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

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2021

or

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

For the transition period from ___ to ___

Commission File No. 001-36297

Revance Therapeutics, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**77-0551645**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1222 Demonbreun Street, Suite 2000, Nashville, Tennessee, 37203
(Address, including zip code, of principal executive offices)

(615) 724-7755
(Registrant's telephone number, including area code)

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	RVNC	Nasdaq Global Market

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

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

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

Large accelerated filer	☒	Accelerated filer	☐	Emerging growth company	☐
Non-accelerated filer	☐	Smaller reporting 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 statement accounting standards provide pursuance 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 ☒

Number of shares outstanding of the registrant's common stock, par value $0.001 per share, as of July 28, 2021: 71,829,718

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Unless expressly indicated or the context requires otherwise, the terms "Revance," "company," "we," "us," and "our," in this document refer to Revance Therapeutics, Inc., a Delaware corporation, and, where appropriate, its wholly owned subsidiaries.

PART I.FINANCIAL INFORMATION

ITEM 1. Condensed Consolidated Financial Statements (Unaudited)

REVANCE THERAPEUTICS, INC.
Condensed Consolidated Balance Sheets
(In thousands, except share and per share amounts)
(Unaudited)

	June 30, 2021	December 31, 2020
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 167,634	$ 333,558
Short-term investments	168,662	102,947
Accounts receivable, net	641	1,829
Inventories	5,065	5,876
Prepaid expenses and other current assets	12,602	5,793
Total current assets	354,604	450,003
Property and equipment, net	21,092	17,499
Goodwill	146,964	146,964
Intangible assets, net	63,655	71,343
Operating lease right of use assets	46,334	29,632
Restricted cash	3,452	3,445
Other non-current assets	4,774	1,334
TOTAL ASSETS	$ 640,875	$ 720,220
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	$ 8,176	$ 12,657
Accruals and other current liabilities	31,405	32,938
Deferred revenue, current	9,862	7,851
Operating lease liabilities, current	5,646	4,437
Derivative liability	3,159	3,081
Total current liabilities	58,248	60,964
Convertible senior notes	280,003	180,526
Deferred revenue, non-current	75,113	77,294
Operