milestone Payments, to the extent such payments become due and payable in accordance with Section 2.5.

Section 2.3 No Assumed Obligations. Notwithstanding any provision in this Agreement or any other writing to the contrary, the Purchaser is purchasing, acquiring and accepting only the Purchased Royalty Interest and is not assuming any liability or obligation of the Seller or any of the Seller's Affiliates of whatever nature, whether presently in existence or arising or asserted hereafter (including any liability or obligation of the Seller under the License Agreement). All such liabilities and obligations shall be retained by and remain liabilities and obligations of the Seller or the Seller's Affiliates, as the case may be.

Section 2.4 Excluded Assets. The Purchaser does not, by purchase, acquisition or acceptance of the right, title or interest granted hereunder or otherwise pursuant to any of the Transaction Documents, purchase, acquire or accept any assets or contract rights of the Seller, including under the License Agreement, other than as specifically set forth herein in respect of the Purchased Royalty Interest.

Section 2.5 Milestone Payments. Upon each Milestone Measurement Date, if the amount of the Purchased Royalty Interest received by the Purchaser in respect of Roche Net Sales during the applicable Milestone Measurement Period has met or exceeded an applicable Milestone Return Threshold (as set forth in the Royalty Report applicable to such Milestone Measurement Date and previously delivered Royalty Reports) and the Milestone Payment payable upon meeting or exceeding such Milestone Return Threshold has not previously been paid by the Purchaser to the Seller, the Purchaser shall pay such Milestone Payment to the Seller within [***] following such Milestone Measurement Date in immediately available funds by wire transfer to the Seller Account.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF THE SELLER

Except as set forth on, or disclosed in, Exhibit F, the Seller hereby represents and warrants to the Purchaser as of the date hereof as follows:

Section 3.1 Existence; Organization. The Seller is a corporation duly organized, validly existing and in good standing under the Laws of Delaware. The Seller is duly licensed or qualified to do business and is in corporate good standing in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties and assets owned, leased or operated by it makes such licensing or qualification necessary, except where the failure to be so licensed or qualified and in corporate good standing has not and would not reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.

Section 3.2 No Conflicts. The execution, delivery and performance by the Seller of the Transaction Documents and the consummation of the transactions contemplated thereby do not contravene or conflict with, or constitute a breach of or default under any provision of (a)the organizational documents of the Seller, (b) the License Agreement, (c) any Law or Judgment applicable to the Seller, or (d) any contract (other than the License Agreement) to which the Seller is a party or by which the Seller is bound, except, in the case of clauses (c) and (d), for such breaches or defaults that, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

Section 3.3 Authorization; Enforceability. The Seller has all necessary corporate power and authority to execute and deliver, and perform its obligations under, the Transaction Documents and to consummate the transactions contemplated thereby. The execution and delivery of each of the Transaction Documents and the performance by the Seller of its obligations thereunder, and the consummation of the transactions contemplated thereby, have been duly authorized by the Seller. Each of the Transaction Documents has been duly executed and delivered by the Seller and constitutes the legal, valid and binding obligation of the Seller, enforceable against the Seller in accordance with its terms, except as may be limited by general principles of equity (regardless of whether considered in a proceeding at Law or in equity), by applicable bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally, and principles of public policy.

Section 3.4 Ownership. The Seller has good, valid and marketable title to the Purchased Royalty Interest, free and clear of all Liens. Upon payment of the Closing Purchase Price by the Purchaser, the Purchaser will have acquired, subject to the terms and conditions set forth in this Agreement, good, valid and marketable title to the Purchased Royalty Interest, free and clear of all Liens (other than those contemplated by Section 2.1(b)).

Section 3.5 Governmental and Third Party Authorizations. The execution, delivery and performance by the Seller of the Transaction Documents, and the consummation of any of the transactions contemplated thereby, do not require any consent, approval, license, order, authorization or declaration from, notice to, action or registration by or filing with any Governmental Authority or any other Person, except for the (a) a Current Report on Form 8-K by the Seller with the U.S. Securities and Exchange Commission, (b) the UCC financing statements contemplated by Section 2.1(b), (c) those previously obtained, including the Licensee Consent and (d) such consents, the failure of which to be obtained or made, would not reasonably be expected to have a Material Adverse Effect.

Section 3.6 No Litigation. No action, suit, proceeding or investigation before any Governmental Authority, court or arbitrator is pending, or, to the Knowledge of the Seller, threatened, against the Seller that, individually or in the aggregate, would reasonably be expected to result in a Material Adverse Effect.

Section 3.7 No Brokers' Fees. The Seller has not taken any action that would entitle any person or entity other than Cowen and Company, LLC to any commission or broker's fee in connection with the transactions contemplated by this Agreement.

Section 3.8 Compliance with Laws. The Seller (a) has not violated, nor is it in violation of, has not been given notice of any violation of, and, to the Knowledge of the Seller, is not under investigation with respect to nor has it been threatened to be charged with, any violation of, any applicable Law or any Judgment, permit or license granted, issued or entered by any Governmental Authority and (b) is not subject to any Judgment issued or entered by any Governmental Authority; in each case (a) and (b), that would reasonably be expected to have a Material Adverse Effect.

Section 3.9 Intellectual Property Matters.

(a) Exhibit G sets forth an accurate and complete list of all Patents within the Royalty Product BPM Patents, the Royalty Product Joint Patents and, to the Knowledge the Seller, Royalty Product Roche Patents, in each case existing as of the date hereof (such Patents listed on Exhibit G, the "Listed Royalty Product Patents"), including for each such Patent the Seller has listed on Exhibit G: (i) the jurisdiction in which such Patent is pending, allowed, granted or issued, (ii) the patent number or patent serial number and the issue or filing dates of such Patent, and (iii) the owner of such Patents that are Royalty Product BPM Patents or Royalty Product Joint Patents and, to the Knowledge of Seller, the owner of such Patents that are Royalty Product Roche Patents.

(b) Except as set forth on Exhibit G, Seller is the sole owner of, and has the sole interest in, all of the Royalty Product BPM Patents contained in the Listed Royalty Product Patents. To the Knowledge of the Seller, Licensee is the sole owner of, and has the sole interest in, all of the Royalty Product Roche Patents. To the Knowledge of the Seller, the Seller and Licensee collectively are the sole owners of, and collectively have the sole interest in, the Royalty Product Joint Patents. The Seller is the sole owner of, and has the sole interest in, its undivided half interest in each of the Royalty Product Joint Patents.

(c) All required issuance, maintenance and renewal fees for the Royalty Product BPM Patents contained in the Listed Royalty Product Patents, and, to the Knowledge of the Seller, the Royalty Product Roche Patents and the Royalty Product Joint Patents contained in the Listed Royalty Product Patents, have been timely paid. To the Knowledge of the Seller, all issued Royalty Product Patents are enforceable and valid. No Royalty Product BPM Patents, and, to the Knowledge of the Seller, no Royalty Product Roche Patents and no Royalty Product Joint Patents, have lapsed or expired or been abandoned, terminated or cancelled, except for any such Patents abandoned pursuant to the exercise of reasonable judgment and in the ordinary course of business. Each individual associated with the filing and prosecution of the Royalty Product BPM Patents owned in whole by Seller, and to the Knowledge of Seller, each individual associated with the filing and prosecution of the Royalty Product BPM Patents owned in part by Seller, the Royalty Product Roche Patents and the Royalty Product Joint Patents, including, in each case, the named inventors of all such Royalty Product Patents, has complied in all material respects with all applicable duties of candor and good faith in dealing with any Patent Office, including any duty to disclose to any Patent Office all information known by such inventors to be material to the patentability of each Royalty Product Patent (including any relevant prior art), in each case, in those jurisdictions in the Roche Territory where such duties exist. To the Knowledge of the Seller, there is no Person who is or claims to be an inventor under any of the Royalty Product Roche Patents who is not a named inventor thereof.

(d) (i) There is no pending or, to the Knowledge of the Seller, threatened opposition, interference, reexamination, *inter partes* review, post-grant review, injunction, claim, suit, action, citation, summon, subpoena, complaint, arbitration, mediation, demand, decree or other dispute, disagreement, proceeding or claim (each, a "Proceeding") to which Seller is a party or, to the Knowledge of the Seller, to which Roche is a party, and (ii) to the Knowledge of the Seller, there is no pending or threatened hearing, inquiry or investigation (by the International Trade Commission or any other Governmental Authority) or any other Proceeding (collectively (i) and (ii), "Disputes") (A) challenging the validity, enforceability, inventorship or ownership of any of the Royalty Product Patents or (B) that would reasonably be expected to give rise to any

Set-Off against the payments due to the Seller under the License Agreement with respect to the Royalty Product. The Seller has not received, nor delivered, any notice under Section 9.5 of the License Agreement with respect to any Royalty Product Patent. The Royalty Product Patents owned in whole or in part by the Seller, and, to the Knowledge of the Seller, the other Royalty Product Patents, are not subject to any outstanding injunction, Judgment, order, decree, ruling, settlement or other final disposition of a Dispute. The Seller with respect to the Royalty Product BPM Patents or the Royalty Product Joint Patents, and to the Knowledge of the Seller, Licensee with respect to the Royalty Product Roche Patents, has not received any written legal advice that alleges that any issued patent within such Royalty Product Patents is invalid or unenforceable.

(e) There is no pending or, to the Knowledge of the Seller, threatened action, suit or proceeding that claims that the discovery, development, manufacture, use, marketing, sale, offer for sale, importation or distribution of the Royalty Product has infringed or misappropriated or will infringe or misappropriate any Patent or other intellectual property rights of any other Person (collectively, "Infringement Disputes") to which the Seller is a party nor, to the Knowledge of the Seller, to which Roche is a party. The Seller has not received, during the [***] period prior to the date hereof, any written notice asserting or claiming any such infringement or misappropriation in respect of the Royalty Product.

(f) To the Knowledge of the Seller, (i) the discovery and development of the Royalty Product did not and does not constitute and (ii) the manufacture, use, marketing, sale, offer for sale, importation or distribution of the Royalty Product in the Roche Territory has not and will not constitute, in the case of each of (i) and (ii), an infringement of any issued Patent or misappropriation of other intellectual property rights of any other Person. [***] neither the Seller nor, to the Knowledge of the Seller, Licensee, has in-licensed any Patents or other intellectual property rights of any other Person covering the manufacture, use, marketing, sale, offer for sale, importation or distribution of the Royalty Product, including pursuant to Section 7.7 of the License Agreement.

(g) Except as set forth on Schedule 3.9(g), to the Knowledge of the Seller, no third party has infringed, or is infringing, any of the Royalty Product Patents.

(h) The Patents and other intellectual property rights licensed (or sublicensed or optioned, as the case may be) by Seller to Licensee under the License Agreement constitutes all of the Patents and other intellectual property rights owned by or licensed (with the right to sublicense) to the Seller or any of the Seller's Affiliates that is necessary for the discovery, development, manufacture, use, marketing, sale, offer for sale, importation or distribution of the Royalty Product in the Roche Territory.

Section 3.10 License Agreement.

(a) True, correct and complete copies of the License Agreement, and the Supply Agreement are attached hereto as Exhibit H-1 and H-2, respectively. [***]

(b) The Seller has not received any notice from the Licensee, nor has the Seller granted any consent, under Section 7.3(a)(i) of the License Agreement. To the Knowledge of Seller, there are no licenses or sublicenses entered into by Licensee (or any predecessor or

Affiliate thereof) or any other Person in respect of Licensee's rights and obligations under the License Agreement related to the Roche Territory.

(c) The License Agreement is in full force and effect and is the legal, valid and binding obligation of the Seller and Licensee, enforceable against the Seller and Licensee in accordance with its terms, except as may be limited by general principles of equity (regardless of whether considered in a proceeding at Law or in equity) and by applicable bankruptcy, insolvency, moratorium and other similar Laws of general application relating to or affecting creditors' rights generally. The Seller has not received any written notice from Licensee challenging the validity or enforceability of the License Agreement or the obligation of Licensee to pay the Purchased Royalty Interest thereunder. Immediately following the consummation of the transactions contemplated by this Agreement, the License Agreement will continue to be legal, valid, binding, enforceable, and in full force and effect on the terms thereof except for as modified by the Licensee Consent and the Licensee Instruction.

(d) (i) The Seller has not breached, violated or defaulted in any material respect, nor is it in breach or violation of or in default, in each case, in any material respect, under the License Agreement, and (ii) to the Knowledge of Seller, Licensee has not breached, violated or defaulted in any material respect, nor is it in breach or violation of or in default, in each case, in any material respect, under the License Agreement. To the Knowledge of the Seller, no event has occurred that, with notice or passage of time or both, would constitute such a material breach, violation or default.

(e) The Seller (i) has not granted any waiver of or released Licensee, in whole or in part, from any of its material obligations under the License Agreement that relate to the Development and Commercialization of the Royalty Product in the Roche Territory or the Purchased Royalty Interest, and (ii) has not granted any waiver of, or released Licensee, in whole or in part, from any other of its obligations under the License Agreement except for such waivers and releases that would not reasonably be expected to have a Material Adverse Effect. The Seller has not received from Licensee any written proposal, and has not, other than pursuant to the Licensee Consent and drafts thereof exchanged between the Seller and Licensee, made any proposal to the Licensee, to amend or waive any provision of the License Agreement.

(f) To the Knowledge of the Seller, no event has occurred that would give the Seller or Licensee the right to terminate the License Agreement or cease paying the Purchased Royalty Interest. The Seller has not received any written notice of an intention by Licensee to terminate or breach the License Agreement, in whole or in part, or challenging the validity or enforceability of the License Agreement or the obligation to pay the Purchased Royalty Interest thereunder, or that the Seller or Licensee is in default of its obligations under the License Agreement. The Seller has no intention of terminating the License Agreement and has not given Licensee any notice of termination of the License Agreement, in whole or in part. To the Knowledge of Seller, Licensee has not committed any default, violation or breach under or of the License Agreement.

(g) The Seller has not consented to an assignment, delegation or other transfer by Licensee of its rights or obligations under the License Agreement, and the Seller does not have Knowledge of any such assignment, delegation or other transfer or of any grant of any

Liens upon any of such rights or obligations by Licensee. Except as contemplated by the Transaction Documents or as set forth on Schedule 3.10(g), the Seller has not assigned or in any other way transferred or granted any Liens upon all or any portion of its right, title and interest in the License Agreement, the BPM Technology, any Royalty Product Patents, or any of the Seller's right, title or interest in and to the Purchased Royalty Interest.

(h) Neither the Seller nor Licensee has made any claim of indemnification under the License Agreement.

(i) The Seller has not exercised its rights to conduct an audit under Section 8.15 of the License Agreement.

(j) To the Knowledge of the Seller, the Seller has received all amounts owed to it under the License Agreement, to the extent such amounts have come due.

(k) The product known as GAVRETO® (pralsetinib) is a Licensed Product and a Lead Product.

(l) To the Knowledge of the Seller, Licensee has no right of Set-Off under the License Agreement against the Purchased Royalty Interest or any other amounts payable to the Seller under the License Agreement. Licensee has not exercised, and, to the Knowledge of the Seller, has not had the right to exercise, and, to the Knowledge of the Seller, no event or condition exists that, upon notice or passage of time or both, would reasonably be expected to permit Licensee to exercise, any Set-Off against the Purchased Royalty Interest or any other amounts payable to the Seller under the License Agreement.

(m) The Seller has not received any written notice from, or given any written notice to, Licensee with respect to any infringement or defense of intellectual property pursuant to Section 9.4(a), Section 9.5 or Section 9.6 of the License Agreement.

Section 3.11 UCC Matters. The Seller's exact legal name is, and for the preceding ten (10) years has been, "Blueprint Medicines Corporation". The Seller's principal place of business is, and for the preceding ten (10) years has been, located in the Commonwealth of Massachusetts. The Seller's jurisdiction of organization is, and for the preceding ten (10) years has been, the State of Delaware.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

The Purchaser hereby represents and warrants to the Seller as of the date hereof as follows:

Section 4.1 Organization. The Purchaser is an Irish collective asset-management vehicle duly organized, validly existing and in good standing under the Laws of Ireland. The Purchaser is duly licensed or qualified to do business and is in corporate good standing in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties and assets owned, leased or operated by it makes such licensing or qualification necessary, except where the failure to be so licensed or qualified and in corporate good standing

has not and would not reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.

Section 4.2 No Conflicts. The execution, delivery and performance by the Purchaser of the Transaction Documents to which the Purchaser is party and the consummation of the transactions contemplated thereby do not contravene or conflict with, or (a) constitute a breach of or default under any provision of the organizational documents of the Purchaser, or (b) constitute a material breach of or material default under any provision of (i) any Law or Judgment applicable to the Purchaser, or (ii) any contract to which the Purchaser is a party or by which the Purchaser is bound.

Section 4.3 Authorization. The Purchaser has all powers and authority to execute and deliver, and perform its obligations under, the Transaction Documents to which it is party and to consummate the transactions contemplated hereby and thereby. The execution and delivery of each of the Transaction Documents to which the Purchaser is party and the performance by the Purchaser of its obligations hereunder and thereunder have been duly authorized by the Purchaser. Each of the Transaction Documents to which the Purchaser is party has been duly executed and delivered by the Purchaser. Each of the Transaction Documents to which the Purchaser is party constitutes the legal, valid and binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or similar applicable Laws affecting creditors' rights generally, general equitable principles (regardless of whether considered in a proceeding at Law or in equity) and principles of public policy.

Section 4.4 Governmental and Third Party Authorizations. The execution and delivery by the Purchaser of the Transaction Documents to which the Purchaser is party, the performance by the Purchaser of its obligations hereunder and thereunder and the consummation of any of the transactions contemplated hereunder and thereunder do not require any consent, approval, license, order, authorization or declaration from, notice to, action or registration by or filing with any Governmental Authority or any other Person, except as described in Section 3.5.

Section 4.5 No Litigation. No action, suit, proceeding or investigation before any Governmental Authority, court or arbitrator is pending, or, to the knowledge of the Purchaser, threatened, to which the Purchaser is a party that, individually or in the aggregate, would reasonably be expected to result in a material adverse effect on the rights or remedies of the Seller under any of the Transaction Documents.

Section 4.6 Access to Information. The Purchaser acknowledges that it has reviewed the License Agreement and such other documents and information relating to, and has had the opportunity to ask such questions of, and to receive answers from, representatives of the Seller concerning, the Royalty Product, the BPM Technology, the License Agreement, the Purchased Royalty Interest, and any other matter relating thereto, in each case, as it deemed necessary to make an informed decision to purchase, acquire and accept the Purchased Royalty Interest in accordance with the terms of this Agreement. Except as specifically set forth in this Article IV and the Disclosure Schedules, the Purchaser acknowledges and agrees that the Seller makes no representation nor extends any warranty, whether express or implied, with respect to the Royalty Product, the BPM Technology, the License Agreement, the Purchased Royalty Interest, future

Roche Net Sales of the Royalty Product or any other matter relating thereto. The Purchaser has such knowledge, sophistication and experience in financial and business matters that it is capable of evaluating the risks and merits of purchasing, acquiring and accepting the Purchased Royalty Interest in accordance with the terms of this Agreement.

Section 4.7 Funds Available. The Purchaser has sufficient cash on hand to satisfy its obligation to pay the Closing Purchase Price at the Closing and its obligation to pay each Milestone Payment, if and as each Milestone Payment becomes payable in accordance with Section 2.5. The Purchaser acknowledges and agrees that its obligations under this Agreement are not contingent on obtaining financing.

ARTICLE V
COVENANTS

Section 5.1 Public Announcement. Except (a) for a press release previously approved in form and substance by the Seller and the Purchaser or any other public announcement using substantially the same text as such press release and (b) any disclosure required by applicable Law, by the rules and regulations of any securities exchange or market on which any security of such party hereto may be listed or traded or by any Governmental Authority of competent jurisdiction, neither the Purchaser nor the Seller shall, and each party hereto shall cause its Affiliates not to, without the prior written consent of the other party hereto (which consent shall not be unreasonably withheld, delayed or conditioned), issue any press release or make any other public disclosure with respect to this Agreement or any of the other Transaction Documents or any of the transactions contemplated hereby or thereby. The Purchaser acknowledges that it will be necessary for the Seller to file this Agreement with the SEC and to make other public disclosures regarding the terms of this Agreement and payments made under this Agreement in its reports filed with the SEC, and the Seller agrees that it will provide the Purchaser a reasonable opportunity to review and comment on any proposed redactions to the copy of this Agreement to be filed with the SEC, as well as on such other public disclosures made by Seller relating to the Purchaser or this Agreement or the transactions contemplated thereby (e.g., press releases or Current Report on Form 8-K), provided that the Seller shall not be required to provide the Purchaser the opportunity to review and comment on any disclosure substantively identical to any disclosure previously reviewed and commented upon by the Purchaser.

Section 5.2 Further Assurances. Subject to the terms and conditions of this Agreement, each party hereto shall execute and deliver such other documents, certificates, instruments, agreements and other writings, take such other actions and perform such additional acts under applicable Law as may be reasonably requested by the other party hereto and necessary to implement expeditiously the transactions contemplated by, and to carry out the purposes and intent of the provisions of, this Agreement and the other Transaction Documents, including to (i) perfect the sale, contribution, assignment, transfer, conveyance and granting of the Purchased Royalty Interest to the Purchaser pursuant to this Agreement, (ii) perfect, protect, more fully evidence, vest and maintain in the Purchaser good, valid and marketable rights and interests in and to the Purchased Royalty Interest free and clear of all Liens (other than those Liens created in favor of the Purchaser by the Transaction Documents) and (iii) create, evidence and perfect the Purchaser's back-up security interest granted pursuant to Section 2.1(b).

Section 5.3 Royalty Reports; Notices and Communications from Licensee[***].

(a) Promptly (and in any event [***]) following the receipt by the Seller from the Licensee of (a) a Royalty Report or (b) any material written notice delivered under the License Agreement that relates to the Purchased Royalty Interest or the Royalty Product in the Roche Territory or that relates to matters that would reasonably be expected (with or without the giving of notice or passage of time, or both) to have a Material Adverse Effect, the Seller shall deliver a true, correct and complete copy of the same to the Purchaser, provided, in the case of each of (a) and (b), that the Seller may redact any information that does not relate to the Purchased Royalty Interest and the Royalty Product in the Roche Territory and would not reasonably be expected (with or without the giving of notice or passage of time, or both) to have a Material Adverse Effect. Except for the Licensee Instruction, the Seller shall not deliver any notice or material written correspondence to the Licensee except as Mutually Agreed. The Seller shall, promptly (and in any event [***]) following the delivery thereof by the Seller to the Licensee, furnish a copy of any material written notice or material written correspondence sent by the Seller to the Licensee relating to the Purchased Royalty Interest, provided that the Seller may redact any information that is not related to the Purchased Royalty Interest and the Royalty Product in the Roche Territory and would not reasonably be expected (with or without the giving of notice or passage of time, or both) to have a Material Adverse Effect.

[***]

Section 5.4 Misdirected Payments.

(a) Notwithstanding the terms of the Licensee Instruction, commencing upon the Closing and at all times thereafter during the term of this Agreement, if any portion of the Purchased Royalty Interest is paid to the Seller, then (i) the Seller shall hold such amount in trust for the benefit of the Purchaser in a segregated account, (ii) the Seller shall have no right, title or interest whatsoever in such amount and shall not create or suffer to exist any Lien thereon and (iii) the Seller promptly, and in any event [***] following the receipt by the Seller of such amount, shall remit such amount to the Purchaser Account. The Seller shall notify the Purchaser of such wire transfer and provide reasonable details regarding the Purchased Royalty Interest payment so received by the Seller.

(b) Notwithstanding the terms of the Licensee Instruction, commencing upon the Closing and at all time thereafter, if any amount due under the License Agreement that does not constitute the Purchased Royalty Interest is paid to the Purchaser, then (i) the Purchaser shall hold such amount in trust for the benefit of the Seller in a segregated account, (ii) the Purchaser shall have no right, title or interest whatsoever in such amount and shall not create or suffer to exist any Lien thereon and (iii) the Purchaser promptly, and in any event [***] following the receipt by the Purchaser of such amount, shall remit such amount to the Seller Account. The Purchaser shall notify the Seller of such wire transfer and provide reasonable details regarding the erroneous payment so received by the Purchaser.

(c) If the Purchased Royalty Interest paid for any period commencing on [***] is reduced (other than as a result of a Permitted Reduction) by Licensee in a manner permitted by the License Agreement due to an overestimate by Licensee of Roche Net Sales

[***], then the Seller shall promptly pay the Purchaser the Shortfall Amount. If the Purchased Royalty Interest paid for any period [***] is increased by Licensee in a manner permitted by the License Agreement due to an underestimate by Licensee of Roche Net Sales for any period [***], then the Purchaser shall promptly pay the Seller the Excess Amount.

(d) A late fee of [***] shall accrue on all unpaid amounts on an annualized basis with respect to any sum payable under Section 5.4(a) or Section 5.4(b) beginning [***] after Seller, in the case of Section 5.4(a), or Purchaser, in the case of Section 5.4(b), receives such erroneous payment.

Section 5.5 Royalty Set-Offs. If Licensee exercises any Set-Off against any payment of the Purchased Royalty Interest (including any Set-Off exercised against any payment of the Purchased Royalty Interest (a) [***], such Set-Off shall not reduce any payment of the Purchased Royalty Interest otherwise payable to the Purchaser, and if such Set-Off reduces any payment of the Purchased Royalty Interest to less than the full amount of the Purchased Royalty Interest, then Seller shall promptly (and in any event [***] following the payment of the Purchased Royalty Interest affected by such Set-Off) make a true-up payment to the Purchaser such that the Purchaser receives the full amount of such Purchased Royalty Interest payments that would have been payable to the Purchaser had such Set-Off not occurred. For all purposes hereunder, any true-up payment made pursuant to this Section 5.5 will be treated as paid with respect to the Purchased Royalty Interest for U.S. federal income tax purposes to the fullest extent permitted by applicable Law. For the avoidance of doubt, this Section 5.5 shall not apply to any deduction or withholding of taxes from payments of the Purchased Royalty Interest, which shall be governed exclusively by Section 5.12.

Section 5.6 Maintenance of License Agreement.

(a) The Seller shall perform and comply with its material obligations under the License Agreement and shall not take any action or forego any action that would reasonably be expected to constitute a material breach of or default under any provision of the License Agreement related to the Purchased Royalty Interest, related to the Commercialization of the Royalty Product in the Roche Territory, or the breach of which or default under would reasonably be expected (with or without the giving of notice or passage of time, or both) to result in a Material Adverse Effect. The Seller shall not forgive, release or compromise any portion of the Purchased Royalty Interest payable under the License Agreement. The Seller shall not, except as Mutually Agreed, amend, modify, supplement, restate, waive, cancel or terminate (or consent to any amendment, modification, supplement, restatement, waiver, cancellation or termination of), in whole or in part, any provision of or right under the License Agreement. The Seller shall not assign or otherwise transfer, in whole or in part, the License Agreement or any provision thereof or right thereunder without the consent of the Purchaser, except for (i) any assignment that is made in connection with an assignment of this Agreement in accordance with Section 10.3 and (ii) any assignment, in whole or in part, of the Co-Commercialization Arrangement that would not reasonably be expected (with or without the giving of notice or passage of time, or both) to have a Material Adverse Effect. Subject to the foregoing, promptly, and in any event [***], following receipt by the Seller of any final assignment, amendment, modification, supplement, restatement, waiver, cancellation or termination of the License Agreement, the Seller shall furnish a copy of the same to the Purchaser.

(b) Notwithstanding the foregoing, the Seller shall not, (i) without the consent of the Purchaser, exercise any right to terminate, agree with Licensee to terminate, or take or permit any Affiliate or sublicensee to take any action that would reasonably be expected to give Licensee the right to terminate, the License Agreement in its entirety, or (ii) except as Mutually Agreed, exercise any right to terminate, agree with Licensee to terminate, or take or permit any Affiliate or sublicensee to take any action that would reasonably be expected to give Licensee the right to terminate, the License Agreement in part.

(c) The Seller shall not, without the prior written consent of the Purchaser, grant or withhold any consent, exercise or waive any right or option or fail to exercise any right or option in respect of, affecting or relating to the Royalty Product in the Roche Territory or the License Agreement if doing so would (i) reasonably be expected (with or without the giving of notice or passage of time, or both) to have a Material Adverse Effect or (ii) cause a termination, material breach or material default under the License Agreement. The Seller shall not, without the prior written consent of the Purchaser, (A) forgive, release or compromise any amount owed to or becoming owed to the Seller under the License Agreement in respect of the Purchased Royalty Interest or (B) grant or withhold any consent, exercise or waive any right or option or fail to exercise any right or option in respect of, affecting or relating to the Purchased Royalty Interest.

(i) Within [***] after (i) receiving notice from Licensee (A) terminating the License Agreement (in whole or in part, except with respect to a termination of solely the Co-Commercialization Arrangement) or (B) alleging (1) any breach of or default under the License Agreement relating to the Purchased Royalty Interest or (2) any other material breach of or default under the License Agreement or (ii) the Seller gaining Knowledge of any fact, circumstance or event that would reasonably be expected to give rise to (1) a breach of or default under the License Agreement relating to the Purchased Royalty Interest or (2) any other breach of or default under the License Agreement that would permit Licensee to terminate the License Agreement (in whole or in part, except with respect to a termination of solely the Co-Commercialization Arrangement), the Seller shall give written notice thereof to the Purchaser. Such notice shall (x) describe in reasonable detail such breach, default or termination event, (y) include a copy of any written notice received from Licensee, and (z) in the case of any such breach or default or alleged breach or default by the Seller, describe in reasonable detail any corrective action the Seller proposes to take in respect of such breach or default.

(ii) Seller shall use its commercially reasonable efforts to promptly cure any such breach or default by it under the License Agreement (in such manner as may be Mutually Agreed) and, in any case, shall give written notice to the Purchaser upon curing such breach or default. In connection with any dispute regarding an alleged breach or default that is solely related to the Purchased Royalty Interest or would reasonably be expected (with or without the giving of notice or passage of time, or both) to have a Material Adverse Effect, the Seller shall employ such counsel, reasonably acceptable to the Seller, as the Purchaser may select. The Seller shall pay the costs and expenses associated with the

actions set forth in this Section 5.6(c)(ii), provided, however, that such costs and expenses (including the reasonable fees and expenses of the Seller's counsel) shall be borne by the Purchaser to the extent such breach or default or alleged breach or default relates to a matter described in prong (a) or prong (c) of the definition of "Mutually Agreed" and is finally determined to have resulted from a breach of or default under the License Agreement by the Licensee.

(iii) The Seller shall not waive any obligation of, or grant any consent to, the Licensee under, in respect of or related to the Purchased Royalty Interest without the prior consent of the Purchaser, not to be unreasonably withheld, delayed or conditioned.

[***]

Section 5.7 Enforcement of License Agreement.

(a) Promptly (but in any event within [***]) after the Seller obtains Knowledge of (i) any breach of or default under the License Agreement by Licensee relating to the Purchased Royalty Interest (other than any breach set forth on Schedule 5.7) or that would reasonably be expected (with or without the giving of notice or passage of time, or both) to have a Material Adverse Effect, (ii) any other material breach of or default under the License Agreement by Licensee, or (iii) the existence of any facts, circumstances or events that, alone or together with other facts, circumstances or events, would reasonably be expected (with or without the giving of notice or passage of time, or both) to give rise to any such breach or default of clause (i) or (ii), the Seller shall (A) give written notice thereof to the Purchaser describing in reasonable detail the relevant breach or default, (B) provide to the Purchaser a copy of any written notice of such breach or default of the License Agreement delivered by the Seller to Licensee and (C) proceed, in the case of clause (i), as reasonably instructed by the Purchaser, and in the case of clause (ii) or (iii), as Mutually Agreed, to take action to enforce compliance by Licensee with the relevant provisions of the License Agreement and to exercise any or all of the Seller's rights and remedies, whether under the License Agreement or by operation of Law, with respect thereto. If such breach or default is solely related to the Purchased Royalty Interest or would reasonably be expected (with or without the giving of notice or passage of time, or both) to have a Material Adverse Effect, the Seller shall employ such counsel reasonably acceptable to the Seller as the Purchaser shall recommend for such purpose.

(b) The Purchaser shall reimburse the Seller for all reasonable out-of-pocket costs and expenses (including the reasonable fees and expenses of the Seller's counsel) incurred by the Seller, as such costs and expenses are incurred, in connection with any actions taken or exercise of rights and remedies by the Seller at the direction of Purchaser pursuant to Section 5.7(a) that are taken at the direction of the Purchaser; provided, however, that such out-of-pocket costs and expenses (including the reasonable fees and expenses of the Seller's counsel) shall be borne by the Seller to the extent such breach, default or termination event or alleged breach, default or termination event is finally determined to have resulted from a breach of or default under the License Agreement by the Seller.

(c) All Proceeds resulting from any enforcement of Licensee's obligations under the License Agreement shall be applied (i) first to reimburse the Seller for any expenses incurred by it in connection with such enforcement and not already reimbursed by Purchaser pursuant to Section 5.7(b) and (ii) second, if such enforcement was undertaken at the direction of Purchaser or was subject to mutual agreement between the Purchaser and the Seller pursuant to Section 5.7(a)(C), to the Purchaser for any expenses incurred by it in connection with such enforcement. The remainder of such Proceeds that are in respect of an unpaid portion of the Purchased Royalty Interest shall be allocated to the Purchaser, with any remaining Proceeds allocated to the Seller. The Seller hereby assigns and, if not presently assignable, agrees to assign to the Purchaser the amount of Proceeds due to the Purchaser in accordance with this Section 5.7(c). For the avoidance of doubt, if such Proceeds are in respect of an unpaid portion of the Purchased Royalty, and the amount of Proceeds remaining after application of the first sentence of this Section 5.7(c) is less than such unpaid portion of the Purchased Royalty Interest, the Seller shall have no obligation to reimburse or make whole the Purchaser for such differential amount.

Section 5.8 New Arrangements. Notwithstanding Section 5.6, if the License Agreement is terminated in its entirety or on a Licensed Product-by-Licensed Product basis for the entire Roche Territory or on a country-by-country basis within the Roche Territory, in each case, by the Seller or by Licensee pursuant to Section 13.2 or Section 13.3 of the License Agreement, [***].

Section 5.9 Patent Prosecution; Enforcement.

(a) The Seller shall promptly (and in any event within [***]) inform the Purchaser following (i) the Seller making a final decision to allow any of the Royalty Product BPM Patents to lapse or become abandoned or to not prosecute any patent applications for any Royalty Product BPM Patents or (ii) the Seller receiving written notice from Licensee pursuant to Section 9.3(d) of the License Agreement of the Licensee's intention to allow any of the Royalty Product Roche Patents or the Royalty Product Joint Patents to lapse or become abandoned or to not prosecute any patent applications for any Royalty Product Roche Patents or Royalty Product Joint Patents.

(b) The Seller shall promptly (and in any event within [***]) inform the Purchaser: (i) of any infringement by a third party of which Seller gains Knowledge with respect to any of the Royalty Product Patents in the Roche Territory, (ii) of receipt by the Seller of any written notice thereof by Licensee pursuant to Section 9.4(a) of the License Agreement together with providing a copy of such written notice, and (iii) if it receives notice by counterclaim or other means any allegation of invalidity or unenforceability of any of the Royalty Product Patents or otherwise becomes aware of the same as contemplated under Section 9.5 of the License Agreement. As soon as practicable and in any event not less than [***] following such delivery, the Seller shall notify the Purchaser of (A) any material developments in any suit or other action to abate such infringement that are delivered by Licensee to the Seller under Section 9.4(b)(iii) of the License Agreement, together with copies of all pleadings filed in such suit or action, and (B) any material developments in the defense of any such allegation that are delivered by Licensee to the Seller under Section 9.5 of the License Agreement.

(c) To the extent required or permitted by the License Agreement, the Seller shall act as Mutually Agreed to (i) take any and all actions, and prepare, execute, deliver and file any and all agreements, documents and instruments, that are reasonably necessary to diligently preserve and maintain the applicable Royalty Product Patents, including payment of maintenance fees or annuities, (ii) not disclaim or abandon, or fail to take any action necessary to prevent the disclaimer, termination or abandonment of, any Royalty Product Patent, (iii) diligently enforce the Royalty Product Patents against infringement or interference by any other Person and defend any Royalty Product Patents against any claims of invalidity or unenforceability, in any jurisdiction of the Roche Territory (including by bringing any legal action for infringement or defending any counterclaim of invalidity or action of any other Person for declaratory judgment of non-infringement or non-interference), and (iv) when available in respect of the Royalty Product Patents, obtain issued patents and any corrections, substitutions, reissues and reexaminations thereof and obtain patent term extensions and any other forms of patent term restoration in any country in the Roche Territory. Seller shall be responsible for all out-of-pocket costs and expenses (including the fees and expenses of the Seller's counsel) incurred by the Seller in connection with the Seller's actions pursuant to clauses (i) through (iv) of the immediately preceding sentence using counsel of the Seller's choice reasonably acceptable to the Purchaser; provided, however, that, if the Seller's actions under any such clauses (i) through (iv) were taken solely at the direction or request of the Purchaser and not pursuant to the mutual agreement of the Seller and the Purchaser, (A) to the extent Seller is permitted to select counsel under the License Agreement, the Seller shall employ counsel designated by the Purchaser and reasonably acceptable to the Seller and (B) the Purchaser shall promptly on demand reimburse the Seller for all costs and expenses incurred by the Seller in connection with such Seller's actions pursuant to any such clauses (i) through (iv) as applicable and for which the Seller is not entitled to reimbursement by Licensee. The Purchaser shall, to the extent permitted under the License Agreement, have the right, at its sole cost and expense, to participate in any meeting, discussion, action, suit or other proceeding relating to the infringement, legality, validity or enforceability of the Royalty Product Patents, including any counterclaim, settlement discussions or meetings. The parties hereto shall enter into the Common Interest and Joint Privilege Agreement at the Closing, [***]

Section 5.10 No Assignment; No Liens. Except in connection with a permitted assignment by the Seller in accordance with the provisions of Section 10.3, the Seller shall not dispose of, assign or otherwise transfer, or grant, incur or suffer to exist any Lien on the Purchased Royalty Interest. Except as set forth on Schedule 5.10, the Seller shall not dispose of, assign or otherwise transfer, or grant, incur or suffer to exist any Lien with respect to any of its interest in any portion of the License Agreement, the BPM Technology, or any Royalty Product Patents that could reasonably be expected (with or without the giving of notice or passage of time, or both) to have a Material Adverse Effect.

Section 5.11 Audits. The Seller may and, if requested in writing by the Purchaser, shall, to the extent permitted by Section 8.15 of the License Agreement, provide written notice to Licensee to cause an inspection or audit to determine the correctness of Purchased Royalty Interest payments made under the License Agreement. All of the expenses of any inspection or audit requested by the Purchaser that would otherwise be borne by Seller pursuant to the License Agreement shall instead be borne by Purchaser, including such fees and expenses of any public accounting firm engaged by Seller in connection with such an inspection or audit, together with

Seller's reasonable out-of-pocket costs incurred in connection with such inspection or audit. With respect to any inspection or audit requested by the Purchaser, the Seller shall select such public accounting firm as the Purchaser shall recommend for such purpose (as long as such public accounting firm is reasonably acceptable to Licensee as required by Section 8.15 of the License Agreement). Seller will furnish to Purchaser a true, correct and complete copy of any inspection or audit report prepared in connection with such an inspection or audit. If, following the completion of such inspection or audit, Seller is required to reimburse Licensee for overpayment of the Purchased Royalty Interest, then Purchaser shall promptly upon request (and in any event within [***] following such request) reimburse Seller or, at Seller's request, Licensee on behalf of Seller, the portion of such overpaid amount that was paid to the Purchaser. If, following the completion of such inspection or audit conducted at the request of the Purchaser, Licensee is required to reimburse Seller for the cost of such audit or inspection as required by Section 8.15 of the License Agreement, then Seller shall promptly upon receipt of such reimbursement (and in any event within [***] following such receipt) pay to the Purchaser the full amount of such reimbursement that was paid to the Seller.

Section 5.12 Tax Matters.

(a) Notwithstanding the accounting treatment therefor and unless otherwise required by applicable Law, for all U.S. federal and applicable state and local tax purposes, the Seller and the Purchaser shall treat (i) the Purchaser's payment of the Closing Purchase Price (pursuant to Section 2.2) and the Purchaser's payment of each Milestone Payment (pursuant to Section 2.5) as received by the Seller in a taxable sale of the Purchase Royalty Interest and (ii) Purchaser as the recipient of the payments made with respect to the Purchased Royalty Interest. The parties hereto agree not to take any position that is inconsistent with the provisions of this Section 5.12(a) on any tax return or in any audit or other tax-related administrative or judicial proceeding unless the other party hereto has consented in writing to such actions or as otherwise required pursuant to a final determination within the meaning of Section 1313(a) of the Code or a corresponding provision of state, local or foreign tax Law. If there is an inquiry by any Governmental Authority of the Seller or the Purchaser related to this Section 5.12, the parties hereto shall cooperate with each other in responding to such inquiry in a commercially reasonable manner consistent with this Section 5.12.

(b) On or prior to the Closing Date, the Purchaser shall deliver to the Seller a duly completed and valid IRS Form W-8BEN-E certifying that the Purchaser is exempt from U.S. federal withholding tax in respect of all royalty payments, and all payments characterized as "other income", in each case with respect to the Purchased Royalty Interest.

(c) All payments to the Purchaser under the Transaction Documents shall be made without any deduction or withholding by the Seller for or on account of any tax, unless required by applicable Law. If any applicable Law (as reasonably determined by the Seller) requires the deduction or withholding of any tax by the Seller, then the Seller shall be entitled to make such deduction or withholding in accordance with applicable Law, provided that the Seller shall give the Purchaser prior notice and the opportunity, in good faith, to contest and prevent such deduction or withholding. Any such withheld amounts shall be remitted by the Seller to the relevant taxing authority and shall be treated for all purposes of the Transaction Documents as having been paid to the Purchaser. The Seller shall use commercially reasonable efforts to give

or cause to be given to the Purchaser such assistance and such information concerning the reasons for deduction or withholding (including, in reasonable detail, the method of calculation for the deduction or withholding thereof) as may be reasonably necessary to enable the Purchaser to claim exemption therefrom, or credit therefor, or relief (whether at source or by reclaim) therefrom, and, in each case, shall furnish the Purchaser with proper evidence of the taxes deducted or withheld and remitted to the relevant taxing authority.

(d) Notwithstanding anything to the contrary in Section 5.12(c), and provided that the Purchaser has complied with its obligation under Section 5.12(b), the Seller agrees that if the Licensee deducts or withholds any taxes on any payments made to the Purchaser with respect to the Purchased Royalty Interest, and if such deduction or withholding on account of taxes would have applied to such payments had they been made to the Seller, then the Seller shall promptly (and in any event within [***] following the date of the payment affected by such tax deduction or withholding) make a true-up payment to the Purchaser in the amount of the tax deduction or withholding that would have applied had such payment been made to the Seller. For all purposes hereunder, any true-up payment made pursuant to this Section 5.12(d) will be treated as paid with respect to the Purchased Royalty Interest for U.S. federal income tax purposes to the fullest extent permitted by applicable Law.

ARTICLE VI
THE CLOSING

Section 6.1 Closing. The closing of the transactions contemplated hereby (the "Closing") shall take place on the date hereof (the "Closing Date") via the remote exchange of documents and signatures, or at such other time and location as the parties hereto mutually agree.

Section 6.2 Payment of Closing Purchase Price. At the Closing, the Purchaser shall deliver to the Seller payment of the Closing Purchase Price by wire transfer of immediately available funds to the Seller Account.

Section 6.3 Closing Deliverables.

(a) At the Closing, each of the Seller and the Purchaser shall deliver to the other party hereto a duly executed counterpart to (i) the Bill of Sale, evidencing the sale and assignment to the Purchaser of the Purchased Royalty Interest, and (ii) the Common Interest and Joint Privilege Agreement.

(b) At the Closing, the Seller shall deliver to the Purchaser a certificate of an executive officer of the Seller, dated as of the Closing Date, certifying as to the (i) attached copies of the organizational documents of the Seller and resolutions of the governing body of the Seller authorizing and approving the execution, delivery and performance by the Seller of the Transaction Documents and the transactions contemplated thereby and (ii) the incumbency of the officer or officers of the Seller who have executed and delivered the Transaction Documents, including therein a signature specimen of each such officer or officers.

(c) At the Closing, the Purchaser shall deliver to the Seller a certificate of an executive officer of RP Management, LLC, as the investment manager of the Purchaser, dated as of the Closing Date, certifying as to the incumbency of the officer or officers of RP

Management, LLC, as the investment manager of the Purchaser who have executed and delivered the Transaction Documents to which the Purchaser is party, including therein a signature specimen of each such officer or officers.

(d) At the Closing, the Seller shall deliver to the Purchaser a valid, properly executed IRS Form W-9 certifying that the Seller is exempt from U.S. federal withholding tax and "backup" withholding tax.

(e) At the Closing, the Purchaser shall deliver to the Seller a duly completed and executed IRS Form W-8BEN-E pursuant to Section 5.12(a).

(f) At the Closing, the Seller shall deliver to Licensee a duly executed copy of the Licensee Instruction the IRS Form W-8BEN-E provided by Purchasers pursuant to Section 5.12(b) hereof and shall provide evidence to Purchaser of such delivery.

(g) At the Closing, the Seller shall deliver to the Purchaser a duly executed copy of the Licensee Consent.

ARTICLE VII
INDEMNIFICATION

Section 7.1 Indemnification by the Seller. The Seller agrees to indemnify and hold harmless the Purchaser and its partners, directors, officers, managers, employees or agents (each, a "Purchaser Indemnified Party") from and against, and will pay to each Purchaser Indemnified Party the amount of, any and all Losses awarded against or incurred or suffered by such Purchaser Indemnified Party, whether or not involving a Third Party Claim, arising out of [***].

Section 7.2 Indemnification by the Purchaser. The Purchaser agrees to indemnify and hold each of the Seller and its Affiliates and any or all of their respective partners, directors, officers, managers, members, employees or agents (each, a "Seller Indemnified Party") harmless from and against, and will pay to each Seller Indemnified Party the amount of, any and all Losses awarded against or incurred or suffered by such Seller Indemnified Party, whether or not involving a Third Party Claim, arising out of [***].

Section 7.3 Procedures for Third Party Claims.

(a) If any claim or demand made by any Person other than the Purchaser or the Seller or their respective Affiliates against a Purchaser Indemnified Party or a Seller Indemnified Party, as applicable (a "Third Party Claim") shall be brought or alleged against an indemnified party in respect of which indemnity is to be sought against an indemnifying party pursuant to Section 7.1 or Section 7.2, the indemnified party shall, promptly after receipt of notice of the commencement of such Third Party Claim, notify the indemnifying party in writing of the commencement thereof, enclosing a copy of all papers served, if any; provided, that the failure to so notify such indemnifying party will not relieve the indemnifying party from any liability that it may have to any indemnified party under Section 7.1 or Section 7.2 unless, and only to the extent that, the indemnifying party is actually prejudiced by such failure.

(b) In the event that any Third Party Claim is brought against an indemnified party and it notifies the indemnifying party of the commencement thereof in accordance with this Section 7.3, the indemnifying party will be entitled, at the indemnifying party's sole cost and expense, to participate therein and, to the extent that it may wish, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, subject to clause (c), the indemnifying party will not be liable to such indemnified party under this Article VII for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation or out-of-pocket costs related to any requests from, or cooperating with, the indemnifying party.

(c) In any such Third Party Claim, an indemnified party shall have the right to retain its own counsel, but the reasonable fees and expenses of such counsel shall be at the sole cost and expense of such indemnified party unless (i) the indemnifying party and the indemnified party shall have mutually agreed to the retention of such counsel, (ii) the indemnifying party has assumed the defense of such proceeding and has failed within a reasonable time to retain counsel reasonably satisfactory to such indemnified party or (iii) the named parties to any such Third Party Claim (including any impleaded parties) include both the indemnifying party and the indemnified party and representation of both parties by the same counsel would be inappropriate due to actual or potential conflicts of interests between them based on the advice of counsel to the indemnifying party. In each case of clauses (i), (ii) and (iii) the indemnifying party shall reimburse the indemnified party promptly and periodically for the reasonable out-of-pocket costs and expenses of defending against such claim, including reasonable attorneys' fees and expenses, and the indemnifying party shall remain responsible for any Losses the indemnified party may suffer as a result of such claim to the full extent provided in this Article VII. It is agreed that the indemnifying party shall not, in connection with any Third Party Claim or related proceedings in the same jurisdiction, be liable for the fees and expenses of more than one separate law firm (in addition to local counsel where necessary) for all such indemnified parties.

(d) The indemnifying party shall not be liable for any settlement of any Third Party Claim effected without its written consent, but, if settled with such consent or if there be a final judgment for the plaintiff, the indemnifying party agrees to indemnify the indemnified party from and against any Loss by reason of such settlement or judgment. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement, compromise or discharge of any pending or threatened Third Party Claim in respect of which any indemnified party is or could have been a party and indemnity could be sought hereunder by such indemnified party, unless such settlement, compromise or discharge, as the case may be, (i) includes an unconditional written release of such indemnified party, in form and substance reasonably satisfactory to the indemnified party, from all liability on claims that are the subject matter of such claim or proceeding, (ii) does not include any statement as to an admission of fault, culpability or failure to act by or on behalf of any indemnified party and (iii) does not impose any continuing material obligation or restrictions on any indemnified party.

Section 7.4 Other Claims. A claim by an indemnified party under this Article VII for any matter not involving a Third Party Claim and in respect of which such indemnified party would be entitled to indemnification hereunder may be made by delivering, in good faith, a

written notice of demand to the indemnifying party, which notice shall contain (a) a description and the amount of any Losses incurred or suffered or reasonably expected to be incurred or suffered by the indemnified party, (b) a statement that the indemnified party is entitled to indemnification under this Article VII for such Losses and a reasonable explanation of the basis therefor, and (c) a demand for payment in the amount of such Losses; provided, that the failure to so notify such indemnifying party will not relieve the indemnifying party from any liability that it may have to any indemnified party under Section 7.1 or Section 7.2 unless, and only to the extent that, the indemnifying party is actually prejudiced by such failure. For all purposes of this Section 7.4, the Seller shall be entitled to deliver such notice of demand to the Purchaser on behalf of the Seller Indemnified Parties, and the Purchaser shall be entitled to deliver such notice of demand to the Seller on behalf of the Purchaser Indemnified Parties.

Section 7.5 Time Limitations.

(a) The Seller shall have liability under Section 7.1 with respect to any breach of any representation or warranty made by the Seller in any of the Transaction Documents or certificates delivered by the Seller to the Purchaser in writing pursuant to this Agreement, only if, on or prior to the date that is [***] after the Closing Date, the Purchaser notifies the Seller of a claim in respect of such breach, specifying the factual basis of such claim in reasonable detail (other than [***], as to which a claim may be made at any time until the date that is [***] after the termination of this Agreement).

(b) The Purchaser shall have liability under Section 7.2 with respect to any breach of any representation or warranty made by the Purchaser in any of the Transaction Documents or any certificate delivered by the Purchaser to the Seller in writing pursuant to this Agreement, only if, on or prior to the date that is [***] after the Closing Date, the Seller notifies the Purchaser of a claim in respect of such breach, specifying the factual basis of such claim in reasonable detail (other than Section 4.1, Section 4.2, Section 4.3, and Section 4.4 as to which a claim may be made at any time until the date that is [***] after the termination of this Agreement).

Section 7.6 Limitations on Liability. No party hereto shall be liable for any consequential (including lost profits), punitive, special, indirect or incidental damages under this Article VII (and no claim for indemnification hereunder shall be asserted) as a result of any breach or violation of any covenant or agreement of such party (including under this Article VII) in or pursuant to this Agreement. Notwithstanding the foregoing, the Purchaser shall be entitled to make indemnification claims, in accordance with the procedures set forth in this Article VII, for Losses that include any portion of the Purchased Royalty Interest that the Purchaser was entitled to receive but did not receive timely or at all due to any indemnifiable events under this Agreement, and such portion of the Purchased Royalty Interest shall not be deemed consequential, punitive, special, indirect, incidental damages or lost profits for any purpose of this Agreement. Other than with respect to any fraud, willful misconduct, or intentional misrepresentation, (a) in no event shall Seller's aggregate liability for Losses under Section 7.1(a) or Purchaser's aggregate liability for Losses under Section 7.2(a) exceed the Closing Purchase Price less the Purchased Royalty Interest payments actually received by the Purchaser following the [***] of the date hereof, and (b) Seller shall not have any liability for Losses under Section 7.1 (a) and the Purchaser shall not have any liability for Losses under Section 7.2(a)

unless and until the aggregate amount of all Losses incurred by the indemnified party [***], in which event the indemnifying party shall be liable for Losses including such amount. For the avoidance of doubt, the Seller shall have no liability to Purchaser for any Permitted Reduction or Credit Event.

Section 7.7 Exclusive RemedyARTICLE VIII. Except in the case of fraud or intentional misrepresentation, and except as set forth in Section 10.1, the indemnification afforded by this Article VII shall be the sole and exclusive remedy for any and all Losses awarded against or incurred or suffered by a party hereto in connection with the transactions contemplated by the Transaction Documents, including with respect to any breach of any representation or warranty made by a party hereto in any of the Transaction Documents or any certificate delivered by a party hereto to the other party hereto in writing pursuant to this Agreement or any breach of or default under any covenant or agreement by a party hereto pursuant to any Transaction Document.

ARTICLE VIII
CONFIDENTIALITY

Section 8.1 Confidentiality. Except as provided in this Article VIII or otherwise agreed in writing by the parties hereto, the parties hereto agree that, during the term of the License Agreement and until the [***] of the date of termination of the License Agreement (provided that if this Agreement has been terminated prior to the earlier of the License Agreement, the Seller shall provide notice of the date of termination of the License Agreement to the Purchaser), each party (the "Receiving Party") shall keep confidential, and shall not publish or otherwise disclose and shall not use for any purpose other than as provided for in this Agreement (which includes the exercise of any rights or the performance of any obligations hereunder), any information (whether written or oral, or in electronic or other form) furnished to it by or on behalf of the other party (the "Disclosing Party") pursuant to the Existing Confidentiality Agreement (as defined below) or this Agreement (such information, "Confidential Information" of the Disclosing Party), except for that portion of such information that:

(a) was already in the Receiving Party's or its Affiliates' possession on a non-confidential basis prior to its disclosure to it by the Disclosing Party, as evidenced by written records (provided, if such information was disclosed to the Receiving Party on a non-confidential basis by a party that is not the Disclosing Party, such party had the right to disclose such information to the Receiving Party without violating any legal, contractual or fiduciary obligation to, any person with respect to such information);

(b) is or becomes generally available to the public other than as a result of an act or omission by the Receiving Party or its Affiliates in breach of this Agreement; or

(c) was independently developed by the Receiving Party or any of its Affiliates, as evidenced by written records, without use of or reference to the Confidential Information or in violation of the terms of this Agreement.

For the avoidance of doubt, but without limiting any disclosures permitted pursuant to Section 5.1, the terms of this Agreement are the Confidential Information of both parties hereto.

Section 8.2 Termination of Confidentiality Agreement. Effective upon the date hereof, the Confidentiality Agreement, dated March 23, 2022 (the "Existing Confidentiality Agreement"), between Seller and Purchaser shall terminate and be of no further force or effect, and shall be superseded by the provisions of this Article VIII.

Section 8.3 Required Disclosure. In the event that the Receiving Party or its Affiliates or any of its or its Affiliates' employees, officers, directors, representatives or agents (collectively, "Representatives") are requested by a governmental or regulatory authority or required by applicable Law, regulation or legal process (including the regulations of a stock exchange or governmental or regulatory authority or the order or ruling of a court, administrative agency or other government or regulatory body of competent jurisdiction) to disclose any Confidential Information, the Receiving Party shall promptly, to the extent practicable or permitted by Law, notify the Disclosing Party in writing of such request or requirement so that the Disclosing Party may seek an appropriate protective order or other appropriate remedy (and if the Disclosing Party seeks such an order or other remedy, the Receiving Party will provide such cooperation, at the Disclosing Party's sole expense, as the Disclosing Party shall reasonably request). If no such protective order or other remedy is sought or obtained and Receiving Party or its Affiliates or its or its Affiliates' Representatives are, in the view of their respective counsel (which may include their respective internal counsel), legally required to disclose Confidential Information, the Receiving Party or its Affiliates or its or its Affiliates' Representatives, as the case may be, shall only disclose that portion of the Confidential Information that their respective counsel advises that the Receiving Party or its Affiliates or its or its Affiliates' Representatives, as the case may be, are required to disclose and will exercise commercially reasonable efforts, at the Disclosing Party's sole expense, to obtain reliable assurance that confidential treatment will be accorded to that portion of the Confidential Information that is being disclosed. In any event, the Purchaser will not oppose action by the Seller to obtain an appropriate protective order or other reliable assurance that confidential treatment will be accorded the Confidential Information. Notwithstanding the foregoing, notice to the Seller shall not be required where disclosure is made (i) in response to a request by a governmental or regulatory authority having competent jurisdiction over the Purchaser, its Affiliates or its or its Affiliates' Representatives, as the case may be, or (ii) in connection with a routine examination by a regulatory examiner, where in each case such request or examination does not expressly reference the Seller, its Affiliates, the Purchased Royalty Interest or this Agreement.

Section 8.4 Permitted Disclosure.

(a) The Receiving Party may disclose Confidential Information with the prior written consent of the Disclosing Party or to the extent such disclosure is reasonably necessary in the following situations:

(i) prosecuting or defending litigation;

(ii) for regulatory, tax or customs purposes;

(iii) for audit purposes, provided that each recipient of Confidential Information must be bound by customary obligations of confidentiality and non-use prior to any such disclosure;

(iv) disclosure to its Affiliates and its and its Affiliates' Representatives on a need-to-know basis, provided that each recipient of Confidential Information must be bound by customary obligations of confidentiality and non-use prior to any such disclosure;

(v) disclosure, with respect to the Seller, to Licensee as required under the License Agreement;

(vi) disclosure to its actual or potential investors and co-investors, and other sources of funding, including debt financing, or potential partners, collaborators or acquirers, and their respective accountants, financial advisors and other professional representatives, provided, that such disclosure shall be made only to the extent customarily required to consummate such investment, financing transaction partnership, collaboration or acquisition and that each recipient of Confidential Information must be bound by customary obligations of confidentiality and non-use prior to any such disclosure; or

(vii) as set forth in Section 5.1.

(b) Notwithstanding the foregoing, in the event the Receiving Party is required to make a disclosure of the Disclosing Party's Confidential Information pursuant to Section 8.4(a)(i) or Section 8.4(a)(ii), it will comply with the obligations of Section 8.3.

ARTICLE IX
TERMINATION

Section 9.1 Termination of Agreement. This Agreement shall continue in full force and effect until [***] after such time as Licensee is no longer obligated to make payments of the Purchased Royalty Interest, at which time this Agreement shall automatically terminate, except with respect to any rights that shall have accrued prior to such termination.

Section 9.2 Effect of Termination. Upon the termination of this Agreement pursuant to Section 9.1 this Agreement shall become void and of no further force and effect; provided, however, that (a) the provisions of Section 5.1, Section 5.4(b), Section 5.4(c) (solely with respect to Section 5.4(b)), Article VII, Article VIII, this Section 9.2 and Article X shall survive such termination and shall remain in full force and effect, (b) if, upon the termination of this Agreement, any payments of the Purchased Royalty Interest are payable to the Purchaser hereunder, this Agreement shall remain in full force and effect until any and all such payments have been made in full, and (except as provided in this Section 9.2) solely for that purpose, and (b) termination shall not relieve either party hereto of liability for any breach of this Agreement that occurs on or prior to termination.

ARTICLE X
MISCELLANEOUS

Section 10.1 Specific Performance. Each of the parties hereto acknowledges that the other party hereto will have no adequate remedy at Law if any of its obligations are breached, or, in the case of Article VIII, are threatened to be breached. Accordingly, notwithstanding Article VII, each of the parties hereto agrees that, without posting bond or other undertaking, the other party hereto shall be entitled to seek a temporary or permanent injunctive relief to prevent breaches, or, in the case of Article VIII, threatened breaches, of this Agreement and to seek specific performance of this Agreement and the terms and provisions hereof in any action, suit or other proceeding instituted in any court of the United States or any state thereof having jurisdiction over the parties and the matter in addition to any other remedy to which it may be entitled, at Law or in equity. Each of the parties hereto further agrees that, in the event of any action for specific performance in respect of such breach or violation, it shall not assert the defense that a remedy at Law would be inadequate. Such remedy shall not be deemed to be the exclusive remedy for breach of this Agreement but shall be in addition to all other rights and remedies available at Law or equity to the parties hereto.

Section 10.2 Notices. All notices, consents, waivers and other communications hereunder shall be in writing and shall be effective (a) upon receipt when sent via certified mail, return receipt requested, postage prepaid, with such receipt to be effective the date of delivery indicated on the return receipt, (b) upon receipt when sent via email, with such receipt to be effective the date acknowledged by the recipient, (c) upon receipt when sent by a national overnight courier, or (d) on the date personally delivered to an authorized officer of the party to which sent, in all cases of (a), (c) and (d), with a copy emailed to the recipient at the applicable address, addressed to the recipient as follows:

if to the Seller, to:

Blueprint Medicines Corporation
45 Sidney Street
Cambridge, MA 02139
Attention: Chief Executive Officer
Email: [***]

with a copy, which shall not constitute notice, to:

Goodwin Procter LLP
100 Northern Avenue
Boston, MA 02210
Attention: Kingsley L. Taft; Danielle Lauzon
Email: [***]; [***]

if to the Purchaser, to:

Royalty Pharma Investments 2019 ICAV
c/o RP Management, LLC
110 E. 59th Street

New York, NY 10022
Attention: George Lloyd
Email: [***]

with a copy, which shall not constitute notice, to:

Gibson, Dunn & Crutcher LLP
555 Mission Street
San Francisco, CA 94105
Attention: Ryan Murr & Karen Spindler
Email: [***]; [***]

Each party hereto may, by notice given in accordance herewith to the other party hereto, designate any further or different address to which subsequent notices, consents, waivers and other communications shall be sent.

Section 10.3 Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. This Agreement, or any rights or obligations hereunder, may not be assigned by the Seller without the prior written consent of the Purchaser; provided that the Seller may assign this Agreement in its entirety to any third party that acquires all or substantially all of the Seller's business to which this Agreement relates, whether by merger, sale of assets or otherwise, so long as, (a) such assignee acquires all of the Seller's right, title and interest in and to the BPM Technology, the License Agreement and this Agreement and (b) prior to closing any such transaction, the Seller causes such Person to deliver a writing to the Purchaser in which such Person assumes all of the obligations of the Seller to the Purchaser under this Agreement. This Agreement as a whole may not be assigned by the Purchaser without the prior written consent of the Seller; provided that the Purchaser may assign its rights and obligations under this Agreement in its entirety to an Affiliate of the Purchaser or to any third party that acquires all or substantially all the Purchaser's assets, whether by merger, sale of assets or otherwise, provided that (a) prior to closing any such transaction, the Purchaser causes such assignee to deliver a writing to the Seller in which such Person assumes all of the obligations of the Purchaser to the Seller under this Agreement and (b) such assignee complies with Section 5.12(b) (replacing "Purchaser" wherever it appears with such assignee and replacing "Closing Date" with the date of such assignment). Notwithstanding the foregoing, the Purchaser may assign its rights but not its obligations under this Agreement without the prior written consent of the Seller; provided that (a) the Purchaser promptly notifies the Seller of such assignment, (b) each such assignee complies with Section 5.12(b) (replacing "Purchaser" wherever it appears with such assignee and replacing "Closing Date" with the date that such assignee acquires an interest in the Purchaser's rights hereunder), and (c) if the Purchaser assigns its right under this Agreement to more than one party, the Licensee shall not be requested or instructed to pay the Purchased Royalty Interest to more than one bank account. Any purported assignment in violation of this Section 10.3 shall be null and void

Section 10.4 Independent Nature of Relationship. The relationship between the Seller and the Purchaser is solely that of seller and purchaser, and neither the Seller nor the Purchaser has any fiduciary or other special relationship with the other party hereto or any of its Affiliates.

Nothing contained herein or in any other Transaction Document shall be deemed to constitute the Seller and the Purchaser or any other party as a partnership, an association, a joint venture or any other kind of entity or legal form for U.S. federal income tax or other purposes.

Section 10.5 Entire Agreement. This Agreement, together with the Exhibits and Schedules hereto and the other Transaction Documents constitute a complete and exclusive statement of the terms of agreement between the parties hereto, and supersede all prior agreements, understandings and negotiations, both written and oral, between the parties hereto, with respect to the subject matter of this Agreement.

Section 10.6 Governing Law.

(a) THIS PURCHASE AND SALE AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL SUBSTANTIVE LAWS OF THE STATE OF NEW YORK WITHOUT REFERENCE TO THE RULES THEREOF RELATING TO CONFLICTS OF LAW OTHER THAN SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK, AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

(b) Each of the parties hereto hereby irrevocably and unconditionally submits, for itself and its property, to the non-exclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any Judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State court or, to the extent permitted by applicable Law, in such federal court. Each of the parties hereto agrees that a final Judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the Judgment or in any other manner provided by applicable Law.

(c) Each of the parties hereto hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in Section 10.6(b). Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by applicable Law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each of the parties hereto irrevocably consents to service of process in the manner provided for notices in Section 10.2. Nothing in this Agreement will affect the right of any party hereto to serve process in any other manner permitted by applicable Law. Each of the parties hereto waives personal service of any summons, complaint or other process, which may be made by any other means permitted by New York law.

Section 10.7 Waiver of Jury Trial. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY

HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS PURCHASE AND SALE AGREEMENT, OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE OTHER PARTY HERETO HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE OTHER PARTY HERETO WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTY HERETO HAVE BEEN INDUCED TO ENTER INTO THIS PURCHASE AND SALE AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS Section 10.7.

Section 10.8 Severability. If one or more provisions of this Agreement are held to be invalid, illegal or unenforceable by a court of competent jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, which shall remain in full force and effect, and the parties hereto shall replace such invalid, illegal or unenforceable provision with a new provision permitted by applicable Law and having an economic effect as close as possible to the invalid, illegal or unenforceable provision. Any provision of this Agreement held invalid, illegal or unenforceable only in part or degree by a court of competent jurisdiction shall remain in full force and effect to the extent not held invalid, illegal or unenforceable.

Section 10.9 Counterparts. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement shall become effective when each party hereto shall have received a counterpart hereof signed by the other party hereto. Any counterpart may be executed by facsimile or Adobe™ Portable Document Format (PDF) sent by electronic mail or any electronic signature complying with the U.S. Federal ESIGN Act of 2000 will be deemed to be original signatures, will be valid and binding upon the parties, and, upon delivery, will constitute due execution of this Agreement.

Section 10.10 Amendments; No Waivers. Neither this Agreement nor any term or provision hereof may be amended, supplemented, restated, waived, changed or modified except with the written consent of the parties hereto. No failure or delay by either party hereto in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. No notice to or demand on either party hereto in any case shall entitle it to any notice or demand in similar or other circumstances. No waiver or approval hereunder shall, except as may otherwise be stated in such waiver or approval, be applicable to subsequent transactions. No waiver or approval hereunder shall require any similar or dissimilar waiver or approval thereafter to be granted hereunder. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by applicable Law.

Section 10.11 Cumulative Remedies. The remedies herein provided are cumulative and not exclusive of any remedies provided by applicable Law. Without limiting the foregoing, the Seller hereby authorizes the Purchaser, at any time and from time to time, to the fullest extent permitted by applicable Law, to offset any amounts payable by the Purchaser to, or for the

account of, the Seller against any obligations of the Seller to the Purchaser arising in connection with the Transaction Documents (including amounts payable pursuant to Article VII) that are then due and payable.

Section 10.12 Table of Contents and Headings. The Table of Contents and headings of the Articles and Sections of this Agreement have been inserted for convenience of reference only, are not to be considered a part hereof and shall in no way modify or restrict any of the terms or provisions hereof.

{SIGNATURE PAGE FOLLOWS}

IN WITNESS WHEREOF, each of the parties hereto have caused this Agreement to be duly executed by its authorized representative as of the day and year first written above.

BLUEPRINT MEDICINES CORPORATION

By: /s/ Kathryn Haviland
Name: Kathryn Haviland
Title: Chief Executive Officer

ROYALTY PHARMA INVESTMENTS 2019 ICAV

By: RP Management, LLC, its Manager and lawfully appointed attorney

By: /s/ George Lloyd
Name: George Lloyd
Title: Executive Vice President, Investments & General Counsel

Exhibit 10.2

CERTAIN INFORMATION IN THIS DOCUMENT, MARKED BY [***], HAS BEEN EXCLUDED PURSUANT TO REGULATION S-K, ITEM 601(b)(10)(iv). SUCH EXCLUDED INFORMATION IS NOT MATERIAL AND IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

PURCHASE AND SALE AGREEMENT

BY AND AMONG

BLUEPRINT MEDICINES CORPORATION,

GARNICH ADJACENT INVESTMENTS S.A.R.L.

THE VARIOUS OTHER PURCHASERS FROM TIME TO TIME PARTY HERETO,

AND

GARNICH ADJACENT INVESTMENTS S.À.R.L.,
AS PURCHASER'S REPRESENTATIVE

DATED AS OF JUNE 30, 2022

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PURCHASE AND SALE AGREEMENT

This PURCHASE AND SALE AGREEMENT, dated as of June 30, 2022 (this "Agreement"), is made and entered into by and among BLUEPRINT MEDICINES CORPORATION, a Delaware corporation ("Company" or "Seller"), GARNICH ADJACENT INVESTMENTS S.À.R.L., the other Purchasers from time to time party hereto, and GARNICH ADJACENT INVESTMENTS S.À.R.L. ("Garnich"), as representative for the Purchasers (in such capacity, "Purchaser's Representative").

W I T N E S S E T H:

WHEREAS, Company is in the business of, among other things, developing and Commercializing the Products (as defined below); and

WHEREAS, the Purchasers desire to purchase the Revenue Participation Rights (as defined below) from Company in exchange for payment of the Purchase Price (as defined below), and Company desires to sell the Revenue Participation Rights to the Purchasers in exchange for the Purchasers' payment of the Purchase Price, in each case on the terms and conditions set forth in this Agreement.

NOW THEREFORE, in consideration of the representations, warranties, covenants and agreements set forth herein and for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Company, the Purchasers and Purchaser's Representative hereby agree as follows:

ARTICLE 1

DEFINITIONS

Section 1.1 Definitions. The following terms, as used herein, shall have the following meanings:

"Affiliate" means, as applied to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with that Person. For the purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power (a) to vote [***] or more of the securities having ordinary voting power for the election of directors of such Person or (b) to direct or cause the direction of the management and policies of that Person, whether through the ownership of voting securities or capital stock, by contract or otherwise. Notwithstanding anything herein to the contrary, in no event shall Purchaser's Representative or any Purchaser or any of their Affiliates or Related Funds be considered an "Affiliate" of Company.

"Agreement" is defined in the preamble.

"Anti-Corruption Laws" means all Requirements of Law concerning or relating to bribery or corruption, including, without limitation, the United States Foreign Corrupt Practices Act of 1977, and the

anti-bribery and anti-corruption laws and regulations of those jurisdictions in which the Purchasers do business.

"Anti-Terrorism Laws" means any Requirement of Law relating to terrorism or money laundering, including, without limitation, (a) the Money Laundering Control Act of 1986 (i.e., 18 U.S.C. §§ 1956 and 1957), (b) the Currency and Foreign Transactions Reporting Act (31 U.S.C. §§ 5311-5330 and 12 U.S.C. §§ 1818(s), 1820(b) and 1951-1959) (the "Bank Secrecy Act"), (c) the USA PATRIOT Act, (d) the laws, regulations and Executive Orders administered by the United States Department of the Treasury's Office of Foreign Assets Control ("OFAC"), (e) the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 and implementing regulations by the United States Department of the Treasury, (f) any law prohibiting or directed against terrorist activities or the financing of terrorist activities (e.g., 18 U.S.C. §§ 2339A and 2339B), or (g) any similar laws enacted in the United States or any other jurisdictions in which the parties to this Agreement operate, as any of the foregoing laws may from time to time be amended, renewed, extended, or replaced and all other present and future legal requirements of any Governmental Authority governing, addressing, relating to, or attempting to eliminate, terrorist acts and acts of war and any regulations promulgated pursuant thereto.

"Applicable Percentage" means 9.75%; provided, that if AYVAKIT Franchise Net Sales for the trailing four fiscal quarter period ending on [***] (as determined based upon the financial statements delivered pursuant to Section 6.1(a) and Section 6.1(b) and the reports delivered pursuant to Section 6.2(b) but subject to Section 6.3), then such percentage will automatically increase to 15.00% [***].

[***]

"AYVAKIT" means [***]

"AYVAKIT Franchise Net Sales" means aggregate worldwide Net Sales of the Products (excluding Net Sales of AYVAKIT in the CStone Territory).

"Bank Secrecy Act" as the meaning specified in the definition of "Anti-Terrorism Laws".

"Bankruptcy Code" means Title 11 of the United States Code entitled "Bankruptcy," as now and hereafter in effect, or any successor statute.

"Blocked Person" means any Person: (a) that is publicly identified (i) on the most current list of "Specially Designated Nationals and Blocked Persons" published by OFAC or resides, is organized or chartered, or has a place of business in a country or territory subject to OFAC sanctions or embargo program or (ii) as prohibited from doing business with the United States under the International Emergency Economic Powers Act, the Trading With the Enemy Act, or any other Anti-Terrorism Law; (b) that is owned or controlled by, or that owns or controls, or that is acting for or on behalf of, any Person described in clause (a) above; (c) which any Purchaser is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law; and (d) that is affiliated or associated with a Person described in clauses (a), (b), or (c) above.

"BLU-263" means [***]

"Board of Directors" means, (a) with respect to any corporation or company, the board of directors of the corporation, company or any committee thereof duly authorized to act on behalf of such board, (b) with respect to a partnership, the board of directors of the general partner of the partnership, (c) with respect to a limited liability company, the managing member or members or any controlling committee or board of

directors of such company or the sole member or the managing member thereof, and (d) with respect to any other Person, the board or committee of such Person serving a similar function.

"Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions located in New York are permitted or required by applicable law or regulation to remain closed.

"Capital Lease" means, as applied to any Person, any lease of any property by that Person as lessee which, in accordance with GAAP, is required to be accounted for as a capital lease on the balance sheet of that Person; provided, that, with respect to the accounting for leases as either operating leases or capital leases and the impact of such accounting in accordance with FASB ASC 840, GAAP as in effect on December 31, 2018 shall be applied.

"Change of Control" means, at any time, any of the following occurrences:

(a) any Person or "group" (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act) (i) shall have acquired beneficial ownership of [***] or more on a fully diluted basis of the voting and/or economic interest in the securities or capital stock of Company or (ii) shall have obtained the power (whether or not exercised) to elect a majority of the members of the Board of Directors (or similar governing body) of Company; provided that for purposes of this provision, any Person or group shall not be deemed to beneficially own capital stock to be acquired by such Person or group pursuant to a stock or asset purchase agreement, merger agreement, option agreement, warrant agreement or similar agreement (or voting or option or similar agreement related thereto) until the consummation of the acquisition of the capital stock in connection with the transactions contemplated; or

[***]

"Change of Control Repurchase Price" means (i) on or before [***] the Purchase Price multiplied by [***], (ii) on or before [***] the Purchase Price multiplied by [***] (iii) [***] the Purchase Price multiplied by [***].

"Clinical Trial" means a clinical trial intended to support the Marketing Approval or Commercialization of any Product.

"Clinical Updates" means (a) a summary of any material updates with respect to the Clinical Trials (other than those conducted pursuant to the CStone License that are not a Global Clinical Trial), including the number of patients currently enrolled in each such Clinical Trial, the number of sites conducting each such Clinical Trial, the material progress of each such Clinical Trial, any material modifications to each such Clinical Trial, including any changes to the primary and/or secondary endpoints or changes to the statistical analysis plan or any adverse events in the Clinical Trials, (b) written plans to start new Clinical Trials (other than those conducted pursuant to the CStone License that are not a Global Clinical Trial), and (c) investigator brochures for a Product (other than in respect of Clinical Trials conducted pursuant to the CStone License). Copies of internal presentations or reports of summaries of such material information or developments, and copies of presentations or reports received by the Seller from any Third Party, to the extent such presentations or reports include any applicable information required in the immediately preceding sentence, may constitute Clinical Updates with respect to such applicable information.

"CMC" means chemistry, manufacturing and controls with respect to a Product.

"Collateral" means (a) the Products [***] (b) all Product Rights, (c) all other tangible and intangible assets necessary for or material to the research, development, manufacture, use, approval or Commercialization of any Product, and (d) all products and proceeds (as defined in the UCC) from the

foregoing (including all accounts and payment intangibles (each as defined in the UCC) arising from the sale, license or other disposition of the Products or Product Rights by Company or any Subsidiary) [***].

"Combination Product" means:

(a) a single pharmaceutical formulation (whether co-formulated or administered together via the same administration route) containing as its active ingredients both a Product and one or more other therapeutically or prophylactically active pharmaceutical or biologic ingredients (each an "Other Component"), or

(b) a combination therapy comprised of a Product and one or more Other Component(s), whether priced and sold in a single package containing such multiple products, packaged separately but sold together for a single price,

in each case, including all dosage forms, formulations, presentations, and package configurations. Drug delivery vehicles, adjuvants and excipients will not be deemed to be "active ingredients", except in the case where such delivery vehicle, adjuvant or excipient is recognized by the FDA as an active ingredient in accordance with 21 C.F.R. 210.3(b)(7) or by equivalent foreign Government Authority on the basis of supranational or national law. All references to Products in this Agreement shall be deemed to include Combination Products.

"Commercial Updates" means a summary of material updates with respect to Company's and its Affiliates' and any Licensee's sales and marketing activities (including, without limitation, details on units of Product sold and net price per unit in each jurisdiction and the achievement of any development, sales, regulatory or other milestone event set forth in each Out-License) and, if material, commercial manufacturing matters with respect to a Product. Copies of internal presentations or reports of summaries of such material information or developments, and copies of presentations or reports received by the Seller from any Third Party, to the extent such presentations or reports include any applicable information required in the immediately preceding sentence, may constitute Commercial Updates with respect to such applicable information.

"Commercialization" means any and all activities directed to the distribution, marketing, detailing, promotion, selling and securing of reimbursement of a Product (including the using, importing, selling and offering for sale of such Product), and shall include post-Marketing Approval studies to the extent required by a Regulatory Authority, post-launch marketing, promoting, detailing, distributing, selling such Product, importing, exporting or transporting such Product for sale, and regulatory compliance with respect to the foregoing. When used as a verb, "Commercialize" shall mean to engage in Commercialization. Except with respect to post-Marketing Approval studies required by a Regulatory Authority, Commercialization shall not include any activities directed to the research or development (including pre-clinical and clinical development) or manufacture of a Product.

"Commercially Reasonable Efforts" means [***].

"Company" is defined in the preamble.

"Company Certificate" is defined in Section 5.1(g).

"Company Indemnified Parties" is defined in Section 7.1(b).

"Company Partner" is defined in Section 4.1(g)(i).

"Competing Product" [***].

"Confidential Information" is defined in Section 8.1.

"Contractual Obligation" means, as applied to any Person, any provision of any security issued by that Person or of any indenture, mortgage, deed of trust, contract, undertaking, agreement, license or other instrument to which that Person is a party or by which it or any of its properties is bound or to which it or any of its properties is subject.

"CStone" means CStone Pharmaceuticals, a corporation organized under the laws of the Cayman Islands.

"CStone License" means that certain License and Collaboration Agreement, dated June 1, 2018, by and between Company and CStone, as amended from time to time [***].

"CStone Territory" means each of (i) the People's Republic of China, (ii) the Hong Kong Special Administrative Region of the People's Republic of China, (iii) the Macao Special Administrative Region of the People's Republic of China, and (iv) Taiwan.

"Data" means customer lists, correspondence, data, submissions and licensing and purchasing histories relating to customers of Company or any Subsidiary, and all other reports, information and documentation collected or maintained by Company or any Subsidiary regarding purchasers of Company products and the visitors to websites owned or controlled by Company or any of its Subsidiaries.

"Data Protection Laws" means applicable Requirements of Law concerning the protection, privacy or security of Personal Information (including any applicable laws of jurisdictions where the Personal Information was collected or otherwise processed) and other applicable consumer protection laws, and all regulations promulgated thereunder, including, without limitation, HIPAA, the General Data Protection Regulation (and all laws implementing or supplementing it), the California Consumer Privacy Act, and Section 5 of the Federal Trade Commission Act.

"Debtor Relief Law" means the Bankruptcy Code and any other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief law of the United States or other applicable jurisdiction from time to time in effect.

"Disclosing Party" is defined in Section 8.1.

"Disclosure Schedule" means the Disclosure Schedule, dated as of the date hereof, delivered to Purchaser's Representative and the Purchasers by Company concurrently with the execution of this Agreement.

"Distributor" means any Third Party that purchases Product in finished form from Company or its Affiliates, or sublicensees that take title to such Product, and distributes such Product directly to customers, but does not develop or manufacture such Product and does not make any royalty, profit-share, or other payment to Company or its Affiliates or sublicensees, other than payment for the purchase of Product for resale.

"Effective Date" means the date on which this Agreement becomes effective pursuant to Article 5.

"EMA" means the European Medicines Agency, or any successor agency thereto.

"ERISA" means the Employee Retirement Income Security Act of 1974.

"European Commission" means the European Union (EU) executive arm.

"Exchange Act" means the Securities Exchange Act of 1934.

"Existing In-License" is defined in Section 4.1(h)(i).

"Existing Licenses" means the Existing In-Licenses and the Existing Out-Licenses.

"Existing Out-License" is defined in Section 4.1(h)(ii).

"FD&C Act" means the United States Federal Food, Drug, and Cosmetic Act.

"FDA" means the U.S. Food and Drug Administration, or any successor agency thereto.

"FDA Laws" means all applicable statutes, rules, regulations, standards, guidelines, policies and orders and Requirements of Law administered, implemented, enforced or issued by FDA or any comparable Governmental Authority.

"Federal Health Care Programs" shall mean the Medicare, Medicaid and TRICARE programs and any other state or federal health care program, as defined in 42 U.S.C. § 1320a-7b(f).

"Field Report" is defined in Section 10.9(a).

"Funding Date" means July 22, 2022.

"GAAP" means generally accepted accounting principles in the United States in effect from time to time.

"Garnich" is defined in the preamble.

"Global Clinical Trial" means a clinical trial for any Product the data from which, at the time of commencement, is intended to be used to obtain Marketing Approval both inside [***] and in any of the following: [***].

"Governmental Authority" means any federal, state, municipal, national, supranational or other government, governmental department, commission, board, bureau, court, agency or instrumentality or political subdivision thereof or any entity or officer exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to any government or any court, including any patent office, in each case whether associated with a state of the United States, the United States or a foreign entity or government. [***].

"Gross Sales" is defined in the definition of "Net Sales".

"Gross-Up Amount" is defined in Section 6.13(c).

"[***]" is defined in Section 6.9(b).

"Health Care Program Laws" means collectively, (a) federal Medicare or federal or state Medicaid statutes, (b) Sections 1128, 1128A, 1128B, 1128C, 1128G, and 1877 of the Social Security Act (42 U.S.C. §§ 1320a-7, 1320a-7a, 1320a-7b, 1320a-7c, 1320a-7h and 1395nn), (c) the federal TRICARE statute (10

U.S.C. § 1071 et seq.), (d) the civil False Claims Act of 1863 (31 U.S.C. § 3729 et seq.), (e) criminal false claims statutes (e.g., 18 U.S.C. §§ 286, 287 and 1001), (f) the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. § 3801 et seq.), (g) criminal fraud provisions under HIPAA, (h) federal and state Requirements of Law related to healthcare, health care professionals or other health care participants, or relationships with health care providers, suppliers, distributors, manufacturers and patients, and the pricing, sale and reimbursement of health care items or services, (i) Requirements of Law regarding the collection and reporting requirements, and the processing of any applicable rebate, chargeback or adjustment, under applicable rules and regulations relating to the Medicaid Drug Rebate Program (42 U.S.C. § 1396r-8) and any state supplemental rebate program, Medicare average sales price reporting (42 U.S.C. § 1395w-3a), the Public Health Service Act (42 U.S.C. § 256b), the VA Federal Supply Schedule (38 U.S.C. § 8126) or under any state pharmaceutical assistance program or U.S. Department of Veterans Affairs agreement, and any successor government programs, (j) any other Requirements of Law that directly or indirectly govern the health care industry, programs of Governmental Authorities; and (k) each as amended and the regulations promulgated thereunder.

"HIPAA" means the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (Title XIII of the American Recovery and Reinvestment Act of 2009), and all regulations promulgated thereunder, and other Requirements of Law regulating the privacy and/or security of patient-identifying health care information, including with respect to notification of breach of privacy or security of such information.

"Improvements" means any improvement, invention or discovery relating to a Product, including the formulation, or the method of manufacture of a Product.

"In-License" means any license, settlement agreement or other agreement or arrangement between Company or any of its Affiliates and any Third Party pursuant to which Company or any of its Affiliates obtains a license or a covenant not to sue or similar grant of rights to any Patents or other intellectual property rights of such Third Party that is necessary for or material to the research, development, manufacture, use or Commercialization of a Product, other than the CStone License.

"Indebtedness" of any Person means any indebtedness for borrowed money, any obligation evidenced by a note, bond, debenture or similar instrument, or any guarantee of any of the foregoing.

"Indemnified Party" is defined in Section 7.2.

"Indemnifying Party" is defined in Section 7.2.

"Indemnitee Agent Party" is defined in Section 10.5(d).

"Insolvency Event" means (A) (i) a court of competent jurisdiction shall enter a decree or order for relief in respect of Company or any of its Subsidiaries in an involuntary case under any Debtor Relief Law, which decree or order is not stayed; or any other similar relief shall be granted under any applicable federal or state law; or (ii) an involuntary case shall be commenced against Company or any of its Subsidiaries under any Debtor Relief Law; or a decree or order of a court having jurisdiction in the premises for the appointment of a receiver, administrator, liquidator, sequestrator, trustee, custodian or other officer having similar powers over Company or any of its Subsidiaries, or over all or a substantial part of its property, shall have been entered; or there shall have occurred the involuntary appointment of an interim receiver, administrator, trustee or other custodian of Company or any of its Subsidiaries for all or a substantial part of its property; or a warrant of attachment, execution or similar process shall have been issued against any substantial part of the property of Company or any of its Subsidiaries, and any such event described in this clause (ii) shall continue for [***] without having been dismissed, bonded or discharged; or (B) (i)

Company or any of its Subsidiaries shall have an order for relief entered with respect to it or shall commence a voluntary case under any Debtor Relief Law, or shall consent to the entry of an order for relief in an involuntary case, or to the conversion of an involuntary case to a voluntary case, under any such law, or shall consent to the appointment of or taking possession by a receiver, administrator, trustee or other custodian for all or a substantial part of its property; or Company or any of its Subsidiaries shall make any assignment for the benefit of creditors; or (ii) Company or any of its Subsidiaries shall be unable, or shall fail generally, or shall admit in writing its inability, to pay its debts as such debts become due; or (C) Company or any Subsidiary shall be insolvent as defined in any Debtor Relief Law, including, without limitation, any statute of the Bankruptcy Code, in the fraudulent conveyance or fraudulent transfer statutes of the State of Delaware or other applicable jurisdiction of organization; or (D) the Board of Directors (or similar governing body) of Company or any of its Subsidiaries shall adopt any resolution or otherwise authorize any action to approve any of the actions referred to in this definition.

"Intellectual Property Product Rights" means any and all of the following as they exist throughout the world at any time: (a) the Intellectual Property Rights; (b) rights in registered and unregistered trademarks, service marks, trade names, trade dress, logos, packaging design, slogans and Internet domain names, and registrations and applications for registration of any of the foregoing, in each case, necessary for or material to the research, development, manufacture, use or Commercialization of any or all Products, that are owned, in-licensed, or otherwise subject to a right to use by Company or any of its Affiliates; and (c) any and all other intellectual property rights and/or proprietary rights, whether or not patentable, that are owned, in-licensed otherwise subject to a right to use by Company or any of its Affiliates that are necessary for or material to the research, development, manufacture, use or Commercialization of any or all Products.

"Intellectual Property Rights" means any and all of the following as they exist throughout the world at any time: (a) the Patent Rights and (b) the Know-How Rights.

"Intellectual Property Updates" means an updated list of the Patent Rights, including any new Patents issued, filed or applied for, amended or supplemented that constitute Patent Rights, or any abandonments or other termination of prosecution with respect to any of the Patent Rights, and any other material information or developments with respect to the Intellectual Property Rights.

"Intercreditor Agreement" shall mean the Senior Lender Intercreditor Agreement dated as of the date hereof among TAO Talents, LLC, as administrative agent under the Senior Secured Credit Facility, and the Purchaser's Representative, as may be amended, restated, amended and restated, supplemented, replaced or otherwise modified from time to time in accordance with the terms set forth therein.

"Judgment" means any judgment, order, writ, injunction, citation, award or decree of any nature.

"Know-How" means all information and materials, including but not limited to discoveries, improvements, processes, methods, protocols, formulations formulas, data (including pharmacological, toxicological, non-clinical data, clinical data, analytical and quality control data, manufacturing data and descriptions, market data, financial data or descriptions), inventions, devices, assays, chemical formulations, specifications, product samples and other samples, physical, practices, procedures, technology, techniques, designs, drawings, correspondence, computer programs, documents, apparatus, results, strategies, regulatory documentation, information and submissions pertaining to, or made in association with, filings with any Governmental Authority, research in progress, algorithms, data, databases, data collections, chemical and biological materials (including any compounds, DNA, RNA, clones, vectors, cells and any expression product, progeny, derivatives or improvements thereto), and the results of experimentation and testing, including samples in each case, knowledge, know-how, trade secrets

and the like, in written, electronic, oral or other tangible or intangible form, patentable or otherwise, which are not generally known.

"Know-How Rights" means any and all Know-How that is owned, in-licensed or otherwise subject to a right to use by Company or any of its Affiliates or under which Company or any of its Affiliates is or may become empowered to grant licenses and is necessary for or material to the research, development, manufacture, use or Commercialization of a Product.

"Knowledge of Company" means the actual knowledge, after due inquiry, of the individuals listed on Schedule 1.1 of the Disclosure Schedule (and any replacement of such individual in identical position or having substantially similar responsibility).

"Licensee" means, with respect to any Product, a Third Party to whom Company or any Affiliate of Company has granted a license, sublicense or other right to Commercialize such Product, excluding CStone solely in its capacity as a licensee under the CStone License.

"Lien" means (a) any lien, mortgage, pledge, assignment, hypothec, deed of trust, security interest, license or sublicense, charge or encumbrance of any kind (including any agreement to give any of the foregoing, any conditional sale or other title retention agreement, and any lease in the nature thereof) and any option, trust or other preferential arrangement having the practical effect of any of the foregoing, and (b) in the case of securities or capital stock, any purchase option, call or similar right of a third party with respect to such securities or capital stock.

"Loss" means any and all Judgments, damages, losses, claims, costs, liabilities and expenses, including reasonable fees and out-of-pocket expenses of counsel.

"Majority Purchasers" means Purchasers who hold, in the aggregate, at least 50.1% of the Revenue Participation Rights.

"Marketing Approval" means, an NDA approved by the FDA, a Marketing Authorization Application approved by the European Commission under the centralized European procedure, or any corresponding non-U.S. or non-EMA application, registration or certification (excluding such applications, registrations or certifications in the CStone Territory) necessary for or material to the marketing of a Product approved by the corresponding Regulatory Authority, including pricing and reimbursement approvals where required.

"Material Adverse Effect" means (a) an adverse effect in any material respect on the Revenue Participation Rights or the timing, duration or amount of the Revenue Payments, or (b) a material adverse effect on (i) a Product, (ii) any of the Intellectual Property Rights, including Company's rights in or to any Intellectual Property Rights, (iii) any Marketing Approval of a Product or the timing thereof, (iv) the legality, validity, binding effect, or enforceability against Company of any Transaction Document, (v) the ability of Company to fully and timely perform its obligations under any Transaction Document, (vi) the rights and remedies of Purchaser's Representative and any Purchaser under any Transaction Document, or (vii) the business operations, properties, assets, condition (financial or otherwise), or liabilities of Company and its Subsidiaries taken as a whole.

"Material Regulatory Liabilities" means (a)(i) any liabilities arising from the violation of FDA Laws, Public Health Laws, Health Care Program Laws, and other applicable comparable Requirements of Law, or the terms, conditions of or requirements applicable to any Registrations (including costs of actions required under applicable Requirements of Law, including FDA Laws and Health Care Program Laws, or necessary to remedy any violation of any terms or conditions applicable to any Registrations), including,

but not limited to, withdrawal of approval, recall, revocation, suspension, import detention and seizure of any Product, and (ii) any loss of recurring annual revenues as a result of any loss, suspension or limitation of any Registrations, which, in the case of the foregoing clauses (i) and (ii), exceed [***] individually or in the aggregate, or (b) any Material Adverse Effect.

"Minimum Return Date" means the latest of the following dates: (a) the date on which the Purchasers have received aggregate Revenue Payments equal to or greater than [***]; (b) the date on which [***] and (c) the date on or after each of the conditions set forth in the preceding clauses (a) and (b) have been satisfied [***].

"NDA" means a New Drug Application submitted to the FDA in the United States in accordance with the FD&C Act with respect to a pharmaceutical product or any analogous application or submission with any comparable Regulatory Authority outside of the United States.

"Net Sales" means [***]

"NIH" is defined in the definition of "Public Health Laws".

"Obligations" shall mean any and all obligations of Company under the Transaction Documents.

"OFAC" has the meaning specified in the definition of "Anti-Terrorism Laws".

"OFAC Sanctions Programs" means (a) the Requirements of Law and Executive Orders administered by OFAC, including but not limited to, Executive Order No. 13224, and (b) the list of Specially Designated Nationals and Blocked Persons administered by OFAC, in each case, as renewed, extended, amended, or replaced.

"Other Component" is defined in the definition of "Combination Products".

"Out-License" means any exclusive or co-exclusive license or sublicense of Intellectual Property Rights by Company or any of its Subsidiaries to a Third Party to market, detail, promote, sell, secure reimbursement of, or otherwise Commercialize the Product; provided, however, that "Out-License" shall not include a license granted for the sole purposing of conduct research of a Product or any license granted to Third Party that is a Distributor, solely in its capacity as a Distributor.

"Patent Rights" means any and all Patents (including any existing or future Patents covering any Improvements) owned, in-licensed or otherwise subject to a right to use by Company or any of its Affiliates or under which Company or any of its Affiliates is or may become empowered to grant licenses necessary for or material to the research, development, manufacture, use, marketing, promotion, sale or distribution of a Product.

"Patents" means any and all patents and patent applications existing as of the date of this Agreement and all patent applications filed hereafter, including any continuation, continuation-in-part, division, provisional or any substitute applications, any patent issued with respect to any of the foregoing patent applications, any certificate, reissue, reexamination, renewal or patent term extension or adjustment (including any supplementary protection certificate) of any such patent or other governmental actions which extend any of the subject matter of a patent, and any substitution patent, confirmation patent or registration patent or patent of addition based on any such patent, and all foreign counterparts of any of the foregoing.

"Permitted Intercreditor Agreement" shall have the meaning set forth in Section 10.7(a).

"Permitted License" means:

(a) all licenses of Product Rights, whether exclusive or non-exclusive, other than Out-Licenses;

(b) any Out-License of any Product Rights that allows the licensee to market, detail, promote, sell, secure reimbursement of or otherwise Commercialize Products solely outside of the United States and its territories; and

(c) any material transfer, sponsored research, co-development or similar agreement providing for the research or development of a Product and funding thereof, that does not grant Commercialization rights with respect to such Product;

provided, in each case, any such Permitted License (i) [***] (ii) in the case of Out-Licenses, permits the disclosure of royalty and similar reports to Purchaser's Representative and the Purchasers in accordance with Section 6.6(b); and (iii) [***] provided further, that [***].

"Permitted ABL Facility " means Indebtedness of Company or any of its Subsidiaries under one working capital revolving credit facility, in an amount not to exceed [***]; provided that (a) such Indebtedness, if secured, is secured solely by Company's and its Subsidiaries' accounts receivable, inventory and segregated cash proceeds of the foregoing, and (b) the holders or lenders thereof have executed and delivered to Purchaser's Representative an intercreditor agreement reasonably satisfactory to Purchaser's Representative and the Majority Purchasers (which, for the avoidance of doubt, may provide that such Permitted ABL Facility has priority on the assets securing such Permitted ABL Facility, other than the portion thereof relating to Revenue Payments).

"Permitted Liens" means the following:

(a) Liens in favor of Purchaser's Representative for the benefit of the Purchasers and granted pursuant to any Transaction Document;

(b) Liens for Taxes (other than Liens for Taxes that have priority over Purchaser's Representative's Liens) (i) not yet due and payable or (ii) if obligations with respect to such Taxes are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted and reserves required by GAAP have been made;

(c) statutory Liens of landlords, banks (and rights of set off), of carriers, warehousemen, mechanics, repairmen, workmen and materialmen, and other Liens imposed by law (other than any such Lien imposed pursuant to Section 401(a)(29) or 412(n) of the Internal Revenue Code or by ERISA), in each case incurred in the ordinary course of business for amounts not yet overdue;

(d) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods;

(e) Liens that are contractual rights of setoff relating to purchase orders entered into with customers, vendors or suppliers of such Person in the ordinary course of business;

(f) Permitted Licenses;

(g) bankers' Liens, rights of setoff and other similar Liens existing solely with respect to cash and cash equivalents on deposit in one or more accounts maintained by Company or its Subsidiaries,

in each case granted in the ordinary course of business in favor of the bank or banks with which such accounts are maintained, securing amounts owing to such bank with respect to cash management and operating account arrangements, including those involving pooled accounts and netting arrangements, as part of a bank's standard term and conditions; provided, that, unless such Liens are non-consensual and arise by operation of law, in no case shall any such Liens secure (either directly or indirectly) the repayment of any Indebtedness;

(h) Liens of a collecting bank arising in the ordinary course of business under Section 4 208 of the UCC in effect in the relevant jurisdiction covering only the items being collected upon; and

(i) Liens securing Indebtedness under (i) the Senior Secured Credit Facility, subject to the Intercreditor Agreement, and (ii) any Indebtedness of Company issued in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge the Senior Secured Credit Facility, subject to a Permitted Intercreditor Agreement;

(j) the non-exclusive licensing or sublicensing of any Intellectual Property Rights in the ordinary course of business which does not materially interfere with the ordinary conduct of the business of Company or any of its Subsidiaries and which is otherwise permitted under this Agreement;

(k) Liens securing any Permitted ABL Facility;

(l) Liens (i) of a collection bank arising under Section 4-210 of the UCC, or any comparable or successor provision, on items in the course of collection; and (ii) in favor of banking or other financial institutions or entities, or electronic payment service providers, arising as a matter of law encumbering deposits (including the right of set-off) and which are within the general parameters customary in the banking or finance industry; and

(m) Liens incurred in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security, or to secure the performance of tenders, statutory obligations, surety and appeal bonds, bids, leases, government contracts, trade contracts, performance and return of money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money or other Indebtedness), so long as no foreclosure, sale or similar proceedings have been commenced with respect to any portion of the Collateral on account thereof.

"Person" means any individual, firm, corporation, company, partnership, limited liability company, trust, joint venture, association, estate, trust, Governmental Authority or other entity, enterprise, association or organization.

"Personal Information" means any information that identifies or can be used to identify a natural person, including any information defined as "personal data," "personally identifiable information," "personal information," "protected health information," or "nonpublic personal information" under applicable Data Protection Laws.

"Platform Intellectual Property" means [***].

"Prime Rate" means the prime rate published by *The Wall Street Journal*, from time to time, as the prime rate.

"Privacy Policies" is defined in Section 4.1(s).

"Product" and "Products" means, individually and collectively, AYVAKIT and BLU-263.

"Product Agreement" means any Out-License and any In-License.

"Product Rights" means any and all of the following, as they exist throughout the world, to the extent necessary for or material to the research, development, manufacture, use or Commercialization of any Product: (a) Intellectual Property Product Rights, (b) regulatory filings, submissions and approvals, including Marketing Approvals, with or from any Regulatory Authorities with respect to any of the Products, (c) Product Agreements, and (d) other Third Party agreements.

"Pro Rata Share" means, with respect to a Purchaser's right to receive Revenue Payments, the percentage obtained by dividing (i) such Purchaser's Revenue Participation Right, by (ii) the aggregate Revenue Participation Rights. As of the Effective Date, each Purchaser's Pro Rata Share is set forth below such Purchaser's signature or in an applicable Assignment Agreement.

"Public Health Laws" means all Requirements of Law relating to the procurement, development, clinical and non-clinical evaluation, product approval or licensure, manufacture, production, analysis, wholesale, distribution, dispensing, importation, exportation, use, handling, quality, sale, labeling, promotion, clinical trial registration or post market requirements of any drug, biologic or other product (including, without limitation, any ingredient or component of the foregoing products) subject to regulation under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. § 301 et seq.) and the Public Health Service Act (42 U.S.C. § 201 et seq.), including without limitation the regulations promulgated by the FDA at Title 21 of the Code of Federal Regulations, all applicable regulations promulgated by the National Institutes of Health ("NIH") and codified at Title 42 of the Code of Federal Regulations, and guidance, compliance, guides, and other policies issued by the FDA, the NIH and other comparable governmental authorities, as well as applicable Requirements of Law relating to the licensure of entities that manufacture or distribute drugs, biologics, or other regulated product.

"Purchase Price" is defined in Section 2.2.

"Purchaser Indemnified Parties" is defined in Section 7.1(a).

"Purchaser's Representative" has the meaning specified in the preamble hereto.

"Purchaser's Representative's Account" shall mean an account at a bank designated by Purchaser's Representative from time to time as the account into which Company shall make all payments to Purchaser's Representative under this Agreement and the other Transaction Documents.

"Purchasers" means Garnich Adjacent Investments S.à.r.l. and any other Person that becomes a party hereto as Purchaser pursuant to Section 11.4 other than any Person that ceases to be a party hereto as a Purchaser as a result of any assignment pursuant to Section 11.4.

[***]

"Quarterly Deadline" is defined in Section 6.1(c).

"Receiving Party" is defined in Section 8.1.

"Registrations" shall mean authorizations, approvals, licenses, permits, certificates, registrations, listings, certificates, or exemptions of or issued by any Governmental Authority (including Marketing Approvals, investigational new drug applications, product recertifications, manufacturing approvals and authorizations, pricing and reimbursement approvals, labeling approvals or their foreign equivalent) that

are required for the research, development, manufacture, commercialization, distribution, marketing, storage, transportation, pricing, Governmental Authority reimbursement, use and sale of Products.

"Regulatory Action" means an administrative or regulatory enforcement action, proceeding or investigation, settlement agreement, corporate integrity agreement, deferred or non-prosecution agreement, warning letter, untitled letter, Form 483 or similar inspectional observations, civil investigative demand, subpoena, other notice of violation letter, recall, seizure, Section 305 notice or other similar written communication, or consent decree, issued or required by the FDA, the U.S. Department of Health and Human Services or its departments thereunder or under the Public Health Laws, the NIH or a comparable Governmental Authority in any other regulatory jurisdiction, including any inspectional observations recorded on a Form FDA 483, any Establishment Inspection Report, and any written request from FDA or equivalent supranational or foreign Regulatory Authority for a regulatory meeting.

"Regulatory Authority" means any national or supranational Governmental Authority, including the FDA, the European Commission, the EMA or such equivalent regulatory authority, or any successor agency thereto, that has responsibility in granting a Marketing Approval.

"Regulatory Updates" means a summary of any and all material information and developments that materially impact a Product with respect to any regulatory approvals, filings or submissions made to the FDA, EMA (or, to the extent the EMA is not applicable, the Regulatory Authority for Germany, the United Kingdom, France, Spain and Italy) and the Regulatory Authority for Japan. Copies of internal presentations or reports of summaries of such material information or developments, and copies of presentations or reports received by Company from any Third Party, to the extent such presentations or reports include any applicable information required in the immediately preceding sentence, may constitute Regulatory Updates with respect to such applicable information.

"Related Party" is defined in the definition of "Net Sales".

"Report" is defined in Section 6.1.

"Representative" means, with respect to any Person, (a) any direct or indirect member or partner of such Person and (b) any manager, director, trustee, officer, employee, agent, advisor or other representative (including attorneys, accountants, consultants, contractors, actual and potential lenders, investors, co-investors and assignees, bankers and financial advisers) of such Person.

"Repurchase Option" is defined in Section 6.2(d).

"Repurchase Option Closing Date" is defined in Section 6.2(d).

"Repurchase Price" means an amount equal to (i) on or before [***] the Purchase Price multiplied by [***] (ii) on or before [***] the Purchase Price multiplied by [***] (iii) after [***] the Purchase Price multiplied by [***].

"Requirements of Law" means, with respect to any Person, collectively, the common law and all federal, state, provincial, local, foreign, multinational or international laws, statutes, codes, treaties, standards, rules and regulations, guidelines, ordinances, orders, judgments, writs, injunctions, decrees (including administrative or judicial precedents or authorities) and the interpretation or administration thereof by, and other determinations, directives, requirements or requests of, any Governmental Authority, in each case that are applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

"Restricted License" means any Product Agreement that (i) cannot be collaterally assigned to secure the Obligations or otherwise contains provisions that restrict or penalize the granting of a security interest in or Lien on such Product Agreement or the related Intellectual Property Rights and/or (ii) restricts the ability of Company or its Subsidiary (as the case may be) to assign such Product Agreement to the applicable purchaser upon the sale or other disposition of all or substantially all of the assets to which such Product Agreement relates (other than customary provisions requiring the assumption by the applicable purchaser of all obligations under such Product Agreement).

"Revenue Participation Rights" means the Purchasers' rights to receive the Revenue Payments on account of Net Sales of Products on or after the Funding Date and prior to the Revenue Payment Termination Date. Each Purchaser's Pro Rata Share of the Revenue Participation Rights shall be referred to herein as such Purchaser's "Revenue Participation Right."

"Revenue Payment Cap" means an amount equal to (i) prior to or on [***] the Purchase Price *multiplied by* 1.45, or (ii) after [***] the Purchase Price *multiplied by* 1.85.

"Revenue Payment Termination Date" means the earlier of (i) the date [***] or (ii) the date [***].

"Revenue Payments" means, for each calendar quarter, an amount payable to the Purchasers equal to the amount of AYVAKIT Franchise Net Sales during such calendar quarter *multiplied by* the Revenue Rate.

"Revenue Rate" means the applicable percentage based upon the portion of the corresponding AYVAKIT Franchise Net Sales in a calendar year as set forth in the chart below:

Payment Tiers based on Annual AYVAKIT Franchise Net Sales	**Revenue Rate Applicable to Each Net Sales Tier**
A. Annual AYVAKIT Franchise Net Sales of up to and including $900,000,000	Applicable Percentage (as defined in this Agreement)
B. Annual AYVAKIT Franchise Net Sales exceeding $900,000,000	0%

"Royalty Monetization Transaction" means any monetization transaction involving the sale, transfer, option or collateralization of (i) any monetary payments (contingent or otherwise) payable to Company or its Subsidiaries by a counterparty under an Out-License, or (ii) any right to receive revenues or other income from the sale of any Product, in each case whether in whole or in part, including but not limited to sales of royalty streams, royalty bonds and other royalty financings, synthetic royalty and revenue interest transactions (including but not limited to clinical trial funding arrangements), and hybrid monetization transactions.

"Safety Notice" is defined in Section 4.1(g)(v).

"SEC" means the U.S. Securities and Exchange Commission.

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

"Security Agreement" means the Security Agreement between Company and Purchaser's Representative providing for, among other things, the grant by Company in favor of Purchaser's Representative, for the benefit of the Secured Parties, of a lien on and security interest in, the Collateral.

"Security Documents" means the Security Agreement and all other instruments, documents and agreements delivered by Company pursuant to this Agreement or any of the other Transaction Documents in order to grant to Purchaser's Representative, for the benefit of the Purchasers, a Lien on any real, personal or mixed property of Company as security for the Obligations, in each case, as such Security Documents may be amended or otherwise modified from time to time.

"Senior Secured Credit Facility" means that certain Financing Agreement, dated as of June 30, 2022, by and among Company, as borrower, certain Subsidiaries of Company, as guarantors, the various Lenders (as defined therein) from time to time party thereto, and TAO Talents, LLC, as administrative agent (as amended, amended and restated, supplemented, refinanced, replaced or otherwise modified from time to time in accordance with the terms of the Intercreditor Agreement).

"Subsidiary" means, with respect to any Person, any corporation, company, partnership, limited liability company, association, joint venture or other business entity of which more than 50% of the total voting power of shares of stock, shares, or other ownership interests entitled (without regard to the occurrence of any contingency) to vote in the election of the Person or Persons (whether directors, managers, trustees or other Persons performing similar functions) having the power to direct or cause the direction of the management and policies thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof; provided, in determining the percentage of ownership interests of any Person controlled by another Person, no ownership interest in the nature of a "qualifying share" of the former Person shall be deemed to be outstanding. When used herein, "Subsidiary" shall mean a Subsidiary of Company unless otherwise specified.

"Tax" or "Taxes" means any income, gross receipts, license, payroll, employment, excise, severance, occupation, premium, windfall profits, environmental, customs duties, capital stock, franchise, profits, withholding, social security, unemployment, disability, real property, personal property, abandoned property, value added, alternative or add-on minimum, estimated or other tax of any kind whatsoever, including any interest, penalty or addition thereto, whether disputed or not.

"Third Party" means any Person that is not Company or Company's Affiliates.

"Transaction Documents" means, collectively, this Agreement, the Security Documents, the Intercreditor Agreement and any other Permitted Intercreditor Agreement(s), and any related ancillary documents or agreements (provided, for the avoidance of doubt, that any documents related to the Senior Secured Credit Facility other than the Intercreditor Agreement shall not be Transaction Documents).

"UCC" means the Uniform Commercial Code as in effect from time to time in the State of New York; provided, that, if, with respect to any financing statement or by reason of any provisions of applicable law, the perfection or the effect of perfection or non-perfection of the security interest or any portion thereof granted pursuant to any Transaction Document is governed by the Uniform Commercial Code as in effect in a jurisdiction of the United States other than the State of New York, then "UCC" means the Uniform Commercial Code as in effect from time to time in such other jurisdiction for purposes of the provisions of this Agreement and any financing statement relating to such perfection or effect of perfection or non-perfection.

Section 1.2 Certain Interpretations. Except where expressly stated otherwise in this Agreement, the following rules of interpretation apply to this Agreement:

(a) "either" and "or" are not exclusive and "include," "includes" and "including" are not limiting and shall be deemed to be followed by the words "without limitation";

(b) "extent" in the phrase "to the extent" means the degree to which a subject or other thing extends, and such phrase does not mean simply "if";

(c) "hereof," "hereto," "herein" and "hereunder" and words of similar import when used in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement;

(d) references to a Person are also to its permitted successors and assigns;

(e) definitions are applicable to the singular as well as the plural forms of such terms;

(f) references to an "Article", "Section" or "Exhibit" refer to an Article or Section of, or an Exhibit to, this Agreement, and references to a "Schedule" refer to the corresponding part of the Disclosure Schedule;

(g) references to "$" or otherwise to dollar amounts refer to the lawful currency of the United States; and

(h) references to a law include any amendment or modification to such law and any rules and regulations issued thereunder, whether such amendment or modification is made, or issuance of such rules and regulations occurs, before or after the date of this Agreement.

ARTICLE 2

PURCHASE, SALE AND ASSIGNMENT OF THE REVENUE PARTICIPATION RIGHTS

Section 2.1 Purchase, Sale and Assignment.

(a) On the Funding Date and upon the terms and subject to the conditions of this Agreement, Company shall sell, transfer, assign and convey to the Purchasers, without recourse (except as expressly provided herein), and the Purchasers shall purchase, acquire and accept from Company, the Revenue Participation Rights, free and clear of all Liens. Immediately upon the sale to the Purchasers by Company of the Revenue Participation Rights pursuant to this Section 2.1, all of Company's right, title and interest in and to the Revenue Participation Rights and the Revenue Payments shall terminate, and all such right, title and interest shall vest in the Purchasers.

(b) It is the intention of the parties hereto that the sale, transfer, assignment and conveyance contemplated by this Agreement be, and is, a true, complete, absolute and irrevocable sale, transfer, assignment and conveyance by Company to the Purchasers of all of Company's right, title and interest in and to the Revenue Participation Rights. Neither Company nor the Purchasers intend the transactions contemplated by this Agreement to be, or for any legal or regulatory purpose characterized as, a loan from the Purchasers to Company. It is the intention of the parties hereto that the beneficial interest in and title to the Revenue Participation Rights and the Revenue Payments and any "proceeds" (as such term is defined in the UCC) thereof shall not be part of Company's estate in the event of the filing of a petition by or against Company under any Debtor Relief Law. Each of Company, Purchaser's Representative and the Purchasers hereby waives, to the maximum extent permitted by applicable law, any right to contest or otherwise assert that this Agreement does not constitute a true, complete, absolute and irrevocable sale, transfer, assignment and conveyance by Company to the Purchasers of all of Company's right, title and interest in and to the Revenue Participation Rights under applicable law, which waiver shall, to the maximum extent permitted by applicable law, be enforceable against Company in any bankruptcy or insolvency proceeding relating to Company. Accordingly, Company shall treat the sale, transfer,

assignment and conveyance of the Revenue Participation Rights as a sale of an "account" or a "payment intangible" (as appropriate) in accordance with the UCC, and Company hereby authorizes Purchaser's Representative, on behalf of and for the benefit of the Purchasers, to file financing statements (and continuation statements with respect to such financing statements when applicable) naming Company as the debtor and Purchaser's Representative, on behalf of and for the benefit of the Purchasers, as the secured party in respect to the Revenue Participation Rights. Not in derogation of the foregoing statement of the intent of the parties hereto in this regard, and for the purposes of providing additional assurance to the Purchasers, (a) on the Effective Date, pursuant to the terms of the Security Agreement, Company will grant to Purchaser's Representative, on behalf of and for the benefit of the Purchasers, as security for the obligations of Company hereunder, a first priority security interest in and to all right, title and interest in, to and under the Collateral, and (b) in the event that, despite the intent of the parties hereto, the sale, transfer, assignment and conveyance contemplated hereby is hereafter held not to be a sale, Company does hereby grant to Purchaser's Representative, on behalf of and for the benefit of the Purchasers, as security for the Obligations, a security interest in and to all right, title and interest in, to and under the Revenue Participation Rights and the Revenue Payments, and Company does hereby authorize Purchaser's Representative, on behalf of and for the benefit of the Purchasers, from and after the Effective Date, to file such financing statements (and continuation statements with respect to such financing statements when applicable) naming Company as the debtor and Purchaser's Representative as the secured party, and in such manner and such jurisdictions as are necessary or appropriate to perfect, or maintain the perfection of, such security interest.

Section 2.2 Purchase Price. On the Funding Date and upon the terms and subject to the conditions of this Agreement, the purchase price to be paid as consideration to Company for the sale, transfer, assignment and conveyance of the Revenue Participation Rights to the Purchasers is $250,000,000 in cash (the "Purchase Price").

Section 2.3 No Assumed Obligations, Etc. Notwithstanding any provision in this Agreement to the contrary, the Purchasers are only agreeing, on the terms and conditions set forth in this Agreement, to purchase, acquire and accept the Revenue Participation Rights and are not assuming any liability or obligation of Company of whatever nature, whether presently in existence or arising or asserted hereafter.

Section 2.4 Withholding. The Purchasers shall be entitled to deduct and withhold from any consideration otherwise payable to any Person pursuant to this Agreement such amounts as it is required to deduct and withhold under the applicable tax law from such payment; provided that the Purchaser's Representative shall cooperate with Company to reduce or eliminate such proposed withholding. To the extent that such amounts are so withheld, such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the applicable person in respect to which such deduction and withholding was made, and the Purchaser's Representative shall furnish Company with proper evidence of the taxes withheld and deducted and remitted to the relevant taxing authority. The parties hereto agree that all payments under this Agreement are exclusive of VAT and VAT will be added to the payments if and where applicable according to local applicable law. The parties hereto agree that the Purchase Price is exempt from VAT in Luxembourg. To the extent any Governmental Authority, including Luxembourg tax authorities, attempts to charge VAT on the Purchase Price and/or on the Revenue Payments, VAT (including any penalty and interest assessed by any Governmental Authority) shall be paid by the Purchasers to Company in addition to the Purchase Price unless the Purchasers are obliged by the applicable law to account for VAT directly to the relevant Governmental Authority. The supplier shall deliver to the recipient of the supply subject to VAT an invoice complying with the applicable legal requirements.

ARTICLE 3

CLOSING

Section 3.1 Effectiveness(a); Closing. Subject to the satisfaction of the conditions set forth in Article 5, the signing of this Agreement and the other Transaction Documents on the Effective Date shall take place remotely via the exchange of documents and signatures on the date hereof, subject to the satisfaction or waiver of the conditions set forth in Article 5.

Section 3.2 Payment of Purchase Price(a) . On the Funding Date, subject to the satisfaction or waiver of the condition set forth in Section 5.3, the Purchasers shall deliver (or cause to be delivered) payment of the Purchase Price to Company by electronic funds transfer or wire transfer of immediately available funds to one or more accounts specified by Company.

Section 3.3 Bill of Sale. On the Funding Date, upon confirmation of the receipt of the Purchase Price, Company shall deliver to each Purchaser a duly executed bill of sale evidencing the sale, transfer, assignment and conveyance of such Purchaser's Revenue Participation Right in form attached hereto as Exhibit A.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES

Section 4.1 Company's Representations and Warranties. Except as set forth on the Disclosure Schedules attached hereto, Company represents and warrants to the Purchasers that as of the date hereof:

(a) Existence; Good Standing. Company is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware. Company is duly licensed or qualified to do business and is in corporate good standing in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties and assets owned, leased or operated by it makes such licensing or qualification necessary, except where the failure to be so licensed or qualified and in corporate good standing has not and would not reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.

(b) Authorization. Company has all requisite corporate power and authority to execute, deliver and perform its obligations under the Transaction Documents. The execution, delivery and performance of the Transaction Documents, and the consummation of the transactions contemplated hereby, have been duly authorized by all necessary corporate action on the part of Company.

(c) Enforceability. The Transaction Documents have been duly executed and delivered by an authorized officer of Company and constitute the valid and binding obligation of Company, enforceable against Company in accordance with their terms, except as may be limited by applicable Debtor Relief Laws or by general principles of equity (whether considered in a proceeding in equity or at law).

(d) No Conflicts. The execution, delivery and performance by Company of this Agreement and the other Transaction Documents and the consummation of the transactions contemplated hereby and thereby do not and will not (i) contravene or conflict with the certificate of incorporation or bylaws of Company, (ii) contravene or conflict with or constitute a material default under any binding upon or applicable to Company or the Revenue Participation Rights, except as would not reasonably be expected to have a Material Adverse Effect, or (iii) contravene or conflict with or constitute a material default under

any material agreement or Judgment binding upon or applicable to Company or the Revenue Participation Rights.

(e) Consents. Except for the consents that have been obtained on or prior to the Effective Date, UCC financing statements, or any filings required by the federal securities laws or stock exchange rules, no consent, approval, license, order, authorization, registration, declaration or filing with or of any Governmental Authority or other Person is required to be done or obtained by Company in connection with (i) the execution and delivery by Company of the Transaction Documents, (ii) the performance by Company of its obligations under the Transaction Documents or (iii) the consummation by Company of any of the transactions contemplated by the Transaction Documents.

(f) No Litigation. Neither Company nor any of its Subsidiaries is a party to, and has not received any written notice of, any action, suit, investigation or proceeding pending before any Governmental Authority and, to the Knowledge of Company, no such action, suit, investigation or proceeding has been threatened against Company, that, individually or in the aggregate, has had or would, if determined adversely, reasonably be expected to have a Material Adverse Effect.

(g) Regulatory Compliance.

(i) Each of Company and its Subsidiaries have all Registrations from the FDA, comparable supranational or foreign counterparts or any other Governmental Authority required to conduct their respective businesses as currently conducted with respect to the Products, except where the failure to have all such Registrations would not reasonably be expected to, individually or in the aggregate, result in Material Regulatory Liabilities. Each of such Registrations is valid and subsisting in full force and effect, except where the failure to do so would not reasonably be expected to, individually or in the aggregate, result in Material Regulatory Liabilities. To the Knowledge of Company, neither FDA nor any other applicable Governmental Authority is considering limiting, suspending, or revoking such Registrations or changing the scope of the marketing authorization or the labeling of any Products under such Registrations. To the Knowledge of Company, there is no false or materially misleading information or significant omission in any Product application or other notification, submission or report to the FDA or any other applicable Governmental Authority that was not corrected by subsequent submission, and all such applications, notifications, submissions and reports provided by Company and its Subsidiaries were true, complete, and correct in all material respects as of the date of submission to FDA or any other applicable Governmental Authority (and any material updates, changes, corrections or modification to such applications, submissions, information or data required under applicable laws or regulations have been submitted to the necessary Regulatory Authorities). Company and its Subsidiaries have not failed to fulfill and perform their obligations which are due under each such Registration, and no event has occurred or condition or state of facts exists which would constitute a breach or default under any such Registration, in each case that would reasonably be expected to cause the revocation, termination or suspension or material limitation of any such Registration, including but not limited to any form of clinical hold order. To the Knowledge of Company, any Third Party that develops, researches, manufactures, Commercializes, distributes, sells or markets Products pursuant to an agreement with Company or its Subsidiaries (each, a "Company Partner") is in compliance with all Registrations from the FDA and any other applicable Governmental Authority insofar as they pertain to Products, and each such Company Partner is, and since [***] has been, in compliance with applicable Public Health Laws, except where the failure to so be in compliance would not reasonably be expected to, individually or in the aggregate, result in Material Regulatory Liabilities. Company is not required to give notice to, make any filing with, or obtain any consent from any Governmental Authority at any time prior to the Effective Date in connection with the execution and delivery of this Agreement or other Transaction Documents, or the consummation by Company of the transactions contemplated hereby or thereunder.

(ii) [***] has been in compliance, with all Public Health Laws, except to the extent that any such non-compliance, individually or in the aggregate, could not reasonably be expected to result in Material Regulatory Liabilities.

(iii) To the extent applicable, all Products designed, developed, investigated, manufactured, prepared, assembled, packaged, tested, labeled, distributed, sold, marketed or delivered by or on behalf of Company or any of its Subsidiaries, that are subject to the jurisdiction of the FDA or any comparable Governmental Authority have, since [***], been and are being designed, developed, investigated, manufactured, prepared, assembled, packaged, tested, labeled, distributed, sold, marketed or delivered in compliance with the Public Health Laws, except for such noncompliance that would not reasonably be expected to, individually or in the aggregate, result in Material Regulatory Liabilities. To the Knowledge of Company, there are no defects in the design or technology embodied in any Products that are reasonably expected to prevent the safe and effective performance of any such Product for its intended use (other than such limitations specified in the applicable package insert), except for such defects that would not reasonably be expected to, individually or in the aggregate, result in Material Regulatory Liabilities. None of the Products has been the subject of any products liability or warranty action against Company or its Subsidiaries or any non-legal claim for clinical trial compensation by trial participants.

(iv) Neither Company nor any of its Subsidiaries is currently subject to any material obligation arising pursuant to a Regulatory Action and, to the Knowledge of Company, no such material obligation or Regulatory Action has been threatened by a Governmental Authority in writing. Without limiting the foregoing, neither Company nor any of its Subsidiaries has since [***] received any written notice or communication from the FDA, comparable foreign counterparts or any other Governmental Authority alleging material non-compliance with any Public Health Law or comparable foreign laws.

(v) (i) Neither Company nor any of its Subsidiaries has since [***] received any written notice or communication from the FDA or any other Governmental Authority alleging material noncompliance with any Public Health Law, including without limitation any notice of inspectional observation, notice of adverse finding, notice of violation, warning letters, untitled letters or other notices from the FDA and (ii) to the Knowledge of Company, no Company Partner has since [***] received any written notice or communication from the FDA or any other Governmental Authority alleging material noncompliance with any Public Health Law, including without limitation any notice of inspectional observation, notice of adverse finding, notice of violation, warning letters, untitled letters or other notices from the FDA or other Governmental Authority relating to such Company Partner's work for Company or such Subsidiary. There have been no recalls, field notifications, field corrections, market withdrawals or replacements, detentions, warnings, "dear doctor" letters, investigator notices, safety alerts or other notice of action relating to an actual or potential lack of safety, efficacy, or regulatory compliance of any Products ("Safety Notices") or clinical hold orders issued by the FDA with respect to an ongoing or anticipated clinical trial of any Product. To the Knowledge of Company, as of the date hereof there exist no facts or circumstances that are reasonably likely to result in (x) a Safety Notice, (y) a material change in labeling of any Product, or (z) a termination or suspension of research, testing, manufacturing, distribution, or commercialization of any Product.

(vi) Company has provided to the Purchasers prior to the date hereof in a data room available to the Purchasers true and correct copies or summaries of all material written communications sent or received by Company and any of its Affiliates to or from any Regulatory Authorities that relate to each Product since [***].

(h) Licenses.

(i) In-Licenses. Except as set forth on Schedule 4.1(h)(i) of the Disclosure Schedule, there are no In-Licenses (any In-License set forth on Schedule 4.1(h)(i) of the Disclosure Schedule, an "Existing In-License"). A true, correct and complete copy of each Existing In-License has been provided to the Purchasers by Company in a data room available to the Purchasers. Except as set forth on Schedule 4.1(h)(i) of the Disclosure Schedule, neither Company nor the respective counterparty thereto has made or entered into any amendment, supplement or modification to, or granted any waiver under any provision of any Existing In-License.

(ii) Out-Licenses. Except as set forth on Schedule 4.1(h)(ii) of the Disclosure Schedule, there are no Out-Licenses (any Out-License set forth on Schedule 4.1(h)(ii) of the Disclosure Schedule, an "Existing Out-License"). A true, correct and complete copy of each Existing Out-License has been provided to the Purchasers by Company in a data room available to the Purchasers. Except as set forth on Schedule 4.1(h)(ii) of the Disclosure Schedule, neither Company nor the respective counterparty thereto has made or entered into any amendment, supplement or modification to, or granted any waiver under any provision of any Existing Out-License.

(iii) Validity and Enforceability of In-Licenses and Out-Licenses. Each Existing In-License and Existing Out-License is a valid and binding obligation of Company and, to the Knowledge of Company, the counterparty thereto. To the Knowledge of Company, each Existing In-License and Existing Out-License is enforceable against each counterparty thereto in accordance with its terms except as may be limited by applicable Debtor Relief Laws or by general principles of equity (whether considered in a proceeding in equity or at law). Company has not received any written notice in connection with any Existing In-License or Existing Out-License challenging the validity, enforceability or interpretation of any provision of such agreement.

(iv) No Termination. Company has not (A) given notice to a counterparty of the termination of any Existing In-License or Existing Out-License (whether in whole or in part) or any notice to a counterparty expressing any intention or desire to terminate any Existing In-License or Existing Out-License or (B) received from a counterparty thereto any written notice of termination of any Existing In-License or Existing Out-License (whether in whole or in part) or any written notice from a counterparty expressing any intention or desire to terminate any Existing In-License or Existing Out-License.

(v) No Breaches or Defaults. There is and has been no material breach or default under any provision of any Existing In-License or Existing Out-License either by Company or, to the Knowledge of Company, by the respective counterparty (or any predecessor thereof) thereto, and there is no event that upon notice or the passage of time, or both, would reasonably be expected to give rise to any material breach or default either by Company or, to the Knowledge of Company, by the respective counterparty to such agreement.

(vi) Payments Made. The respective counterparty of each Existing Out-License has made all payments to Company required under each Existing Out-License as of the date hereof. Company has made all payments to the respective counterparty required under each Existing In-License as of the date hereof.

(vii) No Assignments. Company has not consented to any assignment by the counterparty to any Existing In-License or Existing Out-License of any of its rights or obligations under any such Existing In-License or Existing Out-License and, to the Knowledge of Company, the counterparty has not assigned any of its rights or obligations under any such Existing In-License or Existing Out-License to any Person.

(viii) No Indemnification Claims. Company has not notified any Person of any claims for indemnification under any Existing In-License or Existing Out-License nor has Company received any claims for indemnification under any Existing In-License or Existing Out-License.

(ix) No Infringement. Neither Company nor any of its Subsidiaries has received any written notice from, or given any written notice to, any counterparty to any Existing In-License or Existing Out-License regarding any infringement of any rights licensed thereunder.

(i) No Liens; Title to Revenue Participation Rights; Subordination. The Collateral is not subject to any Lien, except for a Permitted Lien. Upon the funding of the Purchase Price, the Purchasers will have acquired, subject to the terms and conditions set forth in this Agreement, good and marketable title to the Revenue Participation Right, free and clear of all Liens. Except pursuant to the Intercreditor Agreement or any Permitted Intercreditor Agreement as in effect from time to time, the claims and rights of the Purchasers created by any Transaction Document in and to the Revenue Participation Rights are not and shall not be contractually subordinated in right of payment to any creditor of Company or any other Person.

(j) Manufacturing[***]. All Products have, since [***], been manufactured, transported, stored and handled in all material respects by Company and its Licensees in accordance with applicable law and with good manufacturing practices. Since [***], neither Company nor any Affiliate of Company has experienced any significant failures in the manufacturing or supply of any Product that, individually or in the aggregate, have had or would reasonably be expected to result in, if such failure occurred again, a Material Adverse Effect. [***].

(k) Intellectual Property.

(i) To the Knowledge of Company, each of Company and its Subsidiaries own, or hold valid licenses in, all intellectual property rights that are necessary to the conduct of its business as currently conducted and proposed to be conducted with respect to the Products, including the discovery, development, manufacture, use and Commercialization of the Products. Except as set forth in Schedule 4.1(k)(i) of the Disclosure Schedule, and except for the Existing Licenses (as defined below), Company has the exclusive right and license to develop, manufacture, use and Commercialize the Products.

(ii) Schedule 4.1(k)(ii) of the Disclosure Schedule sets forth a true, correct and complete listing, including the owner and registration or application number, of all of Intellectual Property Product Rights that are U.S. (federal or state) and foreign [***] (i) Patents (such Patents, the "Existing Patent Rights"), and identifies the owner of each such patent/application, (ii) registered trademarks and trademark applications, (iii) registered copyrights and copyright applications, (iv) domain names, and (v) any other form of registered Intellectual Property Product Rights. Except as identified in Schedule 4.1(k) of the Disclosure Schedule, Company is the sole and exclusive owner of the Existing Patent Rights. Schedule 4.1(k) of the Disclosure Schedule specifies as to each listed patent or patent application the jurisdictions by or in which each such patent has issued as a patent or such patent application has been filed, including the respective patent or application numbers.

(iii) Neither Company nor any of its Subsidiaries is a party to any pending, and neither Company nor any of its Subsidiaries has received written notice of any threat of any, litigation, interference, reexamination, opposition, inter partes review, post-grant review, derivation or other post-grant proceeding, injunction, claim, suit, action, subpoena, hearing, inquiry, investigation (by the International Trade Commission or otherwise), complaint, arbitration, mediation, demand, decree or other dispute, disagreement, proceeding or claim, that challenges the legality, scope, validity, enforceability, infringement, ownership, inventorship or other rights with respect to any of the Intellectual Property

Product Rights. To the Knowledge of Company, there are no facts that could provide a reasonable basis for such a claim.

(iv) Neither Company nor any of its Subsidiaries is a party to any past or pending, and neither Company nor any of its Subsidiaries has received written notice of any threat of any, and to the Knowledge of Company and its Subsidiaries, no event has occurred or circumstance exists that (with or without notice or lapse of time, or both) would reasonably be expected to give rise to or serve as a basis for any, action, suit, or proceeding, or any investigation or claim by any Person that claims or alleges that the discovery, development, manufacture, use or Commercialization of any Product, once marketed, does or could infringe on any Patent or other intellectual property rights of any other Person or constitute misappropriation of any other Person's trade secrets or other intellectual property rights.

(v) To the Knowledge of Company, all of the issued patents within the Existing Patent Rights are valid and enforceable. Except as set forth on Schedule 4.1(k)(ii), all of the Existing Patent Rights are subsisting and none has lapsed or been abandoned, cancelled or expired, other than the abandonment of any patent application in Company's reasonable business judgment during the ordinary course of business.

(vi) Company has taken all reasonable steps to maintain such registration or applications in the Existing Patent Rights, including timely filing fees and responses.

(vii) Each individual associated with the filing and prosecution of the Existing Patent Rights, including the named inventors, has complied in all material respects with all applicable duties of candor and good faith in dealing with any patent office, including the USPTO, in those jurisdictions where such duties exist.

(viii) [***].

(ix) Except as disclosed in Schedule 4.1(k)(vii) of the Disclosure Schedule, neither Company nor its Subsidiaries has entered into any Contractual Obligation (i) creating a lien, charge, security interest or other encumbrance on, or relating to or affecting the Intellectual Property Rights or any of its royalties on, or proceeds from, sales of the Product, (ii) pursuant to which Company or its Subsidiaries has sold, transferred, assigned or pledged to any Person royalties on, or proceeds from, sales of the Product, or (iii) providing for milestone payments or similar development-, commercialization- or intellectual property-related payments to any Person applicable (or that with further development and commercialization may become applicable) to the Product.

(l) Solvency. No Insolvency Event has occurred in respect of Company or any of its Subsidiaries. Neither Company nor any Subsidiary has no plan or intention of, and neither Company nor any Subsidiary has received any notice that any other Person has any plan or intention of, filing, making, or obtaining any petition, notice, order, or resolution as specified in the definition of Insolvency Event or of seeking the appointment of a receiver, trustee, custodian, or similar fiduciary. Company is solvent and has sufficient assets and capital to carry on its business as currently conducted and to perform its obligations hereunder.

(m) Security. On the Effective Date, and upon filing, registration and perfection of the Security Documents within the time periods required by applicable law, Purchaser's Representative, on behalf of and for the benefit of the Purchasers, will have a valid first priority security interest in and to all right, title and interest in, to and under the Collateral subject to Permitted Liens.

(n) Lien Related Representation and Warranties. Company's exact legal name is, and for the immediately preceding five (5) years has been, "Blueprint Medicines Corporation." Company is, and for the prior five (5) years has been, incorporated in the state of Delaware.

(o) Brokers' Fees. Except for Cowen and Company, there is no investment banker, broker, finder, financial advisor or other intermediary who has been retained by or is authorized to act on behalf of Company who might be entitled to any fee or commission in connection with the transactions contemplated by this Agreement.

(p) PATRIOT ACT and FCPA. To the extent applicable to the research, development, manufacture, and Commercialization of the Products, Company and each of its Subsidiaries is in material compliance with (a) the laws, regulations and Executive Orders administered by OFAC, and (b) the Bank Secrecy Act, as amended by the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT Act) of 2001 (the "PATRIOT Act"). Neither Company, any of its Subsidiaries, nor any of their officers, directors, employees, agents [***] or shareholders acting on such Persons' behalf shall use the portion of the Purchase Price to make any payments, directly or indirectly (including through any third party intermediary), to any Foreign Official in violation of the United States Foreign Corrupt Practices Act of 1977 (the "FCPA"). None of Company, its Subsidiaries nor any of their respective Affiliates is in violation of any Anti-Terrorism Law or engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the Anti-Terrorism Laws. None of Company, any of its Subsidiaries nor any of their respective Affiliates, nor their respective agents [***] acting or benefiting in any capacity in connection with this Agreement or the transactions contemplated hereunder, is a Blocked Person. None of Company, any of its Subsidiaries, nor any of their agents [***] acting in any capacity in connection with this Agreement or the transactions contemplated hereunder (A) conducts any business or engages in making or receiving any contribution of funds, goods or services to or for the benefit of any Blocked Person, or (B) deals in, or otherwise engages in any transaction relating to, any property or interests in property blocked pursuant to any OFAC Sanctions Programs. [***].

(q) Government Contracts. Except as set forth on Schedule 4.1(q) of the Disclosure Schedule as of the Effective Date, neither Company nor any of its Subsidiaries is a party to any contract or agreement with any Governmental Authority and none of Company's or such Subsidiary's accounts receivables or other rights to receive payment are subject to the Federal Assignment of Claims Act (31 U.S.C. Section 3727) or any similar state, county or municipal law.

(r) Healthcare Regulatory Laws.

(i) Each of Company and its Subsidiaries is operating, and since [***] has been operating in material compliance with applicable Health Care Program Laws.

(ii) None of Company and its Subsidiaries, nor, to the Knowledge of Company, any officer, director, managing employee or agent (as those terms are defined in 42 C.F.R. § 1001.1001) thereof, is a party to, or bound by, any Regulatory Action, including without limitation, any written order, individual integrity agreement, corporate integrity agreement, deferred or non-prosecution agreement or other written agreement with any Governmental Authority concerning their compliance with Health Care Program Laws.

(iii) None of Company and its Subsidiaries, nor any officer, director, managing employee or agent (as those terms are defined in 42 C.F.R. § 1001.1001) thereof, nor to the Knowledge of Company, any Company Partner: (A) has been, since [***], charged with or convicted of any criminal offense relating to the delivery of an item or service under any federal health care program; (B) has had,

since [***], a civil monetary penalty assessed against it, him or her under Section 1128A of the Social Security Act; (C) has been listed on the U.S. General Services Administration published list of parties excluded from federal procurement programs and non-procurement programs; or (D) to the Knowledge of Company, is the target or subject of any current or potential suit, claim, action, proceeding, arbitration, mediation, inquiry, subpoena or investigation relating to any of the foregoing or any federal health care program-related offense, or which could result in the imposition of material penalties or the debarment, suspension or exclusion from participation in any federal health care program. None of Company and its Subsidiaries, nor any officer, director, managing employee or agent [***] (as those terms are defined in 42 C.F.R. § 1001.1001) thereof, nor any Company Partner, has been debarred, excluded, disqualified or suspended from participation in any federal health care program or under any FDA Laws (including 21 U.S.C. § 335a).

(iv) None of Company and its Subsidiaries, nor any officer, director, managing employee or agent [***] (as those terms are defined in 42 C.F.R. § 1001.1001) thereof, nor to the Knowledge of Company, any Company Partner, has, since [***], violated or engaged in any activity that is in violation of any Health Care Program Laws or cause for false claims liability, civil penalties or mandatory or permissive exclusion from any federal health care program.

(v) To the Knowledge of Company, no person has filed or has threatened to file against Company or any of its Subsidiaries, an action relating to any FDA Law, Public Health Law or Health Care Program Law under any whistleblower statute, including without limitation, the False Claims Act of 1863 (31 U.S.C. § 3729 et seq.).

(vi) [***].

(s) Data Protection. Each of Company and its Subsidiaries is operating, and since [***] has been operating in material compliance with applicable Data Protection Laws. To ensure compliance with the Data Protection Laws, Company and its Subsidiaries have in place and materially comply with their policies and procedures relating to data privacy and security and the collection, retention, protection, and use of Personal Information. Each of Company and its Subsidiaries has adopted and published privacy notices and policies that accurately describe in all material respects the privacy practices of Company or such Subsidiary (as applicable), to any website, mobile application or other electronic platform and complied with those notices and policies (collectively, with each of Company and each of its Subsidiaries' internal privacy policies, the "Privacy Policies"). The execution, delivery and performance of this Agreement complies and will comply with all Data Protection Laws and Company's and each Subsidiary's Privacy Policies in each case in all material respects. Neither Company nor any Subsidiary, nor to the Knowledge of Company, any Third Party acting on behalf of Company or any Subsidiary, has experienced any incidences in which Personal Information was or may have been stolen or improperly accessed, including any breach of security or other loss, unauthorized access, use or disclosure of Personal Information in the possession, custody or control of Company or any of its Subsidiaries or any Third Party acting on behalf of Company or any Subsidiary. Neither Company nor any Subsidiary, nor, to the Knowledge of Company, any Third Party acting on behalf of Company or any Subsidiary, has received any: (i) written, or to the Knowledge of Company, oral inquiry or complaint alleging noncompliance with Data Protection Laws; (ii) written or, to the Knowledge of Company, oral claim for compensation for loss or unauthorized collection, processing or disclosure of Data or other Personal Information; or (iii) written or, to the Knowledge of Company, oral notification of an application for rectification, erasure or destruction of Data or other Personal Information that is still outstanding.

(t) Disclosure. No representation or warranty of Company contained in any Transaction Document or in any other documents, certificates or statements made or furnished to the Purchasers by or on behalf of Company or any of its Subsidiaries for use in connection with the transactions

contemplated hereby contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein or therein not misleading in light of the circumstances in which the same were made.

(u) Payment of Taxes. All federal Tax returns and all other material Tax returns and reports of Company and its Subsidiaries required to be filed by or with respect to any of them have been timely filed, and all federal Taxes and all other material Taxes due and payable upon Company and its Subsidiaries and upon or with respect to their respective properties, assets, income, businesses and franchises which are due and payable have been paid when due and payable, except for Taxes that are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves are being maintained in accordance with GAAP. There is no pending or, to the knowledge of Company, proposed Tax assessment, deficiency, audit or other proceeding against Company or any of its Subsidiaries.

Section 4.2 Purchaser's Representations and Warranties. Each Purchaser hereby represents and warrants to Company that as of the date hereof:

(a) Existence; Good Standing. Such Purchaser is a duly formed and validly existing under the laws of its jurisdiction of organization.

(b) Authorization. Such Purchaser has the requisite trust right, power and authority to execute, deliver and perform its obligations under this Agreement. The execution, delivery and performance of this Agreement, and the consummation of the transactions contemplated hereby, have been duly authorized by all necessary action on the part of such Purchaser.

(c) Enforceability. This Agreement has been duly executed and delivered by an authorized person of the owner trustee of such Purchaser and constitutes the valid and binding obligation of such Purchaser, enforceable against such Purchaser in accordance with its terms, except as may be limited by applicable Debtor Relief Laws or by general principles of equity (whether considered in a proceeding in equity or at law).

(d) No Conflicts. The execution, delivery and performance by such Purchaser of this Agreement do not and will not (i) contravene or conflict with the organizational documents of such Purchaser, (ii) contravene or conflict with or constitute a default under any material provision of any law binding upon or applicable to such Purchaser or (iii) contravene or conflict with or constitute a default under any material contract or other material agreement or Judgment binding upon or applicable to such Purchaser.

(e) Consents. Except for any filings required by the federal securities laws or stock exchange rules, no consent, approval, license, order, authorization, registration, declaration or filing with or of any Governmental Authority or other Person is required to be done or obtained by such Purchaser in connection with (i) the execution and delivery by such Purchaser of this Agreement, (ii) the performance by such Purchaser of its obligations under this Agreement or (iii) the consummation by such Purchaser of any of the transactions contemplated by this Agreement.

(f) Financing. Such Purchaser has sufficient cash to pay the Purchase Price on the Funding Date. Such Purchaser acknowledges that its obligations under this Agreement are not contingent on obtaining financing.

Section 4.3 No Implied Representations and Warranties. Each Purchaser acknowledges and agrees that, other than the express representations and warranties of Company specifically contained herein and in the other Transaction Documents, (a) there are no representations or warranties of Company either

expressed or implied with respect to the Collateral or the Revenue Participation Rights or the Revenue Payments and that such Purchaser does not rely on, and shall have no remedies in respect of, any representation or warranty not specifically set forth in this Agreement or the other Transaction Documents, and all other representations and warranties are hereby expressly disclaimed, and (b) nothing contained herein guarantees that sales of the Products or the aggregate Revenue Payments due to such Purchaser will achieve any specific amounts (it being understood and agreed that nothing in this Section 4.3 shall limit in any way Company's obligations under Article 8). Notwithstanding the foregoing, claims for fraud, gross negligence, or willful misconduct shall not be waived or limited in any way by this Section 4.3. Except for the Revenue Participation Rights, the security interests provided to Purchaser's Representative and the Purchasers pursuant to the Transaction Documents, and the Purchasers' rights under Section 6.4(d), each Purchaser further acknowledges and agrees that no licenses or assignments under any assets (including the Patent Rights or any other intellectual property) of Company and its Affiliates are granted pursuant to this Agreement, including by implication, estoppel, exhaustion or otherwise.

ARTICLE 5

CONDITIONS TO CLOSING

Section 5.1 Conditions to the Purchasers' Obligations. The effectiveness of this Agreement on the Effective Date, and the Purchasers' obligation to pay the Purchase Price on the Funding Date, is subject to the satisfaction or waiver, at or prior to the Effective Date and on the Funding Date, as applicable, of each of the following conditions precedent:

(a) Company shall have performed and complied in all material respects with all agreements, covenants, obligations and conditions required to be performed and complied with by it under this Agreement and the other Transaction Documents at or prior to each of the Effective Date and the Funding Date, and on each such date the Purchasers shall have received a certificate executed by a duly authorized officer of Company on behalf of Company to the effect of the foregoing.

(b) The representations and warranties of Company contained in Section 4.1 shall have been true and correct in all material respects as of the Effective Date and as of the Funding Date, respectively, except to the extent any such representation or warranty expressly speaks as of a particular date, in which case it shall be true and correct in all material respects as of such date; provided that, to the extent that any such representation or warranty is qualified by the term "material" or "Material Adverse Effect," such representation or warranty (as so written, including the term "material" or "Material Adverse Effect") shall have been true and correct in all respects as of the date hereof and shall be true and correct in all respects as of the Effective Date, Funding Date or such other date, as applicable. The Purchasers shall have received a certificate executed by an authorized officer of Company on each of the Effective Date and the Funding Date certifying on behalf of Company to the effect of the foregoing.

(c) No event or events shall have occurred, or be reasonably likely to occur, that, individually or in the aggregate, have had or would reasonably be expected to result in (or, with the giving of notice, the passage of time or otherwise, would result in) a Material Adverse Effect. The Purchasers shall have received a certificate executed by a duly authorized officer of Company on each of the Effective Date and the Funding Date certifying on behalf of Company to the effect of the foregoing.

(d) There shall not have been issued and be in effect any Judgment of any Governmental Authority enjoining, preventing or restricting the consummation of the transactions contemplated by this Agreement.

(e) There shall not have been instituted or be pending any action or proceeding by any Governmental Authority or any other Person (i) challenging or seeking to make illegal, to delay materially or otherwise directly or indirectly to restrain or prohibit the consummation of the transactions contemplated hereby, (ii) seeking to obtain material damages in connection with the transactions contemplated hereby or (iii) seeking to restrain or prohibit the Purchasers' purchase of the Revenue Participation Rights.

(f) Company shall have delivered to the Purchasers a legal opinion of Goodwin Procter LLP, as counsel to Company, in form and substance satisfactory to the Purchasers.

(g) The Purchasers shall have received a certificate of the Secretary or an Assistant Secretary of Company, dated the Effective Date, certifying as to (i) the incumbency of each officer of Company executing this Agreement and (ii) the attached thereto copies of (A) Company's certificate of incorporation, (B) bylaws, and (C) resolutions adopted by Company's Board of Directors authorizing the execution and delivery by Company of this Agreement and the consummation by Company of the transactions contemplated hereby (the "Company Certificate").

(h) Solely in the case of the Effective Date, Company shall have confirmed it has scheduled delivery to Purchaser's Representative of a USB containing copies of all documents uploaded to the [***] data room related to the transactions contemplated by this Agreement, as of the date hereof, maintained by Company and made available to the Purchasers, including all documents referred to in Section 4.1(g)(vi) and Section 4.1(h)(ii).

Section 5.2 Conditions to Company's Obligations. The obligations of Company to consummate the transactions contemplated hereunder are subject to the satisfaction or waiver, at or prior to the Effective Date and on the Funding Date, as applicable, of each of the following conditions precedent:

(a) The Purchasers shall have performed and complied in all material respects with all agreements, covenants, obligations and conditions required to be performed and complied with by it under this Agreement at or prior to the Effective Date and the Funding Date.

(b) The representations and warranties of the Purchasers contained in Section 4.2 shall have been true and correct in all material respects as of the Effective Date and the Funding Date, respectively, except to the extent any such representation or warranty expressly speaks as of a particular date, in which case it shall be true and correct in all material respects as of such date; provided, that to the extent that any such representation or warranty is qualified by the term "material," or "Material Adverse Effect" such representation or warranty (as so written, including the term "material" or "Material Adverse Effect") shall have been true and correct in all respects as of the Effective Date, Funding Date or such other date, as applicable.

(c) There shall not have been issued and be in effect any Judgment of any Governmental Authority enjoining, preventing or restricting the consummation of the transactions contemplated by this Agreement.

(d) There shall not have been instituted or be pending any action or proceeding by any Governmental Authority or any other Person (i) challenging or seeking to make illegal, to delay materially or otherwise directly or indirectly to restrain or prohibit the consummation of the transactions contemplated hereby, (ii) seeking to obtain material damages in connection with the transactions contemplated hereby or (iii) seeking to restrain or prohibit the Purchasers' purchase of the Revenue Participation Right.

ARTICLE 6

COVENANTS

Section 6.1 Reporting. From and after the date hereof and until the Revenue Payment Termination Date, Company shall deliver to Purchaser's Representative:

(a) Quarterly Financial Statements. Within [***] after the end of each fiscal quarter of each fiscal year (excluding the fourth fiscal quarter), the consolidated balance sheets of Company and its Subsidiaries as at the end of such fiscal quarter and the related consolidated statements of income, stockholders' equity and cash flows of Company and its Subsidiaries for such fiscal quarter and for the period from the beginning of the then current fiscal year to the end of such fiscal quarter, setting forth in each case in comparative form the corresponding figures for the corresponding periods of the previous fiscal year, all in reasonable detail (which obligation may be satisfied through the public filing of such financial statements with the SEC).

(b) Annual Financial Statements. Within [***] after the end of each fiscal year, the consolidated balance sheets of Company and its Subsidiaries as at the end of such fiscal year and the related consolidated statements of income, stockholders' equity and cash flows of Company and its Subsidiaries for such fiscal year, setting forth in each case in comparative form the corresponding figures for the previous fiscal year, in reasonable detail (which obligation may be satisfied through the public filing of such financial statements with the SEC).

(c) Quarterly Report. Within [***] after the end of the first three fiscal quarters of each fiscal year and [***] after the end of the end of the fourth quarter of each fiscal year (the "Quarterly Deadline"), a reasonably detailed quarterly report setting forth, with respect to such same period, (i) the Clinical Updates, (ii) the Commercial Updates, (iii) the Regulatory Updates, (iv) the Intellectual Property Updates and (v) any material CMC updates (the "Quarterly Report"); provided, that the Quarterly Reports may exclude information that pertains solely to [***]. Company shall prepare and maintain and shall cause its Affiliates and shall use Commercially Reasonable Efforts to cause its Licensees to prepare and maintain reasonably complete and accurate records of the information to be disclosed in each Quarterly Report. All Quarterly Report, and the Confidential Information contained therein, shall be the Confidential Information of Company and subject to the obligations of confidentiality set forth in Article 8.

(d) Purchaser Meetings. Company will, upon the reasonable request of Purchaser's Representative or the Majority Purchasers, participate in a telephonic or videoconference meeting of Purchaser's Representative and Purchasers (i) within [***] following delivery to the Purchaser's Representative of the Quarterly Report and (ii) at such other times as may be agreed to by Company and Purchaser's Representative from time to time.

Section 6.2 Revenue Payments; Revenue Participation; Revenue Payment Details; Repurchase Option; Change of Control Payment.

(a) From and after [***] and until the Revenue Payment Termination Date, Company shall pay to the Purchasers, without any setoff or offset (subject, in each case, to Section 6.13), the Revenue Payment for each calendar quarter on the Quarterly Deadline, provided that for any Net Sales made by a Licensee for which payment is received by Company [***] prior to the Quarterly Deadline, such payment to the Purchasers will be paid with the following calendar quarter's Revenue Payment. A late fee of [***] will accrue on all unpaid amounts with respect to any Revenue Payment from the date such obligation was due. The imposition and payment of a late fee shall not constitute a waiver of the Purchasers' rights with respect to such payment default.

(b) From and after the Effective Date and until the Revenue Payment Termination Date, Company shall deliver to Purchasers a report for each calendar quarter on the Quarterly Deadline, in substantially the form attached to this Agreement as Exhibit B, setting forth in reasonable detail with respect to each Product, (i) Gross Sales and Net Sales for the applicable calendar quarter and calendar year to date, on a country-by-country basis (including a detailed break-down of all permitted deductions from Gross Sales used to determine Net Sales and any Net Sales described in Section 6.4(d)), and (ii) (A) the calculation of the Revenue Payment payable to the Purchasers for the applicable calendar quarter, identifying, on a country-by-country basis, the number of units of each Product sold by Company, its Affiliates and each Licensee and (B) foreign currency exchange rates used (which shall be rates of exchange determined in a manner consistent with Company's method for calculating rates of exchange in the preparation of Company's annual financial statements in accordance with accounting principles generally accepted in the United States); provided that, for any reports received by Company with respect to Product Net Sales by Licensees [***] prior to the Quarterly Deadline, Company shall deliver to the Purchasers the relevant information from such reports in the following calendar quarter's report.

(c) Any payments required to be made by either party under this Agreement shall be made in U.S. dollars via electronic funds transfer or wire transfer of immediately available funds. Payments required to be made by Purchasers shall be made to such bank account as Company shall designate in writing prior to the date of such payment. Payments required to be made by Company shall be made to Purchaser's Representative's Account, and Purchaser's Representative shall promptly distribute to each Purchaser, according to such Purchaser's written instructions, such Purchaser's applicable Pro Rata Share of all such payments so received by Purchaser's Representative.

(d) At any time after [***], Company shall have the right, but not the obligation (the "Repurchase Option"), exercisable upon [***] written notice to Purchaser's Representative, to repurchase the Revenue Participation Rights from the Purchasers for a price equal to the Repurchase Price. In order to exercise the Repurchase Option, Company shall deliver written notice to Purchaser's Representative of its election to so repurchase the Revenue Participation Rights not [***] prior to the proposed closing date (the "Repurchase Option Closing Date"); provided, however, that such notice may state that it is conditioned upon the effectiveness of any financing transaction or one or more other events specified therein (including the occurrence of a Change of Control), in which case such notice may be revoked by Company (by notice to Purchaser's Representative on or prior to the specified effective date) if such condition is not satisfied. On the Repurchase Option Closing Date, Company shall repurchase from each Purchaser its Revenue Participation Right at the Repurchase Price in cash, the payment of which shall be made by wire transfer of immediately available funds to Purchaser's Representative for the account of the Purchasers. Immediately upon exercise by Company of the Repurchase Option and the payment by Company to the Purchasers of the Repurchase Price, each Purchaser shall be deemed to have automatically assigned to Company all right, title, and interest in and to its Revenue Participation Right.

(e) In the event of a Change of Control of Company prior to the Revenue Payment Termination Date, Company shall provide the Purchasers with [***] advance written notice (or written notice as soon as practicable, if [***] advance notice is not practicable) of such Change of Control, and prior to or simultaneous with the consummation of such Change of Control, pay to the Purchasers an amount equal to the Change of Control Repurchase Price on the date of such Change of Control (the "Change of Control Payment"). Upon consummation of a Change of Control and receipt by the Purchasers of the Change of Control Payment, this Agreement will terminate in accordance with Section 9.2.

Section 6.3 Inspections and Audits of Company. Following [***] the Revenue Payment Termination Date, upon at least [***] written notice and during normal business hours, no more frequently than [***], the Purchasers may cause an inspection and/or audit by an independent public accounting firm reasonably acceptable to Company to be made of Company's books of account for the [***] prior to the

audit for the purpose of determining the correctness of Revenue Payments made under this Agreement. Upon the Purchasers' reasonable request, no more frequently than [***] while any Out-License remains in effect, Company shall use Commercially Reasonable Efforts to exercise any rights it may have under any Out-License relating to a Product to cause an inspection and/or audit by an independent public accounting firm to be made of the books of account of any counterparty thereto for the purpose of determining the correctness of Revenue Payments made under this Agreement. All of the out-of-pocket expenses of any inspection or audit requested by the Purchasers hereunder (including the fees and expenses of such independent public accounting firm designated for such purpose) shall be borne solely by the Purchasers, unless the independent public accounting firm determines that Revenue Payments previously paid during the period of the audit were underpaid by an amount [***] of the Revenue Payments actually paid during such period, in which case such expenses shall be borne by Company. Any such accounting firm shall not disclose the confidential information of Company or any such Licensee relating to a Product to the Purchasers, except to the extent such disclosure is necessary to determine the correctness of Revenue Payments or otherwise would be included in a Report. All information obtained by the Purchasers as a result of any such inspection or audit shall be Confidential Information subject to Article 8. If any audit discloses any underpayments by Company to the Purchasers, then such underpayment, shall be paid by Company to the Purchasers within [***] of it being so disclosed. If any audit discloses any overpayments by Company to the Purchasers, then Company shall have the right to credit the amount of the overpayment against each subsequent quarterly Revenue Payment due to the Purchasers until the overpayment has been fully applied. If the overpayment is not fully applied prior to the final quarterly Revenue Payment due hereunder, the Purchasers shall promptly refund an amount equal to any such remaining overpayment.

Section 6.4 Intellectual Property Matters.

(a) [***] Company shall provide to the Purchasers a copy of any written notice received by Company from a Third Party alleging or claiming that the making, having made, using, importing, offering for sale or selling of a Product infringes or misappropriates any Patents or other intellectual property rights of such Third Party, together with, to the extent permitted in any applicable confidentiality obligations owed to Third Parties, copies of material correspondence sent or received by Company related thereto, as soon as practicable and in any event not more than [***] following such delivery or receipt.

(b) Company shall promptly inform the Purchasers of any infringement by a Third Party of any Patent Right of which Company gains Knowledge, [***]. Without limiting the foregoing, to the extent permitted under any obligations of confidentiality owed to Third Parties, Company shall provide to the Purchasers a copy of any written notice of any suspected infringement of any Patent Rights delivered or received by Company, [***], as well as copies of material correspondence related thereto, as soon as practicable and in any event not more than [***] following such delivery or receipt. Company shall use Commercially Reasonable Efforts to diligently enforce and defend, or, to the extent Company does not have the right to do so under any applicable Out-License, exercise its rights to cause applicable Licensees to enforce and defend, any Patent Rights, other than those to which Company has a nonexclusive license and [***], including by bringing any legal action for infringement or defending any counterclaim of invalidity or unenforceability or action of a Third Party for declaratory judgment of non-infringement or non-interference.

(c) From and after the date hereof and until the Revenue Payment Termination Date, within [***] of initiating, or permitting a Licensee to initiate, an enforcement action regarding any suspected infringement by a Third Party of any Patent Right [***] or defending any counterclaim of invalidity or unenforceability or action of a Third Party for declaratory judgment of non-infringement or non-interference [***], Company shall provide the Purchasers with written notice of such action, to the extent permitted under any obligations of confidentiality owed to Third Parties.

(d) If Company recovers monetary damages from a Third Party in an action brought for such Third Party's infringement of any Patent Rights relating to a Product, [***], where such damages, whether in the form of judgment or settlement, are awarded for such infringement of such Patent Rights, (i) such recovery will be allocated first to the reimbursement of any expenses incurred by Company (or any party to an In-License or Permitted License of such Patent Rights entitled to such reimbursement under any such In-License or Permitted License) in bringing such action (including all reasonable attorney's fees), (ii) any remaining amounts will be reduced, if applicable, to comply with allocation of recovered damages with licensors of such Patent Rights required under any In-Licenses or Permitted License of such Patent Rights under any such In-License or Permitted License, if any, and (iii) any residual amount of such damages after application of (i) and (ii) will be treated as Net Sales with respect to the applicable Product.

(e) [***].

Section 6.5 In-Licenses.

(a) Company shall promptly (and in any event within [***]) provide the Purchasers with (i) executed copies of any In-License entered into by Company or its Affiliates, and (ii) executed copies of each amendment, supplement, modification or written waiver of any provision of any In-License.

(b) Company shall use Commercially Reasonable Efforts to comply in all material respects with its obligations under any In-Licenses it enters into and shall not take any action or forego any action that would reasonably be expected to result in a material breach thereof. Promptly, and in any event within [***], after receipt of any written notice from a counterparty to any In-License or its Affiliates of an alleged material breach under any In-License, Company shall provide Purchaser's Representative and the Purchasers a copy thereof, to the extent permitted under any obligations of confidentiality owed to Third Parties. Company shall use its Commercially Reasonable Efforts to cure any material breaches by it under any In-License and shall give written notice to the Purchasers upon curing any such breach. Company shall provide the Purchasers with written notice following Company gaining Knowledge of a counterparty's material breach of its obligations under any In-License. Company shall not terminate any In-License without providing the Purchasers prior written notice. Promptly, and in any event within [***] following Company's notice to a counterparty to any In-License of an alleged breach by such counterparty under any such In-License, Company shall provide the Purchasers a copy thereof.

Section 6.6 Out-Licenses.

(a) Company shall promptly (and in any event within [***] of any relevant event) provide the Purchasers with (i) executed copies of each Out-License, (ii) executed copies of each amendment, supplement, modification or written waiver of any material provision of an Out-License (excluding, in the case of the preceding clauses (i) and (ii), agreements with manufacturers, distributors, contract sales forces and other Commercialization vendors solely for the manufacture, distribution, contract sales, or other services on behalf of Company or its Subsidiaries and any agreements, in each case, [***]), and (iii) copies of any and all royalty and similar reports delivered to Company pursuant to an Out-Licenses (other than pursuant to the CStone License).

(b) Company shall include in all Out-Licenses it enters into after the date hereof provisions permitting Company to audit such Licensee and shall use commercially reasonable efforts to include terms and conditions consistent in all material respects with the Purchasers' rights to audit Company set forth in Section 6.3.

(c) Company shall provide the Purchasers written notice of a Licensee's material breach of its obligations under any Out-License, [***], promptly (and in any event within [***] of Company gaining Knowledge of such breach).

(d) Company shall provide the Purchasers with written notice promptly (and in any event within [***]) following the termination of any Out-License.

(e) Company shall use commercially reasonable efforts to ensure that all Product Agreements entered into after the date hereof permit the disclosure of information to be provided thereunder to Purchaser's Representative and the Purchasers, any purchaser or prospective purchaser in a foreclosure or other transfer of all or any portion of the Collateral (subject to customary confidentiality obligations).

Section 6.7 Protective Covenants. Company shall not, and shall not permit any Subsidiary to, without the prior written consent of Purchaser Representative:

(a) forgive, release or compromise any amount owed to Company or its Subsidiaries or its Affiliates that would constitute the Revenue Payments, other than in the ordinary course of business;

(b) enter into or permit to exist any Restricted License;

(c) enter into or permit to exist any Out-License, except Permitted Licenses;

(d) prior to the Minimum Return Date, directly or indirectly create, incur, assume or permit to exist any Lien on or with respect to any Collateral, or file or permit the filing of, or permit to remain in effect, any financing statement or other similar notice of any Lien with respect to any Collateral, except Permitted Liens; or

(e) enter into any Royalty Monetization Transaction, other than a Royalty Monetization Transaction in respect of payments owed to Company under the CStone License, with respect to the Collateral or any Product or Product Rights.

Section 6.8 [***]

Section 6.9 Use of Proceeds; Diligence.

(a) All amounts paid by the Purchasers to Company under this Agreement will be used by Company for activities related to research, preclinical development, clinical development, Marketing Approval, and/or Commercialization of the Products, with any excess funds to be used for working capital and general corporate purposes.

(b) Company shall use Commercially Reasonable Efforts [***].

Section 6.10 Efforts to Consummate Transactions. Subject to the terms and conditions of this Agreement, each of Company and the Purchasers will use their commercially reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things reasonably necessary under applicable law to consummate the transactions contemplated by this Agreement. Each of Purchaser's Representative, the Purchasers and Company agrees to execute and deliver such other documents, certificates, agreements and other writings and to take such other actions as may be reasonably necessary in order to consummate or implement expeditiously the transactions contemplated by this Agreement.

Section 6.11 Further Assurances. After the Effective Date, Company and the Purchasers agree to execute and deliver such other documents, certificates, agreements and other writings and to take such other actions as may be reasonably necessary in order to give effect to the transactions contemplated by this Agreement.

Section 6.12 Security Interest. Notwithstanding anything herein to the contrary, Company shall not enter into any contracts or arrangement or otherwise knowingly take any action or knowingly fail to act in a manner that would, individually or in the aggregate, reasonably be expected to materially and adversely affect the Purchasers' interest in the Revenue Participation Rights or the security interests granted hereunder or under the other Transaction Documents.

Section 6.13 Certain Tax Matters.

(a) Notwithstanding the accounting treatment therefor and unless otherwise required by applicable Law, for all U.S. federal and applicable state and local tax purposes, Company and the Purchasers shall treat the Purchasers' payment of the Purchase Price as received by Company in a taxable sale of the Revenue Participation Rights and not as an equity or debt interest in Company. The parties hereto agree not to take any position that is inconsistent with the provisions of this Section 6.13(a) on any tax return or in any audit or other tax-related administrative or judicial proceeding unless otherwise required by applicable Law. If there is an inquiry by any Governmental Authority of the Seller or the Purchasers related to this Section 6.13, the parties hereto shall cooperate with each other in responding to such inquiry in a commercially reasonable manner consistent with this Section 6.13.

(b) Company will, and will cause each of its Subsidiaries to, file all Tax returns required to be filed by or with respect to Company or any of its Subsidiaries and timely pay all Taxes imposed upon or with respect to it or any of its properties, assets, income, businesses or franchises before any penalty or fine accrues thereon, and all claims (including claims for labor, services, materials and supplies) for sums that have become due and payable and that by law have or may become a Lien upon any of its properties or assets, prior to the time when any penalty or fine shall be incurred with respect thereto; provided, no such Tax or claim need be paid if it is being contested in good faith by appropriate proceedings promptly instituted and diligently conducted, so long as (a) adequate reserve or other appropriate provision, as shall be required in conformity with GAAP shall have been made therefor, and (b) in the case of a Tax or claim which has or may become a Lien against any of the Collateral, such contest proceedings conclusively operate to stay imposition of any penalty, fine or Lien resulting from the non-payment thereof. Company will not, nor will it permit any of its Subsidiaries to file or consent to the filing of any consolidated income tax return with any Person (other than Company or its Subsidiaries).

(c) Any and all payments by Company to the Purchasers shall be made without deduction or withholding for any Taxes, except as required by applicable law. If any applicable law requires the deduction or withholding of any Tax from any such payment by Company (a "Withholding Payment"), then Company shall be entitled to withhold and deduct (or cause to be withheld and deducted) from any amount payable under this Agreement to the Purchasers any Tax that it is required to withhold and deduct under applicable law and shall timely pay the full amount deducted or withheld to the relevant governmental authority in accordance with applicable law; provided that the amount payable by Company to the Purchasers shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Paragraph), the Purchasers receive an amount equal to the sum they would have received had no such deduction or withholding been made (such additional amount, the "Gross-Up Amount"); provided further that if a Withholding Payment is required as a result of (i) an assignment pursuant to Section 11.4 after the Effective Date or (ii) a Purchaser's failure to provide an IRS Withholding Form pursuant to Section 6.13(d), then, in each case, Company shall not be obligated to pay the relevant Purchaser the Gross-Up Amount with respect

to such Withholding Payment except in the case of an assignment to the extent a Gross-Up Amount was payable immediately prior to such assignment. In the case of any Withholding Payment, Company shall furnish the Purchaser's Representative with proper evidence of the taxes withheld and deducted and remitted to the relevant taxing authority. Company shall not take any position (including in any Tax return, filing or similar Tax matter or in any contract, license, sale, or similar agreement) that would require any Person making payments to Company to treat the Purchasers as the recipients of such payments for Tax purposes. Company shall not provide any forms submitted to Company by Purchasers pursuant to Section 6.13(d) to any to any Third-Party (other than the IRS in connection with any applicable Tax audit, inquiry, or investigation of Company). Company and the Purchasers shall cooperate and use commercially reasonable efforts to reduce or eliminate any Withholding Payments in respect of payments made under this Agreement.

(d) On or before the Effective Date, the Purchaser's Representative shall deliver one of the following with respect to each of the Purchasers: (i) IRS Form W-9, (ii) IRS Form W-8BEN-E claiming treaty benefits under a double taxation treaty in a manner qualifying for a zero percent (0%) withholding rate with respect to each of "royalties," "interest," and "other income," (iii) IRS Form W-8IMY to which the forms set forth in the preceding (i) and (ii) are attached, or (iv) other applicable IRS Form W-8 that indicates no Withholding Payment is required (or, in each case, any successor or other applicable form prescribed by the U.S. Internal Revenue Service) (in each case ((i) through (iv)), the "IRS Withholding Form"). The Purchaser's Representative, from time to time after the Effective Date, whenever there is an assignment to a new Purchaser pursuant to Section 11.4, or there is a lapse in time (or change in circumstances) that renders the prior IRS Withholding Form provided hereunder obsolete or inaccurate in any respect, shall promptly deliver to Company a new and duly executed IRS Withholding Form of the relevant Purchaser.

(e) On or before the Effective Date, Company shall deliver to the Purchaser's Representative a duly executed IRS Form W-9. Company, from time to time after the Effective Date, whenever there is a lapse in time (or change in circumstances) that renders such IRS Form W-9 provided hereunder obsolete or inaccurate in any respect, shall promptly deliver to the Purchaser's Representative a new and duly Executed IRS Form W-9 (or other successor or other applicable form prescribed by the U.S. Internal Revenue Service) of Company.

Section 6.14 Anti-Terrorism Laws. Neither Company, nor any of its Subsidiaries or Affiliates [***] shall:

(a) conduct any business or engage in any transaction or dealing with any Blocked Person, including the making or receiving any contribution of funds, goods or services to or for the benefit of any Blocked Person;

(b) deal in, or otherwise engage in any transaction relating to, any property or interests in property blocked pursuant to the OFAC Sanctions Programs; or

(c) engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in the OFAC Sanctions Programs, the USA PATRIOT Act or any other Anti-Terrorism Law.

Company shall deliver to the Purchaser Representative any certification reasonably requested from time to time by the Purchaser Representative, confirming Company's compliance with this Section 6.14.

Section 6.15 Anti-Corruption Laws. Company shall not use, nor permit any of its Subsidiaries to use, directly or indirectly, any of the proceeds of the Purchase Price for the purpose of an offer, payment,

promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Law.

ARTICLE 7

INDEMNIFICATION

Section 7.1 General Indemnity. From and after the Effective Date:

(a) Company hereby agrees to indemnify, defend and hold harmless Purchaser's Representative, the Purchasers and their respective Affiliates and its and their directors, managers, trustees, officers, agents and employees (the "Purchaser Indemnified Parties") from, against and in respect of all Losses suffered or incurred by the Purchaser Indemnified Parties to the extent arising out of or resulting from [***]; and

(b) each Purchaser hereby agrees to indemnify, defend and hold harmless Company and its Affiliates and its and their directors, officers, agents and employees (the "Company Indemnified Parties") from, against and in respect of all Losses suffered or incurred by Company Indemnified Parties to the extent arising out of or resulting from [***].

Section 7.2 Notice of Claims. If either a Purchaser Indemnified Party, on the one hand, or a Company Indemnified Party, on the other hand (such Purchaser Indemnified Party on the one hand and such Company Indemnified Party on the other hand being hereinafter referred to as an "Indemnified Party"), has suffered or incurred any Losses for which indemnification may be sought under this Article 7, the Indemnified Party shall so notify the other party from whom indemnification is sought under this Article 7 (the "Indemnifying Party") promptly in writing describing such Loss, the amount or estimated amount thereof, if known or reasonably capable of estimation, and the method of computation of such Loss, all with reasonable particularity and containing a reference to the provisions of this Agreement in respect of which such Loss shall have occurred. If any claim, action, suit or proceeding is asserted or instituted by or against a Third Party with respect to which an Indemnified Party intends to claim any Loss under this Article 7, such Indemnified Party shall promptly notify the Indemnifying Party of such claim, action, suit or proceeding and tender to the Indemnifying Party the defense of such claim, action, suit or proceeding. A failure by an Indemnified Party to give notice and to tender the defense of such claim, action, suit or proceeding in a timely manner pursuant to this Section 7.2 shall not limit the obligation of the Indemnifying Party under this Article 7, except to the extent such Indemnifying Party is actually prejudiced thereby.

Section 7.3 Limitations on Liability(a) . Except for claims arising from a breach of confidentiality obligations under Article 8 or in cases of fraud, gross negligence or willful misconduct, no party hereto shall be liable for any lost profits or consequential, punitive, special, indirect or incidental damages under this Article 7 (and no claim for indemnification hereunder shall be asserted) as a result of any breach or violation of any covenant or agreement of such party (including under this Article 7) in or pursuant to this Agreement. Notwithstanding the foregoing, the Purchaser Indemnified Parties shall be entitled to make indemnification claims, in accordance with Article 7, for Losses that include any portion of the Revenue Payments that the Purchasers were entitled to receive but did not receive timely or at all due to any indemnifiable events under this Agreement, and such portion of the Revenue Payments shall not be deemed consequential, punitive, special, indirect, incidental damages or lost profits for any purpose of this Agreement. Other than with respect to any fraud or willful misconduct, (a) [***] and (b) Company shall not have any liability for Losses under Section 7.1(a) unless and until the aggregate amount of all Losses incurred by the Purchaser Indemnified Parties equals or exceeds [***], in which case Company shall be liable for Losses including such amount.

Section 7.4 Exclusive Remedy. Except as set forth in Section 11.12 [***], from and after Effective Date, the rights of the parties hereto pursuant to (and subject to the conditions of) this Article 7 shall be the sole and exclusive remedy of the parties hereto and their respective Affiliates with respect to any Losses (whether based in contract, tort or otherwise) resulting from or relating to any breach of the representations, warranties covenants and agreements made under this Agreement or any certificate, document or instrument delivered hereunder, and each party hereto hereby waives, to the fullest extent permitted under applicable law, and agrees not to assert after Effective Date, any other claim or action in respect of any such breach. Notwithstanding the foregoing, claims for fraud, gross negligence, or willful misconduct shall not be waived or limited in any way by this Article 7.

Section 7.5 Tax Treatment of Indemnification Payments. For all purposes hereunder, any indemnification payments made pursuant to this Article 7 will be treated as an adjustment to the Purchase Price for tax purposes to the fullest extent permitted by applicable law.

ARTICLE 8

CONFIDENTIALITY

Section 8.1 Confidentiality. Except as provided in this Article 8, Section 11.4 or otherwise agreed in writing by the parties, the parties hereto agree that, during the term of this Agreement and for [***] thereafter, each party (the "Receiving Party") shall keep confidential and shall not publish or otherwise disclose and shall not use for any purpose other than as provided for in this Agreement (which includes the exercise of any rights or the performance of any obligations hereunder) any information furnished to it by or on behalf of the other party (the "Disclosing Party") pursuant to this Agreement (such information, "Confidential Information" of the Disclosing Party), except for that portion of such information that:

(a) was already known to the Receiving Party, other than under an obligation of confidentiality, at the time of disclosure by the Disclosing Party;

(b) was generally available to the public or otherwise part of the public domain at the time of its disclosure to the Receiving Party;

(c) became generally available to the public or otherwise part of the public domain after its disclosure and other than through any act or omission of the Receiving Party in breach of this Agreement or any other agreement;

(d) is independently developed by the Receiving Party or any of its Affiliates, as evidenced by written records, without the use of or reference of the Confidential Information; or

(e) is subsequently disclosed to the Receiving Party on a non-confidential basis by a Third Party without obligations of confidentiality with respect thereto.

Section 8.2 Authorized Disclosure.

(a) Either party may disclose Confidential Information to the extent such disclosure is reasonably necessary in the following situations:

(i) disclosures of such information to such Person's Affiliates and to their agents, advisors, directors, officers, and shareholders (and to other persons authorized by a Purchaser or

Purchaser's Representative to organize, present or disseminate such information in connection with disclosures otherwise made in accordance with this Section 8.2);

(ii) disclosure to any rating agency when required by it;

(iii) prosecuting or defending litigation;

(iv) complying with applicable laws and regulations, including regulations promulgated by securities exchanges;

(v) complying with a valid order of a court of competent jurisdiction or other Governmental Authority;

(vi) for regulatory, Tax or customs purposes;

(vii) for audit purposes, provided that each recipient of Confidential Information must be bound by customary and reasonable obligations of confidentiality and non-use prior to any such disclosure;

(viii) disclosure to its Affiliates and Representatives on a need-to-know basis, provided that each such recipient of Confidential Information must be bound by contractual or professional obligations of confidentiality and non-use at least as stringent as those imposed upon the parties hereunder prior to any such disclosure;

(ix) upon the prior written consent of the Disclosing Party;

(x) disclosure to its actual and potential investors and financing sources, or potential partners, collaborators or acquirers, and their respective accountants, financial advisors and other professional representatives, provided, that each recipient of Confidential Information must be bound by customary obligations of confidentiality and non-use prior to any such disclosure;

(xi) disclosures of such information by the Purchaser Representative or any Purchaser to any actual or potential investors, members, and partners of Purchaser Representative or any Purchaser or their Affiliates, provided, that such disclosure shall be made only to the extent customarily required to consummate or perform its obligations under such investment or to satisfy its disclosure obligations to such members and partners, and that each recipient of Confidential Information must be bound by customary obligations of confidentiality and non-use prior to any such disclosure;

(xii) as is reasonably required in connection with a permitted assignment or participation pursuant to Section 11.4; and

(xiii) disclosure required or requested in connection with any public filings, whether pursuant to any securities laws or regulations or rules promulgated therefor (including the Investment Company Act of 1940 or otherwise) or representative thereof or by the National Association of Insurance Commissioners (and any successor thereto) or pursuant to legal or judicial process; provided, unless specifically prohibited by applicable law or court order, each party shall make reasonable efforts to notify the other party of any request by any Governmental Authority or representative thereof (with respect to any Purchaser, other than any such request in connection with any examination of the financial condition or other routine examination of such Purchaser by such Governmental Authority) for disclosure of any such non-public information prior to disclosure of such information.

Notwithstanding anything to the contrary set forth herein, each party (and each of their respective employees, representatives or other agents) may disclose to any and all persons, without limitations of any kind, the tax treatment and tax structure of the transactions contemplated by this Agreement and all materials of any kind (including opinions and other tax analyses) that are provided to any such party relating to such tax treatment and tax structure. However, any information relating to the tax treatment or tax structure shall remain subject to the confidentiality provisions hereof (and the foregoing sentence shall not apply) to the extent reasonably necessary to enable the parties hereto, their respective Affiliates, and their respective Affiliates' directors and employees to comply with applicable securities laws. For this purpose, "tax structure" means any facts relevant to the federal income tax treatment of the transactions contemplated by this Agreement but does not include information relating to the identity of any of the parties hereto or any of their respective Affiliates. Notwithstanding the foregoing, on or after the Effective Date, Purchaser's Representative and any Purchaser may, at its own expense, issue news releases and publish "tombstone" advertisements and other announcements relating to this transaction in newspapers, trade journals and other appropriate media (which may include use of logos of Company) (collectively, "Trade Announcements"). Neither Company nor its Affiliates shall issue any Trade Announcement or disclose the name of any Purchaser's Representative or any Purchaser except (A) disclosures required by applicable law, regulation, rule (including stock exchange and SEC rules) or legal process or (B) with the prior approval of Purchaser's Representative and such Purchaser.

(b) In the event the Receiving Party is required are required to make a disclosure of the Disclosing Party's Confidential Information pursuant to Section 8.2(a)(i), (iv), (v) or (vi) (other than by Company in its reports filed or furnished to the SEC or any registration statement filed with the SEC), it will, except where impracticable, give reasonable advance notice to the Disclosing Party of such disclosure and use reasonable efforts to secure confidential treatment of such information. The Purchasers and the Purchaser's Representative acknowledge that it will be necessary for Company to file this Agreement with the SEC and to make other public disclosures regarding the terms of this Agreement and payments made under this Agreement in its reports filed with the SEC and any registration statement it may file with the SEC, and Company will provide the Purchaser's Representative a reasonable opportunity to review and comment on (and request) any proposed redactions to the copy of this Agreement filed with the SEC as well as on such other public disclosures, provided that Company shall not be required to provide Purchaser's Representative the opportunity to review and comment on any disclosure substantively identical to any disclosure previously reviewed and commented upon by Purchaser's Representative (except for disclosure of any previously redacted information).

(c) Notwithstanding anything set forth in this Agreement, materials and documentation relating to Company's Intellectual Property Rights may be only disclosed to or accessed by Purchaser's Representative, the Purchasers and their attorneys and auditors, without further disclosure to any other Representative of any such Person. In any event, the Purchasers shall not file any patent application based upon or using the Confidential Information of Company provided hereunder.

ARTICLE 9

TERMINATION

Section 9.1 Mutual Termination. This Agreement may be terminated by mutual written agreement of the Purchasers and Company.

Section 9.2 Automatic Termination. Unless earlier terminated as provided in Section 9.1, following the Effective Date, this Agreement shall continue in full force and effect until [***] after the Revenue Payment Termination Date, at which point this Agreement shall automatically terminate, except with respect to any rights that shall have accrued prior to such termination. In addition, notwithstanding

anything to the contrary herein, either Company or the Purchasers may terminate this Agreement in the event the Purchase Price has not been funded by August 5, 2022 (other than due to a breach or failure of such party to comply with the provisions of Article 5).

Section 9.3 Survival. Notwithstanding anything to the contrary in this Article 9, the following provisions shall survive termination of this Agreement: (c) Section 6.3 (Inspections and Audits of Company) (for [***] following termination of this Agreement) Article 7 (Indemnification), Article 8 (Confidentiality) (for the time period stated therein), this Section 9.3 (Survival) and Article 11 (Miscellaneous). Termination of the Agreement shall not relieve any party of liability in respect of breaches under this Agreement by any party on or prior to termination.

ARTICLE 10

PURCHASER'S REPRESENTATIVE

Section 10.1 Appointment of Purchaser's Representative.

(a) Garnich is hereby appointed Purchaser's Representative hereunder and under the other Transaction Documents and each Purchaser hereby authorizes Garnich, in such capacity, to act as its agent in accordance with the terms hereof and the other Transaction Documents to perform, exercise and enforce any and all other rights and remedies of the Purchasers with respect to Company, the Revenue Payments, the Obligations or otherwise related to any of same to the extent reasonably incidental to the exercise by Purchaser's Representative of the rights and remedies specifically authorized to be exercised by Purchaser's Representative by the terms of this Agreement or any other Transaction Document.

(b) Purchaser's Representative hereby agrees to act upon the express conditions contained herein and the other Transaction Documents, as applicable. The provisions of this Article 10 are solely for the benefit of Purchaser's Representative and Purchasers and neither Company nor any of its Subsidiaries shall have any rights as a third party beneficiary of any of the provisions thereof. In performing its functions and duties hereunder, Purchaser's Representative shall act solely as an independent agent of the Purchasers and does not assume and shall not be deemed to have assumed any obligation towards or relationship of agency or trust with or for Company or any of its Subsidiaries.

Section 10.2 Powers and Duties. Each Purchaser irrevocably authorizes Purchaser's Representative to take such action on such Purchaser's behalf and to exercise such powers, rights and remedies hereunder and under the other Transaction Documents as are specifically delegated or granted to Purchaser's Representative by the terms hereof and thereof, together with such powers, rights and remedies as are reasonably incidental thereto. Purchaser's Representative shall have only those duties and responsibilities that are expressly specified herein and the other Transaction Documents. Purchaser's Representative may exercise such powers, rights and remedies and perform such duties by or through its agents or employees Purchaser's Representative shall not have, by reason hereof or any of the other Transaction Documents, a fiduciary relationship in respect of any Purchaser; and nothing herein or any of the other Transaction Documents, expressed or implied, is intended to or shall be so construed as to impose upon Purchaser's Representative any obligations in respect hereof or any of the other Transaction Documents except as expressly set forth herein or therein.

Section 10.3 General Immunity.

(a) No Responsibility for Certain Matters. Purchaser's Representative shall not be responsible to any Purchaser for the execution, effectiveness, genuineness, validity, enforceability, collectability or sufficiency hereof or any other Transaction Document or for any representations,

warranties, recitals or statements made herein or therein or made in any written or oral statements or in any financial or other statements, instruments, reports or certificates or any other documents furnished or made by Purchaser's Representative to the Purchasers or by or on behalf of Company or any of its Subsidiaries to Purchaser's Representative or any Purchaser in connection with the Transaction Documents and the transactions contemplated thereby or for the financial condition or business affairs of Company or any of its Subsidiaries or any other Person liable for the payment of any Revenue Payments or other Secured Obligations, nor shall Purchaser's Representative be required to ascertain or inquire as to the performance or observance of any of the terms, conditions, provisions, covenants or agreements contained in any of the Transaction Documents or as to the use of the proceeds of the Purchase Price [***] or other breach of this Agreement or the other Transaction Documents or to make any disclosures with respect to the foregoing. Anything contained herein to the contrary notwithstanding, Purchaser's Representative shall not have any liability arising from confirmations of the amount of outstanding Revenue Payments or the component amounts thereof.

(b) Exculpatory Provisions. Neither Purchaser's Representative nor any of its officers, partners, directors, employees or agents shall be liable to Purchasers for any action taken or omitted by Purchaser's Representative under or in connection with any of the Transaction Documents except to the extent caused by Purchaser's Representative's gross negligence or willful misconduct, as determined by a court of competent jurisdiction in a final, non-appealable order. Purchaser's Representative shall be entitled to refrain from any act or the taking of any action (including the failure to take an action) in connection herewith or any of the other Transaction Documents or from the exercise of any power, discretion or authority vested in it hereunder or thereunder unless and until Purchaser's Representative shall have received instructions in respect thereof from the Majority Purchasers and, upon receipt of such instructions from the Majority Purchasers, Purchaser's Representative shall be entitled to act or (where so instructed) refrain from acting, or to exercise such power, discretion or authority, in accordance with such instructions. Without prejudice to the generality of the foregoing, (i) Purchaser's Representative shall be entitled to rely, and shall be fully protected in relying, upon any communication, instrument or document believed by it to be genuine and correct and to have been signed or sent by the proper Person or Persons, and shall be entitled to rely and shall be protected in relying on opinions and judgments of attorneys (who may be attorneys for Company and its Subsidiaries), accountants, experts and other professional advisors selected by it; and (ii) no Purchaser shall have any right of action whatsoever against Purchaser's Representative as a result of Purchaser's Representative acting or (where so instructed) refraining from acting hereunder or any of the other Transaction Documents in accordance with the instructions of Majority Purchasers.

(c) Notice of Default. Purchaser's Representative shall not be deemed to have knowledge or notice of [***] or other breach of this Agreement or the other Transaction Documents, [***].

Section 10.4 Purchaser's Representative Entitled to Act as Purchaser. The agency hereby created shall in no way impair or affect any of the rights and powers of, or impose any duties or obligations upon, Purchaser's Representative in its individual capacity as a Purchaser hereunder. With respect to its participation in this Agreement and the other Transaction Documents as a Purchaser, Purchaser's Representative shall have the same rights and powers hereunder as any other Purchaser and may exercise the same as if it were not performing the duties and functions delegated to it hereunder, and the term "Purchaser" shall, unless the context clearly otherwise indicates, include Purchaser's Representative in its individual capacity. Purchaser's Representative and its Affiliates may accept deposits from, lend money to, own securities of, and generally engage in any kind of banking, trust, financial advisory or other business with Company or any of its Affiliates as if it were not performing the duties specified herein, and may accept fees and other consideration from Company for services in connection herewith and otherwise without having to account for the same to the Purchasers.

Section 10.5 Purchasers' Representations, Warranties and Acknowledgment

(a) Each Purchaser represents and warrants to Purchaser's Representative that it has made its own independent investigation of the financial condition and affairs of Company and its Subsidiaries in connection with the entry into this Agreement, the other Transaction Documents and the transactions contemplated hereunder and thereunder and that it has made and shall continue to make its own appraisal of the condition (financial and otherwise) of Company and its Subsidiaries. Purchaser's Representative shall not have any duty or responsibility, either initially or on a continuing basis, to make any such investigation or any such appraisal on behalf of Purchasers or to provide any Purchaser with any credit or other information with respect thereto, whether coming into its possession before paying the Purchase Price or at any time or times thereafter, and Purchaser's Representative shall not have any responsibility with respect to the accuracy of or the completeness of any information provided to Purchasers.

(b) Each Purchaser, by delivering its signature page to this Agreement and funding its Purchase Price on the Funding Date, shall be deemed to have acknowledged receipt of, and consented to and approved, each Transaction Document and each other document required to be approved by Purchaser's Representative, Majority Purchasers or Purchasers, as applicable on the Effective Date and Funding Date, as applicable.

(c) Each Purchaser (i) represents and warrants to Purchaser's Representative that as of the Effective Date neither such Purchaser nor its Affiliates or Related Funds owns or controls, or owns or controls any Person owning or controlling, any trade debt, indebtedness or capital stock of Company or any of its Subsidiaries (other than any Indebtedness under the Senior Secured Credit Agreement) and (ii) covenants and agrees with Purchaser's Representative that from and after the Effective Date neither such Purchaser nor its Affiliates and Related Funds shall purchase any such trade debt, indebtedness or capital stock described in the preceding clause (i) without the prior written consent of Purchaser's Representative.

(d) Right to Indemnity. EACH PURCHASER, IN PROPORTION TO ITS PRO RATA SHARE, SEVERALLY AGREES TO INDEMNIFY PURCHASER'S REPRESENTATIVE, ITS AFFILIATES AND ITS RESPECTIVE OFFICERS, PARTNERS, DIRECTORS, TRUSTEES, EMPLOYEES AND AGENTS OF PURCHASER'S REPRESENTATIVE (EACH, AN "INDEMNITEE AGENT PARTY"), TO THE EXTENT THAT SUCH INDEMNITEE AGENT PARTY SHALL NOT HAVE BEEN REIMBURSED BY COMPANY OR A SUBSIDIARY OF COMPANY, FOR AND AGAINST ANY AND ALL LIABILITIES, OBLIGATIONS, LOSSES, DAMAGES, PENALTIES, ACTIONS, JUDGMENTS, SUITS, COSTS, EXPENSES (INCLUDING COUNSEL FEES AND DISBURSEMENTS) OR DISBURSEMENTS OF ANY KIND OR NATURE WHATSOEVER WHICH MAY BE IMPOSED ON, INCURRED BY OR ASSERTED AGAINST SUCH INDEMNITEE AGENT PARTY IN EXERCISING ITS POWERS, RIGHTS AND REMEDIES OR PERFORMING ITS DUTIES HEREUNDER OR UNDER THE OTHER TRANSACTION DOCUMENTS OR OTHERWISE IN ITS CAPACITY AS SUCH INDEMNITEE AGENT PARTY IN ANY WAY RELATING TO OR ARISING OUT OF THIS AGREEMENT OR THE OTHER TRANSACTION DOCUMENTS, IN ALL CASES, WHETHER OR NOT CAUSED BY OR ARISING, IN WHOLE OR IN PART, OUT OF THE COMPARATIVE, CONTRIBUTORY, OR SOLE NEGLIGENCE OF SUCH INDEMNITEE AGENT PARTY; PROVIDED, NO PURCHASER SHALL BE LIABLE FOR ANY PORTION OF SUCH LIABILITIES, OBLIGATIONS, LOSSES, DAMAGES, PENALTIES, ACTIONS, JUDGMENTS, SUITS, COSTS, EXPENSES OR DISBURSEMENTS RESULTING FROM SUCH INDEMNITEE AGENT PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, AS DETERMINED BY A COURT OF COMPETENT JURISDICTION IN A FINAL, NON-APPEALABLE ORDER. IF ANY INDEMNITY FURNISHED TO ANY INDEMNITEE AGENT PARTY FOR ANY PURPOSE SHALL, IN THE OPINION OF SUCH INDEMNITEE AGENT PARTY, BE INSUFFICIENT OR BECOME IMPAIRED, SUCH INDEMNITEE AGENT PARTY MAY CALL FOR ADDITIONAL INDEMNITY AND CEASE, OR NOT COMMENCE, TO DO THE ACTS INDEMNIFIED AGAINST UNTIL SUCH

ADDITIONAL INDEMNITY IS FURNISHED; PROVIDED, IN NO EVENT SHALL THIS SENTENCE REQUIRE ANY PURCHASER TO INDEMNIFY ANY INDEMNITEE AGENT PARTY AGAINST ANY LIABILITY, OBLIGATION, LOSS, DAMAGE, PENALTY, ACTION, JUDGMENT, SUIT, COST, EXPENSE OR DISBURSEMENT IN EXCESS OF SUCH PURCHASER'S PRO RATA SHARE THEREOF; AND PROVIDED FURTHER, THIS SENTENCE SHALL NOT BE DEEMED TO REQUIRE ANY PURCHASER TO INDEMNIFY ANY INDEMNITEE AGENT PARTY AGAINST ANY LIABILITY, OBLIGATION, LOSS, DAMAGE, PENALTY, ACTION, JUDGMENT, SUIT, COST, EXPENSE OR DISBURSEMENT DESCRIBED IN THE PROVISO IN THE IMMEDIATELY PRECEDING SENTENCE.

Section 10.6 Successor Purchaser's Representative.

(a) Purchaser's Representative may resign at any time by giving [***] (or such shorter period as shall be agreed by the Majority Purchasers) prior written notice thereof to the Purchasers and Company. Upon any such notice of resignation, the Majority Purchasers shall have the right, upon [***] notice to Company, to appoint a successor Purchaser's Representative. If no successor shall have been so appointed by the Majority Purchasers and shall have accepted such appointment within [***] after the retiring Purchaser's Representative gives notice of its resignation, then the retiring Purchaser's Representative may, on behalf of the Purchasers appoint a successor Purchaser's Representative from among the Purchasers. Upon the acceptance of any appointment as Purchaser's Representative hereunder by a successor Purchaser's Representative that successor Purchaser's Representative shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Purchaser's Representative, and the retiring Purchaser's Representative shall promptly (i) transfer to such successor Purchaser's Representative all sums, securities or capital stock and other items of Collateral held under the Security Documents, together with all records and other documents necessary or appropriate in connection with the performance of the duties of the successor Purchaser's Representative under the Transaction Documents, and (ii) execute and deliver to such successor Purchaser's Representative such amendments to financing statements, and take such other actions, as may be necessary or appropriate in connection with the assignment to such successor Purchaser's Representative of the security interests created under the Security Documents, whereupon such retiring Purchaser's Representative shall be discharged from its duties and obligations hereunder. After any retiring Purchaser's Representative's resignation hereunder as Purchaser's Representative, the provisions of this Article 10 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Purchaser's Representative hereunder.

(b) Notwithstanding anything herein to the contrary, Purchaser's Representative may assign its rights and duties as Purchaser's Representative, as applicable, hereunder to an Affiliate of Garnich without the prior written consent of, or prior written notice to, Company or the Purchasers; provided that Company and the Purchasers may deem and treat such assigning Purchaser's Representative as Purchaser's Representative for all purposes hereof, unless and until such assigning Purchaser's Representative provides written notice to Company and the Purchasers of such assignment. Upon such assignment such Affiliate shall succeed to and become vested with all rights, powers, privileges and duties as Purchaser's Representative hereunder and under the other Transaction Documents.

(c) Purchaser's Representative may perform any and all of its duties and exercise its rights and powers under this Agreement or under any other Transaction Document by or through any one or more sub-agents appointed by Purchaser's Representative. Purchaser's Representative and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Affiliates. The exculpatory, indemnification and other provisions of Section 10.3, Section 10.6 and of this Section 10.7 shall apply to any of the Affiliates of Purchaser's Representative and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Purchaser's Representative. All of the rights, benefits and privileges (including the

exculpatory and indemnification provisions) of Section 10.3, Section 10.6 and of this Section 10.7 shall apply to any such sub-agent and to the Affiliates of any such sub-agent, and shall apply to their respective activities as sub-agent as if such sub-agent and Affiliates were named herein. Notwithstanding anything herein to the contrary, with respect to each sub-agent appointed by Purchaser's Representative, (i) such sub-agent shall be a third party beneficiary under this Agreement with respect to all such rights, benefits and privileges (including exculpatory and rights to indemnification) and shall have all of the rights, benefits and privileges of a third party beneficiary, including an independent right of action to enforce such rights, benefits and privileges (including exculpatory rights and rights to indemnification) directly, without the consent or joinder of any other Person, against any or all of Company, its Subsidiaries or Affiliates and the Purchasers, (ii) such rights, benefits and privileges (including exculpatory rights and rights to indemnification) shall not be modified or amended without the consent of such sub-agent, and (iii) such sub-agent shall only have obligations to Purchaser's Representative and not to any of Company, and of its Subsidiaries or Affiliates, any Purchaser or any other Person and no such Persons shall have the rights, directly or indirectly, as a third party beneficiary or otherwise, against such sub-agent.

Section 10.7 Collateral Documents.

(a) Purchaser's Representative under Security Documents. Each Purchaser hereby further authorizes Purchaser's Representative, on behalf of and for the benefit of the Purchasers, to be the agent for and representative of the Purchasers with respect to the Collateral, the Security Documents and any guaranty of the Obligations. Without further written consent or authorization from Purchasers, Purchaser's Representative (i) may execute any documents or instruments necessary to release any Lien encumbering any item of Collateral that is the subject of a sale or other transfer of assets to which the Purchasers have unanimously consented in writing, and (ii) shall (A) enter into the Intercreditor Agreement, (B) enter into an intercreditor agreement, in form and substance satisfactory to Purchaser's Representative in its sole discretion, with respect to any Indebtedness of Company issued in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge the Senior Secured Credit Facility, (C) enter into an intercreditor agreement as provided in the definition of Permitted ABL Facility (such intercreditor agreements referenced in this clause (ii), each a "Permitted Intercreditor Agreement"), and (D) if requested by Company, enter into customary non-disturbance agreements, in form and substance reasonably satisfactory to Purchaser's Representative, in connection with the entry by Company or any of its Subsidiaries into a Permitted License.

(b) Right to Realize on Collateral. Anything contained in any of the Transaction Documents to the contrary notwithstanding, Company, Purchaser's Representative and each Purchaser hereby agree that (i) no Purchaser shall have any right individually to realize upon any of the Collateral or to enforce any guaranty of the Obligations, it being understood and agreed that all powers, rights and remedies hereunder may be exercised solely by Purchaser's Representative, on behalf of Purchasers in accordance with the terms hereof and all powers, rights and remedies under the Security Documents may be exercised solely by Purchaser's Representative, and (ii) in the event of a foreclosure by Purchaser's Representative on any of the Collateral pursuant to a public or private sale or any sale of the Collateral in a case under the Bankruptcy Code, Purchaser's Representative or any Purchaser may be the purchaser of any or all of such Collateral at any such sale and Purchaser's Representative, as agent for and representative of Secured Parties (as defined in the Security Agreement) (but not any Purchaser or Purchasers in its or their respective individual capacities unless Majority Purchasers shall otherwise agree in writing) shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any such public sale, to use and apply any of the Obligations as a credit on account of the purchase price for any collateral payable by Purchaser's Representative at such sale.

Section 10.8 Agency for Perfection. Purchaser's Representative and each Purchaser hereby appoints each other Purchaser as agent and bailee for the purpose of perfecting the security interests in and

liens upon the Collateral in assets which, in accordance with Article 9 of the UCC, can be perfected only by possession or control (or where the security interest of a secured party with possession or control has priority over the security interest of another secured party) and Purchaser's Representative and each Purchaser hereby acknowledges that it holds possession of or otherwise controls any such Collateral for the benefit of the Purchasers as secured party. Should any Purchaser obtain possession or control of any such Collateral, such Purchaser shall notify Purchaser's Representative thereof, and, promptly upon Purchaser's Representative's request therefore shall deliver such Collateral to Purchaser's Representative or in accordance with Purchaser's Representative's instructions. In addition, Purchaser's Representative shall also have the power and authority hereunder to appoint such other sub-agents as may be necessary or required under applicable state law or otherwise to perform its duties and enforce its rights with respect to the Collateral and under the Transaction Documents. Company by its execution and delivery of this Agreement hereby consents to the foregoing.

Section 10.9 Reports and Other Information; Confidentiality; Disclaimers. By becoming a party to this Agreement, each Purchaser:

(a) is deemed to have requested that Purchaser's Representative furnish such Purchaser or Purchaser's Representative, promptly after it becomes available, a copy of each field audit or examination report with respect to Company or its Subsidiaries (each a "Field Report" and collectively, "Field Reports") prepared by or at the request of Purchaser's Representative, and Purchaser's Representative shall so furnish each Purchaser with such Field Reports,

(b) expressly agrees and acknowledges that Purchaser's Representative does not (i) make any representation or warranty as to the accuracy of any Field Report, and (ii) shall not be liable for any information contained in any Field Report,

(c) expressly agrees and acknowledges that the Field Reports are not comprehensive audits or examinations, that Purchaser's Representative or other party performing any audit or examination will inspect only specific information regarding Company and its Subsidiaries and will rely significantly upon Company's and its Subsidiaries' books and records, as well as on representations of such Person's personnel,

(d) agrees to keep all Field Reports and other material, non-public information regarding Company and its Subsidiaries and their operations, assets, and existing and contemplated business plans in a confidential manner in accordance with Article 8, and

(e) without limiting the generality of any other indemnification provision contained in this Agreement, agrees: (i) to hold Purchaser's Representative and any other Purchaser preparing a Field Report harmless from any action the indemnifying Purchaser may take or fail to take or any conclusion the indemnifying Purchaser may reach or draw from any Field Report in connection with any loans or other credit accommodations that the indemnifying Purchaser has made or may make to Company, or the indemnifying Purchaser's participation in, or the indemnifying Purchaser's purchase of, Revenue Participation Rights, and (ii) to pay and protect, and indemnify, defend and hold Purchaser's Representative, and any such other Purchaser preparing a Field Report harmless from and against, the claims, actions, proceedings, damages, costs, expenses, and other amounts (including, attorneys' fees and costs) incurred by Purchaser's Representative and any such other Purchaser or agent preparing a Field Report as the direct or indirect result of any third parties who might obtain all or part of any Field Report through the indemnifying Purchaser or Purchaser's Representative

In addition to the foregoing: (x) any Purchaser may from time to time request of Purchaser's Representative in writing that Purchaser's Representative provide to such Purchaser a copy of

any report or document provided by Company or its Subsidiaries to Purchaser's Representative that has not been contemporaneously provided by Company or such Subsidiary to such Purchaser, and, upon receipt of such request, Purchaser's Representative promptly shall provide a copy of same to such Purchaser, (y) to the extent that Purchaser's Representative is entitled, under any provision of the Transaction Documents, to request additional reports or information from Company or its Subsidiaries, any Purchaser may, from time to time, reasonably request Purchaser's Representative to exercise such right as specified in such Purchaser's notice to Purchaser's Representative, whereupon Purchaser's Representative promptly shall request of Company the additional reports or information reasonably specified by such Purchaser, and, upon receipt thereof from Company or such Subsidiary, Purchaser's Representative promptly shall provide a copy of same to such Purchaser, and (z) any time that Purchaser's Representative renders to Company a statement regarding the Revenue Payments, Purchaser's Representative shall send a copy of such statement to each Purchaser.

ARTICLE 11

MISCELLANEOUS

Section 11.1 Headings. The table of contents and the descriptive headings of the several Articles and Sections of this Agreement and the Exhibits and Schedules are for convenience only, do not constitute a part of this Agreement and shall not control or affect, in any way, the meaning or interpretation of this Agreement.

Section 11.2 Notices.

(a) Notices Generally. Unless otherwise specifically provided herein, any notice or other communication herein required or permitted to be given to Company, Purchaser's Representative or any Purchaser shall be sent to such Person's address as set forth on its signature page hereto. Each notice hereunder shall be in writing and may be personally served or sent by United States mail or courier service and shall be deemed to have been given when delivered in person or by courier service and signed for against receipt thereof, or [***] after depositing it in the United States mail with postage prepaid and properly addressed; provided, no notice to Purchaser's Representative shall be effective until received by Purchaser's Representative.

(b) Electronic Communications.

(i) Purchaser's Representative and Company may, each in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications. Notices and other communications to the Purchasers hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by Purchaser's Representative, provided that the foregoing shall not apply to notices to any Purchaser if such Purchaser has notified Purchaser's Representative that it is incapable of receiving notices under such Article by electronic communication.

(ii) Unless Purchaser's Representative otherwise prescribes, (A) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (B) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient, at its e-mail address as described in the foregoing clause (A), of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (A)

and (B) above, if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient.

Section 11.3 Expenses. Whether or not the transactions contemplated hereby shall be consummated, Company agrees to pay promptly following its receipt from Purchaser Representative of an invoice therefor (a) all of Purchaser's Representative's actual and reasonable costs and expenses of preparation, negotiation, execution and administration of the Transaction Documents and any consents, amendments, waivers or other modifications thereto; (b) all the reasonable fees, expenses and disbursements of counsel to Purchaser's Representative in connection with the negotiation, preparation, execution and administration of the Transaction Documents and any consents, amendments, waivers or other modifications thereto and any other documents or matters requested by Company; (c) all the actual costs and reasonable expenses of creating and perfecting Liens in favor of Purchaser's Representative, for the benefit of the Purchasers, including filing and recording fees, expenses and taxes, stamp or documentary taxes within [***], search fees, title insurance premiums and reasonable fees, expenses and disbursements of counsel to Purchaser's Representative; (d) all other actual and reasonable costs and expenses incurred by Purchaser's Representative in connection with the negotiation, preparation and execution of the Transaction Documents and any consents, amendments, waivers or other modifications thereto and the transactions contemplated thereby; and (e) [***]. Notwithstanding the foregoing, the amount obligated to be paid by Company pursuant to clauses (a) and (b) of this Section 11.3, together with all costs and expenses payable by Company and its Subsidiaries related to the Senior Secured Credit Facility and any related transactions with Purchaser's Representative, the Purchasers and/or their Affiliates prior to the Effective Date, shall not exceed [***] without the prior written consent of Company.

Section 11.4 Assignment. Except as forth in the immediately succeeding sentence, Company may not assign in whole or in part this Agreement, any of its rights or obligations hereunder, or any of its rights in a Product, including any Product Rights, to any Person without the Purchasers' prior written consent. Notwithstanding the foregoing, Company may assign its rights in a Product, including any Product Rights, to a Subsidiary of Company in connection with the transfer of all or substantially all of Company's business or assets related to a Product to such Subsidiary and only if prior to or concurrently with any such transfer, (x) Company causes such Subsidiary to deliver to Purchaser's Representative and the Purchasers a guaranty of all of the obligations of Company under this Agreement and the other Transaction Documents, and (y) concurrent with such assignment, such Subsidiary grants to Purchaser's Representative, on behalf of and for the benefit of the Purchasers, first priority Liens on the Collateral under the Security Documents and such Liens are perfected and registered at all applicable registries in all applicable jurisdictions (subject to the terms of the Security Agreement), all to the satisfaction of Purchaser's Representative (and the effectiveness of any assignment pursuant to this Section 11.4 shall be conditional upon satisfaction of the preceding clauses (x) and (y) to Purchaser's Representative's satisfaction). For the avoidance of doubt, nothing in this Section 11.4 shall restrict Company from licensing any Product Rights pursuant to a Permitted License, from transferring the Marketing Approvals for any jurisdiction (other than the United States) to a Licensee in connection with a Permitted License, or from incurring any Indebtedness. Each Purchaser may assign its rights and obligations under this Agreement in whole or in part to any Person, provided that such assignment is not made to a pharmaceutical company developing or Commercializing precision therapies. This Agreement shall be binding upon, inure to the benefit of and be enforceable by, the parties hereto and their respective permitted successors and assigns. Any purported assignment in violation of this Section 11.4 shall be null and void.

Section 11.5 Amendment and Waiver.

(a) No amendment, modification, termination or waiver of any provision of the Transaction Documents, or consent to any departure by Company therefrom, shall in any event be effective without the written consent of Purchaser's Representative and the Majority Purchasers.

(b) No failure or delay on the part of any party hereto in exercising any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy. No course of dealing between the parties hereto shall be effective to amend, modify, supplement or waive any provision of this Agreement.

Section 11.6 Entire Agreement. This Agreement, the Exhibits annexed hereto and the Disclosure Schedule constitute the entire understanding between the parties hereto with respect to the subject matter hereof and supersede all other understandings and negotiations with respect thereto.

Section 11.7 No Third-Party Beneficiaries. This Agreement is for the sole benefit of Company and the Purchasers and their permitted successors and assigns and nothing herein expressed or implied shall give or be construed to give to any Person, other than the parties hereto and such successors and assigns, any legal or equitable rights hereunder, except that the Indemnified Parties shall be third-party beneficiaries of the benefits provided for in Section 7.1.

Section 11.8 APPLICABLE LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED IN THE STATE OF NEW YORK.

Section 11.9 CONSENT TO JURISDICTION.

(a) ALL JUDICIAL PROCEEDINGS BROUGHT AGAINST COMPANY ARISING OUT OF OR RELATING HERETO OR ANY OTHER TRANSACTION DOCUMENT, OR ANY OF THE OBLIGATIONS, MAY BE BROUGHT IN ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN THE STATE, COUNTY AND CITY OF NEW YORK. BY EXECUTING AND DELIVERING THIS AGREEMENT, COMPANY, FOR ITSELF AND IN CONNECTION WITH ITS PROPERTIES, IRREVOCABLY (I) ACCEPTS GENERALLY AND UNCONDITIONALLY THE NON-EXCLUSIVE JURISDICTION AND VENUE OF SUCH COURTS; (II) WAIVES ANY DEFENSE OF FORUM NON CONVENIENS; (III) AGREES THAT SERVICE OF ALL PROCESS IN ANY SUCH PROCEEDING IN ANY SUCH COURT MAY BE MADE BY REGISTERED OR CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO COMPANY AT ITS ADDRESS PROVIDED IN ACCORDANCE WITH SECTION 11.2 OR TO ANY PROCESS AGENT OF COMPANY SELECTED IN ACCORDANCE WITH SECTION 11.9(b) IS SUFFICIENT TO CONFER PERSONAL JURISDICTION OVER COMPANY IN ANY SUCH PROCEEDING IN ANY SUCH COURT, AND OTHERWISE CONSTITUTES EFFECTIVE AND BINDING SERVICE IN EVERY RESPECT; AND (iv) AGREES THAT ADMINSTRATIVE AGENT AND PURCHASERS RETAIN THE RIGHT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR TO BRING PROCEEDINGS AGAINST COMPANY IN THE COURTS OF ANY OTHER JURISDICTION.

(b) COMPANY HEREBY AGREES THAT PROCESS MAY BE SERVED ON IT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE ADDRESSES PERTAINING TO IT AS SPECIFIED IN SECTION 11.2 OR CT CORPORATION SYSTEM, LOCATED AT 155 FEDERAL STREET, SUITE 700, BOSTON, MASSACHUSETTS 02210 AND HEREBY APPOINTS CT CORPORATION SYSTEM AS ITS AGENT TO RECEIVE SUCH SERVICE OF PROCESS. ANY AND

ALL SERVICE OF PROCESS AND ANY OTHER NOTICE IN ANY SUCH ACTION, SUIT OR PROCEEDING SHALL BE EFFECTIVE AGAINST COMPANY IF GIVEN BY REGISTERED OR CERTIFIED MAIL, RETURN RECEIPT REQUESTED, OR BY ANY OTHER MEANS OR MAIL WHICH REQUIRES A SIGNED RECEIPT, POSTAGE PREPAID, MAILED AS PROVIDED ABOVE.

Section 11.10 WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY AGREES TO WAIVE ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING HEREUNDER OR UNDER ANY OF THE OTHER TRANSACTION DOCUMENTS OR ANY DEALINGS BETWEEN THEM RELATING TO THE SUBJECT MATTER OF THIS TRANSACTION OR THE RELATIONSHIP THAT IS BEING ESTABLISHED BETWEEN THE PARTIES. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. EACH PARTY HERETO ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH HAS ALREADY RELIED ON THIS WAIVER IN ENTERING INTO THIS AGREEMENT, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN ITS RELATED FUTURE DEALINGS. EACH PARTY HERETO FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING (OTHER THAN BY A MUTUAL WRITTEN WAIVER SPECIFICALLY REFERRING TO THIS SECTION 11.10 AND EXECUTED BY EACH OF THE PARTIES HERETO), AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS HERETO OR ANY OF THE OTHER TRANSACTION DOCUMENTS OR TO ANY OTHER DOCUMENTS OR AGREEMENTS RELATING TO THE TRANSACTIONS CONTEMPLATED HEREUNDER. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

Section 11.11 Severability. If any term or provision of this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any situation in any jurisdiction, then, to the extent that the economic and legal substance of the transactions contemplated hereby is not affected in a manner that is materially adverse to either party hereto, all other terms and provisions of this Agreement shall nevertheless remain in full force and effect and the enforceability and validity of the offending term or provision shall not be affected in any other situation or jurisdiction.

Section 11.12 Specific Performance. Each of the parties acknowledges and agrees that the other party would be damaged irreparably in the event any of the provisions of this Agreement are not performed in accordance with their specific terms or otherwise are breached or violated. Accordingly, each of the parties agrees that, without posting bond or other undertaking, the other party will be entitled to seek an injunction or injunctions to prevent breaches or violations of the provisions of this Agreement and to seek to enforce specifically this Agreement and the terms and provisions hereof in any action, suit or other proceeding instituted in any court of the United States or any state thereof having jurisdiction over the parties and the matter in addition to any other remedy to which it may be entitled, at law or in equity. Each of the parties further agrees that, in the event of any action for specific performance in respect of such breach of violation, it will not assert the defense that a remedy at law would be adequate.

Section 11.13 Counterparts. This Agreement may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Copies of executed

counterparts transmitted by telecopy or other similar means of electronic transmission, including "PDF," shall be considered original executed counterparts, provided receipt of such counterparts is confirmed.

Section 11.14 Relationship of the Parties. Neither the Purchasers nor Company have any fiduciary or other special relationship with the other party or any of its Affiliates. This Agreement is not a partnership or similar agreement, and nothing contained herein shall be deemed to constitute the Purchasers and Company as a partnership, an association, a joint venture or any other kind of entity or legal form for any purposes, including any Tax purposes. The Purchasers and Company agree that they shall not take any inconsistent position with respect to such treatment in a filing with any Governmental Authority.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered by their respective representatives thereunto duly authorized as of the date first above written.

COMPANY

BLUEPRINT MEDICINES CORPORATION

By: /s/ Kathryn Haviland
Name: Kathryn Haviland
Title: Chief Executive Officer

PURCHASER'S REPRESENTATIVE

GARNICH ADJACENT INVESTMENTS S.À.R.L.

By: /s/ Paul Galliver
Name: Paul Galliver
Title: Manager

PURCHASERS:

GARNICH ADJACENT INVESTMENTS S.À.R.L.

By: /s/ Paul Galliver
Name: Paul Galliver
Title: Manager
Pro Rata Share: 100%

CERTAIN INFORMATION IN THIS DOCUMENT, MARKED BY [***], HAS BEEN EXCLUDED PURSUANT TO REGULATION S-K, ITEM 601(b)(10)(iv). SUCH EXCLUDED INFORMATION IS NOT MATERIAL AND IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

FINANCING AGREEMENT

dated as of June 30, 2022

among

BLUEPRINT MEDICINES CORPORATION,
as Borrower,

CERTAIN SUBSIDIARIES OF BORROWER,
as Guarantors,

VARIOUS LENDERS FROM TIME TO TIME PARTY HERETO,

AND

TAO TALENTS, LLC,
as Administrative Agent

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FINANCING AGREEMENT

This FINANCING AGREEMENT, dated as of June 30, 2022, is entered into by and among BLUEPRINT MEDICINES CORPORATION, a Delaware corporation ("Company" or "Borrower"), and certain Subsidiaries of Borrower, as Guarantors, the Lenders from time to time party hereto, and TAO Talents, LLC ("TAO Talents"), as administrative agent for the Lenders (in such capacity, "Administrative Agent").

W I T N E S S E T H:

WHEREAS, capitalized terms used in these Recitals shall have the respective meanings set forth for such terms in Section 1.1 hereof;

WHEREAS, Lenders have agreed to extend certain senior secured credit facilities to Company, in an aggregate principal amount not to exceed $660,000,000, consisting of (a) an initial term loan in an aggregate principal amount not exceeding $150,000,000, (b) delayed draw term loans in an aggregate principal amount not exceeding $250,000,000 and (c) an uncommitted incremental facility in an aggregate principal amount not to exceed $260,000,000, in each case the proceeds of which will be used as described in Section 2.2;

WHEREAS, Company has agreed to secure all of its Obligations by granting to Administrative Agent, for the benefit of Secured Parties, a First Priority Lien on all of its assets (except as otherwise set forth in the Collateral Documents), including a pledge of all of the Capital Stock of each of its Subsidiaries (except as otherwise set forth in the Collateral Documents); and

WHEREAS, Guarantors have agreed to guarantee the Obligations of Company hereunder and to secure their respective Obligations by granting to Administrative Agent, for the benefit of Secured Parties, a First Priority Lien on all of their respective assets (except as otherwise set forth in the Collateral Documents), including a pledge or mortgage of all of the Capital Stock of each of their respective Subsidiaries (except as otherwise set forth in the Collateral Documents).

NOW, THEREFORE, in consideration of the premises and the agreements, provisions and covenants herein contained, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATION

Section 1.1 Definitions. The following terms used herein, including in the preamble, recitals, exhibits and schedules hereto, shall have the following meanings:

"Administrative Agent" has the meaning specified in the preamble hereto.

"Administrative Agent's Account" means an account at a bank designated by Administrative Agent from time to time as the account into which the Loan Parties shall make all payments to Administrative Agent under this Agreement and the other Loan Documents.

"Adverse Proceeding" means any action, suit, proceeding (whether administrative, judicial or otherwise), governmental investigation or arbitration (whether or not purportedly on behalf of Borrower or any of its Subsidiaries) at law or in equity, or before or by any Governmental Authority, domestic or foreign (including any Environmental Claims) or other regulatory body or any mediator or arbitrator, whether

pending or, to the knowledge of Borrower or any of its Subsidiaries, threatened in writing against Borrower or any of its Subsidiaries or any property of Borrower or any of its Subsidiaries.

"Affected Lender" has the meaning specified in Section 2.19(b).

"Affected Loans" has the meaning specified in Section 2.19(b).

"Affiliate" means, as applied to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with, that Person. For the purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of that Person, whether through the ownership of voting securities or Capital Stock, by contract or otherwise. Notwithstanding anything herein to the contrary, in no event shall Administrative Agent or any Lender or any of their Affiliates or Related Funds be considered an "Affiliate" of any Loan Party.

"Aggregate Amounts Due" has the meaning specified in Section 2.13.

"Aggregate Payments" has the meaning specified in Section 7.2.

"Agreement" means this Financing Agreement and any annexes, exhibits and schedules attached hereto.

"Anti-Corruption Laws" means all Requirements of Law concerning or relating to bribery or corruption, including, without limitation, the United States Foreign Corrupt Practices Act of 1977, and the anti-bribery and anti-corruption laws and regulations of those jurisdictions in which the Loan Parties do business.

"Anti-Terrorism Laws" means any Requirement of Law relating to terrorism or money laundering, including, without limitation, (a) the Money Laundering Control Act of 1986 (*i.e.*, 18 U.S.C. §§ 1956 and 1957), (b) the Currency and Foreign Transactions Reporting Act (31 U.S.C. §§ 5311-5330 and 12 U.S.C. §§ 1818(s), 1820(b) and 1951-1959) (the "Bank Secrecy Act"), (c) the USA PATRIOT Act, (d) the laws, regulations and Executive Orders administered by the United States Department of the Treasury's Office of Foreign Assets Control ("OFAC"), (e) the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 and implementing regulations by the United States Department of the Treasury, (f) any law prohibiting or directed against terrorist activities or the financing of terrorist activities (*e.g.*, 18 U.S.C. §§ 2339A and 2339B), or (g) any similar laws enacted in the United States or any other jurisdictions in which the parties to this Agreement operate, as any of the foregoing laws may from time to time be amended, renewed, extended, or replaced and all other present and future legal requirements of any Governmental Authority governing, addressing, relating to, or attempting to eliminate, terrorist acts and acts of war and any regulations promulgated pursuant thereto.

"Applicable Margin" means (a) with respect to a Term Loan that is a Term SOFR Loan, 6.50% per annum and (b) with respect to a Term Loan that is a Base Rate Loan, 5.50% per annum.

"Applicable Premium" has the meaning specified in the Fee Letter.

"Application Event" means the (a) occurrence of an Event of Default and (b) the election by Administrative Agent or the Required Lenders during the continuance of such Event of Default to require that payments and proceeds of Collateral be applied pursuant to Section 2.12(f).

"Asset Sale" means a sale, lease or sublease (as lessor or sublessor), sale and leaseback, assignment, conveyance, transfer, license or sublicense or other disposition to (other than to a Loan Party), or any exchange of property with, any Person, in one transaction or a series of transactions, of all or any part of any Loan Party's businesses, assets or properties of any kind, whether real, personal, or mixed and whether tangible or intangible, whether now owned or hereafter acquired, including, without limitation, the Capital Stock of any Loan Party. For purposes of clarification, "Asset Sale" shall include (a) the sale or other disposition for value of any contracts, (b) any disposition of property through a "plan of division" under the Delaware Limited Liability Company Act or any comparable transaction under any similar law, (c) any sale of accounts (or any rights thereto (including, without limitation, any rights to any residual payment stream with respect thereto)) by any Loan Party or Subsidiary of Borrower, (e) any Product Agreement, (f) any Permitted Product Transaction and (g) any Royalty Monetization Transaction.

Notwithstanding the foregoing, none of the following items will be deemed to be an Asset Sale:

(i) an issuance of Capital Stock by a Subsidiary of Borrower to Borrower or to another Loan Party;

(ii) an issuance of Capital Stock by Borrower;

(iii) use or transfer of Cash or Cash Equivalents in a manner that is not prohibited by the terms of this Agreement or the other Loan Documents;

(iv) the non-exclusive licensing or sublicensing alone, of any Intellectual Property Rights in the ordinary course of business which does not materially interfere with the ordinary conduct of the business of Borrower or any of its Subsidiaries and which is otherwise permitted under this Agreement (provided and for the avoidance of doubt that (x) any exclusive or co-exclusive license or other arrangement with respect to any Intellectual Property Rights, (y) any Permitted Product Transaction and (y) Royalty Monetization Transaction shall be deemed to be an Asset Sale); and

(v) the lease, assignment or sublease of any real or personal property (other than any Intellectual Property Rights or any property pursuant to a Permitted Product Transaction or Royalty Monetization Transaction) in the ordinary course of business which do not materially interfere with the ordinary conduct of the business of Borrower or any of its Subsidiaries and which is otherwise permitted under this Agreement.

"Assignment Agreement" means an Assignment and Assumption Agreement substantially in the form of Exhibit C, with such amendments or modifications as may be approved by Administrative Agent.

"Authorized Officer" means, as applied to any Person, any individual holding the position of chairman of the board (if an officer), director, chief executive officer, president or one of its vice presidents (or the equivalent thereof), and such Person's chief financial officer or treasurer.

"Available Tenor" means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (a) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an interest period pursuant to this Agreement or (b) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark pursuant to this Agreement, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to Section 2.20(d).

"AYVAKIT" means [***].

"AYVAKIT Patents" means the U.S. and foreign Patents and pending Patent applications owned or in-licensed by Company or any of its Subsidiaries, now or in the future, that are necessary for or material to the research, development, use or Commercialization of AYVAKIT.

"AYVAKIT/BLU-263 Purchase Agreement" means that certain Purchase and Sale Agreement, dated as of the date hereof, by and among Borrower, as seller, Garnich Adjacent Investments S.à r.l., as purchaser, the other purchases from time to time party thereto and Garnich Adjacent Investments S.à r.l., as Purchaser's Representative on behalf of the purchasers (as amended, supplemented or otherwise from time to time in compliance with the Senior Lender Intercreditor Agreement).

"Back-Up Security Interest" means a back-up security interest granted by the Borrower or any of its Subsidiaries to a buyer of royalties in connection with a Permitted Royalty Transaction to the extent such purchase of such royalties is recharacterized as a secured debt financing rather than a true sale.

"Bank Secrecy Act" has the meaning specified in the definition of "Anti-Terrorism Laws".

"Bankruptcy Code" means Title 11 of the United States Code entitled "Bankruptcy," as now and hereafter in effect, or any successor statute.

"Base Rate" means, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day [***] (c) Term SOFR (which rate shall be calculated based upon an Interest Period of three months and to be determined on a daily basis) [***], and (d) 2.00% per annum. Any change in the Prime Rate, the Federal Funds Effective Rate or Term SOFR shall be effective on the effective day of such change in the Prime Rate, the Federal Funds Effective Rate or Term SOFR, respectively.

"Base Rate Loan" means a Loan bearing interest at a rate determined by reference to the Base Rate.

"Base Rate Term SOFR Determination Day" has the meaning specified in the definition of "Term SOFR".

"Benchmark" means, initially, Term SOFR; provided that if a Benchmark Transition Event has occurred with respect to Term SOFR or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 2.20(a).

"Benchmark Replacement" means, with respect to any Benchmark Transition Event, the sum of: (a) the alternate benchmark rate that has been selected by Administrative Agent in consultation with Borrower giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for Dollar-denominated syndicated credit facilities and (b) the related Benchmark Replacement Adjustment; provided that if such Benchmark Replacement as so determined would be less than the Floor, such Benchmark Replacement shall be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

"Benchmark Replacement Adjustment" means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable Available Tenor, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or

negative value or zero) that has been selected by the Administrative Agent in consultation with Borrower giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for Dollar-denominated syndicated credit facilities at such time.

"Benchmark Replacement Date" means the earliest to occur of the following events with respect to the then-current Benchmark:

(a) in the case of clause (a) or (b) of the definition of "Benchmark Transition Event," the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(b) in the case of clause (c) of the definition of "Benchmark Transition Event," the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; provided that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (a) or (b) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Transition Event" means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(a) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(b) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Board of Governors, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(c) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative.

For the avoidance of doubt, if the then-current Benchmark has any Available Tenors, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Transition Start Date" means, in the case of a Benchmark Transition Event, the earlier of (a) the applicable Benchmark Replacement Date and (b) if such Benchmark Transition Event is a public statement or publication of information of a prospective event, the 90th day prior to the expected date of such event as of such public statement or publication of information (or if the expected date of such prospective event is fewer than 90 days after such statement or publication, the date of such statement or publication).

"Benchmark Unavailability Period" means the period (if any) (x) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.20 and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.20.

"Beneficiary" means Administrative Agent and each Lender.

"Benefit Plan" means any of (a) an "employee benefit plan" (as defined in Section 3(3) of ERISA) that is subject to Title I of ERISA, (b) a "plan" as defined in Section 4975 of the Internal Revenue Code to which Section 4975 of the Internal Revenue Code applies, and (c) any Person whose assets include (for purposes of the Plan Asset Regulations or otherwise for purposes of Title I of ERISA or Section 4975 of the Internal Revenue Code) the assets of any such "employee benefit plan" or "plan".

"Blocked Person" means any Person: (a) that is publicly identified (i) on the most current list of "Specially Designated Nationals and Blocked Persons" published by OFAC or resides, is organized or chartered, or has a place of business in a country or territory subject to OFAC sanctions or embargo program or (ii) as prohibited from doing business with the United States under the International Emergency Economic Powers Act, the Trading With the Enemy Act, or any other Anti-Terrorism Law; (b) that is owned or controlled by, or that owns or controls, or that is acting for or on behalf of, any Person described in clause (a) above; (c) which any Lender is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law; and (d) that is affiliated or associated with a Person described in clauses (a), (b), or (c) above.

"BLU-263" means [***].

"BLU-263 Patents" means the U.S. and foreign Patents owned or in-licensed by Company or any of its Subsidiaries, now or in the future, that are necessary for or material to the research, development, use or Commercialization of BLU-263.

"Board of Directors" means, (a) with respect to any corporation or company, the board of directors of the corporation, company or any committee thereof duly authorized to act on behalf of such board, (b) with respect to a partnership, the board of directors of the general partner of the partnership, (c) with respect to a limited liability company, the managing member or members or any controlling committee or board of

directors of such company or the sole member or the managing member thereof, and (d) with respect to any other Person, the board or committee of such Person serving a similar function.

"Borrower" has the meaning specified in the preamble hereto and is interchangeable with the term "Company".

"Business Day" means any day that is not a Saturday, Sunday, other day on which the Federal Reserve Bank of New York is closed.

"Capital Lease" means, as applied to any Person, any lease of any property (whether real, personal or mixed) by that Person (a) as lessee that, in conformity with GAAP, is or should be accounted for as a capital lease on the balance sheet of that Person or (b) as lessee which is a transaction of a type commonly known as a "synthetic lease" (i.e., a transaction that is treated as an operating lease for accounting purposes but with respect to which payments of rent are intended to be treated as payments of principal and interest on a loan for income tax purposes).

"Capital Stock" means any and all shares, interests, participations or other equivalents (however designated) of capital stock of a company or a corporation, any and all equivalent ownership interests in a Person (other than a corporation), including, without limitation, shares, partnership interests and membership interests, and any and all warrants, rights or options to purchase or other arrangements or rights to acquire any of the foregoing; provided that Capital Stock shall exclude debt securities and other Indebtedness convertible into or exchangeable for any of the foregoing (including without limitation, Permitted Convertible Indebtedness).

"Cash" means money, currency or a credit balance in any demand or Deposit Account.

"Cash Equivalents" means, as at any date of determination, (a) marketable securities (i) issued or directly and unconditionally guaranteed as to interest and principal by the United States Government, or (ii) issued by any agency of the United States the obligations of which are backed by the full faith and credit of the United States, in each case maturing within one year after such date, (b) marketable direct obligations issued by any state of the United States of America or any political subdivision of any such state or any public instrumentality thereof, in each case maturing within one year after such date and having, at the time of the acquisition thereof, a rating of at least A 1 from S&P or at least P 1 from Moody's, (c) commercial paper maturing no more than one year from the date of creation thereof and having, at the time of the acquisition thereof, a rating of at least A 1 from S&P or at least P 1 from Moody's, (d) certificates of deposit or bankers' acceptances maturing within one year after such date and issued or accepted by any Lender or by any commercial bank organized under the laws of the United States of America or any state thereof or the District of Columbia that (i) is at least "adequately capitalized" (as defined in the regulations of its primary Federal banking regulator), and (ii) has Tier 1 capital (as defined in such regulations) of not less than $100,000,000, (e) shares of any money market mutual fund that (i) has substantially all of its assets invested continuously in the types of investments referred to in clauses (a) and (b) above, (ii) has net assets of not less than $500,000,000, and (iii) has the highest rating obtainable from either S&P or Moody's, and (f) other Investments described in Borrower's investment policy as approved by the Administrative Agent in writing (it being understood that the investment policy provided to Administrative Agent prior to the Closing Date shall be deemed approved in writing) and the board from time to time.

"CFC" means any Subsidiary that is a "controlled foreign corporation" within the meaning of Section 957(a) of the Internal Revenue Code.

"CFC Holdco" means any Subsidiary substantially all of the assets of which consist of Capital Stock or Capital Stock and Indebtedness of one or more CFCs or other CFC Holdcos.

"Change of Control" means, at any time, any of the following occurrences:

(a) any Person or "group" (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act) (i) shall have acquired beneficial ownership of [***] or more on a fully diluted basis of the voting and/or economic interest in the securities or Capital Stock of Borrower or (ii) shall have obtained the power (whether or not exercised) to elect a majority of the members of the Board of Directors (or similar governing body) of Borrower; provided that for purposes of this provision, any Person or group shall not be deemed to beneficially own Capital Stock to be acquired by such Person or group pursuant to a stock or asset purchase agreement, merger agreement, option agreement, warrant agreement or similar agreement (or voting or option or similar agreement related thereto) until the consummation of the acquisition of the Capital Stock in connection with the transactions contemplated; or

(b) any "change of control" or similar event shall occur under, and as defined in or set forth in the documents evidencing or governing the Capital Stock of Borrower, any agreement evidencing any Royalty Monetization Transaction, the AYVAKIT/BLU-263 Purchase Agreement, any Permitted Convertible Indebtedness in an aggregate principal amount in excess of [***] or any Permitted Priority Indebtedness, in each case to the extent it would result in any repayment or payment obligation by Borrower or any of its Subsidiaries in connection with such event.

"Closing Date" means the date on which this Agreement becomes effective, which is June 30, 2022.

"Closing Date Certificate" means a Closing Date Certificate substantially in the form of Exhibit D.

"Collateral" means, collectively, all of the real, personal and mixed property (including Capital Stock) and all interests therein and proceeds thereof now owned or hereafter acquired by any Loan Party upon which a Lien is granted or purported to be granted by such Loan Party in favor of the Administrative Agent pursuant to the Collateral Documents as security for the Obligations.

"Collateral Documents" means the Pledge and Security Agreement, any Control Agreement, any Mortgages and all other instruments, documents and agreements delivered by any Loan Party pursuant to this Agreement or any of the other Loan Documents in order to grant to Administrative Agent, for the benefit of Secured Parties, a Lien on any real, personal or mixed property of that Loan Party as security for the Obligations, in each case, as such Collateral Documents may be amended or otherwise modified from time to time.

"Combination Patent" is [***].

"Commercialize" means any and all activities directed to the manufacturing, distribution, marketing, detailing, promotion, selling and securing of reimbursement of a Product (including the using, importing, selling and offering for sale of such Product), and shall include post-marketing approval studies to the extent required by a Governmental Authority, post-launch marketing, promoting, detailing, distributing, selling such Product, importing, exporting or transporting such Product for sale, and regulatory compliance with respect to the foregoing. When used as a verb, "Commercialize" shall mean to engage in Commercialization. Except with respect to post-marketing approval studies required by a Governmental Authority, Commercialization shall not include any activities directed to the research or development (including pre-clinical and clinical development) or manufacture of a Product.

"Common Stock" means Borrower's common stock.

"Company" has the meaning specified in the preamble hereto and is interchangeable with the term "Borrower".

"Competing Product" means, [***].

"Compliance Certificate" means a Compliance Certificate substantially in the form of Exhibit B.

"Conforming Changes" means, with respect to either the use or administration of Term SOFR or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Base Rate," the definition of "Business Day," the definition of "U.S. Government Securities Business Day," the definition of "Interest Period" or any similar or analogous definition (or the addition of a concept of "interest period"), timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of Section 2.19(c) and other technical, administrative or operational matters) that Administrative Agent decides may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by Administrative Agent in a manner substantially consistent with market practice (or, if Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if Administrative Agent determines that no market practice for the administration of any such rate exists, in such other manner of administration as Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

"Consolidated Total Cash" means, at any date of determination, total Qualified Cash as of such date, which, in connection with any determination under the definition of Permitted Acquisition, shall be determined on a pro forma basis, after giving effect to the applicable Permitted Acquisition, and in each case as certified by the chief financial officer of Borrower to Administrative Agent.

"Contractual Obligation" means, as applied to any Person, any provision of any security issued by that Person or of any indenture, mortgage, deed of trust, contract (including, but not limited to, any Material Contract), undertaking, agreement, license or other instrument to which that Person is a party or by which it or any of its properties is bound or to which it or any of its properties is subject.

"Control Agreement" means a control agreement, in form and substance reasonably satisfactory to Administrative Agent, executed and delivered by the applicable Loan Party, Administrative Agent, and the applicable securities intermediary (with respect to a Securities Account) or bank (with respect to a Deposit Account).

"Conversion/Continuation Date" means the effective date of a continuation or conversion, as the case may be, as set forth in the applicable Conversion/Continuation Notice.

"Conversion/Continuation Notice" means a Conversion/Continuation Notice substantially in the form of Exhibit A-2.

"Counterpart Agreement" means a Counterpart Agreement substantially in the form of Exhibit F delivered by a Loan Party pursuant to Section 5.10.

"Credit Date" means the date of a Credit Extension.

"Credit Extension" means the making of a Loan.

"CStone" means CStone Pharmaceuticals, a corporation organized under the laws of the Cayman Islands.

"CStone License" means that certain License and Collaboration Agreement, dated June 1, 2018, by and between Borrower and CStone, as amended from time to time[***].

"CStone Territory" means [***].

"Data" means customer lists, correspondence, data, submissions and licensing and purchasing histories relating to customers of Borrower or any Subsidiary, and all other reports, information and documentation collected or maintained by Borrower or any Subsidiary regarding purchasers of Borrower products and the visitors to websites owned or controlled by Borrower or any of its Subsidiaries.

"Data Protection Laws" means applicable Requirements of Law concerning the protection, privacy or security of Personal Information (including any applicable laws of jurisdictions where the Personal Information was collected or otherwise processed) and other applicable consumer protection laws, and all regulations promulgated thereunder, including, without limitation, HIPAA, the General Data Protection Regulation (and all laws implementing or supplementing it), the California Consumer Privacy Act, and Section 5 of the Federal Trade Commission Act.

"Debtor Relief Law" means the Bankruptcy Code and any other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief law of the United States or other applicable jurisdiction from time to time in effect.

"Default" means a condition or event that, after notice or lapse of time or both, would constitute an Event of Default.

"Default Excess" means, with respect to any Defaulting Lender, the excess, if any, of such Defaulting Lender's Pro Rata Share of the aggregate outstanding principal amount of Term Loans of all Lenders (calculated as if all Defaulting Lenders (other than such Defaulting Lender) had funded all of their respective Defaulted Loans) over the aggregate outstanding principal amount of all Term Loans of such Defaulting Lender.

"Default Period" means, with respect to any Defaulting Lender, the period commencing on the date of the applicable Funding Default or violation of Section 9.5(c), as applicable, and ending on the earliest of the following dates: (a) the date on which all Term Loan Commitments are cancelled or terminated and/or the Obligations are declared or become immediately due and payable, (b) the date on which (i) the Default Excess with respect to such Defaulting Lender shall have been reduced to zero (whether by the funding by such Defaulting Lender of any Defaulted Loans of such Defaulting Lender or by the non pro rata application of any voluntary or mandatory prepayments of the Loans in accordance with the terms of Section 2.9 or Section 2.10 or by a combination thereof), and (ii) such Defaulting Lender shall have delivered to Company and Administrative Agent a written reaffirmation of its intention to honor its obligations hereunder with respect to its Term Loan Commitments, (c) the date on which Company, Administrative Agent and Required Lenders waive all Funding Defaults of such Defaulting Lender in writing, and (d) the date on which Administrative Agent shall have waived all violations of Section 9.5(c) by such Defaulting Lender in writing.

"Default Rate" means any interest payable pursuant to Section 2.6.

"Defaulted Loan" has the meaning specified in Section 2.17.

"Defaulting Lender" has the meaning specified in Section 2.17.

"Delayed Draw A Commitment Period" means the time period commencing on the date upon which Administrative Agent shall have received reasonably satisfactory evidence that Borrower has achieved the Delayed Draw A Funding Milestone through and including the Delayed Draw A Commitment Termination Date.

"Delayed Draw A Commitment Termination Date" means the earliest to occur of (a) the date the Term Loan Commitments are permanently reduced to zero pursuant to Section 2.1(a) or 2.9(b), (b) the date of the termination of the Delayed Draw Term Loan Commitments pursuant to Section 8.2, and (c) [***].

"Delayed Draw A Funding Milestone" means the Loan Parties achieve, for any trailing four fiscal quarter period ending on or before [***], Product Revenue from sales of AYVAKIT and/or BLU-263 outside of the CStone Territories of at least [***], measured as of the last day of the four fiscal quarter period ending immediately prior to any proposed Delayed Draw A Term Loan Credit Date.

"Delayed Draw A Term Loan Commitment" means the commitment of a Lender to make or otherwise fund the Delayed Draw A Term Loan. The amount of each Lender's Delayed Draw A Term Loan Commitment, if any, is set forth on Appendix A-2 or in the applicable Assignment Agreement, subject to any adjustment or reduction pursuant to the terms and conditions hereof. The aggregate amount of the Delayed Draw A Term Loan Commitments as of the Closing Date is [***].

"Delayed Draw A Term Loans" means the Term Loans funded after the Closing Date pursuant to Section 2.1(a)(ii).

"Delayed Draw B Commitment Period" means the time period commencing on the date upon which Administrative Agent shall have received reasonably satisfactory evidence that Borrower has achieved the Delayed Draw B Funding Milestone through and including the Delayed Draw B Commitment Termination Date.

"Delayed Draw B Commitment Termination Date" means the earliest to occur of (a) the date the Term Loan Commitments are permanently reduced to zero pursuant to Section 2.1(a) or 2.9(b), (b) the date of the termination of the Delayed Draw Term Loan Commitments pursuant to Section 8.2, and (c) [***].

"Delayed Draw B Funding Milestone" means the Loan Parties achieve, for any trailing four fiscal quarter period ending on or before [***], Product Revenue from sales of AYVAKIT and/or BLU-263 outside of the CStone Territories of at least [***], measured as of the last day of the four fiscal quarter period ending immediately period to any proposed Delayed Draw B Term Loan Credit Date.

"Delayed Draw B Term Loan Commitment" means the commitment of a Lender to make or otherwise fund the Delayed Draw B Term Loan. The amount of each Lender's Delayed Draw B Term Loan Commitment, if any, is set forth on Appendix A-2 or in the applicable Assignment Agreement, subject to any adjustment or reduction pursuant to the terms and conditions hereof. The aggregate amount of the Delayed Draw B Term Loan Commitments as of the Closing Date is [***].

"Delayed Draw B Term Loans" means the Term Loans funded after the Closing Date pursuant to Section 2.1(a)(iii).

"Delayed Draw Term Loan Commitment" means the commitment of a Lender to make or otherwise fund the Delayed Draw A Term Loans and Delayed Draw B Term Loans and "Delayed Draw Term Loan Commitments" means such commitments of all such Lenders in the aggregate. The amount of each Lender's Delayed Draw Term Loan Commitment, if any, is set forth on Appendix A-2 or in the applicable Assignment Agreement, subject to any adjustment or reduction pursuant to the terms and conditions hereof.

The aggregate amount of the Delayed Draw Term Loan Commitments as of the Closing Date is $250,000,000.

"Delayed Draw Term Loans" means the Delayed Draw A Term Loans, Delayed Draw B Term Loans and Incremental Term Loans.

"Deposit Account" means a demand, time, savings, passbook or like account with a bank, savings and loan association, credit union or like organization, other than an account evidenced by a negotiable certificate of deposit.

"Disputes" has the meaning set forth in Section 4.23(d).

"Disqualified Capital Stock" means any Capital Stock that, by its terms (or by the terms of any security or other Capital Stock into which it is convertible or for which it is exchangeable), or upon the happening of any event or condition, (a) matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, (b) is redeemable at the option of the holder thereof, in whole or in part, (c) provides for the scheduled payments of dividends or distributions in cash, or (d) is convertible into or exchangeable for (i) Indebtedness or (ii) any other Capital Stock that would constitute Disqualified Capital Stock, in each case of clauses (a) through (d), prior to the date that is [***] after the Term Loan Maturity Date and other than solely for Qualified Capital Stock or as a result of a change of control or asset sale (so long as any rights of the holders thereof upon the occurrence of a change of control or asset sale event shall be subject to the prior repayment in full of the Loans and all other Obligations that are accrued and payable and the termination of the Term Loan Commitments); provided that if such Capital Stock is issued pursuant to a plan for the benefit of current or former employees, directors, independent contractors or other service providers of the Loan Parties or by any such plan to such current or former employees, directors, independent contractors or other service providers, such Capital Stock shall not constitute Disqualified Capital Stock solely because it may be required to be repurchased by a Loan Party in order to satisfy applicable statutory or regulatory obligations, including tax withholding, or as a result of such current or former employee's, director's, independent contractor's or other service provider's termination, death or disability; provided further that Disqualified Capital Stock shall exclude Permitted Equity Derivatives.

"Dollars" and the sign "$" mean the lawful money of the United States of America.

"Domestic Subsidiary" means any Subsidiary organized under the laws of the United States of America, any State thereof or the District of Columbia.

"Eligible Assignee" means (a) any Lender, any Affiliate of any Lender and any Related Fund (any two or more Related Funds being treated as a single Eligible Assignee for all purposes hereof), (b) any commercial bank, insurance company, investment or mutual fund or other entity that is an "accredited investor" (as defined in Regulation D under the Securities Act) and which extends credit or buys loans as one of its businesses, and (c) any other Person (other than a natural Person); provided, (i) neither Borrower nor any Affiliate of Borrower shall, in any event, be an Eligible Assignee, and (ii) no Person owning or controlling any trade debt or Indebtedness of any Loan Party (other than the Obligations) or any Capital Stock of any Loan Party (in each case, unless approved by Administrative Agent) shall, in any event, be an Eligible Assignee.

"Employee Benefit Plan" means any "employee benefit plan" as defined in Section 3(3) of ERISA which is or was sponsored, maintained or contributed to by, or required to be contributed by, Borrower, any of its Subsidiaries or any of their respective ERISA Affiliates.

"Environmental Claim" means any complaint, summons, citation, investigation, notice, directive, notice of violation, order, claim, demand, action, litigation, judicial or administrative proceeding, judgment, letter or other communication from any Governmental Authority or any other Person, involving (a) any actual or alleged violation of any Environmental Law, (b) any Hazardous Material or any actual or alleged Hazardous Materials Activity, (c) injury to the environment, natural resource, any Person (including wrongful death) or property (real or personal) in connection with Hazardous Materials or actual or alleged violations of Environmental Laws, or (d) actual or alleged Releases or threatened Releases of Hazardous Materials either (i) on, at or migrating from any assets, properties or businesses currently or formerly owned or operated by any Loan Party or any of its Subsidiaries or any predecessor in interest, (ii) from adjoining properties or businesses, or (iii) onto any facilities which received Hazardous Materials generated by any Loan Party or any of its Subsidiaries or any predecessor in interest.

"Environmental Laws" means any and all current or future foreign or domestic, federal or state (or any subdivision of either of them), statutes, ordinances, orders, rules, regulations, judgments, decrees, permits, licenses or binding determinations of any Governmental Authorizations, or any other requirements of Governmental Authorities relating to (a) the manufacture, generation, use, storage, transportation, treatment, disposal or Release of Hazardous Materials, or (b) occupational safety and health, industrial hygiene, land use or the protection of the environment, human, plant or animal health or welfare.

"Environmental Liabilities and Costs" means all liabilities, monetary obligations, losses (including monies paid in settlement), damages, punitive damages, natural resources damages, consequential damages, treble damages, costs and expenses (including all reasonable fees, disbursements and expenses of counsel, experts and consultants and costs of investigations and feasibility studies), fines, penalties, sanctions and interest incurred in connection with any Remedial Action, any Environmental Claim, or any other claim or demand by any Governmental Authority or any Person that relates to any actual or alleged violation of Environmental Laws, actual or alleged exposure or threatened exposure to Hazardous Materials, or any actual or alleged Release or threatened Release of Hazardous Materials.

"Environmental Lien" means any Lien in favor of any Governmental Authority for Environmental Liabilities and Costs.

"ERISA" means the Employee Retirement Income Security Act of 1974.

"ERISA Affiliate" means, as applied to any Person, (a) any corporation which is a member of a controlled group of corporations within the meaning of Section 414(b) of the Internal Revenue Code of which that Person is a member; (b) any trade or business (whether or not incorporated) which is a member of a group of trades or businesses under common control within the meaning of Section 414(c) of the Internal Revenue Code of which that Person is a member; and (c) any member of an affiliated service group within the meaning of Section 414(m) or (o) of the Internal Revenue Code of which that Person, any corporation described in clause (a) above or any trade or business described in clause (b) above is a member. Any former ERISA Affiliate of Borrower or any of its Subsidiaries shall continue to be considered an ERISA Affiliate of Borrower or any such Subsidiary within the meaning of this definition with respect to the period such entity was an ERISA Affiliate of Borrower or such Subsidiary and with respect to liabilities arising after such period for which Borrower or such Subsidiary could be liable under the Internal Revenue Code or ERISA.

"ERISA Event" means (a) a "reportable event" within the meaning of Section 4043 of ERISA and the regulations issued thereunder with respect to any Pension Plan (excluding those for which the provision for thirty day notice to the PBGC has been waived by regulation), (b) the failure to meet the minimum funding standard of Section 412 of the Internal Revenue Code with respect to any Pension Plan (whether or not waived in accordance with Section 412(d) of the Internal Revenue Code) or the failure to make by

its due date a required installment under Section 412(m) of the Internal Revenue Code with respect to any Pension Plan or the failure to make any required contribution to a Multiemployer Plan, (c) the provision by the administrator of any Pension Plan pursuant to Section 4041(a)(2) of ERISA of a notice of intent to terminate such plan in a distress termination described in Section 4041(c) of ERISA, (d) the withdrawal by Borrower, any of its Subsidiaries or any of their respective ERISA Affiliates from any Pension Plan with two or more contributing sponsors or the termination of any such Pension Plan resulting in liability to Borrower, any of its Subsidiaries or any of their respective Affiliates pursuant to Section 4063 or 4064 of ERISA, (e) the institution by the PBGC of proceedings to terminate any Pension Plan, or the occurrence of any event or condition which might constitute grounds under ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan, (f) the imposition of liability on Borrower, any of its Subsidiaries or any of their respective ERISA Affiliates pursuant to Section 4062(e) or 4069 of ERISA or by reason of the application of Section 4212(c) of ERISA, (g) the withdrawal of Borrower, any of its Subsidiaries or any of their respective ERISA Affiliates in a complete or partial withdrawal (within the meaning of Sections 4203 and 4205 of ERISA) from any Multiemployer Plan if there is any potential liability therefor, or the receipt by Borrower, any of its Subsidiaries or any of their respective ERISA Affiliates of notice from any Multiemployer Plan that it is in reorganization or insolvency pursuant to Section 4241 or 4245 of ERISA, or that it intends to terminate or has terminated under Section 4041A or 4042 of ERISA, (h) the occurrence of an act or omission which could give rise to the imposition on Borrower, any of its Subsidiaries or any of their respective ERISA Affiliates of fines, penalties, taxes or related charges under Chapter 43 of the Internal Revenue Code or under Section 409, Section 502(c), (i) or (l), or Section 4071 of ERISA in respect of any Employee Benefit Plan, (i) the assertion of a material claim (other than routine claims for benefits) against any Employee Benefit Plan other than a Multiemployer Plan or the assets thereof, or against Borrower, any of its Subsidiaries or any of their respective ERISA Affiliates in connection with any Employee Benefit Plan, (j) receipt from the Internal Revenue Service of notice of the failure of any Pension Plan (or any other Employee Benefit Plan intended to be qualified under Section 401(a) of the Internal Revenue Code) to qualify under Section 401(a) of the Internal Revenue Code, or the failure of any trust forming part of any Pension Plan to qualify for exemption from taxation under Section 501(a) of the Internal Revenue Code, or (k) the imposition of a Lien pursuant to Section 401(a)(29) or 412(n) of the Internal Revenue Code or pursuant to ERISA with respect to any Pension Plan.

"Event of Default" means each of the conditions or events set forth in Section 8.1.

"ESG Certificate" means a certificate substantially in the form of the Loan Syndications and Trading Association's ("LSTA") "ESG Diligence Questionnaire – Borrower, effective June 4, 2021", and any successor thereto as may be designated as the form "ESG Certificate" by the Administrative Agent.

"Exchange Act" means the Securities Exchange Act of 1934.

"Excluded Account" means Deposit Accounts, (a) the balance of which consists exclusively of withheld income taxes and foreign, federal, state or local employment taxes in such amounts as are required to be paid to the Internal Revenue Service or any other government agencies within the following two months with respect to employees of Borrower or any of its Subsidiaries, (b) used exclusively for payroll to or for the benefit of employees of Borrower or any of its Subsidiaries in such amounts as are required to be paid to such employees within the immediately succeeding two payroll cycles, (c) which are exclusively health care reimbursement accounts or employee benefits accounts, including any accounts exclusively containing amounts required to be paid over to an employee benefit plan pursuant to DOL Reg. Sec. 2510.3-102 on behalf of or for the benefit of employees of Borrower or any of its Subsidiaries, (d) all segregated Deposit Accounts constituting (and the balance of which consists solely of funds set aside in connection with) fiduciary accounts and trust accounts, (e) any other Deposit Accounts that have amounts on deposit that do not exceed [***] individually or [***] in the aggregate at any one time, (f) which are exclusively holding cash collateral or other deposits constituting Liens permitted by clauses (g), (o) and (ee) of

Permitted Liens, and (g) segregate accounts that solely hold cash proceeds of receivables or royalties sold pursuant to a Permitted Royalty Transaction.

"Excluded Subsidiary" means (a) any not-for-profit Subsidiary, (b) any captive insurance entity, (c) any merger Subsidiary formed in connection with a Permitted Acquisition so long as such merger Subsidiary is merged out of existence pursuant to such Permitted Acquisition or dissolved within [***] of its formation thereof or such later date as permitted by Administrative Agent in its reasonable discretion, (d) any Foreign Subsidiary (except at the election of Borrower in accordance with Section 5.10), (e) any CFC Holdco, CFC or any direct or indirect Subsidiary thereof to the extent that a pledge of more than [***] of the voting stock of, and the guarantee by, any such CFC Holdco, CFC or any direct or indirect Subsidiary thereof would, in the reasonable judgment of the Company in consultation with the Administrative Agent, be expected to result in adverse tax consequences (other than de minimis tax consequences) to any Loan Party or any of its Affiliates; provided, for the avoidance of doubt, up to [***] of the voting stock of any CFC Holdco, CFC or any direct or indirect Subsidiary thereof may be pledged as Collateral, (f) any Subsidiary that (i) had assets representing [***] or less of the total assets of Company and its Subsidiaries, determined on a consolidated basis in accordance with GAAP, as of the last day of the most recent Fiscal Quarter for which financial statements have been, or were required to be, delivered pursuant to Section 3.1(f) or Section 5.1(b) or (c), as applicable (the "Test Date"), (ii) contributed [***] or less of the total revenues of Borrower and its Subsidiaries, for the Fiscal Quarter ended on the Test Date, and (iii) had Cash and Cash Equivalents representing [***] or less of the total Cash and Cash Equivalents of Company and its Subsidiaries, for the Fiscal Quarter ended on the Test Date; provided, if at any time and from time to time after the Closing Date, Subsidiaries that are not Loan Parties comprise in the aggregate more than [***] of the total assets of Company and its Subsidiaries as of the Test Date, contribute more than [***] of the total revenues of Company and its Subsidiaries for the Fiscal Quarter ended on the Test Date, and hold more than [***] of the total Cash and Cash Equivalents of Company and its Subsidiaries for the Fiscal Quarter ended on the Test Date, then Borrower shall, not later than [***] after the date by which financial statements for such period are required to be delivered (or such longer period as the Administrative Agent may agree in its sole discretion), designate in writing to Administrative Agent that one or more of such Subsidiaries is no longer an Excluded Subsidiary (other than a Foreign Subsidiary, CFC, CFC Holdco or any direct or indirect Subsidiary thereof) for purposes of this Agreement to the extent required such that the foregoing condition ceases to be true, (g) any Subsidiary that is prohibited or restricted by any Requirement of Law or by contractual obligations existing on the Closing Date (or, in the case of any newly acquired Subsidiary, in existence at the time of acquisition but not entered into in contemplation thereof) from guaranteeing the Obligations or if guaranteeing the Obligations would require governmental (including regulatory) consent, approval, license or authorization, unless such consent, approval, license or authorization has been obtained, and (h) Blueprint Medicines Security Corporation.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or commitment hereunder pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or commitment hereunder (other than pursuant to an assignment request by the Borrower under Section 2.21(b)) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.18, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient's failure to comply with Section 2.15(d), and (d) any withholding Taxes imposed under FATCA.

"Existing Patent Rights" shall mean the "Existing Patent Rights" as defined in the AYVAKIT/BLU-263 Purchase Agreement as of the date hereof.

"Fair Share" has the meaning specified in Section 7.2.

"FASB ASC" means the Accounting Standards Codification of the Financial Accounting Standards Board.

"FATCA" means Sections 1471 through 1474 of the Internal Revenue Code, in effect as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), and any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Internal Revenue Code.

"FDA" means the U.S. Food and Drug Administration or any successor thereto.

"FDA Laws" means all applicable statutes, rules, regulations, standards, guidelines, policies and orders and Requirements of Law administered, implemented, enforced or issued by FDA or any comparable Governmental Authority.

"Federal Funds Effective Rate" means for any day, the rate per annum (expressed, as a decimal, rounded upwards, if necessary, to the next higher 1/100 of 1%) equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided, if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day.

"Federal Health Care Programs" shall mean the Medicare, Medicaid and TRICARE programs and any other state or federal health care program, as defined in 42 U.S.C. § 1320a-7b(f).

"Fee Letter" means the letter agreement, dated the Closing Date, between Company and Administrative Agent.

"Financial Officer Certification" means, with respect to the financial statements for which such certification is required, the certification of the chief financial officer of Borrower that such financial statements fairly present, in all material respects, the financial condition of Borrower and its Subsidiaries as at the dates indicated and the results of their operations and their cash flows for the periods indicated, subject to changes resulting from audit and normal year-end adjustments.

"First Priority" means, with respect to any Lien purported to be created in any Collateral pursuant to any Collateral Document, that such Lien is the only Lien to which such Collateral is subject, other than any Permitted Lien.

"Fiscal Quarter" means a fiscal quarter of any Fiscal Year.

"Fiscal Year" means the fiscal year of Borrower and its Subsidiaries ending on December 31 of each calendar year.

"Floor" means a rate of interest equal to one percent (1.00%).

"Flow of Funds Agreement" means that certain Flow of Funds Agreement, dated as of the Initial Funding Date, duly executed by Company, Administrative Agent, and any other person party thereto, in form and substance reasonably satisfactory to Administrative Agent, in connection with the disbursement of Loan proceeds in accordance with Section 2.1(a)(i).

"Foreign Lender" means (a) if Borrower is a U.S. Person, a Lender that is not a U.S. Person, and (b) if Borrower is not a U.S. Person, a Lender that is resident or organized under the laws of a jurisdiction other than that in which Borrower is resident for tax purposes.

"Foreign Official" means any officer or employee of a non-U.S. government or any department, agency, or instrumentality thereof, or of a public international organization, or any person acting in an official capacity for or on behalf of any such government or department, agency, or instrumentality, or for or on behalf of any such public international organization.

"Foreign Sovereign Immunities Act" means the US Foreign Sovereign Immunities Act of 1976 (28 U.S.C. Sections 1602-1611).

"Foreign Subsidiary" means any Subsidiary that is not a Domestic Subsidiary.

"Funding Default" has the meaning specified in Section 2.17.

"Funding Notice" means a written notice substantially in the form of Exhibit A-1.

"GAAP" means, subject to the limitations on the application thereof set forth in Section 1.2, United States generally accepted accounting principles in effect as of the date of determination thereof.

"GAVRETO" means [***].

"GAVRETO Patents" means the U.S. and foreign Patents and pending Patent applications owned or in-licensed by Company or any of its Subsidiaries, now or in the future, that are necessary for or material to the research, development, use or Commercialization of GAVRETO.

"GAVRETO Royalty Transaction" means the Royalty Monetization Transaction in respect of the royalty payable on sales of GAVRETO in the Roche Territory (as defined in the Roche Agreement as in effect on the date hereof).

"Governmental Authority" means any federal, state, municipal, national, supranational or other government, governmental department, commission, board, bureau, court, agency or instrumentality or political subdivision thereof or any entity or officer exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to any government or any court, including any patent office, in each case whether associated with a state of the United States, the United States or a foreign entity or government. [***].

"Governmental Authorization" means any permit, license, authorization, clearance, approval, Registration, plan, directive, consent order or consent decree of or from any Governmental Authority.

"Grantor" has the meaning specified in the Pledge and Security Agreement.

"Guaranteed Obligations" has the meaning specified in Section 7.1.

"Guarantor" means each Subsidiary of Borrower and each other Person which guarantees, pursuant to Article VII or otherwise, all or any part of the Obligations. For the avoidance of doubt, no Excluded Subsidiary shall be required to become a Guarantor except at the election of Borrower in accordance with Section 5.10.

"Guarantor Subsidiary" means each Guarantor.

"Guaranty" means (a) the guaranty of each Guarantor set forth in Article VII and (b) each other guaranty, in form and substance satisfactory to Administrative Agent, made by any other Guarantor for the benefit of the Secured Parties guaranteeing all or part of the Obligations.

"Hazardous Materials" means, regardless of amount or quantity, (a) any element, compound or chemical that is defined, listed or otherwise classified as a contaminant, pollutant, toxic pollutant, toxic or hazardous substance, extremely hazardous substance or chemical, hazardous waste, special waste, or solid waste under Environmental Laws or that is likely to cause immediately, or at some future time, harm to or have an adverse effect on, the environment or risk to human health or safety, including, without limitation, any pollutant, contaminant, waste, hazardous waste, toxic substance or dangerous good which is defined or identified in any Environmental Law and which is present in the environment in such quantity or state that it contravenes any Environmental Law, (b) petroleum and its refined products, (c) polychlorinated biphenyls, (d) any substance exhibiting a hazardous waste characteristic, including, without limitation, corrosivity, ignitability, toxicity or reactivity as well as any radioactive or explosive materials, (e) any raw materials, building components (including, without limitation, asbestos-containing materials) and manufactured products containing hazardous substances listed or classified as such under Environmental Laws, and (f) any substance or materials that are otherwise regulated under Environmental Law.

"Hazardous Materials Activity" means any past, current, proposed or threatened activity, event or occurrence involving any Hazardous Materials, including the use, manufacture, possession, storage, holding, presence, existence, location, Release, threatened Release, discharge, placement, generation, transportation, processing, construction, treatment, abatement, removal, remediation, disposal, disposition or handling of any Hazardous Materials, and any corrective action or response action with respect to any of the foregoing.

"Health Care Program Laws" means collectively, (a) federal Medicare or federal or state Medicaid statutes, (b) Sections 1128, 1128A, 1128B, 1128C, 1128G, and 1877 of the Social Security Act (42 U.S.C. §§ 1320a-7, 1320a-7a, 1320a-7b, 1320a-7c, 1320a-7h and 1395nn), (c) the federal TRICARE statute (10 U.S.C. § 1071 et seq.), (d) the civil False Claims Act of 1863 (31 U.S.C. § 3729 et seq.), (e)criminal false claims statutes (e.g., 18 U.S.C. §§ 286, 287 and 1001), (f) the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. § 3801 et seq.), (g) criminal fraud provisions under HIPAA, (h) federal and state Requirements of Law related to healthcare, health care professionals or other health care participants, or relationships with health care providers, suppliers, distributors, manufacturers and patients, and the pricing, sale and reimbursement of health care items or services, (i) Requirements of Law regarding the collection and reporting requirements, and the processing of any applicable rebate, chargeback or adjustment, under applicable rules and regulations relating to the Medicaid Drug Rebate Program (42 U.S.C. § 1396r-8) and any state supplemental rebate program, Medicare average sales price reporting (42 U.S.C. § 1395w-3a), the Public Health Service Act (42 U.S.C. § 256b), the VA Federal Supply Schedule (38 U.S.C. § 8126) or under any state pharmaceutical assistance program or U.S. Department of Veterans Affairs agreement, and any successor government programs, (j) any other Requirements of Law that directly or indirectly govern the health care industry, programs of Governmental Authorities; and (k) each as amended and the regulations promulgated thereunder.

"Hedging Agreement" means any interest or foreign exchange rate swap agreement, interest rate or foreign exchange cap agreement, interest rate or foreign exchange collar agreement, interest rate or foreign exchange hedging agreement or other similar agreement or arrangement, each of which is (a) for the purpose of hedging the interest rate exposure or foreign exchange exposure associated with Borrower's and its Subsidiaries' operations, and (b) not for speculative purposes.

"Highest Lawful Rate" means the maximum lawful interest rate, if any, that at any time or from time to time may be contracted for, charged, or received under the laws applicable to any Lender which are presently in effect or, to the extent allowed by law, under such applicable laws which may hereafter be in effect and which allow a higher maximum non-usurious interest rate than applicable laws now allow.

"HIPAA" means the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (Title XIII of the American Recovery and Reinvestment Act of 2009), and all regulations promulgated thereunder, and other Requirements of Law regulating the privacy and/or security of patient-identifying health care information, including with respect to notification of breach of privacy or security of such information.

"Historical Financial Statements" means as of the Closing Date, (a) the audited financial statements of Borrower and its Subsidiaries, for the Fiscal Year ended December 31, 2021, consisting of balance sheets and the related consolidated statements of income, stockholders' equity and cash flows for such Fiscal Year, and (b) the financial statements of Borrower and its Subsidiaries for the Fiscal Quarter ended March 31, 2021, consisting of balance sheets and the related consolidated statements of income, stockholders' equity and cash flows for such Fiscal Quarter.

"Incremental Term Loans" means the Term Loans funded after the Closing Date pursuant to Section 2.1(a)(iv).

"Indebtedness" means, as applied to any Person, without duplication, (a) all indebtedness for borrowed money, (b) that portion of obligations with respect to Capital Leases that is properly classified as a liability on a balance sheet in conformity with GAAP, (c) all obligations of such Person evidenced by notes, bonds or similar instruments or upon which interest payments are customarily paid and all obligations in respect of notes payable and drafts accepted representing extensions of credit whether or not representing obligations for borrowed money, (d) any obligation owed for all or any part of the deferred purchase price of property or services, including any earn-outs or other deferred payment obligations in connection with an acquisition to the extent such earn-outs and deferred payment obligations are fixed and non-contingent (excluding any such obligations incurred under ERISA and excluding trade payables incurred in the ordinary course of business and repayable in accordance with customary trade terms), (e) all obligations created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person, (f) all indebtedness secured by any Lien on any property or asset owned or held by that Person regardless of whether the indebtedness secured thereby shall have been assumed by that Person or is non-recourse to the credit of that Person, (g) the face amount of any letter of credit or letter of guaranty issued, bankers' acceptances facilities, surety bonds and similar credit transactions issued for the account of that Person or as to which that Person is otherwise liable for reimbursement of drawings, (h) the direct or indirect guaranty, endorsement (otherwise than for collection or deposit in the ordinary course of business), co-making, discounting with recourse or sale with recourse by such Person of the obligation of another, (i) any obligation of such Person the primary purpose or intent of which is to provide assurance to an obligee that the obligation of the obligor thereof will be paid or discharged, or any agreement relating thereto will be complied with, or the holders thereof will be protected (in whole or in part) against loss in respect thereof, (j) any liability of such Person for an obligation of another through any agreement (contingent or otherwise) (i) to purchase, repurchase or otherwise acquire such obligation or any security therefor, or to provide funds for the payment or discharge of such obligation (whether in the form of loans,

advances, stock purchases, capital contributions or otherwise) or (ii) to maintain the solvency or any balance sheet item, level of income or financial condition of another if, in the case of any agreement described under subclauses (i) or (ii) of this clause (j), the primary purpose or intent thereof is as described in clause (i) above, (k) all obligations of such Person in respect of any exchange traded or over the counter derivative transaction, including, without limitation, any Hedging Agreement, whether entered into for hedging or speculative purposes, and (l) Disqualified Capital Stock. The Indebtedness of any Person shall include the Indebtedness of any partnership or joint venture in which such Person is a general partner or joint venturer, unless such Indebtedness is expressly non-recourse to such Person. Notwithstanding anything herein to the contrary, Indebtedness shall not include (i) prepaid or deferred revenue arising in the ordinary course of business, (ii) endorsements of checks or drafts arising in the ordinary course of business, (iii) Capital Stock to the extent not constituting Disqualified Capital Stock, (iv) any obligations in respect of any Permitted Equity Derivative Transaction, (v) deferred compensation and severance, pension, health and welfare retirement and equivalent benefits or any deferred obligations incurred under ERISA until such obligations become a liability on the balance sheet of such Person in accordance with GAAP, (vi) purchase price adjustments or earn outs or other contingent payments of a similar nature (including any non-compete payments and consulting payments) made in connection with any Investment or other acquisitions, in each case, to the extent such obligations have not become due and payable (provided that deferred payments that are fixed or not subject to a bona fide contingency shall constitute Indebtedness to the extent provided in clause (d) above), (vii) non-compete or consulting obligations incurred in connection with Investments or other acquisitions until such obligations become a liability on the balance sheet of such Person in accordance with GAAP, (viii) unsecured installment payments or the deferred purchase price of property or services to the extent payable solely in Qualified Capital Stock of such Person, and (ix) purchase price holdbacks arising in the ordinary course of business in respect of a portion of the purchase price of an asset to satisfy unperformed obligations of the seller of such asset.

"Indemnified Liabilities" means, collectively, any and all liabilities (including Environmental Liabilities and Costs), obligations, losses, damages (including natural resource damages), penalties, claims (including Environmental Claims), costs (including the costs of any investigation, study, sampling, testing, abatement, cleanup, removal, remediation or other response action necessary to remove, remediate, clean up or abate any Hazardous Materials Activity), expenses and disbursements of any kind or nature whatsoever (including the reasonable and documented out-of-pocket fees and disbursements of counsel for Indemnitees in connection with any investigative, administrative or judicial proceeding commenced or threatened by any Person, whether or not any such Indemnitee shall be designated as a party or a potential party thereto, and any fees or expenses incurred by Indemnitees in enforcing this indemnity), whether direct, indirect or consequential and whether based on any federal, state or foreign laws, statutes, rules or regulations (including securities and commercial laws, statutes, rules or regulations and Environmental Laws), on common law or equitable cause or on contract or otherwise, that may be imposed on, incurred by, or asserted in writing against any such Indemnitee, in any manner relating to or arising out of (a) this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby (including the Lenders' agreement to make Credit Extensions or the use or intended use of the proceeds thereof, or any enforcement of any of the Loan Documents (including any sale of, collection from, or other realization upon any of the Collateral or the enforcement of the Guaranty)), (b) the statements contained in the proposal letter delivered by any Lender to Company prior to the Closing Date with respect to the transactions contemplated by this Agreement, or (c) any Environmental Claim or any Hazardous Materials Activity relating to or arising from, directly or indirectly, any past or present activity, operation, land ownership, or practice of Borrower or any of its Subsidiaries.

"Indemnified Taxes" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document and (b) to the extent not otherwise described in clause (a), Other Taxes.

"Indemnitee" has the meaning specified in Section 10.3.

"Indemnitee Agent Party" has the meaning specified in Section 9.6.

"Initial Funding Date" means the fifteenth (15th) Business Day following the Closing Date.

"Initial Term Loan" means the Term Loan funded on the Initial Funding Date pursuant to Section 2.1(a)(i).

"Initial Term Loan Commitment" means the commitment of a Lender to make or otherwise fund the Initial Term Loan and "Initial Term Loan Commitments" means such commitments of all such Lenders in the aggregate. The amount of each Lender's Initial Term Loan Commitment, if any, is set forth on Appendix A-1 or in the applicable Assignment Agreement, subject to any adjustment or reduction pursuant to the terms and conditions hereof. The aggregate amount of the Initial Term Loan Commitments as of the Closing Date is $150,000,000.

"Insolvency Proceeding" means any proceeding commenced by or against any Person under any provision of any Debtor Relief Law.

"Intellectual Property" has the meaning specified in the Pledge and Security Agreement.

"Intellectual Property Rights" means any and all rights, title and interests in and to all intellectual property rights of every kind and nature however denominated, as they exist throughout the world, including

(a) any Patent;

(b) trademarks, trade names, service marks, brands, trade dress and logos, packaging design, slogans, domain names and the goodwill and activities associated therewith;

(c) copyrights, mask work rights, confidential information, trade secrets, database rights, including all compilations, databases and computer programs, manuals and other documentation, and all derivatives, translations, adaptations, and combinations of the above;

(d) Know-How;

(e) rights of publicity and moral rights; and

(f) any and all other intellectual property rights or proprietary rights, whether or not patentable, including any and all registrations, applications, recordings, licenses, common-law rights, statutory rights, administrative rights, and contractual rights relating to any of the foregoing, claims of infringement and misappropriation against third parties, and regulatory filings, submissions and approvals.

"Intercompany Subordination Agreement" means that certain Intercompany Subordination Agreement, dated as of the Closing Date, made by the Loan Parties and their Subsidiaries in favor of Administrative Agent for the benefit of the Secured Parties.

"Interest Payment Date" means (a) with respect to any Base Rate Loan, the last Business Day of each Fiscal Quarter, commencing on the first such date to occur after the Closing Date, (b) with respect to any Term SOFR Loan, (i) the last Business Day of each Fiscal Quarter, commencing on the first such date to occur after the Closing Date and (ii) the last day of each Interest Period applicable to such Loan, and (c)

with respect to each Loan, the final maturity date of the Loans (whether by scheduled maturity, acceleration or otherwise).

"Interest Period" means, in connection with a Term SOFR Loan, an interest period of three months (a) initially, commencing on the Credit Date or Conversion/Continuation Date thereof, as the case may be, and (b) thereafter, commencing on the day on which the immediately preceding Interest Period expires; provided, (i) if an Interest Period would otherwise expire on a day that is not a Business Day, such Interest Period shall expire on the next succeeding Business Day unless no further Business Day occurs in such month, in which case such Interest Period shall expire on the immediately preceding Business Day, (ii) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall, subject to clauses (b)(iii) and (b)(iv) of this definition, end on the last Business Day of a calendar month, and (iii) no Interest Period with respect to any portion of any Term Loan shall extend beyond Term Loan Maturity Date; provided, further, that the Interest Period for any Term SOFR Loan to be made on the Initial Funding Date may, at the Borrower's option, end on September 30, 2022.

"Interest Rate Determination Date" means, with respect to any Interest Period, the date that is two Business Days prior to the first day of such Interest Period.

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

"Investment" means (a) any direct or indirect purchase or other acquisition by Borrower or any of its Subsidiaries of, or of a beneficial interest in, any of the securities or Capital Stock or all or substantially all of the assets of any other Person (or of any product, division, product line or business line of such other Person), (b) any direct or indirect redemption, retirement, purchase or other acquisition for value, by any Subsidiary of Borrower from any Person, of any Capital Stock of such Person, (c) any direct or indirect loan, advance, or capital contributions (or transfer or similar payment made from one entity to its Subsidiary in lieu of any capital contributions that would otherwise be required) by Borrower or any of its Subsidiaries to any other Person, including all indebtedness (including, without limitation, any intercompany indebtedness) and accounts receivable from that other Person that are not current assets or did not arise from sales to that other Person in the ordinary course of business, and (d) any direct or indirect guarantee of any obligations of any other Person. The amount of any Investment shall be (i) the original cost of such Investment plus the cost of all additions thereto, without any adjustments for increases or decreases in value, or write ups, write downs or write offs with respect to such Investment; minus (ii) the amount of dividends or distributions actually received in connection with such Investment and any return of capital and any payment of principal received in respect of such Investment that in each case is received in cash or Cash Equivalents (not in excess of the amount of Investments originally made).

"Joint Venture" means a joint venture, partnership or other similar arrangement, whether in corporate, partnership or other legal form, in which Company or any of its Subsidiaries holds any Capital Stock; provided, in no event shall any corporate Subsidiary of any Person be considered to be a Joint Venture to which such Person is a party.

"KIT" means the stem cell growth factor receptor tyrosine kinase protein targets commonly known as KIT, including without limitation any isoforms of the foregoing.

"Know-How" means all information and materials, including but not limited to discoveries, improvements, processes, methods, protocols, formulations formulas, data (including pharmacological, toxicological, non-clinical data, clinical data, analytical and quality control data, manufacturing data and descriptions, market data, financial data or descriptions), inventions, devices, assays, chemical formulations, specifications, product samples and other samples, physical, practices, procedures,

technology, techniques, designs, drawings, correspondence, computer programs, documents, apparatus, results, strategies, regulatory documentation, information and submissions pertaining to, or made in association with, filings with any Governmental Authority, research in progress, algorithms, data, databases, data collections, chemical and biological materials (including any compounds, DNA, RNA, clones, vectors, cells and any expression product, progeny, derivatives or improvements thereto), and the results of experimentation and testing, including samples in each case, knowledge, know-how, trade secrets and the like, in written, electronic, oral or other tangible or intangible form, patentable or otherwise, which are not generally known.

"Lender" means each lender listed on the signature pages hereto as a Lender, and any other Person that becomes a party hereto pursuant to an Assignment Agreement other than any Person that ceases to be a party hereto pursuant to any Assignment Agreement.

"Liabilities" means all claims, actions, suits, judgments, damages, losses, liability, obligations, responsibilities, fines, penalties, sanctions, costs, fees, taxes, commissions, charges, disbursements and expenses, in each case of any kind or nature (including interest accrued thereon or as a result thereto and fees, charges and disbursements of financial, legal and other advisors and consultants), whether joint or several, whether or not indirect, contingent, consequential, actual, punitive, treble or otherwise.

"License Agreements" has the meaning set forth in Section 4.23(b).

"Licensee" means any third party to which Company or any of its Affiliates, directly or indirectly through multiple tiers, grants a license, a sublicense, or other right to Commercialize a Product in any jurisdiction.

"Lien" means (a) any lien, mortgage, pledge, assignment, hypothec, deed of trust, security interest, license or sublicense, charge or encumbrance of any kind (including any agreement to give any of the foregoing, any conditional sale or other title retention agreement, and any lease in the nature thereof) and any option, trust or other preferential arrangement having the practical effect of any of the foregoing, and (b) in the case of securities or Capital Stock, any purchase option, call or similar right of a third party with respect to such securities or Capital Stock.

"Limited Condition Transaction" means any acquisition or Investment in, any assets, business or Person that would be permitted by this Agreement that Borrower or one or more of its Subsidiaries is contractually committed to consummate (it being understood that such commitment may be subject to conditions precedent, which conditions precedent may be amended, satisfied or waived in accordance with the terms of the applicable agreement) and the consummation of which is not conditioned on the availability of, or on obtaining, third party financing; provided that such acquisition or Investment is consummated no later than [***] after the execution of the definitive agreement relating thereto (or [***] in the case of any such acquisition or Investment that has not been consummated within [***] as a result of any required regulatory approvals not being obtained).

"Loan" means any Term Loan.

"Loan Account" means an account maintained hereunder by Administrative Agent on its books of account at the Payment Office, and with respect to Company, in which it will be charged with the Term Loan made to, and all other Obligations incurred by the Loan Parties.

"Loan Document" means any of this Agreement, the Notes, if any, the Collateral Documents, the Fee Letter, the Flow of Funds Agreement, any Guaranty, the Intercompany Subordination Agreement, the Perfection Certificate, the Senior Lender Intercreditor Agreement, any intercreditor agreement executed

pursuant to Section 9.8(a)(ii)(D), and all other documents, instruments or agreements executed and delivered by a Loan Party for the benefit of Administrative Agent or any Lender in connection herewith.

"Loan Party" means Company or any Guarantor.

"Loan Party Partner" has the meaning set forth in Section 4.33(a).

"Margin Stock" has the meaning specified in Regulation U of the Board of Governors of the Federal Reserve System as in effect from time to time.

"Material Adverse Effect" means a material adverse effect with respect to (a) the business operations, properties, assets, financial condition, or liabilities of Borrower and its Subsidiaries taken as a whole, (b) the ability of any Loan Party to fully and timely perform its obligations under any Loan Document to which it is a party, (c) the legality, validity, binding effect, or enforceability against a Loan Party of a Loan Document to which it is a party, (d) the validity, perfection or priority of Administrative Agent's Liens on the Collateral or (e) the rights, remedies and benefits available to, or conferred upon, Administrative Agent and any Lender or any other Secured Party under any Loan Document.

"Material Contract" means the Roche Agreement and those agreements which are necessary for or material to the research, development, use or Commercialization of AYVAKIT, GAVRETO or BLU-263, which as of the Closing Date are listed on Schedule 4.15.

"Material Real Property" means any fee-owned real property located in the United States that is owned by any Loan Party with a fair market value in excess of [***] (at the time of acquisition, as reasonably estimated by the Borrower in good faith).

"Material Regulatory Liabilities" means (a)(i) any Liabilities arising from the violation of FDA Laws, Public Health Laws, Health Care Program Laws, and other applicable comparable Requirements of Law, or the terms, conditions of or requirements applicable to any Registrations (including costs of actions required under applicable Requirements of Law, including FDA Laws and Health Care Program Laws, or necessary to remedy any violation of any terms or conditions applicable to any Registrations), including, but not limited to, withdrawal of approval, recall, revocation, suspension, import detention and seizure of any Product, and (ii) any loss of recurring annual revenues as a result of any loss, suspension or limitation of any Registrations, which, in the case of the foregoing clauses (i) and (ii), exceed [***] individually or in the aggregate, or (b) a Material Adverse Effect.

"Moody's" means Moody's Investor Services, Inc.

"Mortgage" means a mortgage, deed of trust or deed to secure debt that encumbers Real Property, in form and substance satisfactory to Administrative Agent, made by a Loan Party in favor of Administrative Agent for the benefit of the Secured Parties, securing the Obligations and delivered to Administrative Agent.

"Multiemployer Plan" means any Employee Benefit Plan which is a "multiemployer plan" as defined in Section 3(37) of ERISA.

"Net Proceeds" means (a) with respect to any Asset Sale, an amount equal to: (i) Cash payments received by Borrower or any of its Subsidiaries from such Asset Sale, minus (ii) any bona fide costs or expenses incurred in connection with such Asset Sale that are properly attributable to such Asset Sale and to the extent paid or payable to non-Affiliates, including (A) taxes paid or reasonably estimated to be payable in connection therewith (after taking into account available loses, deductions and tax attributes that

may reduce otherwise payable Taxes) and any reasonable and unavoidable repatriation Taxes associated with receipt or distribution by the applicable taxpayer of such proceeds, (B) payment of the outstanding principal amount of, premium or penalty, if any, and interest on any Indebtedness (other than the Loans) that is secured by a Lien on the stock or assets in question and that is required to be repaid under the terms thereof as a result of such Asset Sale, (C) a reasonable reserve for (x) any indemnification payments (fixed or contingent) attributable to seller's indemnities and representations and warranties to purchaser in respect of such Asset Sale undertaken by Borrower or any of its Subsidiaries in connection with such Asset Sale, and (y) any liabilities associated with such property and retained after such Asset Sale, including pension and other post-employment benefit liabilities and liabilities related to environmental matters or against any indemnification obligations associated with such transaction and (D) any reasonable and documented out-of-pocket fees or expenses incurred in connection therewith; provided that upon release of any such reserve, the amount released shall be considered Net Proceeds, and (b) with respect to any insurance, condemnation, taking or other casualty proceeds, an amount equal to: (i) any Cash payments or proceeds received by Borrower or any of its Subsidiaries (A) under any casualty, business interruption or "key man" insurance policies in respect of any covered loss thereunder, or (B) as a result of the condemnation or taking of any assets of Borrower or any of its Subsidiaries by any Person pursuant to the power of eminent domain, condemnation or otherwise, or pursuant to a sale of any such assets to a purchaser with such power under threat of such a taking, minus (ii) (A) any actual costs or expenses incurred by Borrower or any of its Subsidiaries in connection with the adjustment or settlement of any claims of Borrower or such Subsidiary in respect thereof, and (B) any bona fide costs and expenses incurred in connection with any sale of such assets as referred to in clause (b)(i)(B) of this definition to the extent paid or payable to non-Affiliates, including income taxes payable as a result of any gain recognized in connection therewith.

"NIH" has the meaning specified in the definition of Public Health Laws.

"Note" means a promissory note evidencing the Initial Term Loan or a Delayed Draw Term Loan, as applicable.

"Notice" means a Funding Notice or a Conversion/Continuation Notice.

"Obligations" means all obligations of every nature of each Loan Party and its Subsidiaries from time to time owed to Administrative Agent (including former Administrative Agents), the Lenders or any of them, under any Loan Document, whether for principal, interest (including interest which, but for the filing of a petition in bankruptcy with respect to such Loan Party, would have accrued on any Obligation, whether or not a claim is allowed against such Loan Party for such interest in the related bankruptcy proceeding), the Applicable Premium, the Prepayment Premium, fees, expenses, indemnification or otherwise and whether primary, secondary, direct, indirect, contingent, fixed or otherwise (including obligations of performance).

"OFAC" has the meaning specified in the definition of "Anti-Terrorism Laws".

"OFAC Sanctions Programs" means (a) the Requirements of Law and Executive Orders administered by OFAC, including but not limited to, Executive Order No. 13224, and (b) the list of Specially Designated Nationals and Blocked Persons administered by OFAC, in each case, as renewed, extended, amended, or replaced.

"Orange Book Patents" means any Product Patents listed in the FDA's Orange Book pursuant to 21 U.S.C. Section 355(b)(1), as such patent listing may be amended from time to time, together with all foreign counterpart patents.

"Organizational Documents" means (a) with respect to any corporation or company, its certificate of incorporation, its articles or memorandum of incorporation, organization or association, and its by-laws, (b) with respect to any limited partnership, its certificate of limited partnership, and its partnership agreement, (c) with respect to any general partnership, its partnership agreement, and (d) with respect to any limited liability company, its articles of organization, and its operating agreement (or, in each case of (a) through (d), the equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction). In the event any term or condition of this Agreement or any other Loan Document requires any Organizational Document to be certified by a secretary of state or similar governmental official, the reference to any such "Organizational Document" shall only be to a document of a type customarily certified by such governmental official.

"Other Connection Taxes" means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

"Other Taxes" has the meaning specified in Section 2.15(b).

"Participant Register" has the meaning specified in Section 10.6(h)(ii).

"Patent" means any patent or patent application, including any continuation, continuation-in-part, division, provisional or any substitute applications, any patent issued with respect to any of the foregoing patent applications, any certificate, reissue, reexamination, renewal or patent term extension or adjustment (including any supplementary protection certificate) of any such patent or other governmental actions which extend the duration or any of the subject matter of a patent, and any substitution patent, confirmation patent or registration patent or patent of addition based on any such patent, and all foreign counterparts of any of the foregoing.

"PATRIOT Act" has the meaning specified in Section 4.29.

"Payment Office" means Administrative Agent's office located at 2100 McKinney Ave, Suite 1500 Dallas Texas 75201 or such other office or offices of Administrative Agent as may be designated in writing from time to time by Administrative Agent and Company.

"PBGC" means the Pension Benefit Guaranty Corporation or any successor thereto.

"PDGFRα" means the platelet-derived growth factor receptor targets commonly known as PDGFRα, including without limitation any isoforms of the foregoing.

"Pension Plan" means any Employee Benefit Plan, other than a Multiemployer Plan, which is subject to Section 412 of the Internal Revenue Code, Section 302 of ERISA or Title IV of ERISA.

"Perfection Certificate" means that certain Perfection Certificate dated as of the Closing Date.

"Periodic Term SOFR Determination Day" has the meaning specified in the definition of "Term SOFR".

"Permitted Acquisition" means any acquisition by Company or its Subsidiaries, whether by purchase, merger, in-licensing or otherwise, of all or substantially all of the assets of, a majority of the

Capital Stock of, or a business line or unit or a division of, or Patents, royalty rights or similar or related assets of, any Person; provided,

(a) immediately prior to, and after giving effect thereto, no Event of Default shall have occurred and be continuing or would result therefrom;

(b) all transactions in connection therewith shall be consummated, in all material respects, in accordance with all applicable laws and in conformity with all applicable and material Governmental Authorizations;

(c) in the case of the acquisition of Capital Stock, all of the Capital Stock (except for any such securities in the nature of directors' qualifying shares required pursuant to applicable law) acquired or otherwise issued by such Person or any newly formed Guarantor Subsidiary in connection with such acquisition shall be owned [***] by a Loan Party, and Company shall have taken, or caused to be taken, as of the date such Person becomes a Subsidiary, any actions required to be taken as of such date as set forth in Section 5.10, Section 5.11 and/or Section 5.12, as applicable;

(d) Borrower and its Subsidiaries shall be in compliance with the covenant set forth in Section 6.8 on a pro forma basis after giving effect to such acquisition as of the last day of the Fiscal Quarter most recently ended;

(e) in the case of an acquisition with total cash consideration in excess of [***], and solely to the extent reasonably available to Company, Company shall have delivered to Administrative Agent at least [***] (or such shorter period as agreed to by Administrative Agent in writing) prior to such proposed acquisition, such information and documents that Administrative Agent may reasonably request, including, without limitation, financial information with respect to such acquired assets, to the extent such financial information is available, and drafts of the respective acquisition agreements related thereto;

(f) any Person or assets or division as acquired in such Permitted Acquisition shall be in the same business or lines of business in which Company and/or its Subsidiaries are engaged as of the Closing Date (or in lines of business reasonably related or incidental thereto, or such other lines of business as may be consented to by Administrative Agent (such consent not to be unreasonably withheld or delayed));

(g) the acquisition shall have been approved by the Board of Directors or other governing body or controlling Person of the Person acquired or the Person from whom such assets or division is acquired or a court of competent jurisdiction; and

(h) the total cash consideration (excluding any portion thereof paid with the proceeds of (i) Qualified Stock received no more than [***] before or after such acquisition or (ii) a Delayed Draw Term Loan) paid or payable in connection with all such acquisitions consummated since the Closing Date (x) allocable to the purchase or other acquisition of (A) any Subsidiary that will not become a Loan Party or (B) assets to be held by a Person that is not or will not become a Loan Party shall not exceed [***] and (y) with respect to Subsidiaries that will become Loan Parties in accordance Section 5.10, shall not exceed [***].

"Permitted Convertible Indebtedness" means Indebtedness of Borrower that is convertible based on a fixed conversion rate (subject to customary anti-dilution adjustments, "make-whole" increases and other customary changes thereto) into shares of Common Stock of Borrower (or other securities or property following a merger event or other change of the Common Stock of Borrower), cash or any combination thereof (with the amount of such cash or such combination determined by reference to the market price of

such Common Stock or such other securities); provided that (a) at the time such Indebtedness is incurred, no Default or Event of Default has occurred and is continuing or would occur as a result of such incurrence, (b) all necessary corporate, company, shareholder or similar actions shall be taken and consents obtained in connection with the issuance of such Indebtedness, (c) the issuance of such Indebtedness shall be consummated in compliance with all applicable Requirements of Law, and (d) the documentation evidencing such Indebtedness shall have been delivered to Administrative Agent and shall be subject to customary terms for similar convertible transactions in the public markets (as determined by Borrower in good faith), including all of the following terms: (i) it shall be (and shall remain at all times) unsecured, (ii) it shall not have a maturity (and shall not have any scheduled amortization of principal) prior to the date that is [***] after the Term Loan Maturity Date in effect at the time such Indebtedness is incurred, (iii) if it has any negative covenants, such covenants (including covenants relating to incurrence of Indebtedness) shall not be more restrictive than those set forth herein, (iv) it shall have no restrictions on Borrower's ability to grant liens securing the Obligations, (v) it shall not prohibit the incurrence of the Obligations, (vi) it is not guaranteed by any Subsidiary, and (vii) any cross-default or cross-acceleration event of default (each howsoever defined) provision contained therein that relates to indebtedness or other payment obligations of Company (or any of its Subsidiaries) (such indebtedness or other payment obligations, a "Cross-Default Reference Obligation") contains a cure period of at least [***] (after written notice to the issuer of such Indebtedness by the trustee or to such issuer and such trustee by holders of at least [***] in aggregate principal amount of such Indebtedness then outstanding) before a default, event of default, acceleration or other event or condition under such Cross-Default Reference Obligation results in an event of default under such cross-default or cross-acceleration provision.

"Permitted Equity Derivative" means any forward purchase, accelerated share repurchase, call option, warrant or other derivative transactions in respect of Borrower's Common Stock; provided, that (w) the terms, conditions and covenants of each such transaction shall be customary for transactions of such type, as determined by Borrower in good faith, (x) such transaction may, at the option of Borrower, be settled in Common Stock of Borrower, (y) such transaction is entered into contemporaneously and otherwise in connection with the issuance of Permitted Convertible Indebtedness or the Restricted Payments in respect of such transaction are otherwise permitted pursuant to Section 6.5(f), and (z) such transaction shall be classified in Borrower's stockholders' equity under FASB ASC 815-40 or any successor provision.

"Permitted Indebtedness" means:

(a) the Obligations;

(b) to the extent constituting Indebtedness, Permitted Intercompany Investments; provided, that such Indebtedness shall be unsecured and the parties thereto are party to an Intercompany Subordination Agreement;

(c) Indebtedness incurred by Borrower or any of its Subsidiaries arising from agreements providing for indemnification or from guaranties or letters of credit, surety bonds or performance bonds securing the performance of Company or any such Subsidiary pursuant to such agreements, in connection with Permitted Acquisitions or Asset Sales permitted hereunder;

(d) Indebtedness which may be deemed to exist pursuant to any guaranties, performance, surety, statutory, appeal or similar obligations incurred in the ordinary course of business and Indebtedness constituting guaranties in the ordinary course of business of the obligations of suppliers, customers, franchisees and licensees of Borrower and its Subsidiaries;

(e) Indebtedness incurred in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security, or to secure the performance of

tenders, statutory obligations, surety and appeal bonds, bids, leases, government contracts, trade contracts, performance and return of money bonds and other similar obligations;

(f) (i) Indebtedness in respect of netting services, overdraft protections and otherwise in connection with deposit accounts; and (ii) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently (except in the case of daylight overdrafts) drawn against insufficient funds in the ordinary course of business;

(g) Indebtedness described in Schedule 6.1, and any Permitted Refinancing Indebtedness in respect of such Indebtedness;

(h) Indebtedness in an aggregate amount outstanding not to exceed at any time [***] with respect to (i) Capital Leases and (ii) purchase money Indebtedness (including any Indebtedness acquired in connection with a Permitted Acquisition); provided that any such Indebtedness shall be secured only by the asset subject to such Capital Lease or by the asset acquired in connection with the incurrence of such Indebtedness;

(i) guaranties with respect to Indebtedness of Borrower or any of its Subsidiaries, to the extent that the Person that is obligated under such guaranty could have incurred such underlying Indebtedness to the extent such guaranties are not prohibited by Section 6.7; provided that, if the Indebtedness being guaranteed is subordinated to the Obligations, such guaranty shall be subordinated to the Obligations on terms at least as favorable to the Secured Parties as those contained in the subordination of such Indebtedness;

(j) unsecured Indebtedness of Borrower owing to former employees, officers, or directors (or any spouses, ex-spouses, or estates of any of the foregoing) incurred in connection with the repurchase by Borrower of the Capital Stock of Borrower that has been issued to such Persons, so long as (i) no Default or Event of Default has occurred and is continuing or would result from the incurrence of such Indebtedness, (ii) the aggregate outstanding principal amount of all such Indebtedness incurred pursuant to this clause (j) does not exceed [***];

(k) Indebtedness owed to any Person providing property, casualty, liability, or other insurance to the Loan Parties, so long as the amount of such Indebtedness is not in excess of the amount of the unpaid cost of, and shall be incurred only to defer the cost of, such insurance for the period in which such Indebtedness is incurred and such Indebtedness is outstanding only during such period;

(l) adjustment of purchase price, deferred purchase price and compensation, or other similar arrangements incurred by such Person in connection with Permitted Acquisitions, any Investment permitted hereunder or any license, transfer or other Disposition permitted hereunder in an aggregate outstanding amount not to exceed [***] at any time outstanding;

(m) Indebtedness of a Person whose assets or Capital Stock are acquired by Borrower or any of its Subsidiaries in a Permitted Acquisition in an aggregate amount not to exceed [***] at any one time outstanding; provided, that such Indebtedness was not incurred in connection with, or in contemplation of, such Permitted Acquisition;

(n) Permitted Convertible Indebtedness and any Permitted Refinancing Indebtedness in respect thereof in an aggregate outstanding principal amount not to exceed [***];

(o) Indebtedness consisting of obligations in respect of letters of credit, surety bonds or performance bonds in an aggregate outstanding principal amount not to exceed [***];

(p) Indebtedness owed to any financial institution in respect of purchasing or debit card programs, credit card programs and related liabilities arising from ordinary course treasury, depository or cash management services, including any payments in connection with the termination thereof;

(q) Indebtedness consisting of take-or-pay obligations contained in supply arrangements in the ordinary course of business;

(r) customer deposits and advance payments received in the ordinary course of business from customers for goods purchased in the ordinary course of business;

(s) Indebtedness incurred in connection with bankers' acceptances, discounted bills of exchange, warehouse receipts or similar facilities or the discounting or factoring of receivables for collection purposes, in each case incurred or undertaken in the ordinary course of business;

(t) guarantees incurred in the ordinary course of business in respect of obligations to suppliers, customers, franchisees, lessors, licensees, sub-licensees and distribution partners;

(u) Indebtedness of Borrower under the AYVAKIT/BLU-263 Purchase Agreement;

(v) Permitted Priority Indebtedness;

(w) to the extent constituting Indebtedness, obligations under Permitted Royalty Transactions;

(x) obligations under any Hedging Agreement;

(y) solely prior to the date that is [***] after the Closing Date, Indebtedness consisting of margin loans in an aggregate principal amount at any time outstanding not to exceed [***] *minus* the principal amount of any outstanding Permitted Priority Indebtedness; and

(z) other Indebtedness of Borrower and its Subsidiaries, in an aggregate amount not to exceed at any time [***].

For purposes of determining compliance with any Dollar-denominated restriction on the incurrence of Indebtedness, the Dollar equivalent principal amount of Indebtedness denominated in a foreign currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred, in the case of term debt, or first committed, in the case of revolving credit debt.

"Permitted Intercompany Investments" means Investments by (a) a Loan Party to or in another Loan Party, (b) a Subsidiary that is not a Loan Party to or in another Subsidiary that is not a Loan Party, (c) a Subsidiary that is not a Loan Party to or in a Loan Party, so long as, in the case of a loan or an advance, the parties thereto are party to an Intercompany Subordination Agreement, (d) Investments by the Loan Parties in Subsidiaries that are not Loan Parties to the extent such Investments constitute bona fide transfer pricing transactions, cost-sharing arrangements or "cost-plus" arrangements (in each case not to exceed [***]) in the ordinary course of business or consist of foreign regulatory approvals or licenses in connection with the development or Commercialization of any Product in a foreign jurisdiction; and (e) additional Investments by the Loan Parties in Subsidiaries that are not Loan Parties in an aggregate amount not to exceed [***]; provided that, with respect to clause (e), Company and its Subsidiaries shall be in compliance with the covenant set forth in Section 6.8 on a pro forma basis after giving effect to such Investment; provided further that no Product (Core) or Product (Core) Intellectual Property Rights shall be assigned, transferred, contributed, licensed, sublicensed, or otherwise disposed by any Loan Party pursuant to this clause (e).

"Permitted Investments" means:

(a) Investments in Cash and Cash Equivalents;

(b) equity Investments owned as of the Closing Date in any Subsidiary and equity Investments in an aggregate amount outstanding not to exceed [***] owned as a result of the formation of a Subsidiary to the extent otherwise permitted hereunder;

(c) Permitted Intercompany Investments;

(d) loans and advances to employees of Borrower and its Subsidiaries (i) made in the ordinary course of business and described on Schedule 6.6, and (ii) any refinancings of such loans after the Closing Date in an aggregate amount not to exceed [***] at any time outstanding;

(e) Permitted Acquisitions;

(f) Investments described in Schedule 6.7 as of the Closing Date;

(g) any Investments consisting of extensions of credit in the nature of accounts receivable or notes receivable arising from the grant of trade credit in the ordinary course of business or received in compromise or resolution of (i) obligations of trade creditors or customers that were incurred in the ordinary course of business of Borrower or any of its Subsidiaries, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer or (ii) litigation, arbitration or other disputes;

(h) Investments in negotiable instruments deposited or to be deposited for collection in the ordinary course of business;

(i) Investments in the ordinary course of business consisting of customary trade arrangements with customers;

(j) advances made in connection with purchases of goods or services in the ordinary course of business;

(k) Investments held by a Person acquired in a Permitted Acquisition to the extent that such Investments were not made in contemplation of or in connection with such Permitted Acquisition and were in existence on the date of such Permitted Acquisition;

(l) so long as no Event of Default has occurred and is continuing or would result therefrom, Investments in Joint Ventures in an aggregate outstanding amount not to exceed [***];

(m) Permitted Equity Derivatives;

(n) [Reserved];

(o) Investments (including debt obligations) received in connection with the bankruptcy or reorganization of suppliers and customers and in settlement of delinquent obligations of, and other disputes with, customers and suppliers arising in the ordinary course of business;

(p) Investments under Hedging Agreement permitted under this Agreement;

(q) [Reserved];

(r) [Reserved]

(s) any Investment of the non-cash consideration received from a Disposition that was made pursuant to and in compliance with this Agreement;

(t) Investments consisting of earnest money deposits made by the Borrower or its Subsidiaries in connection with any letter of intent or other agreement in respect of any Investment permitted by this Agreement;

(u) acquisitions of obligations of one or more officers or other employees of Borrower or any Subsidiary of the Borrower in connection with such officer's or employee's acquisition of Capital Stock of any direct or indirect parent of the Borrower, so long as no cash is actually advanced by the Borrower or any Subsidiary to such officers or employees in connection with the acquisition of any such obligations;

(v) guarantees of operating leases or of other obligations, in each case, that do not constitute Indebtedness, and are entered into by the Borrower or any Subsidiary in the ordinary course of business;

(w) Investments consisting of the redemption, purchase, repurchase or retirement of any Capital Stock of Borrower permitted by this Agreement;

(x) [Reserved];

(y) [Reserved];

(z) solely so long as no Event of Default has occurred and is continuing and Qualified Cash is in excess of [***], Investments of Cash and Cash Equivalents in Blueprint Medicines Security Corporation in an aggregate amount outstanding at any time not to exceed the lesser of (i) [***] and (ii) an amount equal to [***] of the excess of Consolidated Total Cash over the amount of Qualified Cash required pursuant to Section 6.8; provided, that if at any time an Event of Default has occurred and is continuing or the Borrower does not have Qualified Cash in excess of [***], then Borrower shall immediately, and in any event within [***], cause all Cash and Cash Equivalents held by Blueprint Medicines Security Corporation to be distributed to a Loan Party; and

(aa) so long as no Default or Event of Default has occurred and is continuing or would result therefrom, other Investments in an aggregate amount outstanding not to exceed the lesser of (i) the greater of (A) [***] of Product Revenue from sales of all Product (Core) for the most recently ended four fiscal quarter period on or prior to the date of such Investment for which financial statements have been delivered pursuant to Section 5.1(b) or (c) and (B) [***] and (ii) [***].

"Permitted Liens" means:

(a) Liens in favor of Administrative Agent for the benefit of Secured Parties granted pursuant to any Loan Document;

(b) Liens for Taxes (i) not yet due and payable or (ii) if obligations with respect to such Taxes are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted and reserves required by GAAP have been made;

(c) statutory Liens of landlords, banks (and rights of set off), of carriers, warehousemen, mechanics, repairmen, workmen and materialmen, and other Liens imposed by law (other than any such

Lien imposed pursuant to Section 401(a)(29) or 412(n) of the Internal Revenue Code or by ERISA), in each case incurred in the ordinary course of business for amounts not yet overdue;

(d) Liens incurred in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security, or to secure the performance of tenders, statutory obligations, surety and appeal bonds, bids, leases, government contracts, trade contracts, performance and return of money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money or other Indebtedness), so long as no foreclosure, sale or similar proceedings have been commenced with respect to any portion of the Collateral on account thereof;

(e) easements, rights of way, restrictions, encroachments, and other minor defects or irregularities in title, in each case which do not and will not interfere in any material respect with the ordinary conduct of the business of Borrower or any of its Subsidiaries;

(f) any interest or title of a lessor or sublessor under any lease of real estate permitted hereunder;

(g) Liens solely on any cash earnest money deposits made by Borrower or any of its Subsidiaries in connection with any letter of intent or purchase agreement permitted hereunder;

(h) purported Liens evidenced by the filing of precautionary UCC financing statements relating solely to operating leases of personal property entered into in the ordinary course of business;

(i) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods;

(j) any zoning or similar law or right reserved to or vested in any governmental office or agency to control or regulate the use of any real property;

(k) Liens described in Schedule 6.2; provided that any such Lien shall only secure the Indebtedness that it secures on the Closing Date and any Permitted Refinancing Indebtedness in respect thereof;

(l) Liens securing Capital Leases or purchase money Indebtedness permitted pursuant to clause (h) of the definition of Permitted Indebtedness; provided, any such Lien shall encumber only the asset subject to such Capital Lease or the asset acquired with the proceeds of such Indebtedness

(m) Liens granted in the ordinary course of business on the unearned portion of insurance premiums securing the financing of insurance premiums to the extent the financing is permitted under the definition of Permitted Indebtedness;

(n) Liens assumed by Borrower and its Subsidiaries in connection with a Permitted Acquisition that secure Indebtedness permitted by clause (m) of the definition of Permitted Indebtedness;

(o) (i) Liens solely on any cash securing Indebtedness permitted pursuant to clause (o) of the definition of Permitted Indebtedness, and (ii) Liens on cash deposits not exceeding [***] in the aggregate securing Indebtedness permitted pursuant to clause (p) of the definition of Permitted Indebtedness;

(p) Liens in favor of vendors or suppliers of such Person in the ordinary course of business to the extent encumbering property purchased from or provided by such vendors or suppliers and the proceeds thereof;

(q) Liens securing any judgments, writs or warrants of attachment or similar process not constituting an Event of Default under Section 8.1(h);

(r) leases, subleases, licenses or sublicenses that are (i) permitted by Section 6.9(b) or (ii) excluded from the definition of Asset Sale;

(s) bankers' Liens, rights of setoff and other similar Liens existing solely with respect to cash and Cash Equivalents on deposit in one or more accounts maintained by Borrower or its Subsidiaries, in each case granted in the ordinary course of business in favor of the bank or banks with which such accounts are maintained, securing amounts owing to such bank with respect to cash management and operating account arrangements, including those involving pooled accounts and netting arrangements, as part of a bank's standard term and conditions; provided, that, unless such Liens are nonconsensual and arise by operation of law, in no case shall any such Liens secure (either directly or indirectly) the repayment of any Indebtedness;

(t) Liens (i) of a collection bank arising under Section 4-210 of the UCC, or any comparable or successor provision, on items in the course of collection; and (ii) in favor of banking or other financial institutions or entities, or electronic payment service providers, arising as a matter of law encumbering deposits (including the right of set-off) and which are within the general parameters customary in the banking or finance industry;

(u) Liens on the Collateral (as defined in the AYVAKIT/BLU-263 Purchase Agreement) in favor of the Royalty Agent as required under the AYVAKIT/BLU-263 Purchase Agreement, which security interests shall subject at all times to the Senior Lender Intercreditor Agreement;

(v) Liens securing Permitted Priority Indebtedness (for the avoidance of doubt, to the extent such Liens are permitted in the definition of "Permitted Priority Indebtedness");

(w) Back-up Security Interests granted pursuant to any Permitted Royalty Transaction;

(x) Liens on specific items of inventory or other goods and proceeds of the Borrower or a Subsidiary securing such Person's obligations in respect of bankers' acceptances or letters of credit entered into in the ordinary course of business issued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;

(y) Liens arising from, or from UCC financing statement filings regarding, operating leases or consignments entered into by the Borrower or its Subsidiaries in the ordinary course of business;

(z) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale of goods entered into in the ordinary course of business;

(aa) any encumbrance or restriction, including any put and call arrangements, related to Capital Stock in any Joint Venture set forth in the Organization Documents of such Joint Venture or any related joint venture, shareholders' or similar agreement;

(bb) Liens on insurance policies and the proceeds thereof securing the financing of the premiums with respect thereto;

(cc) Liens on receivables, collateral accounts and related assets and proceeds thereof incurred under Permitted Royalty Transactions; provided that such Liens are limited to the receivables sold and the proceeds thereof;

(dd) To the extent constituting Liens, licenses and sublicenses under any Permitted Product Transaction;

(ee) Liens on Cash and Cash Equivalents in a segregated account securing Indebtedness permitted pursuant to clause (y) of Permitted Indebtedness; provided that such the amount of Cash and Cash Equivalents subject to such Liens shall not at any time exceed the amount of such Indebtedness; and

(ff) other Liens incurred in the ordinary course of business of Borrower or any Subsidiary of Borrower with respect to obligations that do not exceed [***] at any one time outstanding.

Notwithstanding the foregoing, no Liens on any Product, Product Patent or Registrations shall be permitted (other than non-consensual Liens constituting "Permitted Liens" and Liens described in clauses (a), (r), (u), (w) and (cc) above).

"Permitted Priority Indebtedness" means Indebtedness of Borrower or any of its Subsidiaries under one working capital revolving credit facility, in an amount not to exceed the lesser of (x) [***] *minus*, at any time, the amount of any Indebtedness outstanding pursuant to clause (y) of "Permitted Indebtedness" and (y) at any time, [***] of the face amount at such time of Loan Parties' eligible accounts receivable; provided that (a) such Indebtedness, if secured, is secured solely by Borrower's and its Subsidiaries' accounts receivable, inventory and segregated cash proceeds of the foregoing, and (b) the holders or lenders thereof have executed and delivered to Administrative Agent an intercreditor agreement reasonably satisfactory to Administrative Agent and the Required Lenders (which, for the avoidance of doubt, may provide that such Permitted Priority Indebtedness has priority on the assets securing such Permitted Priority Indebtedness).

"Permitted Product Agreement" means:

(a) [***]

(b) [***] provided any such Product Agreement (i) [***], (ii) permits the disclosure of royalty and similar reports to the Administrative Agent and the Lenders in accordance with Section 5.1(e)(i) and (iii) [***]; provided further, that [***].

"Permitted Product Transaction" means (a) the grant of a license or sublicense or any other disposition of any rights under any Product Patents or Registrations pursuant to a Permitted Product Agreement, and (b) the grant of the applicable licenses set forth on Schedule 1.1(d).

"Permitted Refinancing Indebtedness" means any Indebtedness of Borrower or any of its Subsidiaries issued in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge other Indebtedness of Borrower or any of its Subsidiaries; provided that:

(a) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness renewed, refunded, refinanced, replaced, defeased or discharged (plus all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, incurred in connection therewith);

(b) such Permitted Refinancing Indebtedness has a final maturity date later than the final maturity date of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged;

(c) if the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged is subordinated in right of payment to the Obligations, such Permitted Refinancing Indebtedness is subordinated in right of payment to, the Obligations on terms at least as favorable to Administrative Agent and the Lenders as those contained in the documentation governing the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged;

(d) such Indebtedness is incurred either by Borrower or by the Subsidiary who is the obligor on the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged; and

(e) in the case of Permitted Convertible Indebtedness, such Indebtedness complies with the terms set forth in the proviso of the definition of Permitted Convertible Indebtedness.

"Permitted Royalty Transaction" means a (i) the GAVRETO Royalty Transaction, (ii) a Royalty Monetization Transaction in respect of payments owed to Borrower under the CStone License and (iii) any other Royalty Monetization Transaction in respect of royalties payable in respect of, or revenues from, net sales of a Product (Non-Core); provided, in each case of clause (ii) and (iii) that (a) such transaction shall be structured as a "true sale" of such royalties or revenues, (b) such transaction shall not have or provide for any (x) redemption or buy-back obligations or any financial covenants that apply prior to the date that is [***] after the Term Loan Maturity Date in effect at the time of such Permitted Royalty Transaction (and, in any event, shall permit the Indebtedness and other Obligations pursuant to the Loan Documents), (y) Lien on any asset of the Borrower or any of its Subsidiaries, except a Back-Up Security Interest in the royalties or revenues sold pursuant to such transaction or (z) negative pledge restricting incurrence of any Lien on any asset of the Borrower or any of its Subsidiaries (except that such transaction may contain a customary negative pledge on the royalties or revenues sold pursuant to such transaction, the proceeds thereof and cash in segregated accounts that receive such proceeds and hold no other cash), (c) the consideration received for such transaction shall be in an amount at least equal to the fair market value thereof, and (d) no Default or Event of Default shall have occurred and be continuing or would result therefrom.

"Person" means and includes natural persons, corporations, companies, limited partnerships, general partnerships, limited liability companies, limited liability partnerships, joint stock companies, Joint Ventures, associations, companies, trusts, banks, trust companies, land trusts, business trusts or other organizations, whether or not legal entities, and Governmental Authorities.

"Personal Information" means any information that identifies or can be used to identify a natural person, including any information defined as "personal data," "personally identifiable information," "personal information," "protected health information," or "nonpublic personal information" under applicable Data Protection Laws.

"Platform Intellectual Property" means any Intellectual Property Rights [***] on Schedule 1.1(e), as may be updated from time to time in the Borrower's sole discretion; [***].

"Pledge and Security Agreement" means the Pledge and Security Agreement executed by Grantors in favor of Administrative Agent for the benefit of the Secured Parties.

"Prepayment Premium" has the meaning specified in the Fee Letter.

"Prime Rate" means the rate of interest quoted in *The Wall Street Journal*, Money Rates Section as the Prime Rate (currently defined as the base rate on corporate loans posted by at least 75% of the nation's thirty (30) largest banks), as in effect from time to time. The Prime Rate is a reference rate and does not necessarily represent the lowest or best rate actually charged to any customer. The Administrative Agent

or any other Lender may make commercial loans or other loans at rates of interest at, above or below the Prime Rate.

"Principal Office" means Administrative Agent's "Principal Office" as set forth on Appendix B, or such other office as such Person may from time to time designate in writing to Company and each Lender.

"Privacy Policies" has the meaning specified in Section 4.36.

"Pro Rata Share" means, with respect to:

(a) (i) a Lender's obligation to make the Initial Term Loan, the percentage obtained by dividing (A) such Lender's Initial Term Loan Commitment by (B) the Total Initial Term Loan Commitment; (ii) a Lender's obligation to make a Delayed Draw Term Loan, the percentage obtained by dividing (A) such Lender's Delayed Draw Term Loan Commitment by (B) the aggregate amount of the Lenders' Delayed Draw Term Loan Commitments and (iii) a Lender's right to make an Incremental Term Loan, the percentage obtained by dividing (A) such Lender's outstanding Term Loans and unfunded Delayed Draw Term Loan Commitments by (B) the aggregate amount of the all Lenders' outstanding Term Loans and unfunded Delayed Draw Term Loan Commitments;

(b) a Lender's right to receive payments of interest, fees and principal with respect to a Term Loan, the percentage obtained by dividing (i) the aggregate unpaid principal amount of such Lender's portion of the Term Loan, by (ii) the aggregate unpaid principal amount of the Term Loan; and

(c) all other matters, the percentage obtained by dividing (i) the sum of such Lender's Delayed Draw Term Loan Commitment and the unpaid principal amount of such Lender's portion of the Term Loan, by (ii) the sum of the Total Delayed Draw Term Loan Commitment and the aggregate unpaid principal amount of the Term Loan.

"Product" means AYVAKIT, BLU-263, GAVRETO and any other product/development candidate being developed or Commercialized by Borrower or the Loan Parties from time to time, including but not limited to any acquired Product that is acquired or in-licensed pursuant to a Permitted Acquisition.

"Product Agreement" means any agreement entered into between Company or any of its Subsidiaries with another Person that includes the granting of a license or sublicense of any rights under any Product Intellectual Property Rights or Registrations that allows such Person to develop or commercialize a Product.

"Product (Core)" means each of [***].

"Product (Core) Intellectual Property Rights" means Product Intellectual Property Rights relating to any Product (Core).

"Product (Core) Patents" means the [***].

"Product (Non-Core)" means any Product other Product (Core).

"Product Intellectual Property Rights" means (a) the Product Patents and (b) any and all Intellectual Property Rights owned by or exclusively licensed to, or purported to be owned by or exclusively licensed to, Borrower or its Affiliates relating to any Product or that, absent a valid license or other rights under such Intellectual Property Rights, would be infringed or misappropriated by the research, development, manufacture, use or Commercialization of any Product.

"Product Patents" means the U.S. and foreign Patents and pending Patent applications owned or in-licensed by Company or any of its Subsidiaries, now or in the future, that are necessary or material to the research, development, manufacture, use or Commercialization of one or more of the Products.

"Product Revenue" means, for any period and with respect to any Product (including any Product, containing whether alone, or with any other active ingredients) (a) the consolidated gross revenues of the Loan Parties generated solely through the commercial sale of such Product to third parties by the Loan Parties (or any licensee pursuant to a Permitted Product Agreement, in which case such revenues shall be limited to the royalties actually received by the Loan Parties from the commercial sale of such Product by any such licensee or its sublicensees thereof) during such period, less, without duplication, (b)(i) trade, quantity and cash discounts allowed by Company, (ii) discounts, refunds, rebates, charge backs, retroactive price adjustments and any other allowances which effectively reduce net selling price, (iii) product returns and allowances, (iv) allowances for shipping or other distribution expenses, (v) set-offs and counterclaims, and (vi) any other similar and customary deductions used by Company in determining net revenues, all, in respect of clauses (a) and (b), as determined in accordance with GAAP and calculated on a basis consistent with the Historical Financial Statements delivered to Administrative Agent prior to the Closing Date; provided that, for the avoidance of doubt, Product Revenue does not include any upfront fees, milestone or other payments that do not represent a portion of sales of the applicable Product by such licensee (or its sublicensees) pursuant to a Permitted Product Agreement.

"Projections" has the meaning specified in Section 4.8.

"Protective Advances" has the meaning specified in Section 9.11.

"Public Health Laws" means all Requirements of Law relating to the procurement, development, clinical and non-clinical evaluation, product approval or licensure, manufacture, production, analysis, wholesale, distribution, dispensing, importation, exportation, use, handling, quality, sale, labeling, promotion, clinical trial registration or post market requirements of any drug, biologic or other product (including, without limitation, any ingredient or component of the foregoing products) subject to regulation under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. § 301 et seq.) and the Public Health Service Act (42 U.S.C. § 201 et seq.), including without limitation the regulations promulgated by the FDA at Title 21 of the Code of Federal Regulations, all applicable regulations promulgated by the National Institutes of Health ("NIH") and codified at Title 42 of the Code of Federal Regulations, equivalent foreign legislation and guidance, compliance, guides, and other policies issued by the FDA, the NIH and other comparable Governmental Authorities, including foreign Governmental Authorities, as well as applicable Requirements of Law relating to the licensure of entities that manufacture or distribute drugs, biologics, or other regulated product.

"Qualified Capital Stock" means, with respect to any Person, all Capital Stock of such Person that are not Disqualified Capital Stock.

"Qualified Cash" means, as of any date of determination, the amount of unrestricted Cash and Cash Equivalents (other than restrictions created by the Collateral Documents) of the Loan Parties that is in Deposit Accounts or in Securities Accounts, or any combination thereof, which such Deposit Accounts or Securities Accounts are (after the post-closing period set forth in Section 5.13) subject to a Control Agreement.

"Real Estate Asset" means, at any time of determination, any Real Property owned by a Loan Party, but only to the extent such Real Property constitutes Collateral and is encumbered by a Mortgage pursuant to the terms of this Agreement.

"Real Property" means any real property (including all buildings, fixtures or other improvements located thereon) now, hereafter or heretofore owned, leased, operated or used by Company or any of its Subsidiaries.

"Recipient" means (a) the Administrative Agent or (b) any Lender, as applicable.

"Register" has the meaning specified in Section 2.3(b).

"Registrations" shall mean authorizations, approvals, licenses, permits, certificates, registrations, listings, certificates, or exemptions of or issued by any Governmental Authority (including marketing approvals, investigational new drug applications, product recertifications, manufacturing approvals and authorizations, pricing and reimbursement approvals, labeling approvals or their foreign equivalent) that are required for the research, development, manufacture, commercialization, distribution, marketing, storage, transportation, pricing, Governmental Authority reimbursement, use and sale of Products.

"Regulation D" means Regulation D of the Board of Governors of the Federal Reserve System, as in effect from time to time.

"Regulatory Action" means an administrative or regulatory enforcement action, proceeding or investigation, settlement agreement, corporate integrity agreement, deferred or non-prosecution agreement, warning letter, untitled letter, Form 483 or similar inspectional observations, civil investigative demand, subpoena, other notice of violation letter, recall, seizure, Section 305 notice or other similar written communication, or consent decree, issued or required by the FDA, the U.S. Department of Health and Human Services or its departments thereunder, or under the Public Health Laws, the NIH or a comparable Governmental Authority in any other regulatory jurisdiction, including any inspectional observations recorded on a Form FDA 483, any Establishment Inspection Report, and any written request from FDA for a regulatory meeting.

"Reinvestment Amounts" has the meaning specified term in Section 2.10(a)(i).

"Related Fund" means, with respect to any Lender that is an investment fund, any other investment fund that invests in commercial loans and that is managed or advised by the same investment advisor as such Lender or by an Affiliate of such investment advisor.

"Release" means any release, spill, emission, leaking, pumping, pouring, injection, escaping, deposit, disposal, discharge, dispersal, dumping, leaching or migration of any Hazardous Material into the indoor or outdoor environment (including the abandonment or disposal of any barrels, containers or other closed receptacles containing any Hazardous Material), including the movement of any Hazardous Material through the air, soil, surface water or groundwater.

"Relevant Governmental Body" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

"Remedial Action" means all actions taken to (a) correct or address any actual or threatened non-compliance with Environmental Law, (b) clean up, remove, remediate, contain, treat, monitor, assess, evaluate or in any other way address Hazardous Materials in the indoor or outdoor environment, (c) prevent or minimize a Release or threatened Release of Hazardous Materials so they do not migrate or endanger or threaten to endanger public health or welfare or the indoor or outdoor environment, (d) perform pre-remedial studies and investigations and post-remedial operation and maintenance activities; or (e) perform any other actions authorized or required by Environmental Law or Governmental Authority.

"Replacement Lender" has the meaning specified in Section 2.18.

"Required Lenders" means Lenders whose Pro Rata Share (calculated in accordance with clause (c) of the definition thereof) aggregate at least 50.1%.

"Required Prepayment Date" has the meaning specified in Section 2.11(a).

"Requirements of Law" means, with respect to any Person, collectively, the common law and all federal, state, provincial, local, foreign, multinational or international laws, statutes, codes, treaties, standards, rules and regulations, guidelines, ordinances, orders, judgments, writs, injunctions, decrees (including administrative or judicial precedents or authorities) and the interpretation or administration thereof by, and other determinations, directives, requirements or requests of, any Governmental Authority, in each case that are applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

"Restricted Junior Payment" means (a) any dividend or other distribution, direct or indirect, on account of any shares of any class of Capital Stock of Borrower now or hereafter outstanding, except a dividend payable solely in shares of Capital Stock to the holders of that class, together with any payment or distribution pursuant to a "plan of division" under the Delaware Limited Liability Act or any comparable transaction under any similar law, (b) any redemption, retirement, sinking fund or similar payment, purchase or other acquisition for value, direct or indirect, of any shares of any class of Capital Stock of Borrower or any of its Subsidiaries that is not a Loan Party now or hereafter outstanding, (c) any payment made to retire, or to obtain the surrender of, any outstanding warrants, options or other rights to acquire shares of any class of Capital Stock of Borrower or any of its Subsidiaries that is not a Loan Party now or hereafter outstanding, (d) [reserved], and (e) any payment or prepayment of principal of, premium, if any, or interest on, or redemption, purchase, retirement, defeasance (including in substance or legal defeasance), sinking fund or similar payment with respect to, any subordinated Indebtedness.

"Restricted License" means any Product Agreement that (i) cannot be collaterally assigned to secure the Obligations or otherwise contains provisions that restrict or penalize the granting of a security interest in or Lien on such Product Agreement or the related Product Intellectual Property Rights, (ii) restricts the assignment of such Product Agreement upon the sale or other disposition of all or substantially all of the assets to which such Product Agreement relates (other than customary provisions requiring the assumption by the applicable purchaser of all obligations under such Product Agreement), or (iii) does not permit the disclosure of information to be provided thereunder to Administrative Agent and the Lenders, any purchaser or prospective purchaser in a foreclosure or other Transfer of all or any portion of the Collateral (subject to customary confidentiality obligations); provided a Product Agreement shall not be a "Restricted Licenses" by virtue of clause (iii) if Borrower and/or the applicable Subsidiary has used commercially reasonable efforts to permit, or other obtain permission for, such disclosure.

"RET" means a receptor tyrosine kinase commonly known as Rearranged during Transfection, including without limitation any isoforms of the foregoing.

"Roche Agreement" means that certain Collaboration Agreement, dated as of July 13, 2020, by and among F. Hoffman-La Roche Ltd, Genentech, Inc. and Borrower, as in effective as of the date hereof (and as the same may be amended, restated, amended and restated or otherwise modified from time to time to the extent not prohibited by this Agreement).

"Royalty Agent" has the meaning given to the term "Purchaser's Representative" in the AYVAKIT/BLU-263 Purchase Agreement.

"Royalty Monetization Transaction" means any monetization transaction involving the sale, transfer, option or collateralization of (i) any monetary payments (contingent or otherwise) payable to Borrower or its Subsidiaries by a counterparty under a Product Agreement, or (ii) any Product Revenues, in each case whether in whole or in part, including but not limited to sales of royalty streams, royalty bonds and other royalty financings, synthetic royalty and revenue interest transactions (including but not limited to clinical trial funding arrangements), and hybrid monetization transactions.

"S&P" means Standard & Poor's Ratings Group, a division of The McGraw Hill Corporation.

"Sanctioned Entity" means (a) a country or territory or a government of a country or territory, (b) an agency of the government of a country or territory, (c) an organization directly or indirectly controlled by a country or territory or its government, or (d) a Person resident in or determined to be resident in a country or territory, in each case of clauses (a) through (d) that is a target of Sanctions, including a target of any country or territory sanctions program administered and enforced by OFAC.

"Sanctioned Person" means, at any time (a) any Person named on the list of Specially Designated Nationals and Blocked Persons maintained by OFAC, OFAC's consolidated Non-SDN list or any other Sanctions-related list maintained by any Governmental Authority, (b) a Person or legal entity that is a target of Sanctions, (c) any Person operating, organized or resident in a Sanctioned Entity, or (d) any Person directly or indirectly owned or controlled (individually or in the aggregate) by or acting on behalf of any such Person or Persons described in clauses (a) through (c) above.

"Sanctions" means individually and collectively, respectively, any and all economic sanctions, trade sanctions, financial sanctions, sectoral sanctions, secondary sanctions, trade embargoes anti-terrorism laws and other sanctions laws, regulations or embargoes, including those imposed, administered or enforced from time to time by: (a) the United States of America, including those administered by OFAC, the U.S. Department of State, the U.S. Department of Commerce, or through any existing or future executive order, (b) the United Nations Security Council, (c) the European Union or any European Union member state, (d) Her Majesty's Treasury of the United Kingdom, or (e) any other Governmental Authority with jurisdiction over any Lender or any Loan Party or any of their respective Subsidiaries or Affiliates.

"Secured Parties" has the meaning assigned to that term in the Pledge and Security Agreement.

"Securities Account" means a securities account (as defined in the UCC).

"Securities Act" means the Securities Act of 1933.

"Senior Lender Intercreditor Agreement" means that certain Senior Lender Intercreditor Agreement dated as of the date hereof among the Royalty Agent, as collateral agent under the AYVAKIT/BLU-263 Purchase Agreement, and the Administrative Agent.

"SOFR" means a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

"SOFR Administrator" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"SOFR Loan" means a Loan bearing interest at a rate determined by reference to Term SOFR (other than pursuant to clause (c) of the definition of "Base Rate").

"Solvency Certificate" means a Solvency Certificate substantially in the form of Exhibit E.

"Solvent" means, with respect to any Loan Party, that as of the date of determination, both (a)(i) the sum of such Loan Party's debt (including contingent liabilities) does not exceed the present fair saleable value of such Loan Party's present assets, (ii) such Loan Party's capital is not unreasonably small in relation to its business as contemplated on the Closing Date and reflected in the Projections, and (iii) such Loan Party has not incurred and does not intend to incur, or believe (nor should it reasonably believe) that it will incur, debts beyond its ability to pay such debts as they become due (whether at maturity or otherwise) and (b) such Person is "solvent" within the meaning given that term and similar terms under applicable laws relating to fraudulent transfers and conveyances. For purposes of this definition, the amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability (irrespective of whether such contingent liabilities meet the criteria for accrual under Statement of Financial Accounting Standard No. 5).

"Subsidiary" means, with respect to any Person, any corporation, company, partnership, limited liability company, association, joint venture or other business entity of which more than 50% of the total voting power of shares of stock, shares, or other ownership interests entitled (without regard to the occurrence of any contingency) to vote in the election of the Person or Persons (whether directors, managers, trustees or other Persons performing similar functions) having the power to direct or cause the direction of the management and policies thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof; provided, in determining the percentage of ownership interests of any Person controlled by another Person, no ownership interest in the nature of a "qualifying share" of the former Person shall be deemed to be outstanding. When used herein, "Subsidiary" shall mean a Subsidiary of Borrower unless otherwise specified.

"Tax" means any present or future tax, levy, impost, duty, assessment, charge, fee, deduction or withholding (including backup withholding) or other charge imposed by any Governmental Authority, and any interest, penalties, additions to tax or other liabilities with respect thereto.

"Term Loan" means, collectively, the Initial Term Loan and each Delayed Draw Term Loan.

"Term Loan Commitment" means, collectively, the Initial Term Loan Commitment and the Delayed Draw Term Loan Commitments.

"Term Loan Maturity Date" means the earlier of (a) June 30, 2028 and (b) the date that the Term Loan shall become due and payable in full hereunder, whether by acceleration or otherwise.

"Term SOFR" means,

(a) for any calculation with respect to a SOFR Loan, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the "Periodic Term SOFR Determination Day") that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day, and

(b) for any calculation with respect to a Base Rate Loan on any day, the Term SOFR Reference Rate for a tenor of three months on the day (such day, the "Base Rate Term SOFR Determination Day") that is two (2) U.S. Government Securities Business Days prior to such day, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Base Rate Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Base Rate Term SOFR Determination Day;

provided, further, that if Term SOFR determined as provided above (including pursuant to the proviso under clause (a) or clause (b) above) shall ever be less than the Floor, then Term SOFR shall be deemed to be the Floor.

"Term SOFR Administrator" means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).

"Term SOFR Reference Rate" means the forward-looking term rate based on SOFR.

"Terminated Lender" has the meaning specified in Section 2.18.

"Title Company" has the meaning specified in Section 5.11.

"Title Policy" has the meaning specified in Section 5.11.

"Test Date" has the meaning specified in the definition of Excluded Subsidiary.

"Total Delayed Draw Term Loan Commitment" means the sum of the amounts of the Lenders' Delayed Draw Term Loan Commitments.

"Total Initial Term Loan Commitment" means the sum of the amounts of the Lenders' Initial Term Loan Commitments.

"Transaction Costs" means the reasonable and documented fees, costs and expenses payable by Borrower or any of its Subsidiaries on or before the Closing Date in connection with the transactions contemplated by the Loan Documents.

"Type of Loan" means with respect to any Term Loan, a Base Rate Loan or a SOFR Loan.

"U.S." or "United States" means the United States of America (including all possessions and territories thereof).

"U.S. Government Securities Business Day" means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"U.S. Tax Compliance Certificate" has the meaning specified in Section 2.15(d)(i)(B)(3).

"UCC" means the Uniform Commercial Code (or any similar or equivalent legislation) as in effect in any applicable jurisdiction.

"Unadjusted Benchmark Replacement" means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

"Waivable Mandatory Prepayment" has the meaning specified in Section 2.11(b).

"Weighted Average Life to Maturity" means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

(a) the sum of the products obtained by multiplying (i) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of the Indebtedness, by (ii) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by

(b) the then outstanding principal amount of such Indebtedness.

Section 1.2 Accounting and Other Terms.

(a) Except as otherwise expressly provided herein, all accounting terms not otherwise defined herein shall have the meanings assigned to them in conformity with GAAP. Financial statements and other information required to be delivered by Borrower to Lenders pursuant to Sections 5.1(b) and 5.1(c) shall be prepared in accordance with GAAP as in effect at the time of such preparation. Subject to the foregoing, calculations in connection with the definitions, covenants and other provisions hereof shall utilize accounting principles and policies in conformity with those used to prepare the Historical Financial Statements. Notwithstanding the foregoing, for purposes of determining compliance with any covenant (including the computation of any financial covenant) contained herein, (i) Indebtedness of Borrower and its Subsidiaries shall be deemed to be carried at 100% of the outstanding principal amount thereof, and the effects of FASB ASC 825 and FASB ASC 470 20 on financial liabilities shall be disregarded, (ii) with respect to the accounting for leases as either operating leases or capital leases and the impact of such accounting in accordance with FASB ASC 840 on the definitions and covenants herein, GAAP as in effect on December 31, 2018 shall be applied and (iii) with respect to revenue recognition and the impact of such accounting in accordance with FASB ASC 606 on the definitions and covenants herein, GAAP as in effect on December 31, 2017 shall be applied.

(b) All terms used in this Agreement which are defined in Article 8 or Article 9 of the UCC as in effect from time to time in the State of New York and which are not otherwise defined herein shall have the same meanings herein as set forth therein, provided that terms used herein which are defined in the UCC as in effect in the State of New York on the date hereof shall continue to have the same meaning notwithstanding any replacement or amendment of such statute except as Administrative Agent may otherwise determine.

(c) For purposes of determining compliance with any incurrence or expenditure tests set forth in this Agreement, any amounts so incurred or expended (to the extent incurred or expended in a currency other than Dollars ($)) shall be converted into Dollars on the basis of the exchange rates (as shown on the Bloomberg currency page for such currency or, if the same does not provide such exchange rate, by reference to such other recognized and publicly available service for displaying exchange rates as may be reasonably selected by Administrative Agent or, in the event no such service is available, on such

other basis as is reasonably satisfactory to Administrative Agent) as in effect on the date of such incurrence or expenditure under any provision of any such Section that has an aggregate Dollar limitation provided for therein (and to the extent the respective incurrence or expenditure test regulates the aggregate amount outstanding at any time and it is expressed in terms of Dollars, all outstanding amounts originally incurred or spent in currencies other than Dollars shall be converted into Dollars on the basis of the exchange rates (as shown on the Bloomberg currency page for such currency or, if the same does not provide such exchange rate, by reference to such other recognized and publicly available service for displaying exchange rates as may be reasonably selected by Administrative Agent or, in the event no such service is available, on such other basis as is reasonably satisfactory to Administrative Agent) as in effect on the date of any new incurrence or expenditures made under any provision of any such Section that regulates the Dollar amount outstanding at any time).

Section 1.3 Interpretation, Etc. Any of the terms defined herein may, unless the context otherwise requires, be used in the singular or the plural, depending on the reference. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine, and neuter forms. The word "will" shall be construed to have the same meaning and effect as the word "shall." References herein to any Section, Appendix, Schedule or Exhibit shall be to a Section, an Appendix, a Schedule or an Exhibit, as the case may be, hereof unless otherwise specifically provided. The use herein of the word "include" or "including," when following any general statement, term or matter, shall not be construed to limit such statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not no limiting language (such as "without limitation" or "but not limited to" or words of similar import) is used with reference thereto, but rather shall be deemed to refer to all other items or matters that fall within the broadest possible scope of such general statement, term or matter. The words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any right or interest in or to assets and properties of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible. Any reference herein or in any other Loan Document to the satisfaction, repayment, or payment in full of the Obligations or Guaranteed Obligations shall mean (a) the payment or repayment in full in immediately available funds of (i) the principal amount of, and interest accrued and unpaid with respect to, all outstanding Loans, together with the payment of any premium applicable to the repayment of the Loans, including any Applicable Premium and any Prepayment Premium, (ii) all costs, expenses, or indemnities payable pursuant to Section 10.2 or Section 10.3 of this Agreement that have accrued and are unpaid regardless of whether demand has been made therefor, and (iii) all fees, charges (including loan fees, service fees, professional fees, and expense reimbursement) and other Obligations that have accrued hereunder or under any other Loan Document and are unpaid, (b) the receipt by Administrative Agent of cash collateral in order to secure any other contingent Obligations for which a claim or demand for payment has been made on or prior to such time or in respect of matters or circumstances known to the Administrative Agent or a Lender at such time that are reasonably expected to result in any loss, cost, damage, or expense (including attorneys' fees and legal expenses), such cash collateral to be in such amount as the Administrative Agent reasonably determines is appropriate to secure such contingent Obligations, and (c) the termination of all of the Term Loan Commitments. Notwithstanding anything in this Agreement to the contrary, (A) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (B) all requests, rules, guidelines or directives concerning capital adequacy promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities shall, in each case, be deemed to be enacted, adopted, issued, phased in or effective after the date of this Agreement regardless of the date enacted, adopted, issued, phased in or effective. Unless the context requires otherwise (a) any definition of or reference to any Loan Document, agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth in any Loan Document), (b) any reference to any law

or regulation shall (i) include all statutory and regulatory provisions consolidating, amending, replacing or interpreting or supplementing such law or regulation, and (ii) unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time, and (c) any reference herein to any Person shall be construed to included such Person's successors and permitted assigns. This Section 1.3 shall apply, *mutatis mutandis*, to all Loan Documents.

Section 1.4 Time References. Unless otherwise indicated herein, all references to time of day refer to Eastern Standard Time or Eastern daylight saving time, as in effect in New York City on such day. For purposes of the computation of a period of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" each means "to but excluding"; provided, however, that with respect to a computation of fees or interest payable to Administrative Agent or any Lender, such period shall in any event consist of at least one full day.

Section 1.5 Certain Matters of Construction. References in this Agreement to "determination" by Administrative Agent include good faith estimates by Administrative Agent (in the case of quantitative determinations) and good faith beliefs by Administrative Agent (in the case of qualitative determinations). A Default or Event of Default shall be deemed to exist at all times during the period commencing on the date that such Default or Event of Default occurs to the date on which such Default or Event of Default is waived in writing pursuant to this Agreement or, in the case of a Default, is cured within any period of cure expressly provided for in this Agreement; and an Event of Default shall "continue" or be "continuing" until such Event of Default has been waived in writing by the Required Lenders. Any Lien referred to in this Agreement or any other Loan Document as having been created in favor of Administrative Agent, any agreement entered into by Administrative Agent pursuant to this Agreement or any other Loan Document, any payment made by or to or funds received by Administrative Agent pursuant to or as contemplated by this Agreement or any other Loan Document, or any act taken or omitted to be taken by Administrative Agent, shall, unless otherwise expressly provided, be created, entered into, made or received, or taken or omitted, for the benefit or account of Administrative Agent and the Lenders. Wherever the phrase "to the knowledge of any Loan Party" or words of similar import relating to the knowledge or the awareness of any Loan Party are used in this Agreement or any other Loan Document, such phrase shall mean and refer to (i) the actual knowledge of a senior officer of any Loan Party or (ii) the knowledge that a senior officer would have obtained if such officer had engaged in good faith and diligent performance of such officer's duties, including the making of such reasonably specific inquiries as may be necessary of the employees or agents of such Loan Party and a good faith attempt to ascertain the existence or accuracy of the matter to which such phrase relates. All covenants hereunder shall be given independent effect so that if a particular action or condition is not permitted by any of such covenants, the fact that it would be permitted by an exception to, or otherwise within the limitations of, another covenant shall not avoid the occurrence of a default if such action is taken or condition exists. In addition, all representations and warranties hereunder shall be given independent effect so that if a particular representation or warranty proves to be incorrect or is breached, the fact that another representation or warranty concerning the same or similar subject matter is correct or is not breached will not affect the incorrectness of a breach of a representation or warranty hereunder.

Section 1.6 Rates. References Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, (a) the continuation of, administration of, submission of, calculation of or any other matter related to the Term SOFR Reference Rate, Term SOFR or any other Benchmark, any component definition thereof or rates referred to in the definition thereof, or with respect to any alternative, successor or replacement rate thereto (including any then-current Benchmark or any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement), as it may or may not be adjusted pursuant to Section 2.20, will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, the Term SOFR

Reference Rate, Term SOFR or any other Benchmark, prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any Conforming Changes. Administrative Agent and its affiliates or other related entities may engage in transactions that affect the calculation of the Term SOFR Reference Rate, Term SOFR, any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto and such transactions may be adverse to Company. Administrative Agent may select information sources or services in its reasonable discretion to ascertain the Term SOFR Reference Rate or Term SOFR, or any other Benchmark, any component definition thereof or rates referred to in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to Company, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

Section 1.7 Limited Condition Transactions. For purposes of (i) determining whether any Default or Event of Default has occurred or (ii) testing availability under baskets set forth in this Agreement or the other Loan Documents, in each case, in connection with a Limited Condition Transaction, at the option of the Borrower (the Borrower's election to exercise such option in connection with any Limited Condition Transaction, an "LCT Election"), the date of determination of whether any such action is permitted hereunder, shall be deemed to be the date the definitive agreement for such Limited Condition Transaction is entered into (such date, the "LCT Test Date"), and if the Borrower could have taken such action on the relevant LCT Test Date in compliance with such basket, such basket shall be deemed to have been complied with. If the Borrower has made an LCT Election for any Limited Condition Transaction, then in connection with any subsequent calculation of any basket on or following the relevant LCT Test Date and prior to the earlier of (i) the date on which such Limited Condition Transaction is consummated, and (ii) the date that the definitive agreement for such Limited Condition Transaction is terminated or expires without consummation of such Limited Condition Transaction, any such basket shall be calculated and tested on a Pro Forma Basis assuming such Limited Condition Transaction and other transactions in connection therewith have been consummated until such time as the applicable Limited Condition Transaction has actually closed or the definitive agreement for such Limited Condition Transaction has been terminated. For the avoidance of doubt, if any of such amounts are exceeded as a result of fluctuations in such amount (including due to fluctuations in Consolidated Total Cash of the Borrower), at or prior to the consummation of the relevant transaction or action, such basket will not be deemed to have been exceeded as a result of such fluctuations solely for purposes of determining whether the relevant transaction or action is permitted to be consummated or taken.

ARTICLE II

LOANS

Section 2.1 Term Loans.

(a) Initial Term Loans; Delayed Draw Term Loans; Incremental Term Loans. Subject to the terms and conditions hereof:

(i) each Lender severally agrees to make, on the Initial Funding Date, an Initial Term Loan to Company in an amount equal to such Lender's Initial Term Loan Commitment;

(ii) each Lender severally agrees to make, on one occasion during the Delayed Draw A Commitment Period, Delayed Draw A Term Loans to Company in an aggregate amount not to exceed such Lender's Delayed Draw A Term Loan Commitment;

(iii) each Lender severally agrees to make, on one occasion during the Delayed Draw B Commitment Period, Delayed Draw B Term Loans to Company in an aggregate amount not to exceed such Lender's Delayed Draw B Term Loan Commitment; and

(iv) at the option of Company, and subject to the approval of Lenders in their sole discretion, each Lender may, severally and not jointly, make Incremental Term Loans to Company in an aggregate amount not to exceed $260,000,000.00.

Company may make only one borrowing under the Initial Term Loan Commitment, which shall be on the Initial Funding Date, and may make only one borrowing under each of the Delayed Draw A Commitment and Delayed Draw B Commitment. Any amount borrowed under this Section 2.1(a) and subsequently repaid or prepaid may not be reborrowed. Subject to Section 2.9, all amounts owed hereunder with respect to the Term Loan shall be paid in full no later than the Term Loan Maturity Date. Each Lender's Initial Term Loan Commitment, Delayed Draw A Commitment, and Delayed Draw B Commitment shall terminate immediately and without further action on the Credit Date on which such Lender funds Initial Term Loans, Delayed Draw A Term Loans or Delayed Draw B Term Loans, respectively, after giving effect to the funding of such Term Loans on such Credit Date.

(b) Borrowing Mechanics for Term Loans.

(i) Company shall deliver to Administrative Agent a fully executed Funding Notice no later than three Business Days prior to the Initial Funding Date (or such shorter period permitted by Administrative Agent), with respect to Term Loans made on the Initial Funding Date. Following the Initial Funding Date (and subject to the conditions set forth in Section 3.2), whenever Company desires that Lenders make a Delayed Draw Term Loan, Company shall deliver to Administrative Agent a fully executed and delivered Funding Notice no later than 10:00 a.m. (New York City time) at least fifteen (15) U.S. Government Securities Business Days in advance of the proposed Credit Date. Except as otherwise provided herein, a Funding Notice for a Term Loan that is a SOFR Loan shall be irrevocable on and after the related Interest Rate Determination Date, and Company shall be bound to make a borrowing in accordance therewith. Promptly upon receipt by Administrative Agent of any such Funding Notice, Administrative Agent shall notify each Lender of the proposed borrowing. Administrative Agent and Lenders (A) may act without liability upon the basis of written or facsimile notice believed by Administrative Agent in good faith to be from Company (or from any Authorized Officer thereof designated in writing purportedly from Company to Administrative Agent), (B) shall be entitled to rely conclusively on any Authorized Officer's authority to request a Term Loan on behalf of Company until Administrative Agent receives written notice to the contrary, and (C) shall have no duty to verify the authenticity of the signature appearing on any written Funding Notice.

(ii) Each Lender shall make its applicable Term Loan available to Administrative Agent not later than 12:00 p.m. on the applicable Credit Date, by wire transfer of same day funds in Dollars, at Administrative Agent's Principal Office. Upon satisfaction or waiver of the conditions precedent specified herein, Administrative Agent shall make the proceeds of the applicable Term Loans available to Company on the applicable Credit Date by causing an amount of same day funds in Dollars equal to the proceeds of all such Loans received by Administrative Agent from Lenders to be credited to the account of Company at Administrative Agent's Principal Office or to such other account as may be designated in writing to Administrative Agent by Company.

(iii) During the Delayed Draw A Commitment Period, Company may make one (1) draw of Delayed Draw A Term Loans in a minimum amount of $10,000,000 and integral multiples of $5,000,000 in excess of that amount.

(iv) During the Delayed Draw B Commitment Period, Company may make one (1) draw of Delayed Draw B Term Loans in an aggregate minimum amount of $10,000,000 and integral multiples of $5,000,000 in excess of that amount.

(v) With respect to any Funding Notice requesting Incremental Term Loans, (i) the Administrative Agent shall promptly forward such Funding Notice to each Lender and (ii) each Lender shall, within fifteen (15) U.S. Government Securities Business Days of receipt of such Funding Notice, elect or decline to commit, on the applicable Credit Date, to provide its Pro Rata Share of such Term Loans. During such fifteen (15) U.S. Government Securities Business Days period, Borrower shall provide to Administrative Agent, for distribution to the Lenders, such information as reasonably requested by Lenders, including, without limitation any information related to the use of funds of such Incremental Term Loans.

(c) Pro Rata Shares; Availability of Funds.

(i) Pro Rata Shares. All Loans (other than the Incremental Term Loans) shall be made by Lenders simultaneously and proportionately to their respective Pro Rata Shares, it being understood that no Lender shall be responsible for any default by any other Lender in such other Lender's obligation to make a Loan requested hereunder nor shall any Term Loan Commitment of any Lender be increased or decreased as a result of a default by any other Lender in such other Lender's obligation to make a Loan requested hereunder or purchase a participation required hereby.

(ii) Availability of Funds. Unless Administrative Agent shall have been notified by any Lender prior to the applicable Credit Date that such Lender does not intend to make available to Administrative Agent the amount of such Lender's Loan requested on such Credit Date, Administrative Agent may assume that such Lender has made such amount available to Administrative Agent on such Credit Date and Administrative Agent may, in its sole discretion, but shall not be obligated to, make available to Company a corresponding amount on such Credit Date. If such corresponding amount is not in fact made available to Administrative Agent by such Lender, Administrative Agent shall be entitled to recover such corresponding amount on demand from such Lender together with interest thereon, for each day from such Credit Date until the date such amount is paid to Administrative Agent, at the customary rate set by Administrative Agent for the correction of errors among banks for three Business Days and thereafter at the Base Rate. If such Lender does not pay such corresponding amount forthwith upon Administrative Agent's demand therefor, Administrative Agent shall promptly notify Company and Company shall immediately pay such corresponding amount to Administrative Agent together with interest thereon, for each day from such Credit Date until the date such amount is paid to Administrative Agent, at the rate payable hereunder for Base Rate Loans. Nothing in this Section 2.1(d)(ii) shall be deemed to relieve any Lender from its obligation to fulfill its Term Loan Commitments hereunder or to prejudice any rights that Company may have against any Lender as a result of any default by such Lender hereunder.

Section 2.2 Use of Proceeds. The proceeds of the Term Loans shall be applied by Company (a) for the development, promotion and commercial launch of AYVAKIT and BLU-263, (b) to fund potential acquisition and partnership opportunities and (c) for working capital, pipeline research and development and general corporate purposes of Borrower and its Subsidiaries. No portion of the proceeds of the Term Loan shall be used in any manner that causes or might cause such Credit Extension or the application of such proceeds to violate Regulation T, Regulation U or Regulation X of the Board of Governors of the Federal Reserve System or any other regulation thereof or to violate the Exchange Act.

Section 2.3 Evidence of Debt; Register; Lenders' Books and Records; Notes.

(a) Lenders' Evidence of Debt. Each Lender shall maintain on its internal records an account or accounts evidencing the Obligations of Company to such Lender, including the amounts of the Term Loans made by it and each repayment and prepayment in respect thereof. Any such recordation shall be conclusive and binding on Company, absent manifest error; provided, that the failure to make any such recordation, or any error in such recordation, shall not affect Company's Obligations in respect of any Term Loans; and provided further, in the event of any inconsistency between the Register and any Lender's records, the recordations in the Register shall govern.

(b) Register. Administrative Agent shall maintain at its Principal Office a register for the recordation of the names and addresses of Lenders and the principal amount of the Term Loans (and stated interest therein) of each Lender from time to time (the "Register"). The Register shall be available for inspection by Company at any reasonable time and from time to time upon reasonable prior notice. Administrative Agent shall record in the Register the Term Loans (and stated interest thereon), and each repayment or prepayment in respect of the principal amount of the Term Loans, and any such recordation shall be conclusive and binding on Company and each Lender, absent manifest error; provided, failure to make any such recordation, or any error in such recordation, shall not affect Company's Obligations in respect of any Term Loan. Company hereby designates the entity serving as Administrative Agent to serve as Company's non-fiduciary agent solely for purposes of maintaining the Register as provided in this Section 2.3, and Company hereby agrees that, to the extent such entity serves in such capacity, the entity serving as Administrative Agent and its officers, directors, employees, agents and affiliates shall constitute "Indemnitees."

(c) Notes. If so requested by any Lender by written notice to Company (with a copy to Administrative Agent) at least two Business Days prior to the Closing Date, or at any time thereafter, Company shall execute and deliver to such Lender (and/or, if applicable and if so specified in such notice, to any Person who is an assignee of such Lender pursuant to Section 10.6) on the Closing Date (or, if such notice is delivered after the Closing Date, promptly after Company's receipt of such notice) a Note or Notes.

Section 2.4 Interest.

(a) Except as otherwise set forth herein, each Loan shall bear interest on the unpaid principal amount thereof from the date made through repayment (whether by acceleration or otherwise) thereof as follows: (i) if a Base Rate Loan, at the Base Rate plus the Applicable Margin; or (ii) if a SOFR Loan, at Term SOFR plus the Applicable Margin.

(b) The basis for determining the rate of interest with respect to any Loan, and the Interest Period with respect to any SOFR Loan, shall be selected by Company and notified to Administrative Agent and Lenders pursuant to the applicable Funding Notice or Conversion/Continuation Notice, as the case may be. If on any day a Loan is outstanding with respect to which a Funding Notice or Conversion/Continuation Notice has not been delivered to Administrative Agent in accordance with the terms hereof specifying the applicable basis for determining the rate of interest, then for that day such Loan shall be a Base Rate Loan.

(c) In connection with SOFR Loans there shall be no more than five (5) Interest Periods outstanding at any time. In the event Company fails to specify between a Base Rate Loan or a SOFR Loan in the applicable Funding Notice or Conversion/Continuation Notice, such Loan (if outstanding as a SOFR Loan) will be automatically converted into a Base Rate Loan on the last day of the then current Interest Period for such Loan (or if outstanding as a Base Rate Loan will remain as, or (if not then outstanding) will be made as, a Base Rate Loan). At any time that a Default or an Event of Default has

occurred and is continuing, Company no longer shall have the option to request that any portion of the Loans be a SOFR Loan and such SOFR Loans shall automatically convert to Base Rate Loans on the last day of the then current Interest Period. As soon as practicable after 10:00 a.m. (New York City time) on each Interest Rate Determination Date, Administrative Agent shall determine (which determination shall, absent manifest error, be final, conclusive and binding upon all parties) the interest rate that shall apply to the SOFR Loans for which an interest rate is then being determined for the applicable Interest Period and shall promptly give notice thereof (in writing) to Company and each Lender.

(d) Interest payable hereunder shall be computed on the basis of a 360 day year, in each case for the actual number of days elapsed in the period during which it accrues. In computing interest on any Loan, the date of the making of such Loan or the first day of an Interest Period applicable to such Loan or, with respect to a Base Rate Loan being converted from a SOFR Loan, the date of conversion of such SOFR Loan to such Base Rate Loan, as the case may be, shall be included, and the date of payment of such Loan or the expiration date of an Interest Period applicable to such Loan or, with respect to a Base Rate Loan being converted to a SOFR Loan, the date of conversion of such Base Rate Loan to such SOFR Loan, as the case may be, shall be excluded; provided, if a Loan is repaid on the same day on which it is made, one day's interest shall be paid on that Loan.

(e) Except as otherwise set forth herein, interest on each Term Loan shall be payable in cash and in arrears (i) on each Interest Payment Date and (ii) upon any prepayment of that Term Loan, whether voluntary or mandatory, to the extent accrued on the amount being prepaid.

(f) In connection with the use or administration of Term SOFR, Administrative Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document. Administrative Agent will promptly notify Company and the Lenders of the effectiveness of any Conforming Changes in connection with the use or administration of Term SOFR.

Section 2.5 Conversion/Continuation.

(a) Subject to Section 2.17 and so long as no Default or Event of Default shall have occurred and then be continuing, Company shall have the option:

(i) to convert at any time all or any part of any Term Loan equal to $5,000,000 and integral multiples of $5,000,000 in excess of that amount from one Type of Loan to another Type of Loan; provided, a SOFR Loan may only be converted on the expiration of the Interest Period applicable to such SOFR Loan unless Company shall pay all amounts due under Section 2.17 in connection with any such conversion; or

(ii) upon the expiration of any Interest Period applicable to any SOFR Loan, to continue all or any portion of such Loan equal to $5,000,000 and integral multiples of $5,000,000 in excess of that amount as a SOFR Loan.

(b) Company shall deliver a Conversion/Continuation Notice to Administrative Agent no later than 10:00 a.m. (New York City time) at least one (1) Business Day in advance of the proposed conversion date (in the case of a conversion to a Base Rate Loan) and at least three (3) Business Days in advance of the proposed conversion/continuation date (in the case of a conversion to, or a continuation of, a SOFR Loan). Except as otherwise provided herein, a Conversion/Continuation Notice for conversion to, or continuation of, any SOFR Loans shall be irrevocable on and after the related Interest Rate Determination Date, and Company shall be bound to effect a conversion or continuation in accordance therewith.

Section 2.6 Default Interest. Upon the occurrence and during the continuance of an Event of Default under Sections 8.1(a), (f) or (g), and after notice from the Administrative Agent acting at the direction of the Required Lenders, after the occurrence and during the continuance of any other Event of Default, the principal amount of all Term Loans outstanding and, to the extent permitted by applicable law, any interest payments on the Term Loans or any fees or other amounts owed hereunder (including any Applicable Premium and Prepayment Premium, if applicable), shall thereafter bear interest (including post petition interest in any proceeding under the Bankruptcy Code or other applicable bankruptcy laws) payable on demand at a rate that is [***] per annum in excess of the interest rate otherwise payable hereunder with respect to the Term Loans (the "Default Rate"). All interest payable at the Default Rate shall be payable in cash on demand. Payment or acceptance of the Default Rate of interest provided for in this Section 2.6 is not a permitted alternative to timely payment and shall not constitute a waiver of any Default or Event of Default or otherwise prejudice or limit any rights or remedies of Administrative Agent or any Lender.

Section 2.7 Fees.

(a) Company agrees to pay to Administrative Agent all fees payable by it in the Fee Letter in the amounts and at the times specified therein.

(b) All fees referred to in Section 2.7(a) shall be calculated on the basis of a 360 day year and the actual number of days elapsed.

Section 2.8 Repayment of Term Loans. The principal amounts of the Term Loans shall be repaid, together with all other amounts owed hereunder with respect thereto, in full in cash no later than the Term Loan Maturity Date.

Section 2.9 Voluntary Prepayments and Commitment Reductions.

(a) Voluntary Prepayments.

(i) Subject to the terms of the Fee Letter, Company may prepay at any time the Term Loan on any Business Day in whole or in part (together with any amounts due pursuant to Section 2.19), in an aggregate minimum amount of $5,000,000 and integral multiples of $5,000,000 in excess of that amount.

(ii) All such prepayments shall be made (A) upon not less than one (1) Business Day's prior written notice in the case of Base Rate Loans and (B) upon not less than three (3) Business Days' prior written notice in the case of SOFR Loans, in each case given to Administrative Agent by 10:00 a.m. on the date required (and Administrative Agent will promptly transmit such or original notice by facsimile or email to each Lender). Upon the giving of any such notice, the principal amount of the Term Loans specified in such notice shall become due and payable on the prepayment date specified therein. Any such voluntary prepayment shall be applied as specified in Section 2.11(a) with respect to the Term Loans.

(b) Voluntary Commitment Reductions.

(i) Company may, upon not less than three Business Days' prior written confirmed in writing to Administrative Agent (which written notice Administrative Agent will promptly transmit by facsimile or email to each applicable Lender), at any time and from time to time terminate in whole or permanently reduce in part any unused portion of the Delayed Draw Term Loan Commitments; provided, any such partial reduction of the Delayed Draw Term Loan Commitments shall be in an aggregate minimum amount of $5,000,000 and integral multiples of $5,000,000 in excess of that amount.

(ii) Company's notice to Administrative Agent shall designate the date (which shall be a Business Day) of such termination or reduction and the amount of any partial reduction, and such termination or reduction of the Delayed Draw Term Loan Commitments shall be effective on the date specified in Company's notice and shall reduce the Delayed Draw Term Loan of each Lender proportionately to its Pro Rata Share thereof.

Section 2.10 Mandatory Prepayments.

(a) Asset Sales.

(i) No later than the [***] following the date of receipt by any Loan Party of any Net Proceeds from Asset Sales (other than any Asset Sale described in clauses (ii) (solely with respect to the GRAVETO Royalty Transaction), (iv), (v), (vi), (vii), (viii), (x) or (xi) of Section 6.9(b)) in excess of [***], Company shall, subject to Section 2.11(b), prepay the Term Loans as set forth in Section 2.11(a) in an aggregate amount equal to such Net Proceeds in excess of [***]; provided, such prepayment shall not be required so long as (i) no Event of Default shall have occurred and be continuing and (ii) Company has delivered Administrative Agent prior written notice of Company's intention to apply such monies (the "Reinvestment Amounts") to research, develop, Commercialize or purchase other assets or Products used or useful in the business of the Loan Parties. including capital expenditures, research and development and Permitted Acquisitions, (iii) the Loan Parties complete such reinvestment or purchase within [***] after the initial receipt of such monies, the Loan Parties shall have the option to apply the Reinvestment Amounts to reinvest in or to the costs of purchase of other assets used or useful in the business of the Loan Parties; provided, that if any such Net Proceeds are no longer intended to be or cannot be so reinvested during the applicable [***] period, and subject to Section 2.11(b), an amount equal to any such Net Proceeds shall be applied within [***] after Borrower reasonably determines that such Net Proceeds are no longer intended to be or cannot be so reinvested to the prepayment of the Term Loans as set forth in Section 2.11(a).

(ii) Nothing contained in this Section 2.10(a) shall permit Borrower or any of its Subsidiaries to sell or otherwise dispose of any assets other than in accordance with Section 6.9.

(b) Insurance/Condemnation Proceeds. No later than the [***] following the date of receipt by any Loan Party, or Administrative Agent as loss payee, of any Net Proceeds from insurance or any condemnation, taking or other casualty in excess of [***] in the aggregate in any Fiscal Year, Company shall, subject to Section 2.12(b), prepay the Term Loan as set forth in Section 2.11(a) in an aggregate amount equal to such Net Proceeds in excess of [***] in the aggregate in any Fiscal Year; provided, such prepayment shall not be required (i) so long as no Event of Default shall have occurred and be continuing, (ii) Company has delivered Administrative Agent written notice of Company's intention to apply such proceeds to research, develop, Commercialize or purchase other assets or Products used or useful in the business of the Loan Parties, including capital expenditures, research and development and Permitted Acquisitions, and (iii) the Loan Parties complete such purchase within 365 days after the initial receipt of such monies; provided, that if any such Net Proceeds are no longer intended to be or cannot be so reinvested during the applicable 365 day period, and subject to Section 2.11(b), an amount equal to any such Net Proceeds shall be applied within [***] after Borrower reasonably determines that such Net Proceeds are no longer intended to be or cannot be so reinvested to the prepayment of the Term Loans as set forth in Section 2.11(a).

(c) Issuance of Debt. On the date of receipt by Borrower or any of its Subsidiaries of any Cash proceeds from the incurrence of any Indebtedness of Borrower or any of its Subsidiaries (other than with respect to any Indebtedness permitted to be incurred pursuant to Section 6.1), Company shall prepay the Loans in an aggregate amount equal to [***] of such proceeds, net of underwriting discounts

and commissions and other reasonable costs and expenses associated therewith, in each case, paid to non-Affiliates, including reasonable legal fees and expenses.

(d) [Reserved].

(e) Prepayment Certificate. Concurrently with any prepayment of the Term Loan pursuant to Section 2.10(a) through Section 2.10(c), Company shall deliver to Administrative Agent a certificate of an Authorized Officer demonstrating the calculation of the amount of the applicable net proceeds and compensation owing to Lenders pursuant to the Fee Letter, if any, as the case may be. In the event that Company shall subsequently determine that the actual amount received exceeded the amount set forth in such certificate, Company shall promptly make an additional prepayment of the Loans, and Company shall concurrently therewith deliver to Administrative Agent a certificate of an Authorized Officer demonstrating the derivation of such excess.

Section 2.11 Application of Prepayments.

(a) Application of Prepayments of Term Loans. (i) Any prepayment of the Term Loan pursuant to Section 2.9 and (ii) except in connection with any Waivable Mandatory Prepayment provided for in Section 2.11(b), so long as no Application Event has occurred and is continuing, any mandatory prepayment of any Loan pursuant to Section 2.10, in each case, shall be applied as follows:

first, to prepay accrued and unpaid interest on the Term Loan;

second, to pay any Prepayment Premium and any Applicable Premium payable thereon; and

third, to prepay (A) first, the principal of the Initial Term Loan until paid in full and (B) second, the principal of the Delayed Draw Term Loan until paid in full.

(b) Waivable Mandatory Prepayment. Anything contained herein to the contrary notwithstanding, in the event Company is required to make any mandatory prepayment (a "Waivable Mandatory Prepayment") of the Term Loans pursuant to Section 2.10 (other than Section 2.11(c)), not less than [***] prior to the date (the "Required Prepayment Date") on which Company is required to make such Waivable Mandatory Prepayment, Company shall notify Administrative Agent of the amount of such prepayment, and Administrative Agent will promptly thereafter notify each Lender holding an outstanding Term Loan of the amount of such Lender's Pro Rata Share of such Waivable Mandatory Prepayment and such Lender's option to refuse such amount. Each such Lender may exercise such option by giving written notice to Company and Administrative Agent of its election to do so on or before the first Business Day prior to the Required Prepayment Date (it being understood that any Lender which does not notify Company and Administrative Agent of its election to exercise such option on or before the first Business Day prior to the Required Prepayment Date shall be deemed to have elected, as of such date, not to exercise such option). On the Required Prepayment Date, Company shall pay to Administrative Agent the amount of the Waivable Mandatory Prepayment, which amount shall be applied (i) in an amount equal to that portion of the Waivable Mandatory Prepayment payable to those Lenders that have elected not to exercise such option, to prepay the Term Loans of such Lenders (which prepayment shall be applied in accordance with Section 2.11(a)), and (ii) to the extent of any excess, to Company for working capital and general corporate purposes.

(c) At any time an Application Event has occurred and is continuing, all payments shall be applied pursuant to Section 2.12(f). Nothing contained herein shall modify the provisions of Section 2.12(b) regarding the requirement that all prepayments be accompanied by accrued interest and

fees on the principal amount being prepaid to the date of such prepayment and the applicable Applicable Premium, Prepayment Premium, or any requirement otherwise contained herein to pay all other amounts as the same become due and payable.

Section 2.12 General Provisions Regarding Payments.

(a) All payments by Company of principal, interest, fees and other Obligations shall be made in Dollars in immediately available funds, without defense, recoupment, setoff or counterclaim, free of any restriction or condition, and delivered to Administrative Agent, for the account of Lenders, not later than 10:00 a.m. on the date such payment is due and payable to Administrative Agent's Account. Funds received by Administrative Agent after that time on such due date may be deemed to have been paid by Company on the next Business Day.

(b) All payments in respect of the principal amount of any Term Loan shall be accompanied by payment of accrued interest on the principal amount being repaid or prepaid, any Prepayment Premium, any Applicable Premium, and all other amounts payable with respect to the principal amount being repaid or prepaid.

(c) Administrative Agent shall promptly distribute to each Lender at such address as such Lender shall indicate in writing, such Lender's applicable Pro Rata Share of all payments and prepayments of principal and interest due hereunder, together with all other amounts due with respect thereto, including, without limitation, all fees payable with respect thereto, to the extent received by Administrative Agent.

(d) Subject to the provisos set forth in the definition of "Interest Period", whenever any payment to be made hereunder shall be stated to be due on a day that is not a Business Day, such payment shall be made on the next succeeding Business Day and such extension of time shall be included in the computation of the payment of interest hereunder or of the commitment fees hereunder.

(e) Administrative Agent shall deem any payment by or on behalf of Company hereunder that is not made in same day funds prior to 10:00 a.m. to be a non-conforming payment. Any such payment shall not be deemed to have been received by Administrative Agent until the later of (i) the time such funds become available funds, and (ii) the applicable next Business Day. Administrative Agent shall give prompt telephonic notice to Company and each applicable Lender (confirmed in writing) if any payment is non-conforming. Any non-conforming payment may constitute or become a Default or Event of Default in accordance with the terms of Section 8.1(a). Interest shall continue to accrue on any principal as to which a non-conforming payment is made until such funds become available funds (but in no event less than the period from the date of such payment to the next succeeding applicable Business Day) at the Default Rate determined pursuant to Section 2.6 from the date such amount was due and payable until the date such amount is paid in full.

(f) At any time an Application Event has occurred and is continuing, or the maturity of the Obligations shall have been accelerated pursuant to Section 8.2, all payments or proceeds received by Administrative Agent hereunder or under any Collateral Document in respect of any of the Obligations, including, but not limited to all proceeds received by Administrative Agent in respect of any sale, any collection from, or other realization upon all or any part of the Collateral, shall be applied in full or in part as follows:

first, ratably to pay the Obligations in respect of any fees (other than any Prepayment Premium and Applicable Premium), expense reimbursements, indemnities and other amounts then due and payable to Administrative Agent until paid in full;

second, ratably to pay interest then due and payable in respect of Protective Advances until paid in full;

third, ratably to pay principal of Protective Advances then due and payable until paid in full;

fourth, ratably to pay the Obligations in respect of any fees (other than any Prepayment Premium and Applicable Premium) and indemnities then due and payable to the Lenders with a Term Loan Commitment until paid in full;

fifth, ratably to pay interest then due and payable in respect of the Term Loan until paid in full;

sixth, ratably to pay (A) first, the principal of the Initial Term Loan until paid in full and (B) second, the principal of the Delayed Draw Term Loan until paid in full;

seventh, ratably to pay the Obligations in respect of any Prepayment Premium and Applicable Premium then due and payable to the Lenders with a Term Loan Commitment until paid in full; and

eighth, to the ratable payment of all other Obligations then due and payable until paid in full.

(g) For purposes of Section 2.12(f) (other than clause *eighth* of Section 2.12(f)), "paid in full" means payment in cash of all amounts owing under the Loan Documents according to the terms thereof, including loan fees, service fees, professional fees, interest (and specifically including interest accrued after the commencement of any Insolvency Proceeding), default interest, interest on interest, and expense reimbursements, whether or not same would be or is allowed or disallowed in whole or in part in any Insolvency Proceeding, except to the extent that default or overdue interest (but not any other interest) and loan fees, each arising from or related to a default, are disallowed in any Insolvency Proceeding; provided, however, that for purposes of clause *eighth* of Section 2.12(f), "paid in full" means payment in cash of all amounts owing under the Loan Documents according to the terms thereof, including loan fees, service fees, professional fees, interest (and specifically including interest accrued after the commencement of any Insolvency Proceeding), default interest, interest on interest, and expense reimbursements, whether or not the same would be or is allowed or disallowed in whole or in part in any Insolvency Proceeding.

(h) In the event of a direct conflict between the priority provisions of Section 2.12(f) and other provisions contained in any other Loan Document, it is the intention of the parties hereto that both such priority provisions in such documents shall be read together and construed, to the fullest extent possible, to be in concert with each other. In the event of any actual, irreconcilable conflict that cannot be resolved as aforesaid, the terms and provisions of Section 2.12(f) shall control and govern.

(i) The Lenders and Company hereby authorize Administrative Agent to, and Administrative Agent may, from time to time, charge the Loan Account with any amount then due and payable by Company under any Loan Document. Each of the Lenders and Company agrees that Administrative Agent shall have the right to make such charges whether or not any Default or Event of Default shall have occurred and be continuing or whether any of the conditions precedent in Section 3.2 have been satisfied. Any amount charged to the Loan Account shall be deemed a Loan hereunder made by the Lenders to Company, funded by Administrative Agent on behalf of the Lenders and subject to Section 2.2. The Lenders and Company confirm that any charges which Administrative Agent may so make to the Loan Account as herein provided will be made as an accommodation to Company and solely at

Administrative Agent's discretion, provided that Administrative Agent shall from time to time in its discretion or upon the request of the Required Lenders, charge the Loan Account of Company with any amount due and payable under any Loan Document. The Administrative Agent shall provide a reasonably detailed invoice for any amounts charged to the Loan Account (unless such charge is made at the Company's request) promptly upon request by the Company.

(j) Notwithstanding the foregoing provisions hereof, if any Conversion/Continuation Notice is withdrawn as to any Affected Lender or if any Affected Lender makes Base Rate Loans in lieu of its Pro Rata Share of any SOFR Loans, Administrative Agent shall give effect thereto in apportioning payments received thereafter.

Section 2.13 Ratable Sharing. Lenders hereby agree among themselves that, except as otherwise provided in the Collateral Documents with respect to amounts realized from the exercise of rights with respect to Liens on the Collateral, if any of them shall, whether by voluntary payment (other than a voluntary prepayment of Term Loans made and applied in accordance with the terms hereof), through the exercise of any right of set off or banker's lien, by counterclaim or cross action or by the enforcement of any right under the Loan Documents or otherwise, or as adequate protection of a deposit treated as cash collateral under the Bankruptcy Code, receive payment or reduction of a proportion of the aggregate amount of principal, interest, fees and other amounts then due and owing to such Lender hereunder or under the other Loan Documents (collectively, the "Aggregate Amounts Due" to such Lender) which is greater than the proportion received by any other Lender in respect of the Aggregate Amounts Due to such other Lender having Term Loans, then the Lender receiving such proportionately greater payment shall (a) notify Administrative Agent and each other Lender of the receipt of such payment and (b) apply a portion of such payment to purchase participations (which it shall be deemed to have purchased from each seller of a participation simultaneously upon the receipt by such seller of its portion of such payment) in the Aggregate Amounts Due to the other Lenders so that all such recoveries of Aggregate Amounts Due shall be shared by all Lenders having Term Loans in proportion to the Aggregate Amounts Due to them; provided, if all or part of such proportionately greater payment received by such purchasing Lender is thereafter recovered from such Lender upon the bankruptcy or reorganization of Company or otherwise, those purchases shall be rescinded and the purchase prices paid for such participations shall be returned to such purchasing Lender ratably to the extent of such recovery, but without interest. Company expressly consents to the foregoing arrangement and agrees that any holder of a participation so purchased may exercise any and all rights of banker's lien, set off or counterclaim with respect to any and all monies owing by Company to that holder with respect thereto as fully as if that holder were owed the amount of the participation held by that holder.

Section 2.14 Increased Costs; Capital Adequacy.

(a) Compensation For Increased Costs and Taxes. Subject to the provisions of Section 2.15 (which shall be controlling with respect to the matters covered thereby), in the event that Administrative Agent or any Lender shall determine (which determination shall, absent manifest error, be final and conclusive and binding upon all parties hereto) that any law, treaty or governmental rule, regulation or order, or any change therein or in the interpretation, administration or application thereof (including the introduction of any new law, treaty or governmental rule, regulation or order), or any determination of a court or Governmental Authority, in each case that becomes effective after the date hereof, or compliance by Administrative Agent or such Lender with any guideline, request or directive issued or made after the date hereof by any central bank or other governmental or quasi-Governmental Authority (whether or not having the force of law): (i) subjects Administrative Agent or such Lender (or its applicable lending office) to any additional Tax (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) with respect to this Agreement or any of the other Loan Documents or any of its obligations hereunder or thereunder or any payments to Administrative Agent or such Lender (or its applicable lending office) of

principal, interest, fees or any other amount payable hereunder; (ii) imposes, modifies or holds applicable any reserve (including any marginal, emergency, supplemental, special or other reserve), special deposit, compulsory loan, FDIC insurance or similar requirement against assets held by, or deposits or other liabilities in or for the account of, or advances or loans by, or other credit extended by, or any other acquisition of funds by, any office of Administrative Agent or such Lender (other than any such reserve or other requirements with respect to SOFR Loans that are reflected in the definition of Term SOFR); or (iii) imposes any other condition (other than with respect to Taxes) on or affecting Administrative agent or such Lender (or its applicable lending office) or its obligations hereunder or the London interbank market; and the result of any of the foregoing is to increase the cost to Administrative Agent or such Lender of agreeing to make, making or maintaining Loans hereunder or to reduce any amount received or receivable by Administrative Agent or such Lender (or its applicable lending office) with respect thereto; then, in any such case, Company shall promptly pay to Administrative Agent or such Lender, upon receipt of the statement referred to in the next sentence, such additional amount or amounts (in the form of an increased rate of, or a different method of calculating, interest or otherwise as Administrative Agent or such Lender in its sole discretion shall determine) as may be necessary to compensate Administrative Agent or such Lender for any such increased cost or reduction in amounts received or receivable hereunder. Administrative Agent or such Lender shall deliver to Company (with a copy to Administrative Agent, if applicable) a written statement, setting forth in reasonable detail the basis for calculating the additional amounts owed to Administrative Agent or such Lender under this Section 2.14(a), which statement shall be conclusive and binding upon all parties hereto absent manifest error.

(b) Capital Adequacy Adjustment. In the event that any Lender shall have determined that the adoption, effectiveness, phase in or applicability after the Closing Date of any law, rule or regulation (or any provision thereof) regarding capital adequacy, or any change therein or in the interpretation or administration thereof by any Governmental Authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by any Lender (or its applicable lending office) with any guideline, request or directive regarding capital adequacy (whether or not having the force of law) of any such Governmental Authority, central bank or comparable agency, has or would have the effect of reducing the rate of return on the capital of such Lender or any corporation controlling such Lender as a consequence of, or with reference to, such Lender's Term Loans or other obligations hereunder with respect to the Term Loan to a level below that which such Lender or such controlling corporation could have achieved but for such adoption, effectiveness, phase in, applicability, change or compliance (taking into consideration the policies of such Lender or such controlling corporation with regard to capital adequacy), then from time to time, within [***] after receipt by Company from such Lender of the statement referred to in the next sentence, Company shall pay to such Lender such additional amount or amounts as will compensate such Lender or such controlling corporation on an after tax basis for such reduction. Such Lender shall deliver to Company (with a copy to Administrative Agent) a written statement, setting forth in reasonable detail the basis for calculating the additional amounts owed to Lender under this Section 2.14(b), which statement shall be conclusive and binding upon all parties hereto absent manifest error.

Section 2.15 Taxes; Withholding, Etc.

(a) Withholding of Taxes. All sums payable by any Loan Party hereunder and under the other Loan Documents shall (except to the extent required by applicable law) be paid free and clear of, and without any deduction or withholding on account of, any Tax. If any Loan Party or any other Person is required by law to make any deduction or withholding on account of any Tax from any sum paid or payable by any Loan Party to Administrative Agent or any Lender under any of the Loan Documents: (1) Company shall notify Administrative Agent of any such requirement or any change in any such requirement as soon as Company becomes aware of it; (2) Company or the applicable Loan Party shall pay any such Tax before the date on which penalties attach thereto, such payment to be made (if the liability to pay is imposed on any Loan Party) for its own account or (if that liability is imposed on Administrative Agent or such Lender,

as the case may be) on behalf of and in the name of Administrative Agent or such Lender; (3) if such Tax is an Indemnified Tax, then the sum payable by such Loan Party shall be increased to the extent necessary to ensure that, after the making of that deduction, withholding or payment (including any such deductions, withholdings or payments applicable to additional sums payable under this Section 2.15), Administrative Agent or such Lender, as the case may be, receives on the due date a net sum equal to what it would have received had no such deduction, withholding or payment been required or made; and (4) within [***] after paying any sum from which it is required by law to make any deduction or withholding, Company shall deliver to Administrative Agent evidence satisfactory to Administrative Agent of such deduction, withholding or payment and of the remittance thereof to the relevant Governmental Authority.

(b) Other Taxes. The Loan Parties shall pay to the relevant Governmental Authorities (or, at the option of Administrative Agent, timely reimburse it for the payment of) any present or future stamp, court, documentary, intangible, recording, filing or similar Taxes or any other excise or property Taxes that arise from any payment made hereunder or from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, this Agreement or any other Loan Document ("Other Taxes"). Within [***] after paying any such Other Taxes, each Loan Party shall deliver to Administrative Agent evidence satisfactory to Administrative Agent that such Other Taxes have been paid to the relevant Governmental Authority.

(c) Tax Indemnification.

(i) The Loan Parties hereby jointly and severally indemnify and agree to hold Administrative Agent and any Lender harmless from and against all Indemnified Taxes (including, without limitation, Indemnified Taxes imposed or asserted on or attributable to any amounts payable under this Section 2.15) payable or paid by such Person or required to be withheld or deducted from a payment to such Person and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted. Such indemnification shall be paid within [***] from the date on which Administrative Agent or Lender makes written demand therefor. A certificate as to the amount of such payment or liability delivered to Borrower by a Lender (with a copy to Administrative Agent), or by Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(ii) Each Lender shall severally indemnify Administrative Agent, within [***] after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that the Loan Parties have not already indemnified Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Loan Parties to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 10.6(h)(ii) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by Administrative Agent to the Lender from any other source against any amount due to Administrative Agent under this paragraph.

(d) Evidence of Exemption From Withholding Tax.

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to Borrower and Administrative Agent, at the time or times reasonably requested by Borrower or the Administrative Agent,

such properly completed and executed documentation reasonably requested by Borrower or Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by Borrower or Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by Borrower or Administrative Agent as will enable Borrower or Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 2.15(d)(i)(A), (i)(B) and (iii)) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender. Without limiting the generality of the foregoing, in the event that Borrower is a U.S. Borrower.

(A) any Lender that is a U.S. Person shall deliver to Borrower and Administrative Agent on or about the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of Borrower or Administrative Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to Borrower and Administrative Agent (in such number of copies as shall be requested by the recipient) on or about the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of Borrower or Administrative Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(2) executed copies of IRS Form W-8ECI;

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Internal Revenue Code, (x) a certificate substantially in the form of Exhibit G-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of Borrower within the meaning of Section 871(h)(3)(B) of the Internal Revenue Code, or a "controlled foreign corporation" related to any Loan Party described in Section 881(c)(3)(C) of the Internal Revenue Code Internal Revenue Code (a "U.S. Tax Compliance Certificate") and (y) executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E; or

(4) to the extent a Foreign Lender is not the beneficial owner, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-

8ECI, IRS Form W-8BEN, IRS Form W-8BEN-E, a U.S. Tax Compliance Certificate substantially in the form of Exhibit G-2 or Exhibit G-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; *provided* that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit G-4 on behalf of each such direct and indirect partner;

(ii) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to Borrower and Administrative Agent (in such number of copies as shall be requested by the recipient) on or about the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of Borrower or Administrative Agent), executed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit Borrower or Administrative Agent to determine the withholding or deduction required to be made; and

(iii) If a payment made to a Lender under any Loan Document would be subject to United States federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Internal Revenue Code, as applicable), such Lender shall deliver to Company and Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by Company or Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Internal Revenue Code) and such additional documentation reasonably requested by Company or Administrative Agent as may be necessary for Company and Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this Section 2.15(d)(iii), FATCA shall include any amendments made to FATCA after the date of this Agreement. Notwithstanding the above, a Lender shall not be required to deliver any form or other form of documentation pursuant to this Section 2.15(d)(iii) that such Lender is not legally able to deliver.

(e) Treatment of Certain Refunds. If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section (including by the payment of additional amounts pursuant to this Section), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (e) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (e), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (e) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

Section 2.16 Obligation to Mitigate. Each Lender agrees that, as promptly as practicable after the officer of such Lender responsible for administering its Term Loans becomes aware of the occurrence of an event or the existence of a condition that would cause such Lender to become an Affected Lender or that would entitle such Lender to receive payments under Section 2.13, 2.14, 2.15 or 2.19, it will, to the extent not inconsistent with the internal policies of such Lender and any applicable legal or regulatory restrictions, use reasonable efforts to (a) make, issue, fund or maintain its Credit Extensions, including any Affected Loans, through another office of such Lender, or (b) take such other measures as such Lender may deem reasonable, if as a result thereof the circumstances which would cause such Lender to be an Affected Lender would cease to exist or the additional amounts which would otherwise be required to be paid to such Lender pursuant to Section 2.13, 2.14, 2.15 or 2.19 would be materially reduced and if, as determined by such Lender in its sole discretion, the making, issuing, funding or maintaining of such Term Loans through such other office or in accordance with such other measures, as the case may be, would not otherwise adversely affect such Term Loans or the interests of such Lender; provided, such Lender will not be obligated to utilize such other office pursuant to this Section 2.16 unless Company agrees to pay all incremental expenses incurred by such Lender as a result of utilizing such other office as described above. A certificate as to the amount of any such expenses payable by Company pursuant to this Section 2.16 (setting forth in reasonable detail the basis for requesting such amount) submitted by such Lender to Company (with a copy to Administrative Agent) shall be conclusive absent manifest error.

Section 2.17 Defaulting Lenders. Anything contained herein to the contrary notwithstanding, in the event that any Lender violates any provision of Section 9.5(c), or, other than at the direction or request of any regulatory agency or authority, defaults (in each case, a "Defaulting Lender") in its obligation to fund (a "Funding Default") a Term Loan (in each case, a "Defaulted Loan"), then (a) during any Default Period with respect to such Defaulting Lender, such Defaulting Lender shall be deemed not to be a "Lender" for purposes of voting on any matters (including the granting of any consents or waivers) with respect to any of the Loan Documents; and (b) to the extent permitted by applicable law, until such time as the Default Excess, if any, with respect to such Defaulting Lender shall have been reduced to zero, (i) any voluntary prepayment of the Term Loans shall, if Administrative Agent so directs at the time of making such voluntary prepayment, be applied to Term Loans of other Lenders as if such Defaulting Lender had no Term Loans outstanding and the outstanding Term Loans of such Defaulting Lender were zero, and (ii) any mandatory prepayment of the Term Loans shall, if Administrative Agent so directs at the time of making such mandatory prepayment, be applied to the Term Loans of other Lenders (but not to the Term Loans of such Defaulting Lender) as if such Defaulting Lender had funded all Defaulted Loans of such Defaulting Lender, it being understood and agreed that Company shall be entitled to retain any portion of any mandatory prepayment of the Term Loans that is not paid to such Defaulting Lender solely as a result of the operation of the provisions of this clause (b). No Term Loan Commitment of any Lender shall be increased or otherwise affected, and, except as otherwise expressly provided in this Section 2.17, performance by Company of its obligations hereunder and the other Loan Documents shall not be excused or otherwise modified as a result of any Funding Default or the operation of this Section 2.17. The rights and remedies against a Defaulting Lender under this Section 2.17 are in addition to other rights and remedies which Company may have against such Defaulting Lender with respect to any Funding Default and which Administrative Agent or any Lender may have against such Defaulting Lender with respect to any Funding Default or violation of Section 9.5(c).

Section 2.18 Removal or Replacement of a Lender. Anything contained herein to the contrary notwithstanding, in the event that: (a) (i) any Lender (an "Increased Cost Lender") shall give notice to Company that such Lender is an Affected Lender or that such Lender is entitled to receive payments under Section 2.14, 2.15 or 2.16, (ii) the circumstances which have caused such Lender to be an Affected Lender or which entitle such Lender to receive such payments shall remain in effect, and (iii) such Lender shall fail to withdraw such notice within five Business Days after Company's request for such withdrawal; or (b) (i) any Lender shall become a Defaulting Lender, (ii) the Default Period for such Defaulting Lender shall

remain in effect, and (iii) such Defaulting Lender shall fail to cure the default as a result of which it has become a Defaulting Lender within five Business Days after Company's request that it cure such default; or (c) in connection with any proposed amendment, modification, termination, waiver or consent with respect to any of the provisions hereof as contemplated by Section 10.5(b), the consent of Administrative Agent and Required Lenders shall have been obtained but the consent of one or more of such other Lenders (each a "Non-Consenting Lender") whose consent is required shall not have been obtained; then, with respect to each such Increased Cost Lender, Defaulting Lender or Non-Consenting Lender (the "Terminated Lender"), Administrative Agent may (which, in the case of an Increased Cost Lender, only after receiving written request from Company to remove such Increased Cost Lender), by giving written notice to Company and any Terminated Lender of its election to do so, elect to cause such Terminated Lender (and such Terminated Lender hereby irrevocably agrees) to assign its outstanding Term Loans in full to one or more Eligible Assignees (each a "Replacement Lender") in accordance with the provisions of Section 10.6 and Terminated Lender shall pay any fees payable thereunder in connection with such assignment; provided, (1) on the date of such assignment, the Replacement Lender shall pay to Terminated Lender an amount equal to the sum of (A) an amount equal to the principal of, and all accrued interest on, all outstanding Loans of the Terminated Lender and (B) an amount equal to all accrued, but theretofore unpaid fees owing to such Terminated Lender pursuant to Section 2.7; (2) on the date of such assignment, Company shall pay any amounts payable to such Terminated Lender pursuant to Section 2.14 or 2.15; and (3) in the event such Terminated Lender is a Non-Consenting Lender, each Replacement Lender shall consent, at the time of such assignment, to each matter in respect of which such Terminated Lender was a Non-Consenting Lender. Upon the prepayment of all amounts owing to any Terminated Lender, such Terminated Lender shall no longer constitute a "Lender" for purposes hereof; provided, any rights of such Terminated Lender to indemnification hereunder shall survive as to such Terminated Lender. For the avoidance of doubt, all fees that would otherwise be due and payable to any Non-Consenting Lender, including, without limitation, any Prepayment Premium and any Applicable Premium, shall continue to be due and payable to such Non-Consenting Lender.

Section 2.19 Making or Maintaining SOFR Loans.

(a) Inability to Determine Rates. Subject to Section 2.20, if, on or prior to the first day of any Interest Period for any SOFR Loan:

(i) the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that "Term SOFR" cannot be determined pursuant to the definition thereof, or

(ii) the Required Lenders determine that for any reason in connection with any request for a SOFR Loan or a conversion thereto or a continuation thereof that Term SOFR for any requested Interest Period with respect to a proposed SOFR Loan does not adequately and fairly reflect the cost to such Lenders of making and maintaining such Loan, and the Required Lenders have provided written notice of such determination to the Administrative Agent, then the Administrative Agent will promptly so notify Company and each Lender.

Upon notice thereof by the Administrative Agent to Company, any obligation of the Lenders to make SOFR Loans, and any right of Company to continue SOFR Loans or to convert Base Rate Loans to SOFR Loans, shall be suspended (to the extent of the affected SOFR Loans or affected Interest Periods) until the Administrative Agent (with respect to clause (b), at the instruction of the Required Lenders) revokes such notice. Upon receipt of such notice, (i) Company may revoke any pending request for a borrowing of, conversion to or continuation of SOFR Loans (to the extent of the affected SOFR Loans or affected Interest Periods) or, failing that, Company will be deemed to have converted any such request into a request for a

borrowing of or conversion to Base Rate Loans in the amount specified therein and (ii) any outstanding affected SOFR Loans will be deemed to have been converted into Base Rate Loans at the end of the applicable Interest Period. Upon any such conversion, Company shall also pay accrued interest on the amount so converted, together with any additional amounts required pursuant to Section 2.19(c). Subject to Section 2.20, if the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that "Term SOFR" cannot be determined pursuant to the definition thereof on any given day, the interest rate on Base Rate Loans shall be determined by the Administrative Agent without reference to clause (c) of the definition of "Base Rate" until the Administrative Agent revokes such determination.

(b) Illegality. If any Lender determines that any law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable lending office to make, maintain or fund Loans whose interest is determined by reference to SOFR, the Term SOFR Reference Rate or Term SOFR (the "Affected Loans"), or to determine or charge interest based upon SOFR, the Term SOFR Reference Rate or Term SOFR, then, upon notice thereof by such Lender (an "Affected Lender") to Company (through the Administrative Agent) (an "Illegality Notice"), (a) any obligation of the Lenders to make SOFR Loans, and any right of Company to continue SOFR Loans or to convert Base Rate Loans to SOFR Loans, shall be suspended, and (b) the interest rate on which Base Rate Loans shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to clause (c) of the definition of "Base Rate", in each case until each affected Lender notifies the Administrative Agent and Company that the circumstances giving rise to such determination no longer exist. Upon receipt of an Illegality Notice, Company shall, if necessary to avoid such illegality, upon demand from any Lender (with a copy to the Administrative Agent), prepay or, if applicable, convert all SOFR Loans to Base Rate Loans (the interest rate on which Base Rate Loans shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to clause (c) of the definition of "Base Rate"), on the last day of the Interest Period therefor, if all affected Lenders may lawfully continue to maintain such SOFR Loans to such day, or immediately, if any Lender may not lawfully continue to maintain such SOFR Loans to such day, in each case until the Administrative Agent is advised in writing by each affected Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon SOFR, the Term SOFR Reference Rate or Term SOFR. Upon any such prepayment or conversion, Company shall also pay accrued interest on the amount so prepaid or converted, together with any additional amounts required pursuant to Section 2.19(c).

(c) Compensation for Breakage or Non-Commencement of Interest Periods. Company shall compensate each Lender, upon written request by such Lender (which request shall set forth the basis for requesting such amounts), for all reasonable losses, expenses and liabilities (including any interest paid or calculated to be due and payable by such Lender to lenders of funds borrowed by it to make or carry its SOFR Loans and any loss, expense or liability sustained by such Lender in connection with the liquidation or re-employment of such funds but excluding loss of anticipated profits) which such Lender may sustain: (i) if for any reason (other than a default by such Lender) a borrowing of any SOFR Loan does not occur on a date specified therefor in a Funding Notice, or a conversion to or continuation of any SOFR Loan does not occur on a date specified therefor in a Conversion/Continuation Notice for conversion or continuation; (ii) if any prepayment or other principal payment of, or any conversion of, any of its SOFR Loans occurs on any day other than the last day of an Interest Period applicable to that Loan (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise); or (iii) if any prepayment of any of its SOFR Loans is not made on any date specified in a notice of prepayment given by Company.

(d) Booking of SOFR Loans. Any Lender may make, carry or transfer SOFR Loans at, to, or for the account of any of its branch offices or the office of an Affiliate of such Lender.

(e) Assumptions Concerning Funding of SOFR Loans. Calculation of all amounts payable to a Lender under this Section 2.19 and under Section 2.14 shall be made as though such Lender had actually funded each of its relevant SOFR Loans through the purchase of a SOFR deposit bearing interest at Term SOFR in an amount equal to the amount of such SOFR Loan and having a maturity comparable to the relevant Interest Period and through the transfer of such SOFR deposit from an offshore office of such Lender to a domestic office of such Lender in the United States of America; provided, however, each Lender may fund each of its SOFR Loans in any manner it sees fit and the foregoing assumptions shall be utilized only for the purposes of calculating amounts payable under this Section 2.19 and under Section 2.14. Anything to the contrary contained herein notwithstanding, neither Administrative Agent, nor any Lender, nor any of their participants, is required actually to match fund any Obligation as to which interest accrues at Term SOFR or the Term SOFR Reference Rate.

Section 2.20 Benchmark Replacement Setting.

(a) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Loan Document, upon the occurrence of a Benchmark Transition Event, Administrative Agent and Company may amend this Agreement to replace the then-current Benchmark with a Benchmark Replacement. Any such amendment with respect to a Benchmark Transition Event will become effective at 5:00 p.m. on the fifth (5th) Business Day after Administrative Agent has posted such proposed amendment to all affected Lenders and Company so long as Administrative Agent has not received, by such time, written notice of objection to such amendment from Lenders comprising the Required Lenders. No replacement of a Benchmark with a Benchmark Replacement pursuant to this Section 2.20(a) will occur prior to the applicable Benchmark Transition Start Date.

(b) Benchmark Replacement Conforming Changes. In connection with the use, administration, adoption or implementation of a Benchmark Replacement, Administrative Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

(c) Notices; Standards for Decisions and Determinations. Administrative Agent will promptly notify Company and the Lenders of (1) the implementation of any Benchmark Replacement and (2) the effectiveness of any Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement. The Administrative Agent will notify Company of (x) the removal or reinstatement of any tenor of a Benchmark pursuant to Section 2.20(d) and (y) the commencement of any Benchmark Unavailability Period. Any determination, decision or election that may be made by Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.20, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 2.20.

(d) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (1) if the then-current Benchmark is a term rate (including the Term SOFR) and either (I) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by Administrative Agent in its reasonable discretion or (II) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be

representative, then Administrative Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (2) if a tenor that was removed pursuant to clause (1) above either (I) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (II) is not, or is no longer, subject to an announcement that it is not or will not be representative for a Benchmark (including a Benchmark Replacement), then Administrative Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(e) Benchmark Unavailability Period. Upon Company's receipt of notice of the commencement of a Benchmark Unavailability Period, (1) Company may revoke any pending request for a borrowing of, conversion to or continuation of SOFR Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, Company will be deemed to have converted any such request into a request for a borrowing of or conversion to Base Rate Loans and (2) any outstanding affected SOFR Loans will be deemed to have been converted to Base Rate Loans at the end of the applicable Interest Period. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of the Base Rate based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of the Base Rate.

ARTICLE III

CONDITIONS PRECEDENT

Section 3.1 Closing Date. The effectivness of this Agreement, and the obligation of each Lender to make a Credit Extension on the Initial Funding Date, is subject to the satisfaction, or waiver in accordance with Section 10.5, of the following conditions on or before the Closing Date:

(a) Loan Documents. Administrative Agent shall have received copies of each Loan Document duly executed and delivered by each applicable Loan Party for each Lender.

(b) Organizational Documents; Incumbency. Administrative Agent shall have received a Secretary's or Director's Certificate for each Loan Party attaching (i) copies of each Organizational Document of such Loan Party and, to the extent applicable, certified as of a recent date by the appropriate governmental official, each dated the Closing Date or a recent date prior thereto; (ii) signature and incumbency certificates of the officers or directors of such Person executing the Loan Documents to which it is a party; (iii) resolutions of the Board of Directors or similar governing body of such Loan Party approving and authorizing the execution, delivery and performance of this Agreement and the other Loan Documents to which it is a party or by which it or its assets may be bound as of the Closing Date, certified as of the Closing Date by its secretary, assistant secretary or a director as being in full force and effect without modification or amendment; (iv) a good standing certificate (to the extent such concept exists) from the applicable Governmental Authority of such Loan Party's jurisdiction of incorporation, organization or formation and in each jurisdiction in which it is qualified as a foreign corporation or other entity to do business, each dated a recent date prior to the Closing Date; and (v) such other documents as Administrative Agent may reasonably request.

(c) Organizational and Capital Structure. The organizational structure and capital structure of Borrower and its Subsidiaries shall be as set forth on Schedule 4.2.

(d) Governmental Authorizations and Consents. Each Loan Party shall have obtained all Governmental Authorizations and all consents of other Persons, in each case that are necessary or

advisable in connection with the transactions contemplated by the Loan Documents and each of the foregoing shall be in full force and effect and in form and substance reasonably satisfactory to Administrative Agent. All applicable waiting periods shall have expired without any action being taken or threatened by any competent authority which would restrain, prevent or otherwise impose adverse conditions on the transactions contemplated by the Loan Documents or the financing thereof and no action, request for stay, petition for review or rehearing, reconsideration, or appeal with respect to any of the foregoing shall be pending, and the time for any applicable agency to take action to set aside its consent on its own motion shall have expired.

(e) Personal Property Collateral. In order to create in favor of Administrative Agent, for the benefit of Secured Parties, a valid, perfected First Priority security interest in the personal property Collateral, Administrative Agent shall have received:

(i) evidence satisfactory to Administrative Agent of the compliance by each Loan Party of their obligations under the Pledge and Security Agreement and the other Collateral Documents (including, without limitation, their obligations to authorize or execute, as the case may be, and deliver UCC financing statements, originals of Capital Stock (including stock certificates, if any, representing pledged Capital Stock along with appropriate endorsements), instruments and chattel paper, and any agreements governing deposit and/or securities accounts as provided therein and a duly executed authorization to pre-file UCC-1 financing statements), together with (A) appropriate financing statements on Form UCC1 in form for filing in such office or offices as may be necessary or, in the opinion of Administrative Agent, desirable to perfect the security interests purported to be created by each Pledge and Security Agreement and each other Collateral Document and (B) evidence satisfactory to Administrative Agent of the filing of such UCC-1 financing statements;

(ii) a completed Perfection Certificate dated the Closing Date and executed by an Authorized Officer of each Loan Party, together with all attachments contemplated thereby, including (A) the results of a recent search, by a Person satisfactory to Administrative Agent, of all effective UCC financing statements (or equivalent filings) made with respect to any assets or property of any Loan Party in the jurisdictions specified in the Perfection Certificate, together with copies of all such filings disclosed by such search, and (B) UCC termination statements (or similar documents) duly executed by all applicable Persons for filing in all applicable jurisdictions as may be necessary to terminate any effective UCC financing statements (or equivalent filings) disclosed in such search (other than any such financing statements in respect of Permitted Liens); and

(f) Financial Statements; Projections. Lenders shall have received from Borrower (i) the Historical Financial Statements, (ii) pro forma consolidated balance sheets of Borrower and its Subsidiaries as at the Closing Date, and reflecting the transactions contemplated by the Loan Documents to occur on or prior to the Closing Date, which pro forma financial statements shall be in form and substance satisfactory to Administrative Agent, and (iii) the Projections.

(g) [Reserved].

(h) Opinions of Counsel to Loan Parties. Lenders and their respective counsel shall have received executed copies of the favorable written opinions of Goodwin Procter LLP, counsel for Loan Parties, as to such other matters as Administrative Agent may reasonably request, dated the Closing Date and otherwise in form and substance reasonably satisfactory to Administrative Agent (and each Loan Party hereby instructs such counsel to deliver such opinions to Administrative Agent and Lenders).

(i) Fees. Company shall have paid to Administrative Agent, the fees and expenses then due and payable pursuant to Section 2.7 and Section 10.2.

(j) Solvency Certificate. On the Closing Date, Administrative Agent shall have received a duly executed Solvency Certificate of the chief financial officer of Borrower, dated as of the Closing Date and addressed to Administrative Agent and Lenders, and in form, scope and substance satisfactory to Administrative Agent, certifying that after giving effect to the consummation of the transactions contemplated herein including the funding of the Initial Term Loan on the Initial Funding Date, Borrower and its Subsidiaries are and will be Solvent.

(k) Closing Date Certificate. Company shall have delivered to Administrative Agent a duly executed Closing Date Certificate, together with all attachments thereto.

(l) No Litigation. There shall not exist any action, suit, investigation, litigation or proceeding or other legal or regulatory developments, pending or threatened in any court or before any arbitrator or Governmental Authority that, in the reasonable discretion of Administrative Agent, singly or in the aggregate, materially impairs the transactions contemplated by the Loan Documents or that would reasonably be expected to have a Material Adverse Effect.

(m) [Reserved].

(n) No Material Adverse Effect/Material Regulatory Liability. Since [***], no event, circumstance or change shall have occurred that has caused or evidences, either in any case or in the aggregate, a Material Adverse Effect or a Material Regulatory Liability.

(o) Completion of Proceedings. All partnership, corporate and other proceedings taken or to be taken in connection with the transactions contemplated hereby and all documents incidental thereto not previously found acceptable by Administrative Agent and its counsel shall be satisfactory in form and substance to Administrative Agent and such counsel, and Administrative Agent, and such counsel shall have received all such counterpart originals or certified copies of such documents as Administrative Agent may reasonably request.

(p) Bank Regulations. Administrative Agent shall have received all documentation and other information reasonably requested that is required by bank regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including the Patriot Act, and all such documentation and other information shall be in form and substance reasonably satisfactory to Administrative Agent.

(q) [Reserved].

(r) Representations and Warranties. The representations and warranties contained herein and in each other Loan Document, certificate or other writing delivered to Administrative Agent or any Lender pursuant hereto or thereto on or prior to the date hereof shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as the date hereof to the same extent as though made on and as of that date, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of such earlier date.

(s) No Default or Event of Default. No event shall have occurred and be continuing or would result from the consummation of the transactions contemplated herein that would constitute an Event of Default or a Default.

(t) No Contravention. The making of the Term Loan shall not contravene any law, rule or regulation applicable to Administrative Agent or any Lender.

(u) Registrations. All Registrations from the FDA and EMA in respect of the Products shall be valid and subsisting and in full force and effect.

Each Lender, by delivering its signature page to this Agreement, shall be deemed to have acknowledged receipt of, and consented to and approved, each Loan Document and each other document or item required to be approved by or satisfactory to Administrative Agent, Required Lenders or Lenders, as applicable, on the Closing Date.

Section 3.2 Conditions to Each Credit Extension. The obligation of each Lender to make the Initial Term Loan on the Initial Funding Date or any other Loan on any date following the Closing Date is subject to the satisfaction, or waiver in accordance with Section 10.5, of the following conditions precedent:

(a) Funding Notice. Administrative Agent shall have received a fully executed and delivered Funding Notice as and when required by Section 2.1(b)(i).

(b) Representations and Warranties. As of as of the applicable Credit Date, the representations and warranties contained herein and in each other Loan Document, certificate or other writing delivered to the Administrative Agent or any Lender pursuant hereto or thereto on or prior to the Credit Date shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of that Credit Date to the same extent as though made on and as of that date, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of such earlier date;

(c) No Default or Event of Default. As of as of the applicable Credit Date, no event shall have occurred and be continuing or would result from the consummation of the applicable Credit Extension that would constitute an Event of Default or a Default;

(d) Minimum Qualified Cash.

(i) With respect to the Initial Funding Date, Administrative Agent shall have received evidence reasonably satisfactory to it that the Loan Parties shall have unrestricted Cash and Cash Equivalents of at least [***] on the Initial Funding Date (on a pro forma basis after giving effect to any Credit Extensions made on the Initial Funding Date and the payment of all Transaction Costs required to be paid in Cash).

(ii) With respect to any other Credit Date, Administrative Agent shall have received evidence reasonably satisfactory to it that the Loan Parties shall have Qualified Cash of at least [***] on such Credit Date (on a pro forma basis after giving effect to the Delayed Draw Term Loans being drawn on such Credit Date).

(e) Fees. On each Credit Date, the Loan Parties shall have paid all fees, costs and expenses then payable by the Loan Parties pursuant to this Agreement and the other Loan Documents, including, without limitation, Section 2.7, and Section 10.2 hereof.

(f) Funding Milestones.

(i) With respect to any Delayed Draw A Term Loan, on such Funding Date, Administrative Agent shall have received evidence reasonably satisfactory to it that the Delayed Draw A Funding Milestone was satisfied as of last day of the most recently ended fiscal quarter for which financial statements have, or should have, been delivered in accordance with Section 5.1(b) or (c).

(ii) With respect to any Delayed Draw B Term Loan, on such Funding Date, Administrative Agent shall have received evidence reasonably satisfactory to it that the Delayed Draw B Funding Milestone was satisfied as of last day of the most recently ended fiscal quarter for which financial statements have, or should have, been delivered in accordance with Section 5.1(b) or (c).

(g) Lender Approval. With respect to any Incremental Term Loans, the funding of such Term Loan shall have been approved by each applicable Lenders in its sole and absolute discretion.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

In order to induce the Administrative Agent and Lenders to enter into this Agreement and to make each Credit Extension to be made thereby, each Loan Party represents and warrants to the Administrative Agent and Lender, on the Closing Date and on each Credit Date, that the following statements are true and correct:

Section 4.1 Organization; Requisite Power and Authority; Qualification. Each of Borrower and its Subsidiaries (a) is duly organized or incorporated, validly existing and in good standing under the laws of its jurisdiction of organization or incorporation as identified in Schedule 4.1, (b) has all requisite power and authority to own and operate its properties, to carry on its business as now conducted and as proposed to be conducted, to enter into the Loan Documents to which it is a party and to carry out the transactions contemplated thereby and, in the case of Company, to make the borrowings hereunder, and (c) is qualified to do business and in good standing in every jurisdiction where its assets are located and wherever necessary to carry out its business and operations, except in jurisdictions where the failure to be so qualified or in good standing has not had, and would not be reasonably expected to have, a Material Adverse Effect.

Section 4.2 Capital Stock and Ownership. The Capital Stock of each of Borrower and its Subsidiaries has been duly authorized and validly issued and is fully paid and non-assessable. Except as set forth on Schedule 4.2, as of the date hereof, there is no existing option, warrant, call, right, commitment or other agreement to which Borrower or any Subsidiary of Borrower is a party requiring, and there is no

membership interest or other Capital Stock of such Subsidiary outstanding which upon conversion or exchange would require, the issuance by Borrower or any of its Subsidiaries of any additional membership interests or other Capital Stock of Borrower or any of its Subsidiaries or other securities convertible into, exchangeable for or evidencing the right to subscribe for or purchase, a membership interest or other Capital Stock of Borrower or any of its Subsidiaries. Schedule 4.2 correctly sets forth the ownership interest of Borrower and each of its Subsidiaries in their respective Subsidiaries.

Section 4.3 Due Authorization. The execution, delivery and performance of the Loan Documents and the consummation by each Loan Party of the transactions contemplated hereby and by the other Loan Documents have been duly authorized by all necessary action on the part of each Loan Party that is a party thereto.

Section 4.4 No Conflict. The execution, delivery and performance by Loan Parties of the Loan Documents to which they are parties and the consummation of the transactions contemplated by the Loan Documents do not and will not (a) violate any provision of (i) any law or any governmental rule or regulation applicable to Borrower or any of its Subsidiaries, (ii) any of the Organizational Documents of Borrower or any of its Subsidiaries, or (iii) any order, judgment or decree of any court or other agency of government binding on Borrower or any of its Subsidiaries, except, in the cases of clauses (a)(i) and (a)(iii), as would not reasonably be expected to result in a Material Adverse Effect; (b) conflict with, result in a breach of or constitute (with due notice or lapse of time or both) a default under any Material Contract; (c) result in or require the creation or imposition of any Lien upon any of the properties or assets of Borrower or any of its Subsidiaries (other than any Liens created under any of the Loan Documents in favor of Administrative Agent, on behalf of Secured Parties); (d) result in any default, non-compliance, suspension revocation, impairment, forfeiture or non-renewal of any permit, license, authorization or approval applicable to its operations or any of its properties except as would not reasonably be expected to result in a Material Adverse Effect; or (e) require any approval of stockholders, members or partners or any approval or consent of any Person under any Material Contract, except for such approvals or consents which will be obtained on or before the Closing Date and disclosed in writing to Lenders.

Section 4.5 Governmental Consents. The execution, delivery and performance by Loan Parties of the Loan Documents to which they are parties and the consummation of the transactions contemplated by the Loan Documents do not and will not require any registration with, consent or approval of, or notice to, or other action to, with or by, any Governmental Authority except for filings and recordings with respect to the Collateral to be made, or otherwise delivered to Administrative Agent for filing and/or recordation, as of the Closing Date.

Section 4.6 Binding Obligation. Each Loan Document has been duly executed and delivered by each Loan Party that is a party thereto and is the legally valid and binding obligation of such Loan Party, enforceable against such Loan Party in accordance with its respective terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability.

Section 4.7 Historical Financial Statements. The Historical Financial Statements were prepared in conformity with GAAP and fairly present, in all material respects, the financial position, on a consolidated basis, of the Persons described in such financial statements as at the respective dates thereof and the results of operations and cash flows, on a consolidated basis, of the entities described therein for each of the periods then ended, subject, in the case of any such unaudited financial statements, to changes resulting from audit and normal year end adjustments and the absence of footnotes. As of the Closing Date, neither Borrower nor any of its Subsidiaries has any contingent liability or liability for taxes, long term lease or unusual forward or long term commitment that is not reflected in the Historical Financial Statements or the notes thereto and which in any such case is material in relation to the business, operations,

properties, assets and, condition (financial condition or otherwise) of the Company and prospects of Borrower and any of its Subsidiaries taken as a whole.

Section 4.8 Projections. On and as of the Closing Date, the Projections of Borrower and its Subsidiaries for the period of Fiscal Year [***] through and including Fiscal Year [***], (the "Projections") are based on good faith estimates and assumptions made by the management of Borrower; provided, the Projections are not to be viewed as facts and that actual results during the period or periods covered by the Projections may differ from such Projections and that the differences may be material; provided, further, as of the Closing Date, management of Borrower believed that the Projections were reasonable.

Section 4.9 No Material Adverse Effect. Since [***], no event, circumstance or change has occurred that has caused or evidences, either in any case or in the aggregate, a Material Adverse Effect.

Section 4.10 Adverse Proceedings, Etc. There are no Adverse Proceedings that (a) relate to any Loan Document or the transactions contemplated hereby or thereby or (b) individually or in the aggregate, would materially impair Administrative Agent's security interest in the Collateral, Borrower's and its Subsidiaries' respective rights, powers or remedies with respect to applicable Products or could otherwise reasonably be expected to have a Material Adverse Effect. Neither Borrower nor any of its Subsidiaries is subject to or in default with respect to any final judgments, writs, injunctions, decrees, rules, laws or regulations of any court or any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign except to the extent such default could not reasonably be expected to result in a Material Adverse Effect.

Section 4.11 Payment of Taxes. All federal Tax returns and all other material Tax returns and reports of Borrower and its Subsidiaries required to be filed by or with respect to any of them have been timely filed, and all federal Taxes and all other material Taxes due and payable upon Borrower and its Subsidiaries and upon or with respect to their respective properties, assets, income, businesses and franchises which are due and payable have been paid when due and payable, except for Taxes that are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves are being maintained in accordance with GAAP. There is no pending or, to the knowledge of Borrower, proposed Tax assessment, deficiency, audit or other proceeding against Borower or any of its Subsidiaries. Notwithstanding the foregoing, in the case of any Credit Date, matters occuring after the Closing Date that are permitted under Section 5.3 shall not violate this Section 4.11 with respect to such Credit Date.

Section 4.12 Properties, Title. Each of Borrower and its Subsidiaries has (a) good, sufficient, marketable and legal title to (in the case of fee interests in real property), (b) valid leasehold interests in (in the case of leasehold interests in real or personal property), and (c) good and valid title to (in the case of all other personal property), all of their respective properties and assets reflected in their respective Historical Financial Statements referred to in Section 4.7 and in the most recent financial statements delivered pursuant to Section 5.1, in each case except for (i) assets disposed of since the date of such financial statements in the ordinary course of business or as otherwise permitted under Section 6.9 or (ii) defects in title or interests which would not, individually or in the aggregate, reasonably be expected to interfere with the Borrower or its applicable Subsidiary's ability to conduct its business as currently conducted or utilize such property for its intended purpose. All such properties and assets are in working order and condition, ordinary wear and tear excepted, and except as permitted by this Agreement, all such properties and assets are free and clear of Liens (other than Permitted Liens). As of the Closing Date, Schedule 4.12 contains a true, accurate and complete list of all property owned or leased by Borrower and its Subsidiaries or where Collateral or books and records are located.

Section 4.13 Environmental Matters. Except as any such failure could not reasonably be expected to result in a Material Adverse Effect:

(a) No Environmental Claim has been asserted against any Loan Party or any predecessor in interest nor has any Loan Party received written notice of any threatened or pending Environmental Claim against Loan Party or any predecessor in interest.

(b) There has been no Release of Hazardous Materials and there are no Hazardous Materials present in violation of Environmental Law at any of the properties currently owned or operated by any Loan Party.

(c) The operation of the business of, and each of the properties owned or operated by, each Loan Party are in compliance with all Environmental Laws.

(d) Each Loan Party holds and is in compliance Governmental Authorizations required under any Environmental Laws in connection with the operations carried on by it and the properties owned or operated by it.

Section 4.14 No Defaults. Neither Borrower nor any of its Subsidiaries is in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any of its Contractual Obligations, and no condition exists which, with the giving of notice or the lapse of time or both, could constitute such a default, except, in each case. where the consequences, direct or indirect, of such default or defaults, if any, could not reasonably be expected to have a Material Adverse Effect.

Section 4.15 Material Contracts. Schedule 4.15 contains a true, correct and complete list of all the Material Contracts in effect on the Closing Date, which, together with any updates provided pursuant to Section 5.1(l), all such Material Contracts are in full force and effect and no defaults currently exist thereunder (other than as described in Schedule 4.15 or in such updates).

(a) Except as described in Schedule 4.15, each Material Contract is a legal, valid and binding obligation of Borrower, its Subsidiaries and, to the knowledge of Borrower, each other party thereto, is enforceable in accordance with its terms and is in full force and effect, subject bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles. Neither Borrower nor its Subsidiaries, nor to the knowledge of Borrower or its Subsidiaries, any other party to any Material Contract, is or was in material breach or default, under the terms of any Material Contract, and no condition exists which, with the giving of notice or the lapse of time or both, would constitute a breach or default by Borrower or any of its Subsidiaries thereunder that could result in any material liability to Borrower or such Subsdiary or termination of such Material Contract.

Section 4.16 Governmental Regulation. Neither Borrower nor any of its Subsidiaries is subject to regulation under the Public Utility Holding Company Act of 2005, the Federal Power Act or the Investment Company Act of 1940 or under any other federal or state statute or regulation which may limit its ability to incur Indebtedness or which may otherwise render all or any portion of the Obligations unenforceable. Neither Borrower nor any of its Subsidiaries is a "registered investment company" or a company "controlled" by a "registered investment company" or a "principal underwriter" of a "registered investment company" as such terms are defined in the Investment Company Act of 1940.

Section 4.17 Margin Stock. Neither Borrower nor any of its Subsidiaries is engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying any Margin Stock. No part of the proceeds of the Term Loans made to such Loan Party will be used to purchase or carry any such Margin Stock or to extend credit to others for the purpose of purchasing or carrying any such Margin Stock or for any purpose that violates, or is inconsistent with, the provisions

of Regulation T, U or X of the Board of Governors of the Federal Reserve System or any similar regulation in any other jurisdiction.

Section 4.18 Employee Benefit Plans. No ERISA Event has occurred or is reasonably expected to occur that has resulted or could resaonably be expected to result in a Material Adverse Effect.

Section 4.19 Certain Fees. Except as disclosed to Administrative Agent prior to the Closing Date, no broker's or finder's fee or commission will be payable with respect hereto or any of the transactions contemplated hereby.

Section 4.20 Solvency. Borrower is individually, and the Loan Parties and their Subsidiaries on a consolidated basis, are and upon the occurrrence of the Credit Extension by the Borrower on the Closing Date and on each Credit Date, will be, Solvent.

Section 4.21 ERISA. The underlying assets of Borrower and its Subsidiaries do not constitute "plan assets" (within the meaning of 29 CFR § 2510.3-101 *et seq.*, as modified by Section 3(42) of ERISA) of one or more Benefit Plans and the execution, delivery and performance of this Agreement and the other Loan Documents do not and will not constitute a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Internal Revenue Code.

Section 4.22 Compliance with Statutes, Etc. Each of Borrower and its Subsidiaries is in compliance with (i) its Organizational Documents and (ii) all applicable laws, statutes, regulations and orders of, and all applicable restrictions imposed by, all Governmental Authorities, in respect of the conduct of its business and the ownership of its property, except such non-compliance that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

Section 4.23 Intellectual Property.

(a) To the knowledge of Borrower and its Subsidiaries, each of Borrower and its Subsidiaries own, or hold valid licenses in, all Intellectual Property Rights that are necessary to the conduct of its business as currently conducted and proposed to be conducted, including the discovery, development, manufacture, use and Commercialization of the Products, except, in the case of any Product (Non-Core), where the failure to own or hold such rights would not reasonably be expected to result in a Material Adverse Effect. Except as set forth in Schedule 4.23(a), and except as set forth in the License Agreements, Borrower and its Subsidiaries have the exclusive right and license to develop, manufacture, use and Commercialize the Products under the Product Intellectual Property Rights, the Registrations, and the Regulatory Documentation, except, in the case of any Product (Non-Core), where the failure to have such exclusive rights and licenses would not reasonably be likely to result in a Material Adverse Effect.

(b) Schedule 4.23(b) sets forth a true, correct and complete listing, under separate headings, of all Contractual Obligations, whether written or oral, (i) under which Borrower or its Subsidiaries is granted a license other or right to use any Product Intellectual Property Rights that any other Person owns, or owes any royalties or other payments to any Person for the use of any Product Intellectual Property Rights, (ii) under which Borrower or its Subsidiaries have granted any Person any right or interest in any Product Intellectual Property Rights, and (iii) that otherwise affect Borrower or its Subsidiaries' use of or rights in the Product Intellectual Property Rights (including co-existence agreements and covenants not to sue), except, in the case of Contractual Obligations relating solely to any Product (Non-Core), where such Contractual Obligations are not material to the research, development, use, import or Commercialization of such Product (Non-Core) (collectively, "License Agreements"). Each License Agreement identified on Schedule 4.23(b) is a valid and binding obligation of Borrower and the counterpart(ies) thereto and is enforceable against each counterparty thereto in accordance with its terms,

except as may be limited by applicable Bankruptcy Laws or by general principles of equity (whether considered in a proceeding in equity or at law). Borrower has not received any written notice in connection with any such License Agreement challenging the validity, enforceability or interpretation of any provision of such agreement. Borrower has not (A) given written notice to a counterparty of the termination of any such License Agreement (whether in whole or in part) or any written notice to a counterparty expressing any intention to terminate any such License Agreement or (B) received from a counterparty thereto any written notice of termination of any such License Agreement (whether in whole or in part) or any written notice from a counterparty stating its intention to terminate any such License Agreement. Borrower has not consented to any assignment by the counterparty to any License Agreement of any of its rights or obligations under any such License Agreement, and, to the knowledge of Borrower, the counterparty has not assigned any of its rights or obligations under any such License Agreement to any Person. Borrower has not notified in writing the respective counterparty to any License Agreement or any other Person of any claims for indemnification under any License Agreement nor has Borrower received any written claims for indemnification under any License Agreement. Borrower has not received any written notice from, or given any written notice to, any counterparty to any License Agreement alleging any infringement of any of the Patents licensed thereunder.

(c) Schedule 4.23(c) sets forth a true, correct and complete listing, including the owner and registration or application number, of all the Product Intellectual Property Rights that are U.S. (federal or state) and foreign [***] (i) Patents, and identifies the owner of each such patent/application, (ii) registered trademarks and trademark applications, (iii) registered copyrights and copyright applications, (iv) domain names, and (v) any other form of registered Product Intellectual Property Rights. Except as identified in Schedule 4.23(c), (i) the owner listed on Schedule 4.23(c) is the exclusive owner of such registration or application; (ii) to the best of Company's and its Subsidiaries' knowledge, such registrations are valid, subsisting and enforceable; (iii) none of the registrations or applications have lapsed or been abandoned, cancelled or expired, except for registrations or applications abandoned in the ordinary course of business; (iv) Company has taken all reasonable steps to maintain such registrations or applications, including by timely filing fees and responses; and (v) each individual associated with the filing and prosecution of such registrations or applications, including the named inventors in the case of the Product Patents, has complied in all material respects with all applicable duties of candor and good faith in dealing with any patent office, including the USPTO, in those jurisdictions where such duties exist. Company may update this list to add additional registrations or applications, so long as such amendment occurs by written notice to Administrative Agent, subject to Borrower's obligations and restrictions under this Agreement.

(d) Neither Borrower nor any of its Subsidiares is a party to any pending, and neither the Company nor any of its Subsidiaries has received written notice of any threat of any, opposition, interference, reexamination, inter partes review, post-grant review, derivation or other post-grant proceeding, injunction, claim, suit, action, subpoena, hearing, inquiry, investigation (by the International Trade Commission or otherwise), complaint, arbitration, mediation, demand, decree or other dispute, disagreement, proceeding or claim (collectively, "Disputes") that challenges the legality, scope, validity, enforceability, infringement, ownership, inventorship or other rights with respect to any of the Product Intellectual Property Rights, except, in the case of any Product (Non-Core), where such Dispute, if resolved adversely to Borrower, its Subsidiaries or their licensees or licensors, would not reasonably be expected to result in a Material Adverse Effect, and to the knowledge of the Borrower and its Subsidiaries, there are no facts that could provide a reasonable basis for such a claim. Borrower and its Subsidiaries have not received any written notice that there is any, and to their knowledge there is no, Person who is or claims to be an inventor under any of the Product Patents who is not a named inventor thereof except, in the case of any Product (Non-Core), where the failure to name the correct inventor would not reasonably be likely to result in a Material Adverse Effect.

(e) Neither the Borrower nor any of its Subsidiaries is party to any past or pending and neither the Borrower nor its Subsidiaries has received written notice of any threat of any, and to the Knowledge of Company and its Subsidiaries no event has occurred or circumstance exists that (with or without notice or lapse of time, or both) could reasonably be expected to give rise to or serve as a basis for any, action, suit, or proceeding, or any investigation or claim by any Person that claims or alleges that the discovery, development, manufacture, use or Commercialization of any Product, once marketed, does or could infringe on any Patent or other intellectual property rights of any other Person or constitute misappropriation of any other Person's trade secrets or other intellectual property rights, except, in the case of any Product (Non-Core), where the failure to own, have a license to or otherwise hold such rights would not reasonably be likely to result in a Material Adverse Effect, and to the knowledge of Borrower and its Subsidiaries, there is no facts that could provide a reasonable basis for such a claim.

(f) Except as disclosed in Schedule 4.23(f), neither Borrower nor its Subsidiaries has entered into any Contractual Obligation (i) creating a lien, charge, security interest or other encumbrance on, or relating to or affecting the Product Intellectual Property Rights or any of its royalties on, or proceeds from, sales of the Product, (ii) pursuant to which Borrower or its Subsidiaries has sold, transferred, assigned or pledged to any Person royalties on, or proceeds from, sales of the Product, or (iii) providing for milestone payments or similar development-, commercialization- or intellectual property-related payments to any Person applicable (or that with further development and commercialization may become applicable) to the Product.

(g) [***].

Section 4.24 Insurance. Each of Borrower and its Subsidiaries keeps its property adequately insured and maintains (a) insurance to such extent and against such risks, as is customary with companies in the same or similar businesses, (b) workmen's compensation insurance in the amount required by applicable law, (c) public liability insurance, which shall include product liability insurance, in the amount customary with companies in the same or similar business against claims for personal injury or death on properties owned, occupied or controlled by it, and (d) such other insurance as may be required by law or as may be reasonably required by Administrative Agent (including, without limitation, against larceny, embezzlement or other criminal misappropriation). Schedule 4.24 sets forth a list of all insurance maintained by each Loan Party on the Closing Date.

Section 4.25 [Reserved].

Section 4.26 Permits, Etc. Each Loan Party has, and is in compliance with, all permits, licenses, authorizations, approvals, entitlements and accreditations required for such Person lawfully to own, lease, manage or operate, or to acquire, each business currently owned, leased, managed or operated, or to be acquired, by such Person, which, if not obtained, could not reasonably be expected to have a Material Adverse Effect. No condition exists or event has occurred which, in itself or with the giving of notice or lapse of time or both, would result in the suspension, revocation, impairment, forfeiture or non-renewal of any such permit, license, authorization, approval, entitlement or accreditation, and there is no claim that any thereof is not in full force and effect, except, in each case, to the extent any such condition, event or claim could not be reasonably be expected to have a Material Adverse Effect.

Section 4.27 Bank Accounts and Securities Accounts. Schedule 4.27 sets forth a complete and accurate list as of the Closing Date of all deposit, checking and other bank accounts, all securities and other accounts maintained with any broker dealer and all other similar accounts maintained by each Loan Party, together with a description thereof (i.e., the bank or broker dealer at which such deposit or other account is maintained and the account number and the purpose thereof).

Section 4.28 Security Interests. The Collateral Documents create in favor of Administrative Agent, for the benefit of Secured Parties, a legal, valid and enforceable security interest in the Collateral secured thereby. Upon the filing of the UCC-1 financing statements described in Section 3.1(e), the posssession by Administrative Agent of any certificated Capital Stock or instrument owned by such Loan Party, the recording of the Collateral Assignments for Security referred to in each Pledge and Security Agreement in the United States Patent and Trademark Office and the United States Copyright Office, as applicable, such security interests in and Liens on the Collateral granted thereby shall be perfected, First Priority security interests, and no further recordings or filings are or will be required in connection with the creation, perfection or enforcement of such security interests and Liens, other than (a) the filing of continuation statements in accordance with applicable law, (b) the recording of the Collateral Assignments for Security pursuant to each Pledge and Security Agreement in the United States Patent and Trademark Office and the United States Copyright Office, as applicable, with respect to after-acquired U.S. patent and trademark applications and registrations and U.S. copyrights and (c) the recordation of appropriate evidence of the security interest in the appropriate foreign registry with respect to all foreign Intellectual Property.

Section 4.29 PATRIOT ACT and FCPA. To the extent applicable, each Loan Party is in compliance with (a) the laws, regulations and Executive Orders administered by OFAC, and (b) the Bank Secrecy Act, as amended by the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT Act) of 2001 (the "PATRIOT Act"). Neither the Loan Parties nor any of their officers, directors, employees, agents [***] or shareholders acting on the Loan Parties' behalf shall use the proceeds of the Loans to make any payments, directly or indirectly (including through any third party intermediary), to any Foreign Official in violation of the United States Foreign Corrupt Practices Act of 1977 (the "FCPA"). None of the Loan Parties nor any Affiliates of any Loan Parties, is in violation of any Anti-Terrorism Law or engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the Anti-Terrorism Laws. None of the Loan Parties, nor any Affiliates of any Loan Parties, or their respective agents [***] acting or benefiting in any capacity in connection with the Loans or other transactions hereunder, is a Blocked Person. None of the Loan Parties, nor any of their agents [***] acting in any capacity in connection with the Loans or other transactions contemplated hereunder (A) conducts any business or engages in making or receiving any contribution of funds, goods or services to or for the benefit of any Blocked Person, or (B) deals in, or otherwise engages in any transaction relating to, any property or interests in property blocked pursuant to any OFAC Sanctions Programs. [***].

Section 4.30 [Reserved].

Section 4.31 Disclosure. No representation or warranty of any Loan Party contained in any Loan Document or in any other documents, certificates or written statements made or furnished to Lenders by or on behalf of Borrower or any of its Subsidiaries for use in connection with the transactions contemplated hereby, when taken as a whole, contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein or therein not materially misleading in light of the circumstances in which the same were made. Any projections and pro forma financial information contained in such materials are based upon good faith estimates and assumptions believed by Company to be reasonable at the time made, it being recognized by Lenders that such projections as to future events are not to be viewed as facts and that actual results during the period or periods covered by any such projections may differ materially from the projected results. The information provided by the Loan Parties to Lenders in the Perfection Certificate (as supplemented in accordance with Section 5.1(n)) is true and correct in all material respects as of the date such Perfection Certificate was delivered.

Section 4.32 Use of Proceeds. The proceeds of the Term Loans shall be applied by Company (a) for the development, promotion and commercial launch of AYVAKIT and BLU-263, (b) to fund

potential acquisition and partnership opportunities and (c) for working capital, pipeline development and general corporate purposes of Borrower and its Subsidiaries; provided, Incremental Term Loans shall be used exclusively to fund potential acquisition and partnership opportunities. No portion of the proceeds of the Term Loan shall be used in any manner that causes or might cause such Credit Extension or the application of such proceeds to violate Regulation T, Regulation U or Regulation X of the Board of Governors of the Federal Reserve System or any other regulation thereof or to violate the Exchange Act.

Section 4.33 Regulatory Compliance.

(a) Each of Borrower and its Subsidiaries have all Registrations from the FDA, comparable foreign counterparts or any other Governmental Authority required to conduct their respective businesses as currently conducted, except where the failure to have all such Registrations would not reasonably be expected to, individually or in the aggregate, result in Material Regulatory Liabilities. Each of such Registrations is valid and subsisting in full force and effect, except where the failure to do so would not reasonably be expected to, individually or in the aggregate, result in Material Regulatory Liabilities. To the knowledge of Borrower and its Subsidiaries, neither FDA nor any other applicable Governmental Authority is considering limiting, suspending, or revoking such Registrations or changing the scope of the marketing authorization or the labeling of any Products under such Registrations. To the knowledge of Borrower and its Subsidiaries, there is no false or materially misleading information or significant omission in any Product application or other notification, submission or report to the FDA or any other applicable Governmental Authority that was not corrected by subsequent submission, and all such applications, notifications, submissions and reports provided Borrower and its Subsidiaries were true, complete, and correct in all material respects as of the date of submission to FDA or any other applicable Governmental Authority, except as would not reasonably be expected to, individually or in the aggregate, result in Material Regulatory Liabilities. Borrower and its Subsidiaries have not failed to fulfill and perform their obligations which are due under each such Registration, and no event has occurred or condition or state of facts exists which would constitute a breach or default under any such Registration, in each case that would reasonably be expected to cause the revocation, termination or suspension or material limitation of any such Registration, including but not limited to any form of clinical hold order, except as would not reasonably be expected to, individually or in the aggregate, result in Material Regulatory Liabilities. To the knowledge of Borrower and its Subsidiaries, any third party that develops, researches, manufactures, commercializes, distributes, sells or markets Products pursuant to an agreement with Borrower or its Subsidiaries (a "Loan Party Partner") is in compliance with all Registrations from the FDA and any comparable Governmental Authority insofar as they pertain to Products, and each such Loan Party Partner is, and since [***] has been, in compliance with applicable Public Health Laws, except where the failure to so be in compliance would not reasonably be expected to, individually or in the aggregate, result in Material Regulatory Liabilities. The Company is not required to give notice to, make any filing with, or obtain any consent from any Governmental Authority at any time prior to the Closing Date in connection with the execution and delivery of this Agreement, or the consummation of the transactions contemplated by the Loan Documents.

(b) Each of Borrower and its Subsidiaries is in compliance, and since [***] has been in compliance, with all Public Health Laws, except to the extent that any such non-compliance, individually or in the aggregate, could not reasonably be expected to result in Material Regulatory Liabilities.

(c) To the extent applicable, all products designed, developed, investigated, manufactured, prepared, assembled, packaged, tested, labeled, distributed, sold, marketed or delivered by or on behalf of Borrower or any of its Subsidiaries, that are subject to the jurisdiction of the FDA or any comparable Governmental Authority have, since [***], been and are being designed, developed, investigated, manufactured, prepared, assembled, packaged, tested, labeled, distributed, sold, marketed or delivered in compliance with the Public Health Laws, except for such noncompliance that would not reasonably be expected to, individually or in the aggregate, result in Material Regulatory Liabilities. To

the knowledge of Borrower and its Subsidiaries, there are no defects in the design or technology embodied in any Products that are reasonably expected to prevent the safe and effective performance of any such Product for its intended use (other than such limitations specified in the applicable package insert), except for such defects that would not reasonably be expected to, individually or in the aggregate, result in Material Regulatory Liabilities or other Liabilities. None of the Products has been the subject of any products liability or warranty action against Borrower or its Subsidiaries or any non-legal claim for clinical trial compensation by trial participants, except as would not reasonably be expected to, individually or in the aggregate, result in Material Regulatory Liabilities.

(d) Neither Borrower nor any of its Subsidiaries is currently subject to any material obligation arising pursuant to a Regulatory Action and, to the knowledge of Borrower and its Subsidiaries, no such material obligation or Regulatory Action has been threatened by a Governmental Authority in writing, except as would not reasonably be expected to, individually or in the aggregate, result in Material Regulatory Liabilities. In addition, and without limitation on the foregoing, neither Borrower nor any of its Subsidiaries has since [***] received any written notice or communication from the FDA, comparable foreign counterparts or any other Governmental Authority alleging material non-compliance with any Public Health Law or comparable foreign laws, except as would not reasonably be expected to, individually or in the aggregate, result in Material Regulatory Liabilities.

(e) Except as would not reasonably be expected to, individually or in the aggregate, result in Material Regulatory Liabilities, (i) neither Borrower nor any of its Subsidiaries has since [***] received any written notice or communication from the FDA or any other Governmental Authority alleging material noncompliance with any Public Health Law, including without limitation any notice of inspectional observation, notice of adverse finding, notice of violation, warning letters, untitled letters or other notices from the FDA and (ii) to the knowledge of Borrower and its Subsidiaries, no Loan Party Partner has since [***] received any written notice or communication from the FDA or any other Governmental Authority alleging material noncompliance with any Public Health Law, including without limitation any notice of inspectional observation, notice of adverse finding, notice of violation, warning letters, untitled letters or other notices from the FDA or other Governmental Authority relating to such Loan Party Partner's work for Borrower or such Subsidiary. Except as would not reasonably be expected to, individually or in the aggregate, result in Material Regulatory Liabilities, there have been no recalls, field notifications, field corrections, market withdrawals or replacements, detentions, warnings, "dear doctor" letters, investigator notices, safety alerts or other notice of action relating to an actual or potential lack of safety, efficacy, or regulatory compliance of any Products ("Safety Notices") or clinical hold orders issued by the FDA with respect to an ongoing or anticipated clinical trial of any Product, and to the knowledge of Borrower and its Subsidiaries, there are no facts or circumstances that are reasonably likely to result in (x) a Safety Notice, (y) a material change in labeling of any Product, (z) a termination or suspension of research, testing, manufacturing, distribution, or commercialization of any Product.

Section 4.34 Government Contracts. Except as set forth on Schedule 4.34 as of the Closing Date hereof, neither Borrower nor any of its Subsidiaries is a party to any contract or agreement with any Governmental Authority and none of Borrower's or such Subsidiary's accounts receivables or other rights to receive payment are subject to the Federal Assignment of Claims Act (31 U.S.C. Section 3727) or any similar state, county or municipal law.

Section 4.35 Healthcare Regulatory Laws.

(i) Each of Borrower and its Subsidiaries is operating, and since [***] has been operating in material compliance with applicable Health Care Program Laws.

(b) None of Borrower and its Subsidiaries, nor, to their knowledge, any officer, director, managing employee or agent (as those terms are defined in 42 C.F.R. § 1001.1001) thereof, is a party to, or bound by, any Regulatory Action, including without limitation, any written order, individual integrity agreement, corporate integrity agreement, deferred or non-prosecution agreement or other written agreement with any Governmental Authority concerning their compliance with Health Care Program Laws.

(c) None of Borrower and its Subsidiaries, nor any officer, director, managing employee or agent (as those terms are defined in 42 C.F.R. § 1001.1001) thereof, nor to the knowledge of Borrower and its Subsidiaries, any Loan Party Partner: (i) has been, since [***], charged with or convicted of any criminal offense relating to the delivery of an item or service under any Federal Health Care Program; (ii) has had, since [***], a civil monetary penalty assessed against it, him or her under Section 1128A of the Social Security Act; (iii) has been listed on the U.S. General Services Administration published list of parties excluded from federal procurement programs and non-procurement programs; or (iv) to the knowledge of Borrower and its Subsidiaries, is the target or subject of any current or potential suit, claim, action, proceeding, arbitration, mediation, inquiry, subpoena or investigation relating to any of the foregoing or any Federal Health Care Program-related offense, or which could result in the imposition of material penalties or the debarment, suspension or exclusion from participation in any Federal Health Care Program. None of Borrower and its Subsidiaries, nor any officer, director, managing employee or agent [***] (as those terms are defined in 42 C.F.R. § 1001.1001) thereof, nor any Loan Party Partner, has been debarred, excluded, disqualified or suspended from participation in any Federal Health Care Program or under any FDA Laws (including 21 U.S.C. § 335a).

(d) None of Borrower and its Subsidiaries, nor any officer, director, managing employee or agent [***] (as those terms are defined in 42 C.F.R. § 1001.1001) thereof, nor to the knowledge of Borrower and its Subsidiaries, any Loan Party Partner, has, since [***], violated or engaged in any activity that is in violation of any Health Care Program Laws or cause for false claims liability, civil penalties or mandatory or permissive exclusion from any Federal Health Care Program.

(e) To the knowledge of Borrower and its Subsidiaries, no person has filed or has threatened to file against Borrower or any of its Subsidiaries, an action relating to any FDA Law, Public Health Law or Health Care Program Law under any whistleblower statute, including without limitation, the False Claims Act of 1863 (31 U.S.C. § 3729 et seq.).

(f) [***].

Section 4.36 Data Protection. Each of Borrower and its Subsidiaries is operating, and since [***] has been operating in material compliance with: (i) applicable Data Protection Laws; (ii) applicable industry standards; (iii) contractual obligations to which Borrower or any Subsidiaries is bound; and (iv) all of Borrower and each of its Subsidiaries' internal privacy policies, in each case relating to privacy, data protection, consumer protection, consent or the collection, retention, protection, and use of Personal Information collected, used or maintained by Borrower or by third parties having access to the records of Borrower and each of its Subsidiaries that contain any Personal Information, except as would not reasonably be expected to, individually or in the aggregate, result in a Material Adverse Effect. Each of Borrower and its Subsidiaries has adopted and published privacy notices and policies that accurately describe the privacy practices of Borrower or any Subsidiary (as applicable), to any website, mobile application or other electronic platform and complied with those notices and policies, except as would not reasonably be expected to, individually or in the aggregate, result in a Material Adverse Effect (collectively, with each of Borrower and each of its Subsidiaries' internal privacy policies, the "Privacy Policies"). The execution, delivery and performance of this Agreement complies and will comply with all Data Protection Laws and Borrower's and each Subsidiary's Privacy Policies in each case in all material respects, except as would not reasonably be expected to, individually or in the aggregate, result in a Material Adverse Effect. Neither

Borrower nor any Subsidiary, nor to the knowledge of Borrower and its Subsidiaries, any third party acting on behalf of Borrower or any Subsidiary, has experienced any incidences in which Personal Information was or may have been stolen or improperly accessed, including any breach of security or other loss, unauthorized access, use or disclosure of Personal Information in the possession, custody or control of Borrower or any of its Subsidiaries or any third party acting on behalf of Borrower or any Subsidiary, except as would not reasonably be expected to, individually or in the aggregate, result in a Material Adverse Effect. Neither Borrower nor any Subsidiary, nor, to the knowledge of Borrower and its Subsidiaries, any third party acting on behalf of Borrower or any Subsidiary, has received any: (i) written, or to the knowledge of Borrower or its Subsidiaries, oral inquiry or complaint alleging noncompliance with Data Protection Laws; (ii) written or, to the knowledge of Borrower or its Subsidiaries, oral claim for compensation for loss or unauthorized collection, processing or disclosure of Data or other Personal Information; or (iii) written or, to the knowledge of Borrower or its Subsidiaries, oral notification of an application for rectification, erasure or destruction of Data or other Personal Information that is still outstanding, except as would not reasonably be expected to, individually or in the aggregate, result in a Material Adverse Effect.

ARTICLE V

AFFIRMATIVE COVENANTS

Each Loan Party covenants and agrees that, so long as any Commitment is in effect and until payment in full of all Obligations (other than any such contingent obligations or liabilities hereunder that by express terms thereof survive such payment in full of all Obligations), each Loan Party shall perform, and shall cause each of its Subsidiaries to perform, all covenants in this Article V.

Section 5.1 Financial Statements and Other Reports. Unless otherwise provided below, Borrower will deliver to Administrative Agent and Lenders:

(a) Cash Reports. Promptly, but in any event within [***] after the end of each fiscal month of Borrower where Qualified Cash is less than [***], a report of the current Cash and Cash Equivalent balances of the Loan Parties, which report shall identify unrestricted and restricted Cash and Cash Equivalents; provided, that at any time the current Cash and Cash Equivalent balances of the Loan Parties is less than [***], Administrative Agent may request at any time, and Borrower shall promptly provide, a report of at least [***] of the current Cash and Cash Equivalent balances of the Loan Parties, which report shall identify unrestricted and restricted Cash and Cash Equivalents (or, if greater, all Cash and Cash Equivalent balances required to satisfy the covenant set forth in Section 6.8).

(b) Quarterly Financial Statements. Within [***] after the end of each Fiscal Quarter of each Fiscal Year (excluding the fourth Fiscal Quarter), the consolidated balance sheets of Borrower and its Subsidiaries as at the end of such Fiscal Quarter and the related consolidated statements of income, stockholders' equity and cash flows of Borrower and its Subsidiaries for such Fiscal Quarter and for the period from the beginning of the then current Fiscal Year to the end of such Fiscal Quarter (including a description of all costs, royalty, milestone payments and licensing payments, dividends, and distributions, paid or received by Borrower or its Subsidiaries in connection with any Product on a Product-by-Product basis during the applicable period), setting forth in each case in comparative form the corresponding figures for the corresponding periods of the previous Fiscal Year, all in reasonable detail, together with a Financial Officer Certification with respect thereto;

(c) Annual Financial Statements. Within [***] after the end of each Fiscal Year, (i) the consolidated balance sheets of Borrower and its Subsidiaries as at the end of such Fiscal Year and the related consolidated statements of income, stockholders' equity and cash flows of Borrower and its Subsidiaries for such Fiscal Year, setting forth in each case in comparative form the corresponding figures

for the previous Fiscal Year, in reasonable detail, together with a Financial Officer Certification with respect thereto; and (ii) with respect to such consolidated financial statements a report thereon of PricewaterhouseCoopers or other independent certified public accountants of recognized national standing selected by Borrower or that is otherwise reasonably satisfactory to Administrative Agent (which report shall be unqualified as to going concern and scope of audit, shall not contain any going concern emphasis of matter and shall state that such consolidated financial statements fairly present, in all material respects, the consolidated financial position of Borrower and its Subsidiaries as at the dates indicated and the results of their operations and their cash flows for the periods indicated in conformity with GAAP (other than any such exception, qualification or explanatory paragraph that is with respect to, or resulting from, the upcoming maturity of Indebtedness);

(d) Compliance Certificate. Together with each delivery of financial statements of Borrower and its Subsidiaries pursuant to Section 5.1(b) or Section 5.1(c), a duly executed and completed Compliance Certificate attaching evidence of the Cash balances contained in each Deposit Account of the Loan Parties;

(e) Royalty Reports; Notice of Disputes. Promptly (but in any event within [***]) after receipt by Borrower or any of its Subsidiaries, (i) a copy of any royalty reports or similar reports outlining fees to be paid or payable with respect to any Product (Core) from any third party Licensee or (ii) any notices of any material third disputes with respect to a Product (Core), any Material Contract, or any Product Intellectual Property Rights.

(f) [Reserved].

(g) Notice of Default. Promptly (but in any event within [***]) upon any officer of Borrower obtaining knowledge (i) of any condition or event that constitutes a Default or an Event of Default or that notice has been given to Borrower with respect thereto; (ii) that any Person has given any notice to Borrower or any of its Subsidiaries or taken any other action with respect to any event or condition set forth in Section 8.1(b); or (iii) of the occurrence of any event or change that has caused or evidences or results in, in any case or in the aggregate, a Material Adverse Effect or Material Regulatory Liabilities, a certificate of its Authorized Officers specifying the nature and period of existence of such condition, event or change, or specifying the notice given and action taken by any such Person and the nature of such claimed Event of Default, Default, default, event or condition, and what action Company has taken, is taking and proposes to take with respect thereto;

(h) Notice of Litigation. Promptly (but in any event within [***]) upon any officer of Company obtaining knowledge of (i) the institution of, or non-frivolous threat of, any Adverse Proceeding or (ii) any material development in any Adverse Proceeding that, in the case of either clause (i) or (ii) which relates to the Products, the Product Intellectual Property or the Material Contracts, which seeks to enjoin or otherwise prevent the consummation of, or to recover any damages or obtain relief as a result of, the transactions contemplated hereby or which would reasonably be expected to result in Material Regulatory Liabilities or a Material Adverse Effect, written notice thereof together with such other information as may be reasonably available to Company to enable Lenders and their counsel to evaluate such matters;

(i) ERISA. Promptly (but in any event within [***]) upon becoming aware of the occurrence of or forthcoming occurrence of any ERISA Event that would reasonably be expected to result in a material Liability to a Loan Party, a written notice specifying the nature thereof, what action a Loan Party or any ERISA Affiliate has taken, is taking or proposes to take with respect thereto and, when known, any action taken or threatened by the Internal Revenue Service, the Department of Labor or the PBGC with respect thereto;

(j) Insurance Report. As soon as practicable and in any event by the last day of each Fiscal Year to the extent requested by the Administrative Agent, a report in form and substance reasonably satisfactory to Administrative Agent outlining all material insurance coverage maintained as of the date of such report by Borrower and its Subsidiaries and all material insurance coverage planned to be maintained by Borrower and its Subsidiaries in the immediately succeeding Fiscal Year;

(k) Regulatory and Product Notices. Each Loan Party shall promptly (but in any event within [***]) after the receipt or occurrence thereof notify Administrative Agent of:

(i) any written notice received by Borrower or its Subsidiaries alleging potential or actual material violations of any Public Health Law or Health Care Program Law by Borrower or its Subsidiaries,

(ii) any written notice that the FDA (or international equivalent [***]) or other Governmental Authority [***] is limiting, suspending or revoking any Registration (including, but not limited to, by the issuance of a clinical hold),

(iii) any written notice that Borrower or its Subsidiaries has become subject to any Regulatory Action (other than any routine inspection or investigation in the ordinary course of business),

(iv) the exclusion or debarment from any Federal Health Care Program or debarment or disqualification by FDA (or international equivalent [***]) of Borrower or its Subsidiaries or its or their Authorized Officers,

(v) any written notice that a Borrower or any Subsidiary, or any of their licensees or sublicensees (including licensees or sublicensees under the Product Agreements or Material Contracts), is being investigated or is the subject of any allegation of potential or actual violations of any Public Health Law or Health Care Program Laws,

(vi) any written notice that any product of Borrower or its Subsidiaries has been seized, withdrawn, recalled, detained, or subject to a suspension of manufacturing, or the commencement of any proceedings in the United States or any other jurisdiction seeking the withdrawal, recall, suspension, import detention, or seizure of any Product are pending or threatened in writing against Borrower or its Subsidiaries, or

(vii) changing the scope of marketing authorization or the labeling of the products of Borrower and its Subsidiaries under any Registration.

except, in each case of (i) through (iii) and (v) through (viii) above, where such action would not reasonably be expected to have, either individually or in the aggregate, Material Regulatory Liabilities;

(l) Notice Regarding Material Contracts. (i) Promptly (but in any event within [***]) (A) after a Loan Party or a Subsidiary of a Loan Party receives any notice (written or oral) of default or event of default under any Material Contract, or (B) after Loan Party or a Subsidiary of a Loan Party receives or otherwise becomes aware of any dispute, litigation, purchase price adjustment (other than in accordance with the terms of such Material Contract), indemnity claim, exercise of rights of set-off or deduction (including any of the foregoing threatened in writing) under or with respect any Material Contract in each case, reasonably expected to be in excess of [***], and (ii) promptly (but in any event within [***]), new Material Contract is entered into, in each case of clauses (i) through (ii), furnish a written statement describing such event, with copies of such notices or new contracts together with all pertinent detail and

information relating thereto in such Loan Party or Subsidiary of Loan Party's possession, custody or control and to the extent allowed to be delivered pursuant to its terms, delivered to Administrative Agent, and an explanation of any actions being taken with respect thereto. Borrower shall promptly provide Administrative Agent with written notice upon becoming aware of a counterparty's material breach of its obligations under any Material Contract;

(m) Information Regarding Collateral. Company will furnish to Administrative Agent prior written notice of any change (a) in any Loan Party's legal name, (b) in any Loan Party's identity or (c) in any Loan Party's U.S. federal or other taxpayer identification number (if any). Company agrees not to effect or permit any change referred to in the preceding sentence unless all filings have been made under the UCC or otherwise that are required in order for Administrative Agent to continue at all times following such change to have a valid, legal and perfected security interest in all the Collateral and for the Collateral at all times following such change to have a valid, legal and perfected security interest as contemplated in the Collateral Documents. Company also agrees promptly to notify Administrative Agent if any material portion of the Collateral is damaged or destroyed;

(n) Annual Collateral Verification. Each year, at the time of delivery of annual financial statements with respect to the preceding Fiscal Year pursuant to Section 5.1(c), Company shall deliver to Administrative Agent an Officer's Certificate (a) either confirming that there has been no change in such information since the date of the Perfection Certificate delivered on the Closing Date or the date of the most recent certificate delivered pursuant to this Section 5.1(n) and/or identifying such changes, or (b) certifying that all UCC financing statements (including fixtures filings, as applicable) or other appropriate filings, recordings or registrations, have been filed of record in each governmental, municipal or other appropriate office in each jurisdiction identified in the Perfection Certificate or pursuant to clause (a) above to the extent necessary to protect and perfect the security interests under the Collateral Documents for a period of not less than [***] after the date of such certificate (except as noted therein with respect to any continuation statements to be filed within such period);

(o) Product (Core). Promptly, but in any event within [***] after the receipt by Borrower or any of its Subsidiaries or occurrence thereof, as applicable, notify Administrative Agent of:

(i) granting of any licenses or sublicenses under any Permitted Product Agreement;

(ii) amending an existing, or entering into any new Permitted Product Agreement;

(iii) any material written communications received from the FDA or other Governmental Authority [***] that would reasonably be expected to result in a Material Adverse Effect;

in each case, to the extent related to a Product (Core).

(p) Notices re Intellectual Property. Promptly (but in any event within [***]), deliver notice of material infringements of any material Intellectual Property Rights owned or licensed by such Loan Party or any of its Subsidiaries that are known to Borrower;

(q) Regulatory Documentation. Company shall be responsible for, and shall maintain, with respect to each Product, all submissions to Governmental Authorities relating to the Products,

including clinical studies, tests and biostudies, including all Product non-disclosure agreements, and the drug master files, as well as all correspondence with Governmental Authorities with respect thereto (including Registrations and licenses and regulatory drug lists, and any amendments or supplements thereto). Promptly following Administrative Agent's reasonable request from time to time, Company shall promptly provide to Administrative Agent copies of any and all regulatory filings submitted to any such Governmental Authorities with respect to the Products;

(r) Maintenance, Defense and Enforcement of Product Patents. Company shall take all commercially reasonable steps to maintain, defend and enforce the Product Patents, including by timely filing fees and responses with the United States Patent and Trademark Office or any applicable foreign counterpart. Company shall provide prompt written notice to Administrative Agent of any material occurrences with respect to any Product Patents, and, upon Administrative Agent's request from time to time, shall promptly provide Administrative Agent with complete and correct copies of (i) any certification received by Company, its Subsidiaries, or any of their respective licensors or licensees pursuant to 21 U.S.C. § 355(j)(2)(A)(vii)(I), (II), (III) or (IV) relating to any of the Orange Book Patents, and (ii) any pleadings, briefs, declarations, correspondence and other documents relating to any Dispute involving any of the Orange Book Patents; and

(s) ESG Reporting. Upon reasonable request of Administrative Agent, together with the Annual Financial Statements delivered pursuant to Section 5.1(c), an ESG Certificate.

(t) Other Information. (A) Promptly upon their becoming available and in any event within [***] of Borrower's receipt thereof, copies of all amendments, waivers, consents, notices of defaults and reservations of rights with respect to and received by Borrower or its Subsidiaries from any holder of its Indebtedness having a principal amount greater than [***], (B) promptly after submission to any Governmental Authority, all documents and information furnished to such Governmental Authority in connection with any investigation of any Loan Party (other than a routine inquiry), and (C) such other information and data with respect to Borrower or any of its Subsidiaries as from time to time may be reasonably requested by Administrative Agent.

Notwithstanding the foregoing, the obligations in paragraphs (b) and (c) of this Section 5.1 may be satisfied with respect to financial information of Borrower and its Subsidiaries by furnishing Borrower's Form 10-K or 10-Q, as applicable, filed with the SEC. Further, notwithstanding anything to the contrary in this Section 5.1, neither the Borrower nor any of its Subsidiaries will be required to disclose or permit the inspection or discussion of, any document, information or other matter (i) in respect of which disclosure (or their respective representatives or contractors) is prohibited by Requirements of Law or any binding agreement or (ii) that is subject to attorney client or similar privilege or constitutes attorney work product, in each case based on the advice of outside counsel to Borrower.

Section 5.2 Existence. Except as otherwise permitted under Section 6.9, each Loan Party will, and will cause each of Borrower's Subsidiaries to, at all times preserve and keep in full force and effect its existence and all rights and Governmental Authorizations, qualifications, franchises, licenses and permits material to its business and to conduct its business in each jurisdiction in which its business is conducted; provided, no Loan Party or any of Borrower's Subsidiaries shall be required to preserve any such existence, right or Governmental Authorizations, qualifications, franchise, licenses and permits if such Person's Board of Directors (or similar governing body) shall determine that the preservation thereof is no longer desirable in the conduct of the business of such Person, and that the loss thereof is not disadvantageous in any material respect to such Person or to Lenders.

Section 5.3 Payment of Taxes and Claims. Each Loan Party will, and will cause each of Borrower's Subsidiaries to, file all Tax returns required to be filed by or with respect to Borrower or any

of its Subsidiaries and timely pay all Taxes imposed upon or with respect to it or any of its properties, assets, income, businesses or franchises before any penalty or fine accrues thereon, and all claims (including claims for labor, services, materials and supplies) for sums that have become due and payable and that by law have or may become a Lien upon any of its properties or assets, prior to the time when any penalty or fine shall be incurred with respect thereto; provided, no such Tax or claim need be paid if it is being contested in good faith by appropriate proceedings promptly instituted and diligently conducted, so long as (a) adequate reserve or other appropriate provision, as shall be required in conformity with GAAP shall have been made therefor, and (b) in the case of a Tax or claim which has or may become a Lien against any of the Collateral, such contest proceedings conclusively operate to stay imposition of any penalty, fine or Lien resulting from the non-payment thereof. No Loan Party will, nor will it permit any of Borrower's Subsidiaries to file or consent to the filing of any consolidated income tax return with any Person (other than Borrower or its Subsidiaries).

Section 5.4 Maintenance of Properties. Each Loan Party will, and will cause each of Borrower's Subsidiaries to (a) maintain or cause to be maintained in good repair, working order and condition, ordinary wear and tear excepted, all properties used or useful in the business of Borrower and its Subsidiaries and from time to time will make or cause to be made all appropriate repairs, renewals and replacements thereof, except to the extent any such failure to maintain could not reasonably be expected to have a Material Adverse Effect, and (b) comply at all times with the provisions of all material leases to which it is a party as lessee or under which it occupies property, so as to prevent any loss or forfeiture thereof or thereunder, except to the extent any such failure to comply could not reasonably be expected to have a Material Adverse Effect.

Section 5.5 Insurance.

(a) The Loan Parties will maintain or cause to be maintained, with financially sound and reputable insurers, (i) business interruption insurance, and (ii) casualty insurance, such public liability insurance, third party property damage insurance or such other insurance with respect to liabilities, losses or damage in respect of the assets, properties and businesses of the Loan Parties as may customarily be carried or maintained under similar circumstances by Persons of established reputation engaged in similar businesses, in each case in such amounts (giving effect to self-insurance), with such deductibles, covering such risks and otherwise on such terms and conditions as shall be customary for such Persons. Each such policy of insurance shall (1) name Administrative Agent, on behalf of Lenders as an additional insured thereunder as its interests may appear, and (2) in the case of each casualty insurance policy, contain a loss payable clause or endorsement, satisfactory in form and substance to Administrative Agent, that names Administrative Agent, on behalf of Secured Parties as the loss payee thereunder. If any Loan Party or any of its Subsidiaries fails to maintain such insurance, Administrative Agent may, upon [***] prior written notice to Borrower, arrange for such insurance, but at Company's expense and without any responsibility on Administrative Agent's part for obtaining the insurance, the solvency of the insurance companies, the adequacy of the coverage, or the collection of claims. Upon the occurrence and during the continuance of an Event of Default, following notice to the Borrower, Administrative Agent shall have the sole right, in the name of the Lenders, any Loan Party and its Subsidiaries, to file claims under any insurance policies, to receive, receipt and give acquittance for any payments that may be payable thereunder, and to execute any and all endorsements, receipts, releases, assignments, reassignments or other documents that may be necessary to effect the collection, compromise or settlement of any claims under any such insurance policies.

(b) Each of the insurance policies required to be maintained under this Section 5.5 shall provide for at least [***] prior written notice to Administrative Agent of the cancellation or substantial modification thereof. Receipt of such notice shall entitle Administrative Agent (but Administrative Agent shall not be obligated), upon [***] prior written notice to Loan Parties, to renew any such policies, cause

the coverages and amounts thereof to be maintained at levels required pursuant to this Section 5.5 or otherwise to obtain similar insurance (including with respect to coverage types, limits and premiums) in place of such policies, in each case at the expense of the Loan Parties.

Section 5.6 Books and Records; Inspections. Each Loan Party will, and will cause each of Borrower's Subsidiaries to, (a) maintain at all times at the chief executive office of Borrower copies of all material books and records of Borrower and its Subsidiaries, (b) keep adequate books of record and account in which full, true and correct entries in all material respects are made of all dealings and transactions in relation to its business and activities, and (c) permit any representatives designated by Administrative Agent (including employees of Administrative Agent, any Lender or any consultants, auditors, accountants, lawyers and appraisers retained by Administrative Agent) to visit any of the properties of any Loan Party and any of Borrower's Subsidiaries to inspect, copy and take extracts from its and their financial and accounting records, and to discuss its and their affairs, finances and accounts with its and their officers and independent accountants and auditors, all upon reasonable notice and at such reasonable times during normal business hours (so long as no Default or Event of Default has occurred and is continuing) and as often as may reasonably be requested; provided that, absent the occurrence and continuance of an Event of Default, Administrative Agent and Lenders shall not exercise such rights more often than one time during any Fiscal Year. The Loan Parties agree to pay the reasonable and documented out-of-pocket costs and expenses incurred by the examiner in connection therewith.

Section 5.7 Lenders Calls.

(a) Borrower will, upon the reasonable request of Administrative Agent or Required Lenders, participate in a conference call of Administrative Agent and Lenders once during each Fiscal Year at such time as may be agreed to by Borrower and Administrative Agent.

(b) Within [***] after delivery of financial statements and other information required to be delivered pursuant to Section 5.1(b), Borrower shall, upon the reasonable request by Administrative Agent, cause its chief financial officer or other Authorized Officers to participate in a conference call with Administrative Agent and all Lenders who choose to participate in such conference call, during which conference call the chief financial officer or such Authorized Officer shall review the financial condition of Borrower and its Subsidiaries and such other matters as Administrative Agent or any Lender may reasonably request.

Section 5.8 Compliance with Laws.

(a) Each Loan Party will comply, and shall cause each of Borrower's Subsidiaries and all other Persons, if any, on or occupying any real property, to comply, with the requirements of all applicable laws, rules, regulations and orders of any Governmental Authority (including all Environmental Laws), non-compliance with which would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) Without limiting the generality of the foregoing, each Loan Party shall, and shall cause each of Borrower's Subsidiaries to, comply with all FDA Laws and Public Health Laws, and with all applicable Health Care Program Laws, except where the failure to comply would not reasonably be expected to result, either individually or in the aggregate, in Material Regulatory Liabilities. All products developed, manufactured, tested, investigated, distributed or marketed by or on behalf of the Loan Parties and Borrower's Subsidiaries that are subject to the jurisdiction of the FDA or any comparable Governmental Authority have been and shall be developed, tested, manufactured, investigated, distributed, sold and marketed in compliance with the FDA Laws and any other Requirement of Law, including, without limitation, good manufacturing practices, labeling, advertising, record-keeping, and adverse event

reporting, except where the failure to comply would not reasonably be expected to result, either individually or in the aggregate, in Material Regulatory Liabilities.

Section 5.9 Environmental.

(a) Each Loan Party shall (i) keep its real property free of any Environmental Liens; (ii) maintain and comply in all material respects with all Governmental Authorizations required under applicable Environmental Laws, except as any such failure could not reasonably be expected to result in a Material Adverse Effect; (iii) take all steps to prevent any Release of Hazardous Materials from any property owned or operated by any Loan Party, except as any such failure could not reasonably be expected to result in a Material Adverse Effect; and (iv) ensure that there are no Hazardous Materials on, at or migrating from any property owned or operated by any Loan Party, except as any such failure could not reasonably be expected to result in a Material Adverse Effect.

(b) The Loan Parties shall promptly (but in any event within [***]) (i) notify Administrative Agent in writing (A) of any material Environmental Claims asserted in writing against or material Environmental Liabilities and Costs of any Loan Party, and (B) any notice of Environmental Lien filed against any real property, and (ii) provide such other documents and information as reasonably requested by Administrative Agent in relation to any matter pursuant to this Section 5.9(b).

Section 5.10 Subsidiaries. In the event that any Person becomes a Domestic Subsidiary of a Loan Party and such Person is not an Excluded Subsidiary, Company shall (a) within [***] of such Person becoming a Subsidiary or ceasing to be an Excluded Subsidiary cause such Subsidiary to become a Guarantor hereunder and a Grantor under the Pledge and Security Agreement by executing and delivering to Administrative Agent a Counterpart Agreement, and (b) take all such actions and execute and deliver, or cause to be executed and delivered, all such documents, instruments, agreements, and certificates as are similar to those described in Sections 3.1(b), 3.1(f), and 3.1(i). With respect to each such Subsidiary, Company shall promptly send to Administrative Agent written notice setting forth with respect to such Person (i) the date on which such Person became a Subsidiary of Company or ceased to be an Excluded Subsidiary, and (ii) all of the data required to be set forth in Schedules 4.1 and 4.2 with respect to all Subsidiaries of Company; provided, such written notice shall be deemed to supplement Schedules 4.1 and 4.2 for all purposes hereof. In addition, at the election of Borrower, any Excluded Subsidiary of Borrower may become a Guarantor hereunder.

Section 5.11 Real Estate Assets. In the event that any Loan Party acquires fee title to Material Real Property during the term of this Loan, Borrower shall send to Administrative Agent a written notice of the occurrence of any such event promptly upon the occurrence of same. Within [***] after the acquisition of any such Material Real Property (or such later time as agreed to by Administrative Agent in its sole discretion), such Loan Party shall deliver to Administrative Agent: (a) a fully executed and notarized Mortgage, in proper form for creating a valid and enforceable lien on the Real Property described therein once recorded in the appropriate real estate records and in proper form for recording in such real estate records; (b) an opinion of counsel in the jurisdiction in which such Real Property is located with respect to the enforceability of such Mortgage and such other matters as Administrative Agent may reasonably request, in each case in form and substance reasonably satisfactory to Administrative Agent; (c)(i) an ALTA extended mortgagee title insurance policy or an unconditional commitment therefor with respect to such Mortgage (each, a "Title Policy") from a title company reasonably satisfactory to Administrative Agent (the "Title Company"), in an amount not less than the fair market value of such Real Estate Asset, together with a title report issued by the Title Company with respect thereto, dated not more than [***] prior to the date such Real Property was acquired and copies of all recorded documents listed as exceptions to title or otherwise referred to therein, which Title Policy shall be effective as of the date of the Mortgage and otherwise be in form and substance reasonably satisfactory to Administrative Agent and (ii) evidence

satisfactory to Administrative Agent that such Loan Party has paid to or deposited with the Title Company all expenses and premiums of the Title Company and all other sums required in connection with the issuance of such Title Policy and all recording and stamp taxes (including mortgage recording and intangible taxes) payable in connection with recording the Mortgage for such Real Property in the appropriate real estate records; (d) to the extent required by law, evidence of flood insurance with respect to such Real Property in compliance with any applicable regulations of the Board of Governors of the Federal Reserve System, and in form and substance reasonably satisfactory to Administrative Agent; and (e) an ALTA/NSPS survey of such Real Property in form sufficient to permit the Title Company to issue the Title Policy in the form required by Administrative Agent and otherwise in form and substance satisfactory to Administrative Agent, which shall be either (1) certified to Administrative Agent and dated not more than [***] prior to the date such Real Property was acquired, or (2) accompanied by a survey or "no change" affidavit executed by the owner of such Real Property and acceptable to the Title Company to issue the Title Policy in the form required by Administrative Agent, as applicable. In addition to the foregoing, Borrower shall, at the request of Required Lenders, deliver to Administrative Agent an appraisal of such Material Real Property to verify the amount of the Mortgage and/or Title Policy, but only if required by applicable law or regulation.

Section 5.12 Further Assurances. At any time or from time to time upon the request of Administrative Agent, each Loan Party will, at its expense, promptly execute, acknowledge and deliver such further documents and do such other acts and things as Administrative Agent may reasonably request in order to effect fully the purposes of the Loan Documents, including providing Lenders with any information reasonably requested pursuant to Section 10.23. In furtherance and not in limitation of the foregoing, each Loan Party shall take such actions as Administrative Agent may reasonably request from time to time to ensure that the Obligations are guarantied by the Guarantors and are secured by substantially all of the assets of Borrower's Subsidiaries and all of the outstanding Capital Stock of the Subsidiaries of Borrower.

Section 5.13 Control Agreements. Each of Borrower and each Guarantor Subsidiary shall hold all of its cash and Cash Equivalents in a Deposit Account or Securities Account (other than Excluded Accounts) subject to a Control Agreement within [***] after the Closing Date or the opening or acquisition thereof, as applicable. All such Control Agreements governed under the laws of a state or territory of the United States shall provide for "springing" cash dominion with respect to each such account, including each disbursement account.

Section 5.14 Post-Closing Matters. Company shall, and shall cause each of the Loan Parties to, satisfy the requirements set forth on Schedule 5.14 on or before the post-closing date specified for such requirement or such later date to be determined by Administrative Agent in its sole discretion.

ARTICLE VI

NEGATIVE COVENANTS

Each Loan Party covenants and agrees that, so long as any Commitment is in effect and until payment in full of all Obligations (other than any such contingent obligations or liabilities hereunder that by express terms thereof survive such payment in full of all Obligations), such Loan Party shall perform, and shall cause each of its Subsidiaries to perform, all covenants in this Article VI.

Section 6.1 Indebtedness. No Loan Party shall, nor shall it permit any of Borrower's Subsidiaries to, directly or indirectly, create, incur, assume or guaranty, or otherwise become or remain directly or indirectly liable with respect to any Indebtedness, except Permitted Indebtedness.

Section 6.2 Liens. No Loan Party shall, nor shall it permit any of its Subsidiaries to, directly or indirectly, create, incur, assume or permit to exist any Lien on or with respect to any property or asset of any kind (including any document or instrument in respect of goods or accounts receivable) of Borrower or any of its Subsidiaries, whether now owned or hereafter acquired, or any income or profits therefrom, , except Permitted Liens.

Section 6.3 Material Contracts . Borrower and its Subsidiaries shall not materially breach any Material Contract, or otherwise default under any Material Contract, in such a manner as could reasonably be expected to give rise to a termination right of any other party to such Material Contract. Borrower and its Subsidiaries shall not amend or permit the amendment of any provision of any Material Contract the result of which would be economically adverse in any material respect, taken as whole, to Borrower [***].

Section 6.4 No Further Negative Pledges . Except with respect to (a) specific property encumbered to secure payment of particular Indebtedness or to be sold pursuant to an executed agreement with respect to an Asset Sale permitted under Section 6.9, (b) restrictions under the AYVAKIT/BLU-263 Purchase Agreement, (c) restrictions by reason of customary provisions restricting assignments, subletting or other transfers contained in leases, licenses and similar agreements entered into in the ordinary course of business (provided that such restrictions are limited to the property or assets secured by such Liens or the property or assets subject to such leases, licenses or similar agreements, as the case may be), (d) [reserved], (e) restrictions under any agreement or other instrument of a Person acquired by or merged, amalgamated or consolidated with or into Loan Party that was in existence at the time of such acquisition (or at the time it merges with or into any Loan Party in connection with the acquisition of assets from such Person (but, in each case, not created in contemplation thereof)), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired or designation, (f) restrictions on cash or other deposits or net worth imposed by customers under commercial contracts entered into in the ordinary course of business, (g) encumbrances or restrictions in connection with any Permitted Product Transaction or Permitted Royalty Transaction that, in the good faith determination of the Borrower, are reasonably necessary or advisable in connection with such Permitted Product Transaction or Permitted Royalty Transaction, (h) customary provisions in joint venture agreements or arrangements and other similar agreements or arrangements relating solely to the applicable joint venture, (i) any encumbrance or restriction contained in secured Indebtedness otherwise permitted to be incurred hereunder to the extent limiting the right of the debtor to dispose of the assets securing such Indebtedness or contained in any agreements with respect to any Permitted Priority Indebtedness and (j) any encumbrances or restrictions of the type referred to in the immediately preceding clauses (a) through (i) above imposed by any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings of the contracts, instruments or obligations referred to such immediately preceding clauses (a) through (i) above; *provided* that such encumbrances and restrictions contained in any such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing are, in the good faith judgment of the Borrower, not materially more restrictive, taken as a whole, than the encumbrances and restrictions prior to such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing, no Loan Party nor any of Borrower's Subsidiaries shall enter into any agreement prohibiting the creation or assumption of any Lien upon any of its properties or assets, whether now owned or hereafter acquired.

Section 6.5 Restricted Junior Payments. No Loan Party shall, nor shall it permit any of its Subsidiaries through any manner or means or through any other Person to, directly or indirectly, declare, order, pay or make any sum for any Restricted Junior Payment, in each case, except for:

(a) the payment of dividends to Company's equityholders in the form of Common Stock;

(b) (i) the issuance of Capital Stock of Company upon the exercise of any warrants, options or rights to acquire such Capital Stock, including upon conversion of any Indebtedness that is convertible into or exchangeable for Capital Stock of Company, and (y) cash payments in lieu of issuing fractional shares in connection with the exercise of warrants, options or other securities convertible or exchangeable into Capital Stock of Company;

(c) the payment of dividends or other Restricted Junior Payments by a Subsidiary of Borrower to Borrower or such Subsidiary's direct parent company;

(d) the repurchase, retirement or other acquisition or retirement for value of Company's Capital Stock held by any future, present or former employee, director, manager, officer or consultant (or any Affiliates, spouses, former spouses, other immediate family members, successors, executors, administrators, heirs, legatees or distributees of any of the foregoing) of Company or any of its Subsidiaries pursuant to any employee, management, director or manager equity plan, employee, management, director or manager stock option plan or any other employee, management, director or manager benefit plan or any agreement (including any stock subscription or shareholder agreement) with any employee, director, manager, officer or consultant of Borrower or any Subsidiary; provided that the aggregate amounts of all such payments made pursuant to this clause (d), shall not, in the aggregate, exceed [***];

(e) any payments pursuant to the Permitted Royalty Transaction;

(f) (i) the purchase by Borrower of Common Stock (including pursuant to Permitted Equity Derivatives) contemporaneously and otherwise in connection with the incurrence of Permitted Convertible Indebtedness; provided that the aggregate consideration for such Common Stock shall not exceed [***] of the net proceeds received by Borrower from the incurrence of such Permitted Convertible Indebtednessany purchase, and (ii) any non-cash settlement or unwind of a Permitted Equity Derivative;

(g) so long as no Event of Default has occurred and is continuing or would result therefrom, other payments in an aggregate amount not to exceed [***]; or

(h) any payment on subordinated Indebtedness in accordance with the subordination agreement governing such Indebtedness.

Section 6.6 Restrictions on Subsidiary Distributions. Except as provided herein, no Loan Party shall, nor shall it permit any of Borrower's Subsidiaries to, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction of any kind on the ability of any Subsidiary of Company to (a) pay dividends or make any other distributions on any of such Subsidiary's Capital Stock owned by Company or any other Subsidiary of Company, (b) repay or prepay any Indebtedness owed by such Subsidiary to Company or any other Subsidiary of Company, (c) make loans or advances to Company or any other Subsidiary of Company, or (d) transfer any of its property or assets to Company or any other Subsidiary of Company other than restrictions (i) in agreements evidencing purchase money Indebtedness permitted by clause (h) of the definition of Permitted Indebtedness that impose restrictions on the property so acquired, (ii) by reason of customary provisions restricting assignments, subletting or other transfers contained in leases, licenses, joint venture agreements and similar agreements entered into in the ordinary course of business, and (iii) that are or were created by virtue of any transfer of, agreement to transfer or option or right with respect to any property, assets or Capital Stock not otherwise prohibited under this Agreement. No Loan Party shall, nor shall it permit its Subsidiaries to, enter into any Contractual

Obligations which would prohibit a Subsidiary of Borrower from being a Loan Party (other than Subsidiaries that are Excluded Subsidiaries, other than by virtue of clause (e) or (f) of the definition thereof).

Section 6.7 Investments. Borrower shall not, nor shall it permit any of its Subsidiaries to, directly or indirectly, make or own any Investment in any Person, including without limitation any Joint Venture, except Permitted Investments. Notwithstanding the foregoing, in no event shall any Loan Party make any Investment which results in the making of any Restricted Junior Payment not otherwise permitted under the terms of Section 6.5.

Section 6.8 Minimum Qualified Cash. The Loan Parties shall not permit Qualified Cash to be less than (a) [***] during the period commencing on the Initial Funding Date to the day that is immediately prior to the Credit Date in respect of the first Delayed Draw Term Loan made hereunder and (b) commencing on the Credit Date in respect of the first Delayed Draw Term Loan made hereunder, [***] (after giving effect to such Delayed Draw Term Loan).

Section 6.9 Fundamental Changes; Disposition of Assets. No Loan Party shall, nor shall it permit any of its Subsidiaries to,

(a) enter into any transaction of merger or consolidation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), including by means of a "plan of division" under the Delaware Limited Liability Company Act or any comparable transaction under any similar law, except:

(i) (x) any Subsidiary of Borrower that is a Loan Party may be merged with or into Company or any Guarantor Subsidiary, or be liquidated, wound up or dissolved, or all or any part of its business, property or assets may be conveyed, sold, leased, transferred or otherwise disposed of, in one transaction or a series of transactions, to Company or any Guarantor Subsidiary; and (y) any Subsidiary of Borrower that is not a Loan Party may be merged with or into Borrower or any other Subsidiary, or be liquidated, wound up or dissolved, or all or any part of its business, property or assets may be conveyed, sold, leased, transferred or otherwise disposed of, in one transaction or a series of transactions, to Company or any other Subsidiary; provided, that in each case of clauses (x) and (y), in the case of such merger involving Borrower, Borrower shall be the continuing or surviving Person and in the case of such merger not involving Borrower but involving a Guarantor Subsidiary, the Guarantor Subsidiary shall be the continuing or surviving person; or

(ii) in connection with Permitted Acquisitions and other Permitted Investments; or

(b) convey, sell, lease or sublease (as lessor or sublessor), exchange, transfer or otherwise dispose of, or otherwise enter into or consummate any Asset Sale, in each case, in one transaction or a series of transactions, all or any part of its business, assets or property of any kind whatsoever (including, without limitation, any Product (including, without limitation, any Intellectual Property rights related thereto), any Product Agreement (including, without limitation, any of Company's rights thereunder), and any Registration), whether real, personal or mixed and whether tangible or intangible, whether now owned or hereafter acquired, or, except, in each case pursuant to arms' length transactions on market terms and for fair market value:

(i) Permitted Product Transactions;

(ii) any Permitted Royalty Transaction;

(iii) Permitted Acquisitions and other Permitted Investments;

(iv) the disposition, unwinding or other termination of any Hedging Agreement or any Permitted Equity Derivative or the entry into any Permitted Equity Derivatives;

(v) Borrower or any Subsidiary may sell inventory and immaterial assets in the ordinary course of business;

(vi) dispositions of obsolete or worn out, retired or surplus property, whether now owned or hereafter acquired, in the ordinary course of business;

(vii) surrender or waiver of contractual rights and settlement or waiver of contractual or litigation claims in the ordinary course of business;

(viii) dispositions to Borrower or any Guarantor Subsidiary;

(ix) dispositions by any Subsidiary that is not a Loan Party;

(x) dispositions consisting of Permitted Liens and permitted Restricted Junior Payments;

(xi) dispositions of accounts receivable in connection with the collection or compromise thereof and the sale or disposition of Cash Equivalents for cash or other Cash Equivalents;

(xii) dispositions of assets (other than any direct or indirect disposition of Material Contracts, Product (Core), Product (Core) Intellectual Property Rights, Registration with respect to any Product (Core), accounts receivables or inventory in respect of any Product (Core) or any other assets necessary or material to the research, development, use or Commercialization of any Product Core) so long as at least [***] of the consideration paid in connection therewith shall be cash or Cash Equivalents paid substantially concurrently with consummation of the transaction and shall be in an amount not less than the fair market value of the property disposed of; *provided* that for the purposes of this clause (xii), the following shall be deemed to be cash (x) any securities received by the Loan Parties or any Subsidiary from such transferee that are converted by such Person into cash or Cash Equivalents upon the closing of the applicable disposition, (y) any purchase price adjustment, milestone payment, royalty, earnout, contingent payment, back-end or other deferred payment of a similar nature, (z) any designated non-cash consideration received in respect of such disposition having an aggregate fair market value, taken together with all other designated non-cash consideration received pursuant to this clause (z) that is at that time outstanding, not to exceed [***], determined at the time of such disposition;

(xiii) dispositions of Capital Stock in any Joint Venture to the other holders of Capital Stock in such Joint Venture for fair market value; and

(xiv) other dispositions in an amount not to exceed [***].

Notwithstanding anything to the contrary contained herein, no assignment, transfer, contribution, license, sublicense or other disposition of any Product (Core), Product (Core) Intellectual Property Rights or Registration with respect to any Product (Core) is permitted hereunder except as specifically permitted under this Agreement.

Section 6.10 Disposal of Subsidiary Interests. Except for any sale of its interests in the Capital Stock of any of its Subsidiaries in compliance with the provisions of Section 6.9, no Loan Party shall, nor

shall it permit any of Borrower's Subsidiaries to, in each case solely with respect to the interests of or in Loan Party, (a) directly or indirectly sell, assign, pledge or otherwise encumber or dispose of any Capital Stock of any of its Subsidiaries, except to qualify directors if required by applicable law; or (b) permit any of its Subsidiaries directly or indirectly to sell, assign, pledge or otherwise encumber or dispose of any Capital Stock of any of its Subsidiaries, except to another Loan Party (subject to the restrictions on such disposition otherwise imposed hereunder), or to qualify directors if required by applicable law.

Section 6.11 Sales and Lease Backs. No Loan Party shall, nor shall it permit any of Borrower's Subsidiaries to, directly or indirectly, become or remain liable as lessee or as a guarantor or other surety with respect to any lease of any property (whether real, personal or mixed), whether now owned or hereafter acquired, which such Loan Party (a) has sold or transferred or is to sell or to transfer to any other Person (other than Borrower or any of its Subsidiaries) or (b) intends to use for substantially the same purpose as any other property which has been or is to be sold or transferred by such Loan Party to any Person (other than Borrower or any of its Subsidiaries) in connection with such lease.

Section 6.12 Transactions with Shareholders and Affiliates. No Loan Party shall, nor shall it permit any of Borrower's Subsidiaries to, directly or indirectly, enter into or permit to exist any transaction (including the purchase, sale, lease or exchange of any property or the rendering of any service), or series of related transactions, with any Affiliate of Borrower or of any such holder with a value in excess of [***]; provided, that the Loan Parties and Borrower's Subsidiaries may enter into or permit to exist any such transaction if Administrative Agent has consented thereto in writing prior to the consummation thereof, provided, further, that the foregoing restrictions shall not apply to any of the following:

(a) any transaction among the Borrower and its Subsidiaries expressly permitted hereunder;

(b) reasonable and customary fees paid to current or former members of the Board of Directors (or similar governing body) of Borrower and its Subsidiaries;

(c) compensation arrangements for current and former officers and other employees of Borrower and its Subsidiaries entered into in the ordinary course of business;

(d) transactions (or series of related transactions) that have a value not in excess of [***] in the aggregate during the term of this Agreement and that are, in the case of each such transaction (or series of related transactions), on terms that are not less favorable to the Borrower or a Subsidiary in any material respect than would be obtainable by the Borrower or such Subsidiary at such time in a comparable arm's-length transaction with a Person other than an Affiliate (as determined in good faith by the senior management or the board of directors of the Borrower); and

(e) transactions described in Schedule 6.12 (including without limitation, any intercompany licenses or other arrangements existing on the Closing Date).

Section 6.13 Conduct of Business. From and after the Closing Date, no Loan Party shall, nor shall it permit any of its Subsidiaries to, engage in any material line of business other than the businesses engaged in by such Loan Party or its Subsidiaries on the Closing Date or any business reasonably related, complementary, incidental, ancillary thereto or any reasonable extensions thereto.

Section 6.14 Changes to Certain Agreements and Organizational Documents. No Loan Party shall amend or permit any amendments to any Loan Party's Organizational Documents in a manner that is materially adverse to the Lenders in their capacities as such, including, without limitation, any amendment, modification or change to any of Loan Party's Organizational Documents to effect a division or plan of

division pursuant to Section 18-217 of the Delaware Limited Liability Company Act (or any similar statute or provision under applicable law).

Section 6.15 Accounting Methods. The Loan Parties will not and will not permit any of their Subsidiaries to modify or change its fiscal year or its method of accounting (other than as may be required to conform to GAAP).

Section 6.16 Deposit Accounts and Securities Accounts. No Loan Party shall establish or maintain a Deposit Account or a Securities Account that is not subject to a Control Agreement except for Excluded Accounts or as otherwise permitted under Section 5.13.

Section 6.17 Prepayments of Certain Indebtedness. No Loan Party shall, directly or indirectly, voluntarily purchase, redeem, defease or prepay any principal of, premium, if any, interest or other amount payable in respect of any Indebtedness for borrowed money with an aggregate principal amount outstanding that is in excess of [***] prior to its scheduled due date, other than (a) the Obligations, (b) Permitted Priority Indebtedness, (c) Indebtedness secured by a Permitted Lien if the asset securing such Indebtedness has been sold or otherwise disposed of in accordance with Section 6.9, (d) converting (or exchanging) any Indebtedness to (or for) Qualified Capital Stock of Borrower, (e) issuance of Capital Stock (and cash in lieu of fractional shares in connection with such issuance) of the Borrower in connection with any conversion, exercise, repurchase, exchange, redemption, settlement or early termination or cancellation of Permitted Convertible Indebtedness, (f) the issuance of Permitted Convertible Indebtedness that constitutes Permitted Refinancing Indebtedness in exchange for other Permitted Convertible Indebtedness, (g) the redemption, purchase, exchange, early termination or cancellation of Permitted Convertible Indebtedness in an aggregate principal amount not to exceed the Net Cash Proceeds received by the Borrower from the substantially concurrent issuance of additional Permitted Convertible Indebtedness or Capital Stock in connection with a refinancing of the Permitted Convertible Indebtedness being redeemed, purchased, exchanged, terminated or cancelled; provided that additional Permitted Convertible Indebtedness constitutes Permitted Refinancing Indebtedness, and (h) as permitted under the applicable subordination agreement governing any subordinated Indebtedness.

Section 6.18 Anti-Terrorism Laws. None of the Loan Parties, nor any of their Affiliates or agents shall:

(a) conduct any business or engage in any transaction or dealing with any Blocked Person, including the making or receiving any contribution of funds, goods or services to or for the benefit of any Blocked Person,

(b) deal in, or otherwise engage in any transaction relating to, any property or interests in property blocked pursuant to the OFAC Sanctions Programs or

(c) engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in the OFAC Sanctions Programs, the USA PATRIOT Act or any other Anti-Terrorism Law.

Borrower shall deliver to the Lenders any certification or other evidence requested from time to time by any Lender in its sole discretion, confirming Borrower's compliance with this Section 6.18.

Section 6.19 Anti-Corruption Laws. No Loan Party shall use, or permit any of its Subsidiaries to use, directly or indirectly, any of the proceeds of any Loan for the purpose of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Law.

Section 6.20 Use of Proceeds. The Loan Parties will not and will not permit any of their Subsidiaries to use the proceeds of any Loan to directly, or to any Loan Party's knowledge after due care and inquiry, indirectly, to make any payments to a Sanctioned Entity or a Sanctioned Person, to fund any investments, loans or contributions in, or otherwise make such proceeds available to, a Sanctioned Entity or a Sanctioned Person, to fund any operations, activities or business of a Sanctioned Entity or a Sanctioned Person or in any other manner that would result in a violation of Sanctions by any Person and no part of the proceeds of any Loan will be used directly or, to any Loan Party's knowledge after due care and inquiry, indirectly in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Sanctions, Anti-Corruption Laws or Anti-Terrorism Laws.

Section 6.21 Products (Core) and Patent Rights.

(a) During the term of this Agreement, Borrower and its Subsidiaries shall not, without the prior written consent of the Required Lenders, which consent [***], other than any Permitted Product Transaction, sell, assign, out-license, partner or otherwise dispose of economic rights or intellectual property related to any Product (Core) in the United States to any Person, or enter into any agreement to do any of the foregoing to the extent the consummation thereof would not result in the repayment in full of the Loans and all other Obligations (other than inchoate indemnity obligations for which no claim has been made) and the termination of the Term Loan Commitments.

(b) Neither the Borrower nor any Subsidiary shall [***].

ARTICLE VII

GUARANTY

Section 7.1 Guaranty of the Obligations. Subject to the provisions of Section 7.2, Guarantors jointly and severally hereby irrevocably and unconditionally guaranty for the ratable benefit of the Beneficiaries the due and punctual payment in full of all Obligations when the same shall become due, whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise (including amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code, 11 U.S.C. § 362(a)) (collectively, the "Guaranteed Obligations").

Section 7.2 Contribution by Guarantors. All Guarantors desire to allocate among themselves, in a fair and equitable manner, their obligations arising under this Guaranty. Accordingly, in the event any payment or distribution is made on any date by a Guarantor under this Guaranty such that its Aggregate Payments exceeds its Fair Share as of such date, such Guarantor shall be entitled to a contribution from each of the other Guarantors in an amount sufficient to cause each Guarantor's Aggregate Payments to equal its Fair Share as of such date. "Fair Share" means, with respect to any Guarantor as of any date of determination, an amount equal to (a) the ratio of (i) the Fair Share Contribution Amount with respect to such Guarantor, to (ii) the aggregate of the Fair Share Contribution Amounts with respect to all Guarantors multiplied by, (b) the aggregate amount paid or distributed on or before such date by all Guarantors under this Guaranty in respect of the obligations Guaranteed. "Fair Share Contribution Amount" means, with respect to any Guarantor as of any date of determination, the maximum aggregate amount of the obligations of such Guarantor under this Guaranty that would not render its obligations hereunder subject to avoidance as a fraudulent transfer or conveyance under Section 548 of Title 11 of the United States Code or any comparable applicable provisions of state law; provided, solely for purposes of calculating the "Fair Share Contribution Amount" with respect to any Guarantor for purposes of this Section 7.2, any assets or

liabilities of such Guarantor arising by virtue of any rights to subrogation, reimbursement or indemnification or any rights to or obligations of contribution hereunder shall not be considered as assets or liabilities of such Guarantor. "Aggregate Payments" means, with respect to any Guarantor as of any date of determination, an amount equal to (A) the aggregate amount of all payments and distributions made on or before such date by such Guarantor in respect of this Guaranty (including, without limitation, in respect of this Section 7.2), minus (B) the aggregate amount of all payments received on or before such date by such Guarantor from the other Guarantors as contributions under this Section 7.2. The amounts payable as contributions hereunder shall be determined as of the date on which the related payment or distribution is made by the applicable Guarantor. The allocation among Guarantors of their obligations as set forth in this Section 7.2 shall not be construed in any way to limit the liability of any Guarantor hereunder. Each Guarantor is a third party beneficiary to the contribution agreement set forth in this Section 7.2.

Section 7.3 Payment by Guarantors. Subject to Section 7.2, Guarantors hereby jointly and severally agree, in furtherance of the foregoing and not in limitation of any other right which any Beneficiary may have at law or in equity against any Guarantor by virtue hereof, that upon the failure of Company to pay any of the Guaranteed Obligations when and as the same shall become due, whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise (including amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code, 11 U.S.C. § 362(a)), Guarantors will upon demand pay, or cause to be paid, in Cash, to Administrative Agent for the ratable benefit of Beneficiaries, an amount equal to the sum of the unpaid principal amount of all Guaranteed Obligations then due as aforesaid, accrued and unpaid interest on such Guaranteed Obligations (including interest which, but for Company's becoming the subject of a case under the Bankruptcy Code, would have accrued on such Guaranteed Obligations, whether or not a claim is allowed against Company for such interest in the related bankruptcy case) and all other Guaranteed Obligations then owed to Beneficiaries as aforesaid.

Section 7.4 Liability of Guarantors Absolute. Each Guarantor agrees that its obligations hereunder are irrevocable, absolute, independent and unconditional and shall not be affected by any circumstance which constitutes a legal or equitable discharge of a guarantor or surety other than payment in full of the Guaranteed Obligations. In furtherance of the foregoing and without limiting the generality thereof, each Guarantor agrees as follows:

(a) this Guaranty is a guaranty of payment when due and not of collectability. This Guaranty is a primary obligation of each Guarantor and not merely a contract of surety;

(b) Administrative Agent may enforce this Guaranty upon the occurrence of an Event of Default notwithstanding the existence of any dispute between Company and any Beneficiary with respect to the existence of such Event of Default;

(c) the obligations of each Guarantor hereunder are independent of the obligations of Company and the obligations of any other guarantor (including any other Guarantor) of the obligations of Company, and a separate action or actions may be brought and prosecuted against such Guarantor whether or not any action is brought against Company or any of such other guarantors and whether or not Company is joined in any such action or actions;

(d) payment by any Guarantor of a portion, but not all, of the Guaranteed Obligations shall in no way limit, affect, modify or abridge any Guarantor's liability for any portion of the Guaranteed Obligations which has not been paid. Without limiting the generality of the foregoing, if Administrative Agent is awarded a judgment in any suit brought to enforce any Guarantor's covenant to pay a portion of the Guaranteed Obligations, such judgment shall not be deemed to release such Guarantor from its covenant to pay the portion of the Guaranteed Obligations that is not the subject of such suit, and such judgment shall

not, except to the extent satisfied by such Guarantor, limit, affect, modify or abridge any other Guarantor's liability hereunder in respect of the Guaranteed Obligations;

(e) any Beneficiary, upon such terms as it deems appropriate, without notice or demand and without affecting the validity or enforceability hereof or giving rise to any reduction, limitation, impairment, discharge or termination of any Guarantor's liability hereunder, from time to time may (i) renew, extend, accelerate, increase the rate of interest on, or otherwise change the time, place, manner or terms of payment of the Guaranteed Obligations; (ii) settle, compromise, release or discharge, or accept or refuse any offer of performance with respect to, or substitutions for, the Guaranteed Obligations or any agreement relating thereto and/or subordinate the payment of the same to the payment of any other obligations; (iii) request and accept other guaranties of the Guaranteed Obligations and take and hold security for the payment hereof or the Guaranteed Obligations; (iv) release, surrender, exchange, substitute, compromise, settle, rescind, waive, alter, subordinate or modify, with or without consideration, any security for payment of the Guaranteed Obligations, any other guaranties of the Guaranteed Obligations, or any other obligation of any Person (including any other Guarantor) with respect to the Guaranteed Obligations; (v) enforce and apply any security now or hereafter held by or for the benefit of such Beneficiary in respect hereof or the Guaranteed Obligations and direct the order or manner of sale thereof, or exercise any other right or remedy that such Beneficiary may have against any such security, in each case as such Beneficiary in its discretion may determine consistent herewith and any applicable security agreement, including foreclosure on any such security pursuant to one or more judicial or non-judicial sales, whether or not every aspect of any such sale is commercially reasonable, and even though such action operates to impair or extinguish any right of reimbursement or subrogation or other right or remedy of any Guarantor against Company or any security for the Guaranteed Obligations; and (vi) exercise any other rights available to it under the Loan Documents; and

(f) this Guaranty and the obligations of Guarantors hereunder shall be valid and enforceable and shall not be subject to any reduction, limitation, impairment, discharge or termination for any reason (other than payment in full in cash of the Guaranteed Obligations), including the occurrence of any of the following, whether or not any Guarantor shall have had notice or knowledge of any of them: (i) any failure or omission to assert or enforce or agreement or election not to assert or enforce, or the stay or enjoining, by order of court, by operation of law or otherwise, of the exercise or enforcement of, any claim or demand or any right, power or remedy (whether arising under the Loan Documents, at law, in equity or otherwise) with respect to the Guaranteed Obligations or any agreement relating thereto, or with respect to any other guaranty of or security for the payment of the Guaranteed Obligations; (ii) any rescission, waiver, amendment or modification of, or any consent to departure from, any of the terms or provisions (including provisions relating to events of default) hereof, any of the other Loan Documents or any agreement or instrument executed pursuant thereto, or of any other guaranty or security for the Guaranteed Obligations, in each case whether or not in accordance with the terms hereof or such Loan Document or any agreement relating to such other guaranty or security; (iii) the Guaranteed Obligations, or any agreement relating thereto, at any time being found to be illegal, invalid or unenforceable in any respect; (iv) the application of payments received from any source (other than payments received pursuant to the other Loan Documents or from the proceeds of any security for the Guaranteed Obligations, except to the extent such security also serves as collateral for indebtedness other than the Guaranteed Obligations) to the payment of indebtedness other than the Guaranteed Obligations, even though any Beneficiary might have elected to apply such payment to any part or all of the Guaranteed Obligations; (v) any Beneficiary's consent to the change, reorganization or termination of the corporate structure or existence of Borrower or any of its Subsidiaries and to any corresponding restructuring of the Guaranteed Obligations; (vi) any failure to perfect or continue perfection of a security interest in any collateral which secures any of the Guaranteed Obligations; (vii) any defenses, set offs or counterclaims which Company may allege or assert against any Beneficiary in respect of the Guaranteed Obligations, including failure of consideration, breach of warranty, payment, statute of frauds, statute of limitations, accord and satisfaction and usury; and (viii) any other act or thing or omission,

or delay to do any other act or thing, which may or might in any manner or to any extent vary the risk of any Guarantor as an obligor in respect of the Guaranteed Obligations.

Section 7.5 Waivers by Guarantors. Each Guarantor hereby waives, for the benefit of Beneficiaries: (a) any right to require any Beneficiary, as a condition of payment or performance by such Guarantor, to (i) proceed against Company, any other guarantor (including any other Guarantor) of the Guaranteed Obligations or any other Person, (ii) proceed against or exhaust any security held from Company, any such other guarantor or any other Person, (iii) proceed against or have resort to any balance of any Deposit Account or credit on the books of any Beneficiary in favor of Company or any other Person, or (iv) pursue any other remedy in the power of any Beneficiary whatsoever; (b) any defense arising by reason of the incapacity, lack of authority or any disability or other defense of Company or any other Guarantor including any defense based on or arising out of the lack of validity or the unenforceability of the Guaranteed Obligations or any agreement or instrument relating thereto or by reason of the cessation of the liability of Company or any other Guarantor from any cause other than payment in full in cash of the Guaranteed Obligations; (c) any defense based upon any statute or rule of law which provides that the obligation of a surety must be neither larger in amount nor in other respects more burdensome than that of the principal; (d) any defense based upon any Beneficiary's errors or omissions in the administration of the Guaranteed Obligations, except behavior which amounts to bad faith; (e) (i) any principles or provisions of law, statutory or otherwise, which are or might be in conflict with the terms hereof and any legal or equitable discharge of such Guarantor's obligations hereunder, (ii) the benefit of any statute of limitations affecting such Guarantor's liability hereunder or the enforcement hereof, (iii) any rights to set offs, recoupments and counterclaims, and (iv) promptness, diligence and any requirement that any Beneficiary protect, secure, perfect or insure any security interest or lien or any property subject thereto; (f) notices, demands, presentments, protests, notices of protest, notices of dishonor and notices of any action or inaction, including acceptance hereof, notices of default hereunder or any agreement or instrument related thereto, notices of any renewal, extension or modification of the Guaranteed Obligations or any agreement related thereto, notices of any extension of credit to Company and notices of any of the matters referred to in Section 7.4 and any right to consent to any thereof; and (g) any defenses or benefits that may be derived from or afforded by law which limit the liability of or exonerate guarantors or sureties, or which may conflict with the terms hereof.

Section 7.6 Guarantors' Rights of Subrogation, Contribution, Etc. Until the Guaranteed Obligations shall have been indefeasibly paid in cash in full and the Delayed Draw Term Loan Commitments have been terminated, each Guarantor hereby waives any claim, right or remedy, direct or indirect, that such Guarantor now has or may hereafter have against Company or any other Guarantor or any of its assets in connection with this Guaranty or the performance by such Guarantor of its obligations hereunder, in each case whether such claim, right or remedy arises in equity, under contract, by statute, under common law or otherwise and including without limitation (a) any right of subrogation, reimbursement or indemnification that such Guarantor now has or may hereafter have against Company with respect to the Guaranteed Obligations, (b) any right to enforce, or to participate in, any claim, right or remedy that any Beneficiary now has or may hereafter have against Company, and (c) any benefit of, and any right to participate in, any collateral or security now or hereafter held by any Beneficiary. In addition, until the Guaranteed Obligations shall have been indefeasibly paid in full and the Delayed Draw Term Loan Commitments have been terminated, each Guarantor shall withhold exercise of any right of contribution such Guarantor may have against any other guarantor (including any other Guarantor) of the Guaranteed Obligations, including, without limitation, any such right of contribution as contemplated by Section 7.2. Each Guarantor further agrees that, to the extent the waiver or agreement to withhold the exercise of its rights of subrogation, reimbursement, indemnification and contribution as set forth herein is found by a court of competent jurisdiction to be void or voidable for any reason, any rights of subrogation, reimbursement or indemnification such Guarantor may have against Company or against any collateral or security, and any rights of contribution such Guarantor may have against any such other guarantor, shall be

junior and subordinate to any rights any Beneficiary may have against Company, to all right, title and interest any Beneficiary may have in any such collateral or security, and to any right any Beneficiary may have against such other guarantor. If any amount shall be paid to any Guarantor on account of any such subrogation, reimbursement, indemnification or contribution rights at any time when all Guaranteed Obligations shall not have been finally and indefeasibly paid in full, such amount shall be held in trust for Administrative Agent on behalf of Beneficiaries and shall forthwith be paid over to Administrative Agent for the benefit of Beneficiaries to be credited and applied against the Guaranteed Obligations, whether matured or unmatured, in accordance with the terms hereof.

Section 7.7 Subordination of Other Obligations. Any Indebtedness of Company or any Guarantor now or hereafter held by any Guarantor is hereby subordinated in right of payment to the Guaranteed Obligations, and any such indebtedness collected or received by such Guarantor after an Event of Default has occurred and is continuing shall be held in trust for Administrative Agent on behalf of the Beneficiaries and, upon demand by the Administrative Agent, shall forthwith be paid over to Administrative Agent for the benefit of Beneficiaries to be credited and applied against the Guaranteed Obligations but without affecting, impairing or limiting in any manner the liability of such Guarantor under any other provision hereof.

Section 7.8 Continuing Guaranty. This Guaranty is a continuing guaranty and shall remain in effect until all of the Guaranteed Obligations shall have been indefeasibly paid in full and the Delayed Draw Term Loan Commitments have been terminated. Each Guarantor hereby irrevocably waives any right to revoke this Guaranty as to future transactions giving rise to any Guaranteed Obligations.

Section 7.9 Authority of Guarantors or Company. It is not necessary for any Beneficiary to inquire into the capacity or powers of any Guarantor or Company or the officers, directors or agents acting or purporting to act on behalf of any of them.

Section 7.10 Financial Condition of Company. Any Credit Extension may be made to Company or continued from time to time without notice to or authorization from any Guarantor regardless of the financial or other condition of Company at the time of any such grant or continuation is entered into, as the case may be. No Beneficiary shall have any obligation to disclose or discuss with any Guarantor its assessment, or any Guarantor's assessment, of the financial condition of Company. Each Guarantor has adequate means to obtain information from Company on a continuing basis concerning the financial condition of Company and its ability to perform its obligations under the Loan Documents, and each Guarantor assumes the responsibility for being and keeping informed of the financial condition of Company and of all circumstances bearing upon the risk of non-payment of the Guaranteed Obligations. Each Guarantor hereby waives and relinquishes any duty on the part of any Beneficiary to disclose any matter, fact or thing relating to the business, operations or conditions of Company now known or hereafter known by any Beneficiary.

Section 7.11 Bankruptcy, Etc.

(a) So long as any Guaranteed Obligations remain outstanding, no Guarantor shall, without the prior written consent of Administrative Agent acting pursuant to the instructions of Required Lenders, commence or join with any other Person in commencing any bankruptcy, reorganization or insolvency case or proceeding of or against Company or any other Guarantor. The obligations of Guarantors hereunder shall not be reduced, limited, impaired, discharged, deferred, suspended or terminated by any case or proceeding, voluntary or involuntary, involving the bankruptcy, insolvency, receivership, administration, reorganization, liquidation or arrangement of Company or any other Guarantor or by any defense which Company or any other Guarantor may have by reason of the order, decree or decision of any court or administrative body resulting from any such proceeding.

(b) Each Guarantor acknowledges and agrees that any interest on any portion of the Guaranteed Obligations which accrues after the commencement of any case or proceeding referred to in clause (a) above (or, if interest on any portion of the Guaranteed Obligations ceases to accrue by operation of law by reason of the commencement of such case or proceeding, such interest as would have accrued on such portion of the Guaranteed Obligations if such case or proceeding had not been commenced) shall be included in the Guaranteed Obligations because it is the intention of Guarantors and Beneficiaries that the Guaranteed Obligations which are guaranteed by Guarantors pursuant hereto should be determined without regard to any rule of law or order which may relieve Company of any portion of such Guaranteed Obligations. Guarantors will permit any trustee in bankruptcy, receiver, administrator, debtor in possession, assignee for the benefit of creditors or similar person to pay Administrative Agent, or allow the claim of Administrative Agent in respect of, any such interest accruing after the date on which such case or proceeding is commenced.

(c) In the event that all or any portion of the Guaranteed Obligations are paid by Company, the obligations of Guarantors hereunder shall continue and remain in full force and effect or be reinstated, as the case may be, in the event that all or any part of such payment(s) are rescinded or recovered directly or indirectly from any Beneficiary as a preference, fraudulent transfer or otherwise, and any such payments which are so rescinded or recovered shall constitute Guaranteed Obligations for all purposes hereunder.

Section 7.12 Discharge of Guaranty Upon Sale of Guarantor. If all of the Capital Stock of any Guarantor or any of its successors in interest hereunder shall be sold or otherwise disposed of (including by merger or consolidation) in accordance with the terms and conditions hereof, the Guaranty of such Guarantor or such successor in interest, as the case may be, hereunder shall automatically be discharged and released without any further action by any Beneficiary or any other Person effective as of the time of such Asset Sale.

ARTICLE VIII

EVENTS OF DEFAULT

Section 8.1 Events of Default. If any one or more of the following conditions or events shall occur:

(a) Failure to Make Payments When Due. Failure by Company to pay (i) the principal of and premium, if any, on any Term Loan when due whether at stated maturity, by acceleration or otherwise; or (ii) within [***] when due any interest on any Term Loan or any fee or any other amount due hereunder; or

(b) Default in Other Agreements. (i) Failure of any Loan Party or any Loan Party's Subsidiaries to pay when due any principal of or interest on or any other amount payable in respect of one or more items of Indebtedness (other than Indebtedness referred to in Section 8.1(a)) in an individual principal amount of [***] or more or with an aggregate principal amount of [***] or more, in each case beyond the grace period, if any, provided therefor, or (ii) breach or default by any Loan Party with respect to any other material term of (A) one or more items of Indebtedness in the individual or aggregate principal amounts referred to in clause (i) above, or (B) any loan agreement, mortgage, indenture or other agreement relating to such item(s) of Indebtedness, in each case beyond the grace period, if any, provided therefor, if the effect of such breach or default is to cause, or to permit the holder or holders of that Indebtedness (or a trustee on behalf of such holder or holders), to cause, that Indebtedness to become or be declared due and payable (or subject to a compulsory repurchase or redeemable) or to require the prepayment, redemption, repurchase or defeasance of, or to cause Borrower or any of Borrower's Subsidiaries to make any offer to

prepay, redeem, repurchase or defease such Indebtedness, prior to its stated maturity or the stated maturity of any underlying obligation, as the case may be; or

(c) Breach of Certain Covenants. Failure of any Loan Party to perform or comply with any term or condition contained in Section 2.2, Section 5.1(a)-(h) and (k)-(p), Section 5.2, Section 5.7, Section 5.8, Section 5.10, Section 5.11, Section 5.13, Section 5.14, or Article VI; or

(d) Breach of Representations, Etc. Any representation, warranty, certification or other statement made or deemed made by any Loan Party in any Loan Document or in any statement or certificate at any time given by any Loan Party or any of Borrower's Subsidiaries in writing pursuant hereto or thereto or in connection herewith or therewith shall be false in any material respect (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) as of the date made or deemed made; or

(e) Other Defaults Under Loan Documents. Any Loan Party shall default in the performance of or compliance with any term contained herein or any of the other Loan Documents, other than any such term referred to in any other Section of this Section 8.1, and such default shall not have been remedied or waived within [***] after the earlier of (i) an officer of such Loan Party becoming aware of such default, or (ii) receipt by Company of notice from Administrative Agent or any Lender of such default; or

(f) Involuntary Bankruptcy; Appointment of Receiver, Etc. (i) A court of competent jurisdiction shall enter a decree or order for relief in respect of Borrower or any of its Subsidiaries in an involuntary case under the Bankruptcy Code or under any other applicable bankruptcy, insolvency or similar law now or hereafter in effect, which decree or order is not stayed; or any other similar relief shall be granted under any applicable federal or state law; or (ii) an involuntary case shall be commenced against Borrower or any of its Subsidiaries under the Bankruptcy Code or under any other applicable bankruptcy, insolvency or similar law now or hereafter in effect; or a decree or order of a court having jurisdiction in the premises for the appointment of a receiver, administrator, liquidator, sequestrator, trustee, custodian or other officer having similar powers over Borrower or any of its Subsidiaries, or over all or a substantial part of its property, shall have been entered; or there shall have occurred the involuntary appointment of an interim receiver, administrator, trustee or other custodian of Borrowers or any of its Subsidiaries for all or a substantial part of its property; or a warrant of attachment, execution or similar process shall have been issued against any substantial part of the property of Borrower or any of its Subsidiaries, and any such event described in this clause (ii) shall continue for [***] without having been dismissed, bonded or discharged; or

(g) Voluntary Bankruptcy; Appointment of Receiver, Etc. (i) Borrower or any of its Subsidiaries shall have an order for relief entered with respect to it or shall commence a voluntary case under the Bankruptcy Code or under any other applicable bankruptcy, insolvency or similar law now or hereafter in effect, or shall consent to the entry of an order for relief in an involuntary case, or to the conversion of an involuntary case to a voluntary case, under any such law, or shall consent to the appointment of or taking possession by a receiver, administrator, trustee or other custodian for all or a substantial part of its property; or Borrower or any of its Subsidiaries shall make any assignment for the benefit of creditors; or (ii) Borrower or any of its Subsidiaries shall be unable, or shall fail generally, or shall admit in writing its inability, to pay its debts as such debts become due; or the Board of Directors (or similar governing body) of Borrower or any of its Subsidiaries shall adopt any resolution or otherwise authorize any action to approve any of the actions referred to herein or in Section 8.1(f); or

(h) Judgments and Attachments. Any money judgment, writ or warrant of attachment or similar process involving (i) in any individual case an amount in excess of [***] or (ii) in the aggregate at any time an amount in excess of [***] (in either case to the extent not adequately covered by insurance as to which a solvent and unaffiliated insurance company has acknowledged coverage) shall be entered or filed against Borrower or any of its Subsidiaries or any of their respective assets and shall remain undischarged, unvacated, unbonded or unstayed for a period of [***] (or in any event later than [***] prior to the date of any proposed sale thereunder); or

(i) Dissolution. Any order, judgment or decree shall be entered against any Loan Party or any of its Subsidiaries decreeing the dissolution or split up of such Loan Party or any of its Subsidiaries and such order shall remain undischarged or unstayed for a period in excess of [***]; or

(j) Change of Control. A Change of Control shall occur; or

(k) Guaranties, Collateral Documents and other Loan Documents. At any time after the execution and delivery thereof, (i) the Guaranty for any reason, other than the satisfaction in full in cash of all Obligations, shall cease to be in full force and effect (other than in accordance with its terms) or shall be declared to be null and void or any Guarantor shall repudiate its obligations thereunder, (ii) this Agreement or any Collateral Document ceases to be in full force and effect (other than by reason of a release of Collateral in accordance with the terms hereof or thereof or the satisfaction in full in cash of the Obligations in accordance with the terms hereof) or shall be declared null and void, or Administrative Agent shall not have or shall cease to have a valid and perfected Lien in any Collateral purported to be covered by the Collateral Documents with the priority required by the relevant Collateral Document, in each case for any reason other than the failure of Administrative Agent or any Secured Party to take any action within its control, or (iii) any Loan Party shall contest the validity or enforceability of any Loan Document in writing or deny in writing that it has any further liability, including with respect to future advances by Lenders, under any Loan Document to which it is a party; or

(l) Proceedings. The indictment of any Loan Party or any of its Subsidiaries under any criminal statute, or commencement of criminal or civil proceedings against any Loan Party or any of its Subsidiaries pursuant to which statute or proceedings the penalties or remedies sought or available include forfeiture to any Governmental Authority of any material portion of the property of such Person; or

(m) ERISA. The occurrence of any ERISA Event which, individually or in the aggregate, has resulted or would reasonably be expected to result in a Material Adverse Effect; or

(n) Regulatory Event. (i) U.S. marketing approval of any Product (Core) is suspended pursuant to Section 505(e) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. § 355(e)) on a finding that there is an imminent hazard to the public health, or (ii) Borrower or any of its Affiliates receives a notification from FDA under Section 505(e) and 21 C.F.R. § 314.150 that FDA intends to withdraw U.S. marketing approval of any Product (Core) or such notification is published in the Federal Register (each, a "Regulatory Withdrawal Notice") and that, notwithstanding the Company's opportunity to request a hearing or otherwise oppose FDA's actions, such Regulatory Withdrawal Notice is reasonably likely to result in the FDA's withdrawal of U.S. marketing approval for such Product (Core) (as determined by an independent third party regulatory expert selected by Administrative Agent and reasonably acceptable to Borrower pursuant to the procedure set forth below).

Section 8.2 Remedies. Upon the occurrence and during the continuance of any Event of Default, Administrative Agent may, and shall at the request of the Required Lenders:

(a) declare that all or any portion of the Delayed Draw Term Loan Commitments shall immediately terminate and the unpaid principal amount of all outstanding Term Loans, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder or under any other Loan Document to be immediately due and payable; without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by each Loan Party; and/or

(b) exercise on behalf of themselves and the Lenders all rights and remedies available to them and the Lenders under the Loan Documents or applicable law or in equity or under any other instrument, document or agreement now existing or hereafter arising;

provided, that upon the occurrence of any event specified in Section 8.1(f) or (g) above, the unpaid principal amount of all outstanding Term Loans and all interest and other amounts as aforesaid shall automatically become due and payable without further act of Administrative Agent or any Lender.

Section 8.3 Rights Not Exclusive. The rights provided for in this Agreement and the other Loan Documents are cumulative and are not exclusive of any other rights, powers, privileges or remedies provided by law or in equity, or under any other instrument, document or agreement now existing or hereafter arising.

ARTICLE IX

ADMINISTRATIVE AGENT

Section 9.1 Appointment of Administrative Agent.

(a) TAO Talents is hereby appointed Administrative Agent hereunder and under the other Loan Documents and each Lender hereby authorizes TAO Talents, in such capacity, to act as its agent in accordance with the terms hereof and the other Loan Documents to perform, exercise and enforce any and all other rights and remedies of the Lenders with respect to the Loan Parties, the Obligations or otherwise related to any of same to the extent reasonably incidental to the exercise by Administrative Agent of the rights and remedies specifically authorized to be exercised by Administrative Agent by the terms of this Agreement or any other Loan Parties.

(b) Administrative Agent hereby agrees to act upon the express conditions contained herein and the other Loan Documents, as applicable. The provisions of this Article IX (other than Section 9.8(a)(ii)) are solely for the benefit of Administrative Agent and Lenders and no Loan Party shall have any rights as a third party beneficiary of any of the provisions thereof. In performing its functions and duties hereunder, Administrative Agent shall act solely as an agent of Lenders and does not assume and shall not be deemed to have assumed any obligation towards or relationship of agency or trust with or for Borrower or any of its Subsidiaries.

Section 9.2 Powers and Duties. Each Lender irrevocably authorizes Administrative Agent to take such action on such Lender's behalf and to exercise such powers, rights and remedies hereunder and under the other Loan Documents as are specifically delegated or granted to Administrative Agent by the terms hereof and thereof, together with such powers, rights and remedies as are reasonably incidental thereto. Administrative Agent shall have only those duties and responsibilities that are expressly specified herein and the other Loan Documents. Administrative Agent may exercise such powers, rights and remedies and perform such duties by or through its agents or employees Administrative Agent shall not have, by reason hereof or any of the other Loan Documents, a fiduciary relationship in respect of any Lender; and nothing herein or any of the other Loan Documents, expressed or implied, is intended to or

shall be so construed as to impose upon Administrative Agent any obligations in respect hereof or any of the other Loan Documents except as expressly set forth herein or therein.

Section 9.3 General Immunity.

(a) No Responsibility for Certain Matters. Administrative Agent shall not be responsible to any Lender for the execution, effectiveness, genuineness, validity, enforceability, collectability or sufficiency hereof or any other Loan Document or for any representations, warranties, recitals or statements made herein or therein or made in any written or oral statements or in any financial or other statements, instruments, reports or certificates or any other documents furnished or made by Administrative Agent to Lenders or by or on behalf of any Loan Party to Administrative Agent or any Lender in connection with the Loan Documents and the transactions contemplated thereby or for the financial condition or business affairs of any Loan Party or any other Person liable for the payment of any Obligations, nor shall Administrative Agent be required to ascertain or inquire as to the performance or observance of any of the terms, conditions, provisions, covenants or agreements contained in any of the Loan Documents or as to the use of the proceeds of the Loans or as to the existence or possible existence of any Event of Default or Default or to make any disclosures with respect to the foregoing. Anything contained herein to the contrary notwithstanding, Administrative Agent shall not have any liability arising from confirmations of the amount of outstanding Term Loans or the component amounts thereof.

(b) Exculpatory Provisions. Neither Administrative Agent nor any of its officers, partners, directors, employees or agents shall be liable to Lenders for any action taken or omitted by Administrative Agent under or in connection with any of the Loan Documents except to the extent caused by Administrative Agent's gross negligence or willful misconduct, as determined by a court of competent jurisdiction in a final, non-appealable order. Administrative Agent shall be entitled to refrain from any act or the taking of any action (including the failure to take an action) in connection herewith or any of the other Loan Documents or from the exercise of any power, discretion or authority vested in it hereunder or thereunder unless and until Administrative Agent shall have received instructions in respect thereof from Required Lenders (or such other Lenders as may be required to give such instructions under Section 10.5) and, upon receipt of such instructions from Required Lenders (or such other Lenders, as the case may be), Administrative Agent shall be entitled to act or (where so instructed) refrain from acting, or to exercise such power, discretion or authority, in accordance with such instructions. Without prejudice to the generality of the foregoing, (i) Administrative Agent shall be entitled to rely, and shall be fully protected in relying, upon any communication, instrument or document believed by it to be genuine and correct and to have been signed or sent by the proper Person or Persons, and shall be entitled to rely and shall be protected in relying on opinions and judgments of attorneys (who may be attorneys for Borrower and its Subsidiaries), accountants, experts and other professional advisors selected by it; and (ii) no Lender shall have any right of action whatsoever against Administrative Agent as a result of Administrative Agent acting or (where so instructed) refraining from acting hereunder or any of the other Loan Documents in accordance with the instructions of Required Lenders (or such other Lenders as may be required to give such instructions under Section 10.5).

(c) Notice of Default. Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default, except with respect to Events of Default in the payment of principal, interest and fees required to be paid to Administrative Agent for the account of the Lenders, unless Administrative Agent shall have received written notice from a Lender or the Loan Party referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default." Administrative Agent will notify the Lenders of its receipt of any such notice. Administrative Agent shall take such action with respect to any such Default or Event of Default as may be directed by the Required Lenders in accordance with Article VIII; provided, however, that unless and until Administrative Agent has received any such direction, Administrative Agent may (but shall not be obligated

to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable or in the best interest of the Lenders.

Section 9.4 Administrative Agent Entitled to Act as Lender. The agency hereby created shall in no way impair or affect any of the rights and powers of, or impose any duties or obligations upon, Administrative Agent in its individual capacity as a Lender hereunder. With respect to its participation in the Term Loans, Administrative Agent shall have the same rights and powers hereunder as any other Lender and may exercise the same as if it were not performing the duties and functions delegated to it hereunder, and the term "Lender" shall, unless the context clearly otherwise indicates, include Administrative Agent in its individual capacity. Administrative Agent and its Affiliates may accept deposits from, lend money to, own securities of, and generally engage in any kind of banking, trust, financial advisory or other business with Borrower or any of its Affiliates as if it were not performing the duties specified herein, and may accept fees and other consideration from Company for services in connection herewith and otherwise without having to account for the same to Lenders.

Section 9.5 Lenders' Representations, Warranties and Acknowledgment.

(a) Each Lender represents and warrants that it has made its own independent investigation of the financial condition and affairs of Borrower and its Subsidiaries in connection with Credit Extensions hereunder and that it has made and shall continue to make its own appraisal of the creditworthiness of Borrower and its Subsidiaries. Administrative Agent shall not have any duty or responsibility, either initially or on a continuing basis, to make any such investigation or any such appraisal on behalf of Lenders or to provide any Lender with any credit or other information with respect thereto, whether coming into its possession before the making of the Term Loans or at any time or times thereafter, and Administrative Agent shall not have any responsibility with respect to the accuracy of or the completeness of any information provided to Lenders.

(b) Each Lender, by delivering its signature page to this Agreement and funding its Term Loan on the Closing Date, shall be deemed to have acknowledged receipt of, and consented to and approved, each Loan Document and each other document required to be approved by Administrative Agent, Required Lenders or Lenders, as applicable on the Closing Date.

(c) Each Lender (i) represents and warrants that as of the Closing Date neither such Lender nor its Affiliates or Related Funds owns or controls, or owns or controls any Person owning or controlling, any trade debt or Indebtedness of any Loan Party other than the Obligations or any Capital Stock of any Loan Party and (ii) covenants and agrees that from and after the Closing Date neither such Lender nor its Affiliates and Related Funds shall purchase any trade debt or Indebtedness of any Loan Party other than the Obligations or Capital Stock described in clause (i) above without the prior written consent of Administrative Agent.

Section 9.6 Right to Indemnity. EACH LENDER, IN PROPORTION TO ITS PRO RATA SHARE, SEVERALLY AGREES TO INDEMNIFY ADMINISTRATIVE AGENT, ITS AFFILIATES AND ITS RESPECTIVE OFFICERS, PARTNERS, DIRECTORS, TRUSTEES, EMPLOYEES AND AGENTS OF ADMINISTRATIVE AGENT (EACH, AN "INDEMNITEE AGENT PARTY"), TO THE EXTENT THAT SUCH INDEMNITEE AGENT PARTY SHALL NOT HAVE BEEN REIMBURSED BY ANY LOAN PARTY, FOR AND AGAINST ANY AND ALL LIABILITIES, OBLIGATIONS, LOSSES, DAMAGES, PENALTIES, ACTIONS, JUDGMENTS, SUITS, COSTS, EXPENSES (INCLUDING COUNSEL FEES AND DISBURSEMENTS) OR DISBURSEMENTS OF ANY KIND OR NATURE WHATSOEVER WHICH MAY BE IMPOSED ON, INCURRED BY OR ASSERTED AGAINST SUCH INDEMNITEE AGENT PARTY IN EXERCISING ITS POWERS, RIGHTS AND REMEDIES OR PERFORMING ITS DUTIES HEREUNDER OR UNDER THE OTHER LOAN

DOCUMENTS OR OTHERWISE IN ITS CAPACITY AS SUCH INDEMNITEE AGENT PARTY IN ANY WAY RELATING TO OR ARISING OUT OF THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS, **IN ALL CASES, WHETHER OR NOT CAUSED BY OR ARISING, IN WHOLE OR IN PART, OUT OF THE COMPARATIVE, CONTRIBUTORY, OR SOLE NEGLIGENCE OF SUCH INDEMNITEE AGENT PARTY**; PROVIDED, NO LENDER SHALL BE LIABLE FOR ANY PORTION OF SUCH LIABILITIES, OBLIGATIONS, LOSSES, DAMAGES, PENALTIES, ACTIONS, JUDGMENTS, SUITS, COSTS, EXPENSES OR DISBURSEMENTS RESULTING FROM SUCH INDEMNITEE AGENT PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, AS DETERMINED BY A COURT OF COMPETENT JURISDICTION IN A FINAL, NON-APPEALABLE ORDER. IF ANY INDEMNITY FURNISHED TO ANY INDEMNITEE AGENT PARTY FOR ANY PURPOSE SHALL, IN THE OPINION OF SUCH INDEMNITEE AGENT PARTY, BE INSUFFICIENT OR BECOME IMPAIRED, SUCH INDEMNITEE AGENT PARTY MAY CALL FOR ADDITIONAL INDEMNITY AND CEASE, OR NOT COMMENCE, TO DO THE ACTS INDEMNIFIED AGAINST UNTIL SUCH ADDITIONAL INDEMNITY IS FURNISHED; PROVIDED, IN NO EVENT SHALL THIS SENTENCE REQUIRE ANY LENDER TO INDEMNIFY ANY INDEMNITEE AGENT PARTY AGAINST ANY LIABILITY, OBLIGATION, LOSS, DAMAGE, PENALTY, ACTION, JUDGMENT, SUIT, COST, EXPENSE OR DISBURSEMENT IN EXCESS OF SUCH LENDER'S PRO RATA SHARE THEREOF; AND PROVIDED FURTHER, THIS SENTENCE SHALL NOT BE DEEMED TO REQUIRE ANY LENDER TO INDEMNIFY ANY INDEMNITEE AGENT PARTY AGAINST ANY LIABILITY, OBLIGATION, LOSS, DAMAGE, PENALTY, ACTION, JUDGMENT, SUIT, COST, EXPENSE OR DISBURSEMENT DESCRIBED IN THE PROVISO IN THE IMMEDIATELY PRECEDING SENTENCE.

Section 9.7 Successor Administrative Agent.

(a) Administrative Agent may resign at any time by giving thirty days' (or such shorter period as shall be agreed by the Required Lenders) prior written notice thereof to Lenders and Company. Upon any such notice of resignation, Required Lenders shall have the right, upon five Business Days' notice to Company, to appoint a successor Administrative Agent. If no successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may, on behalf of the Lenders appoint a successor Administrative Agent from among the Lenders. Upon the acceptance of any appointment as Administrative Agent hereunder by a successor Administrative Agent that successor Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall promptly (i) transfer to such successor Administrative Agent all sums, securities or Capital Stock and other items of Collateral held under the Collateral Documents, together with all records and other documents necessary or appropriate in connection with the performance of the duties of the successor Administrative Agent under the Loan Documents, and (ii) execute and deliver to such successor Administrative Agent such amendments to financing statements, and take such other actions, as may be necessary or appropriate in connection with the assignment to such successor Administrative Agent of the security interests created under the Collateral Documents, whereupon such retiring Administrative Agent shall be discharged from its duties and obligations hereunder. After any retiring Administrative Agent's resignation hereunder as Administrative Agent, the provisions of this Article IX shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent hereunder.

(b) Notwithstanding anything herein to the contrary, Administrative Agent may assign its rights and duties as Administrative Agent, as applicable, hereunder to an Affiliate of TAO Talents without the prior written consent of, or prior written notice to, Company or the Lenders; provided that Company and the Lenders may deem and treat such assigning Administrative Agent as Administrative Agent for all purposes hereof, unless and until such assigning Administrative Agent provides written notice

to Company and the Lenders of such assignment. Upon such assignment such Affiliate shall succeed to and become vested with all rights, powers, privileges and duties as Administrative Agent hereunder and under the other Loan Documents.

(c) Administrative Agent may perform any and all of its duties and exercise its rights and powers under this Agreement or under any other Loan Document by or through any one or more sub-agents appointed by Administrative Agent. Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Affiliates. The exculpatory, indemnification and other provisions of Section 9.3, Section 9.6 and of this Section 9.7 shall apply to any of the Affiliates of Administrative Agent and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent. All of the rights, benefits and privileges (including the exculpatory and indemnification provisions) of Section 9.3, Section 9.6 and of this Section 9.7 shall apply to any such sub-agent and to the Affiliates of any such sub-agent, and shall apply to their respective activities as sub-agent as if such sub-agent and Affiliates were named herein. Notwithstanding anything herein to the contrary, with respect to each sub-agent appointed by Administrative Agent, (i) such sub-agent shall be a third party beneficiary under this Agreement with respect to all such rights, benefits and privileges (including exculpatory and rights to indemnification) and shall have all of the rights, benefits and privileges of a third party beneficiary, including an independent right of action to enforce such rights, benefits and privileges (including exculpatory rights and rights to indemnification) directly, without the consent or joinder of any other Person, against any or all of the Loan Parties and the Lenders, (ii) such rights, benefits and privileges (including exculpatory rights and rights to indemnification) shall not be modified or amended without the consent of such sub-agent, and (iii) such sub-agent shall only have obligations to Administrative Agent and not to any Loan Party, Lender or any other Person and no Loan Party, Lender or any other Person shall have the rights, directly or indirectly, as a third party beneficiary or otherwise, against such sub-agent.

Section 9.8 Collateral Documents and Guaranty.

(a) Administrative Agent under Collateral Documents and Guaranty. Each Lender hereby further authorizes Administrative Agent on behalf of and for the benefit of Lenders, to be the agent for and representative of Lenders with respect to the Guaranty, the Collateral and the Collateral Documents. Subject to Section 10.5, without further written consent or authorization from Lenders, Administrative Agent (i) may execute any documents or instruments necessary to (A) release any Lien encumbering any item of Collateral that is the subject of a sale or other disposition of assets permitted hereby or to which Required Lenders (or such other Lenders as may be required to give such consent under Section 10.5) have otherwise consented, or (B) release any Guarantor from the Guaranty pursuant to Section 7.12 or with respect to which Required Lenders (or such other Lenders as may be required to give such consent under Section 10.5) have otherwise consented and (ii) shall (A) enter into an intercreditor agreement, in form and substance satisfactory to Administrative Agent in its sole discretion, with respect to Permitted Priority Indebtedness, (B) enter into the Senior Lender Intercreditor Agreement, (C) if requested by Borrower, enter into customary non-disturbance agreements, in form and substance reasonably satisfactory to the Administrative Agent, in connection with the entry by Borrower or any Subsidiary into any Permitted Product Agreement and (D) [***].

(b) Right to Realize on Collateral and Enforce Guaranty. Anything contained in any of the Loan Documents to the contrary notwithstanding, Company, Administrative Agent and each Lender hereby agree that (i) no Lender shall have any right individually to realize upon any of the Collateral or to enforce the Guaranty, it being understood and agreed that all powers, rights and remedies hereunder may be exercised solely by Administrative Agent, on behalf of Lenders in accordance with the terms hereof and all powers, rights and remedies under the Collateral Documents may be exercised solely by Administrative Agent, and (ii) in the event of a foreclosure by Administrative Agent on any of the Collateral pursuant to a

public or private sale or any sale of the Collateral in a case under the Bankruptcy Code, Administrative Agent or any Lender may be the purchaser of any or all of such Collateral at any such sale and Administrative Agent, as agent for and representative of Secured Parties (but not any Lender or Lenders in its or their respective individual capacities unless Required Lenders shall otherwise agree in writing) shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any such public sale, to use and apply any of the Obligations as a credit on account of the purchase price for any collateral payable by Administrative Agent at such sale.

Section 9.9 Agency for Perfection. Administrative Agent and each Lender hereby appoints each other Lender as agent and bailee for the purpose of perfection the security interests in and liens upon the Collateral in assets which, in accordance with Article 9 of the UCC, can be perfected only by possession or control (or where the security interest of a secured party with possession or control has priority over the security interest of another secured party) and Administrative Agent and each Lender hereby acknowledges that it holds possession of or otherwise controls any such Collateral for the benefit of the Lenders as secured party. Should any Lender obtain possession or control of any such Collateral, such Lender shall notify Administrative Agent thereof, and, promptly upon Administrative Agent's request therefore shall deliver such Collateral to Administrative Agent or in accordance with Administrative Agent's instructions. In addition, Administrative Agent shall also have the power and authority hereunder to appoint such other sub-agents as may be necessary or required under applicable state law or otherwise to perform its duties and enforce its rights with respect to the Collateral and under the Loan Documents. Each Loan Party by its execution and delivery of this Agreement hereby consents to the foregoing.

Section 9.10 Reports and Other Information; Confidentiality; Disclaimers. By becoming a party to this Agreement, each Lender:

(a) is deemed to have requested that Administrative Agent furnish such Lender or Administrative Agent, promptly after it becomes available, a copy of each field audit or examination report with respect to Borrower or its Subsidiaries (each a "Report" and collectively, "Reports") prepared by or at the request of Administrative Agent, and Administrative Agent shall so furnish each Lender with such Reports,

(b) expressly agrees and acknowledges that Administrative Agent does not (i) make any representation or warranty as to the accuracy of any Report, and (ii) shall not be liable for any information contained in any Report,

(c) expressly agrees and acknowledges that the Reports are not comprehensive audits or examinations, that Administrative Agent or other party performing any audit or examination will inspect only specific information regarding Borrower and its Subsidiaries and will rely significantly upon Borrower's and its Subsidiaries' books and records, as well as on representations of such Person's personnel,

(d) agrees to keep all Reports and other material, non-public information regarding Borrower and its Subsidiaries and their operations, assets, and existing and contemplated business plans in a confidential manner in accordance with Section 10.19, and

(e) without limiting the generality of any other indemnification provision contained in this Agreement, agrees: (i) to hold Administrative Agent and any other Lender preparing a Report harmless from any action the indemnifying Lender may take or fail to take or any conclusion the indemnifying Lender may reach or draw from any Report in connection with any loans or other credit accommodations that the indemnifying Lender has made or may make to Company, or the indemnifying Lender's participation in, or the indemnifying Lender's purchase of, a loan or loans of Company, and (ii) to pay and protect, and

indemnify, defend and hold Administrative Agent, and any such other Lender preparing a Report harmless from and against, the claims, actions, proceedings, damages, costs, expenses, and other amounts (including, attorneys' fees and costs) incurred by Administrative Agent and any such other Lender or agent preparing a Report as the direct or indirect result of any third parties who might obtain all or part of any Report through the indemnifying Lender or Administrative Agent.

In addition to the foregoing: (x) any Lender may from time to time request of Administrative Agent in writing that Administrative Agent provide to such Lender a copy of any report or document provided by Borrower or its Subsidiaries to Administrative Agent that has not been contemporaneously provided by Borrower or such Subsidiary to such Lender, and, upon receipt of such request, Administrative Agent promptly shall provide a copy of same to such Lender, (y) to the extent that Administrative Agent is entitled, under any provision of the Loan Documents, to request additional reports or information from Borrower or its Subsidiaries, any Lender may, from time to time, reasonably request Administrative Agent to exercise such right as specified in such Lender's notice to Administrative Agent, whereupon Administrative Agent promptly shall request of Company the additional reports or information reasonably specified by such Lender, and, upon receipt thereof from Company or such Subsidiary, Administrative Agent promptly shall provide a copy of same to such Lender, and (z) any time that Administrative Agent renders to Company a statement regarding the Loan Account, Administrative Agent shall send a copy of such statement to each Lender.

Section 9.11 Protective Advances. Subject to the limitations set forth below, upon the occurrence and during the continuance of an Event of Default, Administrative Agent is authorized by Company and the Lenders, from time to time in Administrative Agent's sole discretion (but Administrative Agent shall have absolutely no obligation to), to make disbursements or advances to Company, which Administrative Agent, in its sole discretion, deems necessary or desirable (i) to preserve or protect the Collateral, or any portion thereof, (ii) to enhance the likelihood of, or maximize the amount of, repayment of the Loans and other Obligations, or (iii) to pay any other amount chargeable to or required to be paid by Company pursuant to the terms of this Agreement and the other Loan Documents, including, without limitation, payments of principal, interest, fees and reimbursable expenses (any of such Loans are in this clause (c) referred to as "Protective Advances"). Protective Advances may be made even if the conditions precedent set forth in Article III have not been satisfied. The interest rate on all Protective Advances shall be at the Base Rate plus the Applicable Margin. Each Protective Advance shall be secured by the Liens in favor of Collateral Agent in and to the Collateral and shall constitute Obligations hereunder. The Protective Advances shall constitute Obligations hereunder which may be charged to the Loan Account in accordance with Section 2.12(i). Company shall pay the unpaid principal amount and all unpaid and accrued interest of each Protective Advance on the earlier of the Term Loan Maturity Date and the date on which demand for payment is made by Administrative Agent. Administrative Agent shall notify each Lender and Company in writing of each such Protective Advance, which notice shall include a description of the purpose of such Protective Advance. Without limitation to its obligations pursuant to Section 9.6, each Lender agrees that it shall make available to Administrative Agent, upon such Administrative Agent's demand, in Dollars in immediately available funds, the amount equal to such Lender's Pro Rata Share of each such Protective Advance. If such funds are not made available to Administrative Agent by such Lender, Administrative Agent shall be entitled to recover such funds on demand from such Lender, together with interest thereon for each day from the date such payment was due until the date such amount is paid to Administrative Agent, at the Federal Funds Rate for three (3) Business Days and thereafter at the Base Rate.

ARTICLE X

MISCELLANEOUS

Section 10.1 Notices.

(a) Notices Generally. Unless otherwise specifically provided herein, any notice or other communication herein required or permitted to be given to a Loan Party, Administrative Agent, shall be sent to such Person's address as set forth on Appendix B or in the other relevant Loan Document, and in the case of any Lender, the address as indicated on Appendix B or otherwise indicated to Administrative Agent in writing. Each notice hereunder shall be in writing and may be personally served, telexed or sent by facsimile or United States mail or courier service and shall be deemed to have been given when delivered in person or by courier service and signed for against receipt thereof, upon receipt of facsimile, or [***] after depositing it in the United States mail with postage prepaid and properly addressed; provided, no notice to Administrative Agent shall be effective until received by Administrative Agent.

(b) Electronic Communications.

(i) Administrative Agent and Company may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications. Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by Administrative Agent, provided that the foregoing shall not apply to notices to any Lender pursuant to Article II if such Lender has notified Administrative Agent that it is incapable of receiving notices under such Article by electronic communication.

(ii) Unless Administrative Agent otherwise prescribes, (A) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (B) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient, at its e-mail address as described in the foregoing clause (A), of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (A) and (B) above, if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient.

Section 10.2 Expenses. Whether or not the transactions contemplated hereby shall be consummated, Company agrees to pay promptly (a) all of Administrative Agent's actual and reasonable costs and expenses of preparation, negotiation, execution and administration of the Loan Documents and any consents, amendments, waivers or other modifications thereto; (b) all the reasonable fees, expenses and disbursements of counsel to Administrative Agent in connection with the negotiation, preparation, execution and administration of the Loan Documents and any consents, amendments, waivers or other modifications thereto and any other documents or matters requested by Company; (c) all the actual costs and reasonable expenses of creating and perfecting Liens in favor of Administrative Agent, for the benefit of Secured Parties, including filing and recording fees, expenses and taxes, stamp or documentary taxes, search fees, title insurance premiums and reasonable fees, expenses and disbursements of counsel to Administrative Agent and of counsel providing any opinions that Administrative Agent or Required Lenders may request in respect of the Collateral or the Liens created pursuant to the Collateral Documents; (d) all of Administrative Agent 's actual costs and reasonable fees, expenses for, and disbursements of any

of Administrative Agent's auditors, accountants, consultants or appraisers whether internal or external, and all reasonable attorneys' fees (including allocated costs of internal counsel and expenses and disbursements of outside counsel) incurred by Administrative Agent; (e) all the actual costs and reasonable expenses (including the reasonable fees, expenses and disbursements of any appraisers, consultants, advisors and agents employed or retained by Administrative Agent and its counsel) in connection with the custody or preservation of any of the Collateral; (f) all the actual costs and reasonable expenses of Administrative Agent and Lenders in connection with the attendance at any meetings in connection with this Agreement and the other Loan Documents (including the meetings referred to in Section 5.7); (g) all other actual and reasonable costs and expenses incurred by Administrative Agent in connection with the syndication of the Loans and Commitments and the negotiation, preparation and execution of the Loan Documents and any consents, amendments, waivers or other modifications thereto and the transactions contemplated thereby; and (h) after the occurrence of a Default or an Event of Default, all costs and expenses, including reasonable attorneys' fees (including allocated costs of internal counsel) and costs of settlement, incurred by Administrative Agent and Lenders in enforcing any Obligations of or in collecting any payments due from any Loan Party hereunder or under the other Loan Documents by reason of such Default or Event of Default (including in connection with the sale of, collection from, or other realization upon any of the Collateral or the enforcement of the Guaranty) or in connection with any refinancing or restructuring of the credit arrangements provided hereunder in the nature of a "work out" or pursuant to any insolvency or bankruptcy cases or proceedings. Notwithstanding the foregoing, the amount obligated to be paid by Company pursuant to this Section 10.2 for costs and expenses incurred prior to the Closing Date, together with all costs and expenses payable by Company and its Subsidiaries related to the AYVAKIT/BLU-263 Purchase Agreement and any related transactions with Administrative Agent, the Lenders and/or their Affiliates prior to the Closing Date, shall not exceed [***], plus the actual cost of any collateral filing and recordation fees and searches, without the prior written consent of Company.

Section 10.3 Indemnity.

(a) IN ADDITION TO THE PAYMENT OF EXPENSES PURSUANT TO SECTION 10.2, WHETHER OR NOT THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE CONSUMMATED, EACH LOAN PARTY AGREES TO DEFEND (SUBJECT TO INDEMNITEES' SELECTION OF COUNSEL), INDEMNIFY, PAY AND HOLD HARMLESS, ADMINISTRATIVE AGENT AND LENDER, THEIR AFFILIATES AND THEIR RESPECTIVE OFFICERS, PARTNERS, DIRECTORS, TRUSTEES, EMPLOYEES AND AGENTS OF ADMINISTRATIVE AGENT AND EACH LENDER (EACH, AN "INDEMNITEE"), FROM AND AGAINST ANY AND ALL INDEMNIFIED LIABILITIES, **IN ALL CASES, WHETHER OR NOT CAUSED BY OR ARISING, IN WHOLE OR IN PART, OUT OF THE COMPARATIVE, CONTRIBUTORY, OR SOLE NEGLIGENCE OF SUCH INDEMNITEE**; PROVIDED, NO LOAN PARTY SHALL HAVE ANY OBLIGATION TO ANY INDEMNITEE HEREUNDER WITH RESPECT TO ANY INDEMNIFIED LIABILITIES TO THE EXTENT SUCH INDEMNIFIED LIABILITIES ARISE FROM THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, AS DETERMINED BY A COURT OF COMPETENT JURISDICTION IN A FINAL, NON-APPEALABLE ORDER, OF THAT INDEMNITEE. TO THE EXTENT THAT THE UNDERTAKINGS TO DEFEND, INDEMNIFY, PAY AND HOLD HARMLESS SET FORTH IN THIS SECTION 10.3 MAY BE UNENFORCEABLE IN WHOLE OR IN PART BECAUSE THEY ARE VIOLATIVE OF ANY LAW OR PUBLIC POLICY, THE APPLICABLE LOAN PARTY SHALL CONTRIBUTE THE MAXIMUM PORTION THAT IT IS PERMITTED TO PAY AND SATISFY UNDER APPLICABLE LAW TO THE PAYMENT AND SATISFACTION OF ALL INDEMNIFIED LIABILITIES INCURRED BY INDEMNITEES OR ANY OF THEM.

(b) To the extent permitted by applicable law, no Loan Party shall assert, and each Loan Party hereby waives, any claim against Lenders, Administrative Agent and their respective Affiliates, directors, employees, attorneys or agents, on any theory of liability, for special, indirect, consequential or

punitive damages (as opposed to direct or actual damages) (whether or not the claim therefor is based on contract, tort or duty imposed by any applicable legal requirement) arising out of, in connection with, as a result of, or in any way related to, this Agreement or any Loan Document or any agreement or instrument contemplated hereby or thereby or referred to herein or therein, the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof or any act or omission or event occurring in connection therewith, and Company hereby waives, releases and agrees not to sue upon any such claim or any such damages, whether or not accrued and whether or not known or suspected to exist in its favor.

Section 10.4 Set-Off. In addition to any rights now or hereafter granted under applicable law and not by way of limitation of any such rights, upon the occurrence of any Event of Default each Lender, and their respective Affiliates is hereby authorized by each Loan Party at any time or from time to time subject to the consent of Administrative Agent (such consent not to be unreasonably withheld or delayed), without notice to any Loan Party or to any other Person (other than Administrative Agent), any such notice being hereby expressly waived, to set off and to appropriate and to apply any and all deposits (general or special, including Indebtedness evidenced by certificates of deposit, whether matured or unmatured, but not including trust accounts (in whatever currency)) and any other Indebtedness at any time held or owing by such Lender to or for the credit or the account of any Loan Party (in whatever currency) against and on account of the obligations and liabilities of any Loan Party to such Lender hereunder, the participations under the other Loan Documents, including all claims of any nature or description arising out of or connected hereto, or with any other Loan Document, irrespective of whether or not (a) such Lender shall have made any demand hereunder, (b) the principal of or the interest on the Term Loans or any other amounts due hereunder shall have become due and payable pursuant to Article II and although such obligations and liabilities, or any of them, may be contingent or unmatured or (c) such obligation or liability is owed to a branch or office of such Lender different from the branch or office holding such deposit or obligation or such Indebtedness.

Section 10.5 Amendments and Waivers.

(a) Required Lenders' Consent. Subject to Section 10.5(b) and 10.5(b)(i), no amendment, modification, termination or waiver of any provision of the Loan Documents, or consent to any departure by any Loan Party therefrom, shall in any event be effective without the written consent of Administrative Agent and the Required Lenders.

(b) Affected Lenders' Consent. Without the written consent of each Lender (other than a Defaulting Lender) that would be affected thereby, no amendment, modification, termination, or consent shall be effective if the effect thereof would:

(i) extend the scheduled final maturity of any Loan or Note;

(ii) waive, reduce or postpone any scheduled repayment (but not prepayment);

(iii) reduce the rate of interest on any Loan (other than any waiver of any increase in the interest rate applicable to any Loan pursuant to Section 2.6) or any fee payable hereunder;

(iv) extend the time for payment of any such interest or fees;

(v) reduce the principal amount of any Loan;

(vi) amend, modify, terminate or waive any provision of this Section 10.5(b) or Section 10.5(b)(i);

(vii) amend the definition of "Required Lenders" or "Pro Rata Share";

(viii) release all or substantially all of the Collateral or all or substantially all of the Guarantors from the Guaranty except as expressly provided in the Loan Documents;

(ix) (x) subordinate any of the Obligations or (y) any Lien created by this Agreement or any other Loan Document, except, in the case of this clause (y), Liens securing Permitted Priority Indebtedness, Permitted Product Transaction, Permitted Royalty Transaction or other transaction expressly permitted hereunder that is contemplated to have priority over the Liens securing the Obligations; or

(x) consent to the assignment or transfer by any Loan Party of any of its rights and obligations under any Loan Document.

(c) Other Consents. No amendment, modification, termination or waiver of any provision of the Loan Documents, or consent to any departure by any Loan Party therefrom, shall amend, modify, terminate or waive any provision of Article IX as the same applies to Administrative Agent, or any other provision hereof as the same applies to the rights or obligations of Administrative Agent, in each case without the consent of Administrative Agent.

(d) Execution of Amendments, Etc. Administrative Agent may, but shall have no obligation to, with the consent of any Lender, execute amendments, modifications, waivers or consents on behalf of such Lender. Any waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given. No notice to or demand on any Loan Party in any case shall entitle any Loan Party to any other or further notice or demand in similar or other circumstances. Any amendment, modification, termination, waiver or consent effected in accordance with this Section 10.5 shall be binding upon each Lender at the time outstanding, each future Lender and, if signed by a Loan Party, on such Loan Party.

Section 10.6 Successors and Assigns; Participations.

(a) Generally. This Agreement shall be binding upon the parties hereto and their respective successors and assigns and shall inure to the benefit of the parties hereto and the successors and assigns of Lenders. No Loan Party's rights or obligations hereunder nor any interest therein may be assigned or delegated by any Loan Party without the prior written consent of all Lenders. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, Indemnitee Agent Parties under Section 9.6, Indemnitees under Section 10.3, their respective successors and assigns permitted hereby and, to the extent expressly contemplated hereby, Affiliates of each of Administrative Agent and Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Maintenance of the Register. Company, Administrative Agent and Lenders shall, in accordance with the Register provisions of Section 2.3(b), deem and treat the Persons listed as Lenders in the Register as the holders and owners of the corresponding Commitments and Loans listed therein for all purposes hereof, and no assignment or transfer of any such Term Loan Commitment or Loan shall be effective, in each case, unless and until an Assignment Agreement effecting the assignment or transfer thereof shall have been delivered to and accepted by Administrative Agent and recorded in the Register as provided in Section 10.6(e). Prior to such recordation, all amounts owed with respect to the applicable Term Loan Commitment or Loan shall be owed to the Lender listed in the Register as the owner thereof.

(c) Right to Assign. Each Lender shall have the right at any time to sell, assign or transfer all or a portion of its rights and obligations under this Agreement, including, without limitation, all or a portion of its Term Loan Commitment or Loans owing to it or other Obligations (provided, however, that each such assignment shall be of a uniform, and not varying, percentage of all rights and obligations under and in respect of any Loan and any related Commitments):

(i) to any Person meeting the criteria of clause (a) of the definition of the term of "Eligible Assignee" upon the giving of notice to Company and Administrative Agent; and

(ii) to any Person otherwise constituting an Eligible Assignee with the consent of Company (so long as no Default or Event of Default has occurred and is continuing) (provided, that if Company shall not have responded in writing within [***] after receipt of written notice of the proposed assignment, Company shall be deemed to have approved such assignment) and Administrative Agent; provided, each such assignment pursuant to this Section 10.6(c)(ii) shall be in an aggregate amount of not less than [***] (or such lesser amount as may be agreed to by Company and Administrative Agent).

(d) Mechanics. The assigning Lender and the assignee thereof shall execute and deliver to Administrative Agent an Assignment Agreement, together with such forms or certificates with respect to tax withholding matters as the assignee under such Assignment Agreement may be required to deliver to Administrative Agent pursuant to Section 2.15(d).

(e) Notice of Assignment. Upon its receipt and acceptance of a duly executed and completed Assignment Agreement, any forms or certificates required by this Agreement in connection therewith, Administrative Agent shall record the information contained in such Assignment Agreement in the Register, shall give prompt notice thereof to Company and shall maintain a copy of such Assignment Agreement.

(f) Representations and Warranties of Assignee. Each Lender, upon execution and delivery hereof or upon executing and delivering an Assignment Agreement, as the case may be, represents and warrants as of the Closing Date or as of the applicable Effective Date (as defined in the applicable Assignment Agreement) that (i) it is an Eligible Assignee; (ii) it has experience and expertise in the making of or investing in commitments or loans such as the applicable Term Loan Commitments or Loans, as the case may be; (iii) it will make or invest in, as the case may be, its Term Loan Commitments or Loans for its own account in the ordinary course of its business and without a view to distribution of such Term Loan Commitments or Loans within the meaning of the Securities Act or the Exchange Act or other federal securities laws; and (iv) such Lender does not own or control, or own or control any Person owning or controlling, any trade debt or Indebtedness of any Loan Party other than the Obligations or any Capital Stock of any Loan Party.

(g) Effect of Assignment. Subject to the terms and conditions of this Section 10.6, as of the later (i) of the "Effective Date" specified in the applicable Assignment Agreement or (ii) the date such assignment is recorded in the Register: (A) the assignee thereunder shall have the rights and obligations of a "Lender" hereunder to the extent such rights and obligations hereunder have been assigned to it pursuant to such Assignment Agreement and shall thereafter be a party hereto and a "Lender" for all purposes hereof; (B) the assigning Lender thereunder shall, to the extent that rights and obligations hereunder have been assigned thereby pursuant to such Assignment Agreement, relinquish its rights (other than any rights which survive the termination hereof under Section 10.8) and be released from its obligations hereunder (and, in the case of an Assignment Agreement covering all or the remaining portion of an assigning Lender's rights and obligations hereunder, such Lender shall cease to be a party hereto; provided, anything contained in any of the Loan Documents to the contrary notwithstanding, such assigning Lender shall continue to be entitled to the benefit of all indemnities hereunder as specified herein with

respect to matters arising out of the prior involvement of such assigning Lender as a Lender hereunder); (C) the Commitments shall be modified to reflect the Commitment of such assignee and any Commitment of such assigning Lender, if any; and (D) if any such assignment occurs after the issuance of any Note hereunder, the assigning Lender shall, upon the effectiveness of such assignment or as promptly thereafter as practicable, surrender its applicable Notes to Administrative Agent for cancellation, and thereupon Company shall issue and deliver new Notes, if so requested by the assignee and/or assigning Lender, to such assignee and/or to such assigning Lender, with appropriate insertions, to reflect the new Commitments and/or outstanding Loans of the assignee and/or the assigning Lender.

(h) Participations.

(i) Each Lender shall have the right at any time to sell one or more participations to any Person (other than Borrower, any of its Subsidiaries or any of its Affiliates) in all or any part of its Commitments, Loans or in any other Obligation. The holder of any such participation, other than an Affiliate of the Lender granting such participation, shall not be entitled to require such Lender to take or omit to take any action hereunder except with respect to any amendment, modification or waiver that would (i) extend the final scheduled maturity of any Term Loan or Note in which such participant is participating, or reduce the rate or extend the time of payment of interest or fees thereon (except in connection with a waiver of applicability of any post default increase in interest rates) or reduce the principal amount thereof, or increase the amount of the participant's participation over the amount thereof then in effect (it being understood that a waiver of any Default or Event of Default or of a mandatory reduction in the Commitment shall not constitute a change in the terms of such participation, and that an increase in any Term Loan Commitment or Loan shall be permitted without the consent of any participant if the participant's participation is not increased as a result thereof), (ii) consent to the assignment or transfer by any Loan Party of any of its rights and obligations under this Agreement, or (iii) release all or substantially all of the Collateral under the Collateral Documents or all or substantially all of the Guarantors from the Guaranty (in each case, except as expressly provided in the Loan Documents) supporting the Loans hereunder in which such participant is participating. Company agrees that each participant shall be entitled to the benefits of Sections 2.14, 2.15 and 2.19(c) (it being understood that the documentation required under Section 2.15(d) shall be delivered to the participating Lender) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 10.6(c); provided, a participant shall not be entitled to the benefits of Section 2.15 unless, at the time such participant is claiming such benefits, Company is notified of the participation sold to such participant and such participant agrees, for the benefit of Company, to comply with Section 2.15 as though it were a Lender. To the extent permitted by law, each participant also shall be entitled to the benefits of Section 10.4 as though it were a Lender, provided such participant agrees to be subject to Section 2.13 as though it were a Lender.

(ii) In the event that any Lender sells participations in its Commitments, Loans or in any other Obligation hereunder, such Lender shall, acting solely for this purpose as a non-fiduciary agent of Company, maintain a register on which it enters the name and address of all participants in the Commitments, Loans or Obligations held by it and the principal amount (and stated interest thereon) of the portion of such Commitments, Loans or Obligations which are the subject of the participation (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any participant or any information relating to a participant's interest in any commitments, loans or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. A Commitment, Loan or Obligation hereunder may be participated in whole or in part only by registration of such participation on the

Participant Register (and each Note shall expressly so provide). The Participant Register shall be available for inspection by Company at any reasonable time and from time to time upon reasonable prior notice. For the avoidance of doubt, Administrative Agent (in its capacity as administrative agent) shall not have any responsibility for maintaining a Participant Register.

(i) Certain Other Assignments. In addition to any other assignment permitted pursuant to this Section 10.6, any Lender or Administrative Agent may assign, pledge and/or grant a security interest in, all or any portion of its Loans, the other Obligations owed by or to such Lender, and its Notes, if any, to secure obligations of such Lender or Administrative Agent or any of its Affiliates to any Person providing any loan, letter of credit or other extension of credit or financial arrangement to or for the account of such Lender or Administrative Agent or any of its Affiliates and any agent, trustee or representative of such Person (without the consent of, or notice to, or any other action by, any other party hereto), including, without limitation, any Federal Reserve Bank as collateral security pursuant to Regulation A of the Board of Governors of the Federal Reserve System and any operating circular issued by such Federal Reserve Bank; provided, no Lender or Administrative Agent, as between Company and such Lender or Administrative Agent, shall be relieved of any of its obligations hereunder as a result of any such assignment and pledge; provided further, in no event shall such Person, agent, trustee or representative of such Person or the applicable Federal Reserve Bank be considered to be a "Lender" or "Agent" or be entitled to require the assigning Lender or Administrative Agent to take or omit to take any action hereunder.

Section 10.7 Independence of Covenants. All covenants hereunder shall be given independent effect so that if a particular action or condition is not permitted by any of such covenants, the fact that it would be permitted by an exception to, or would otherwise be within the limitations of, another covenant shall not avoid the occurrence of a Default or an Event of Default if such action is taken or condition exists.

Section 10.8 Survival of Representations, Warranties and Agreements. All representations, warranties and agreements made herein shall survive the execution and delivery hereof and the making of any Credit Extension. Notwithstanding anything herein or implied by law to the contrary, the agreements of each Loan Party set forth in Sections, 2.14, 2.15, 2.19(c), 10.2, 10.3, 10.4, and 10.10 and the agreements of Lenders set forth in Section 2.13, 9.3(b) and 9.6 shall survive the payment of the Term Loans and the termination hereof.

Section 10.9 No Waiver; Remedies Cumulative. No failure or delay on the part of Administrative Agent or any Lender in the exercise of any power, right or privilege hereunder or under any other Loan Document shall impair such power, right or privilege or be construed to be a waiver of any default or acquiescence therein, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other power, right or privilege. The rights, powers and remedies given to Administrative Agent and each Lender hereby are cumulative and shall be in addition to and independent of all rights, powers and remedies existing by virtue of any statute or rule of law or in any of the other Loan Documents. Any forbearance or failure to exercise, and any delay in exercising, any right, power or remedy hereunder shall not impair any such right, power or remedy or be construed to be a waiver thereof, nor shall it preclude the further exercise of any such right, power or remedy.

Section 10.10 Marshalling; Payments Set Aside. Neither Administrative Agent nor any Lender shall be under any obligation to marshal any assets in favor of any Loan Party or any other Person or against or in payment of any or all of the Obligations. To the extent that any Loan Party makes a payment or payments to Administrative Agent or Lenders (or to Administrative Agent, on behalf of Lenders), or Administrative Agent or Lenders enforce any security interests or exercise their rights of setoff, and such payment or payments or the proceeds of such enforcement or setoff or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a trustee,

receiver or any other party under any bankruptcy law, any other state or federal law, common law or any equitable cause, then, to the extent of such recovery, the obligation or part thereof originally intended to be satisfied, and all Liens, rights and remedies therefor or related thereto, shall be revived and continued in full force and effect as if such payment or payments had not been made or such enforcement or setoff had not occurred.

Section 10.11 Severability. In case any provision in or obligation hereunder or any Note or other Loan Document shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

Section 10.12 Obligations Several; Independent Nature of Lenders' Rights. The obligations of Lenders hereunder are several and no Lender shall be responsible for the obligations or Commitment of any other Lender hereunder. Nothing contained herein or in any other Loan Document, and no action taken by Lenders pursuant hereto or thereto, shall be deemed to constitute Lenders as a partnership, an association, a joint venture or any other kind of entity. The amounts payable at any time hereunder to each Lender shall be a separate and independent debt, and, subject to Section 9.8, each Lender shall be entitled to protect and enforce its rights arising under this Agreement and the other Loan Documents and it shall not be necessary for any other Lender to be joined as an additional party in any proceeding for such purpose.

Section 10.13 Contingent Payment Debt Instrument Rules. The parties hereto agree (i) that any contingency associated with the Term Loans is described in Treasury Regulations Section 1.1272-1(c) and/or Treasury Regulations Section 1.1275-2(h), and therefore no Term Loan is governed by the rules set out in Treasury Regulations Section 1.1275-4, (ii) except for a Lender described in Sections 871(h)(3) or 881(c)(3) of the Internal Revenue Code, absent a change in law, all interest on the Term Loans is "portfolio interest" within the meaning of Sections 871(h) or 881(c) of the Internal Revenue Code, and therefore is exempt from withholding tax under Sections 1441(c)(9) and 1442(a) of the Internal Revenue Code, and (iii) to adhere to this Section 10.13 for U.S. federal income and any other applicable Tax purposes and not to take any action or file any Tax return, report or declaration inconsistent herewith unless otherwise required by applicable law.

Section 10.14 Original Issue Discount. For purposes of Sections 1272, 1273 and 1275 of the Internal Revenue Code, each Term Loan is being issued with original issue discount; please contact Michael Landsittel (MLandsittel@blueprintmedicines.com) to obtain information regarding the issue price, the amount of original issue discount and the yield to maturity.

Section 10.15 Headings. Section headings herein are included herein for convenience of reference only and shall not constitute a part hereof for any other purpose or be given any substantive effect.

Section 10.16 APPLICABLE LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED IN THE STATE OF NEW YORK.

Section 10.17 CONSENT TO JURISDICTION.

(a) ALL JUDICIAL PROCEEDINGS BROUGHT AGAINST ANY LOAN PARTY ARISING OUT OF OR RELATING HERETO OR ANY OTHER LOAN DOCUMENT, OR ANY OF THE OBLIGATIONS, MAY BE BROUGHT IN ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN THE STATE, COUNTY AND CITY OF NEW YORK. BY EXECUTING AND

DELIVERING THIS AGREEMENT, EACH LOAN PARTY, FOR ITSELF AND IN CONNECTION WITH ITS PROPERTIES, IRREVOCABLY (I) ACCEPTS GENERALLY AND UNCONDITIONALLY THE NON-EXCLUSIVE JURISDICTION AND VENUE OF SUCH COURTS; (II) WAIVES ANY DEFENSE OF FORUM NON CONVENIENS; (III) AGREES THAT SERVICE OF ALL PROCESS IN ANY SUCH PROCEEDING IN ANY SUCH COURT MAY BE MADE BY REGISTERED OR CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE APPLICABLE LOAN PARTY AT ITS ADDRESS PROVIDED IN ACCORDANCE WITH SECTION 10.1 OR TO ANY PROCESS AGENT SELECTED FOR SUCH LOAN PARTY IN ACCORDANCE WITH SECTION 3.1(U) IS SUFFICIENT TO CONFER PERSONAL JURISDICTION OVER THE APPLICABLE LOAN PARTY IN ANY SUCH PROCEEDING IN ANY SUCH COURT, AND OTHERWISE CONSTITUTES EFFECTIVE AND BINDING SERVICE IN EVERY RESPECT; AND (iv) AGREES THAT ADMINSTRATIVE AGENT AND LENDERS RETAIN THE RIGHT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR TO BRING PROCEEDINGS AGAINST ANY LOAN PARTY IN THE COURTS OF ANY OTHER JURISDICTION.

(b) EACH LOAN PARTY HEREBY AGREES THAT PROCESS MAY BE SERVED ON IT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE ADDRESSES PERTAINING TO IT AS SPECIFIED IN SECTION 10.1 OR CT CORPORATION SYSTEM, LOCATED AT 155 FEDERAL STREET, SUITE 700, BOSTON, MA 02110 (ATTENTION: BLUEPRINT MEDICINES ADMINISTRATOR) AND HEREBY APPOINTS CT CORPORATION SYSTEM AS ITS AGENT TO RECEIVE SUCH SERVICE OF PROCESS. ANY AND ALL SERVICE OF PROCESS AND ANY OTHER NOTICE IN ANY SUCH ACTION, SUIT OR PROCEEDING SHALL BE EFFECTIVE AGAINST ANY LOAN PARTY IF GIVEN BY REGISTERED OR CERTIFIED MAIL, RETURN RECEIPT REQUESTED, OR BY ANY OTHER MEANS OR MAIL WHICH REQUIRES A SIGNED RECEIPT, POSTAGE PREPAID, MAILED AS PROVIDED ABOVE.

Section 10.18 WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY AGREES TO WAIVE ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING HEREUNDER OR UNDER ANY OF THE OTHER LOAN DOCUMENTS OR ANY DEALINGS BETWEEN THEM RELATING TO THE SUBJECT MATTER OF THIS LOAN TRANSACTION OR THE LENDER/BORROWER RELATIONSHIP THAT IS BEING ESTABLISHED. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. EACH PARTY HERETO ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH HAS ALREADY RELIED ON THIS WAIVER IN ENTERING INTO THIS AGREEMENT, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN ITS RELATED FUTURE DEALINGS. EACH PARTY HERETO FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING (OTHER THAN BY A MUTUAL WRITTEN WAIVER SPECIFICALLY REFERRING TO THIS SECTION 10.18 AND EXECUTED BY EACH OF THE PARTIES HERETO), AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS HERETO OR ANY OF THE OTHER LOAN DOCUMENTS OR TO ANY OTHER DOCUMENTS OR AGREEMENTS RELATING TO THE LOANS MADE HEREUNDER. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

Section 10.19 Confidentiality. Administrative Agent and Lender shall hold all non-public information regarding Company and its Subsidiaries and their businesses identified as such by Company and obtained by such Lender from Company or its Subsidiaries pursuant to the requirements hereof in accordance with such Lender's customary procedures for handling confidential information of such nature, it being understood and agreed by Company that, in any event, Administrative Agent or Lender may make (i) disclosures of such information to Affiliates of Administrative Agent or Lender and to their agents, advisors, directors, officers, and shareholders (and to other persons authorized by a Lender or Administrative Agent to organize, present or disseminate such information in connection with disclosures otherwise made in accordance with this Section 10.19), (ii) disclosures of such information reasonably required by any bona fide or potential assignee, transferee or participant in connection with the contemplated assignment, transfer or participation by any such Lender of any Loans or any participations therein, (iii) disclosure to any rating agency when required by it, (iv) disclosure to any Lender's financing sources, provided that prior to any disclosure, such financing source is informed of the confidential nature of the information, (v) disclosures of such information to any actual or potential investors, members, and partners of Administrative Agent any Lender or their Affiliates, provided that prior to any disclosure, such investor or partner is informed of the confidential nature of the information, and (vi) disclosure required or requested in connection with any public filings, whether pursuant to any securities laws or regulations or rules promulgated therefor (including the Investment Company Act of 1940 or otherwise) or representative thereof or by the National Association of Insurance Commissioners (and any successor thereto) or pursuant to legal or judicial process; provided, unless specifically prohibited by applicable law or court order, Administrative Agent and Lender shall make reasonable efforts to notify Company of any request by any Governmental Authority or representative thereof (other than any such request in connection with any examination of the financial condition or other routine examination of such Lender by such Governmental Authority) for disclosure of any such non-public information prior to disclosure of such information. Notwithstanding anything to the contrary set forth herein, each party (and each of their respective employees, representatives or other agents) may disclose to any and all persons, without limitations of any kind, the tax treatment and tax structure of the transactions contemplated by this Agreement and all materials of any kind (including opinions and other tax analyses) that are provided to any such party relating to such tax treatment and tax structure. However, any information relating to the tax treatment or tax structure shall remain subject to the confidentiality provisions hereof (and the foregoing sentence shall not apply) to the extent reasonably necessary to enable the parties hereto, their respective Affiliates, and their and their respective Affiliates' directors and employees to comply with applicable securities laws. For this purpose, "tax structure" means any facts relevant to the federal income tax treatment of the transactions contemplated by this Agreement but does not include information relating to the identity of any of the parties hereto or any of their respective Affiliates. Notwithstanding the foregoing, on or after the Closing Date, Administrative Agent and any Lender may, at its own expense, issue news releases and publish "tombstone" advertisements and other announcements relating to this transaction in newspapers, trade journals and other appropriate media (which may include use of logos of one or more of the Loan Parties) (collectively, "Trade Announcements"). No Loan Party shall (i) issue any Trade Announcement or (ii) disclose the name of any Administrative Agent or any Lender except in the case of clause (ii) (A) disclosures required by applicable law, regulation, legal process or the rules of the Securities and Exchange Commission, (B) on a confidential basis to the Company's controlled Affiliates and Subsidiaries and the Company's and their controlled Affiliates' and Subsidiaries' Board of Directors (or equivalent governing body), employees, representatives and professional advisors, subject, in the case of this clause (B), to such person being subject to customary confidentiality obligations with respect to this Agreement, (C) to the extent such information becomes publicly available other than by reason of improper disclosure in violation of the confidentiality obligations set forth in this Section 10.19, (D) to a Tax authority, to the extent reasonably necessary in connection with the Tax affairs of the Company and/or any of its Affiliates or (E) with the prior approval of Administrative Agent and such Lender.

Section 10.20 Usury Savings Clause. Notwithstanding any other provision herein, the aggregate interest rate charged or agreed to be paid with respect to any of the Obligations, including all charges or fees in connection therewith deemed in the nature of interest under applicable law shall not exceed the Highest Lawful Rate. If the rate of interest (determined without regard to the preceding sentence) under this Agreement at any time exceeds the Highest Lawful Rate, the outstanding amount of the Loans made hereunder shall bear interest at the Highest Lawful Rate until the total amount of interest due hereunder equals the amount of interest which would have been due hereunder if the stated rates of interest set forth in this Agreement had at all times been in effect. In addition, if when the Loans made hereunder are repaid in full the total interest due hereunder (taking into account the increase provided for above) is less than the total amount of interest which would have been due hereunder if the stated rates of interest set forth in this Agreement had at all times been in effect, then to the extent permitted by law, Company shall pay to Administrative Agent an amount equal to the difference between the amount of interest paid and the amount of interest which would have been paid if the Highest Lawful Rate had at all times been in effect. Notwithstanding the foregoing, it is the intention of Lenders and Company to conform strictly to any applicable usury laws. Accordingly, if any Lender contracts for, charges, or receives any consideration which constitutes interest in excess of the Highest Lawful Rate, then any such excess shall be cancelled automatically and, if previously paid, shall at such Lender's option be applied to the outstanding amount of the Loans made hereunder or be refunded to Company. In determining whether the interest contracted for, charged, or received by Administrative Agent or a Lender exceeds the Highest Lawful Rate, such Person may, to the extent permitted by applicable law, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest, throughout the contemplated term of the Obligations hereunder.

Section 10.21 Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument. This Agreement shall become effective upon the execution of a counterpart hereof by each of the parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic imaging means shall be effective as delivery of a manually executed counterpart of this Agreement. The words "execution," "execute", "signed," "signature," and words of like import in or related to any document to be signed in connection with this Agreement and the other Loan Documents and the transactions contemplated hereby and thereby (including without limitation Assignment Agreement, amendments, Notices, waivers and consents) shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by Administrative Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

Section 10.22 Effectiveness. This Agreement shall become effective upon the execution of a counterpart hereof by each of the parties hereto and receipt by Company and Administrative Agent of written notification of such execution and authorization of delivery thereof.

Section 10.23 PATRIOT Act Notice. Each Lender and Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Loan Parties that pursuant to the requirements of the PATRIOT Act, it may be required to obtain, verify and record information that identifies each Loan Party, which information includes the name and address of the Loan Parties and other information that will allow such Lender or Administrative Agent, as applicable, to identify the Loan Parties in accordance with the PATRIOT Act or other Anti-Terrorism Laws of the Loan Parties and other information that will allow such

Lender or Administrative Agent, as applicable, to identify the Loan Parties in connection with the PATRIOT Act.

Section 10.24 Waiver of Immunity. To the extent that any Loan Party has or hereafter may acquire (or may be attributed, whether or not claimed) any immunity (sovereign or otherwise) from any legal action, suit or proceeding, from jurisdiction of any court or from set-off or any legal process (whether service of process or notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise) with respect to itself or any of its property, such Loan Party hereby irrevocably waives and agrees not to plead or claim, to the fullest extent permitted by law, such immunity in respect of (a) its obligations under the Loan Documents, (b) any legal proceedings to enforce such obligations and (c) any legal proceedings to enforce any judgment rendered in any proceedings to enforce such obligations. Each Loan Party hereby agrees that the waivers set forth in this Section 10.23 shall be to the fullest extent permitted under the Foreign Sovereign Immunities Act and are intended to be irrevocable for purposes of the Foreign Sovereign Immunities Act.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first written above.

BORROWER:

BLUEPRINT MEDICINES CORPORATION

By: /s/ Kathryn Haviland
Name: Kathryn Haviland
Title: Chief Executive Officer

TAO Talents, LLC,
as Administrative Agent

By: /s/ Joshua Peck
Name: Joshua Peck
Title: Vice President

TAO Talents, LLC,
as Lender

By: /s/ Joshua Peck
Name: Joshua Peck
Title: Vice President

APPENDIX A-1
TO FINANCING AGREEMENT

Initial Term Loan Commitment

Lender	Initial Term Loan Commitment	Pro Rata Share
TAO Talents, LLC	$150,000,000.00	100%
Total	**$150,000,000.00**	**100%**

APPENDIX A-2
TO FINANCING AGREEMENT

Delayed Draw Term Loan Commitments

Delayed Draw A Term Loans:

Lender	Delayed Draw Term Loan Commitment	Pro Rata Share
TAO Talents, LLC	$100,000,000.00	100%
Total	**$100,000,000.00**	**100%**

Delayed Draw B Term Loans:

Lender	Delayed Draw Term Loan Commitment	Pro Rata Share
TAO Talents, LLC	$150,000,000.00	100%
Total	**$150,000,000.00**	**100%**

APPENDIX B
TO FINANCING AGREEMENT

Notice Addresses

BLUEPRINT MEDICINES CORPORATION
45 Sidney Street
Cambridge, MA 02139
Attention: Michael Landsittel
Email: mlandsittel@blueprintmedicines.com

TAO Talents, LLC,
as a Lender

2100 McKinney Ave, Suite 1500
Dallas Texas 75201
Attn: Joshua Peck; Sixth Street Legal
E-mail: jpeck@sixthstreet.com; SixthStreetLegal@sixthstreet.com

in each case, with a copy to:

Cooley LLP
3 Embarcadero Center, 20th Floor
San Francisco, CA 94111-4004
Attention: Mischi a Marca
Facsimile: (415) 693-2148

APPENDIX B

TAO Talents, LLC,
as Administrative Agent and a Lender

Administrative Agent's Principal Office:

2100 McKinney Ave, Suite 1500
Dallas Texas 75201
Attn: Joshua Peck; Sixth Street Legal
E-mail: jpeck@sixthstreet.com; SixthStreetLegal@sixthstreet.com

in each case, with a copy to:

Cooley LLP
3 Embarcadero Center, 20th Floor
San Francisco, CA 94111-4004
Attention: Mischi a Marca
Facsimile: (415) 693-2148

APPENDIX B

Schedule 5.14

Post-Closing Matters

Within [***] after the Closing Date, Administrative Agent shall have received a certificate from Company's insurance broker or other evidence satisfactory to it that all insurance required to be maintained pursuant to Section 5.5 is in full force and effect, together with endorsements naming Administrative Agent, for the benefit of Secured Parties, as additional insured and loss payee thereunder to the extent required under Section 5.5, in each case, in form and substance reasonably satisfactory to Administrative Agent

Within [***] after the Closing Date, each of Borrower and each Guarantor Subsidiary shall hold all of its cash and Cash Equivalents in a Deposit Account or Securities Account subject to a Control Agreement in compliance with Section 5.13 or in an Excluded Account.

For a period of [***] following the Closing Date, Borrower shall use commercially reasonable efforts to obtain a collateral access waiver in form and substance reasonably satisfactory to Administrative Agent with respect to its headquarters location.

Within [***] after the Closing Date, each of Borrower and each Guarantor Subsidiary shall (i) cause 100% of the Capital Stock of Blueprint Medicines Security Corporation to constitute a "certificated security" for purposes of the UCC and deliver such stock certificates to the Administrative Agent, indorsed in blank by an "effective endorsement" (as defined in Section 8-107 of the UCC), and (ii) with respect to all other Subsidiaries, comply with Section 4.4.1(b) of the Security Agreement.

Exhibit 31.1

CERTIFICATIONS

I, Kathryn Haviland, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Blueprint Medicines Corporation;

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: August 2, 2022

By:/s/ Kathryn Haviland
Kathryn Haviland
President, Chief Executive Officer and Director
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATIONS

I, Michael Landsittel, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Blueprint Medicines Corporation;

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: August 2, 2022

By:/s/ Michael Landsittel
Michael Landsittel
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

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

In connection with the Quarterly Report on Form 10-Q of Blueprint Medicines Corporation (the "Company") for the period ended June 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers of the Company hereby certifies, pursuant to 18 U.S.C. Section 1350, that to his knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

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

Date: August 2, 2022

By: /s/ Kathryn Haviland
Kathryn Haviland
President, Chief Executive Officer and Director
(Principal Executive Officer)

Date: August 2, 2022

By: /s/ Michael Landsittel
Michael Landsittel
Chief Financial Officer
(Principal Financial Officer)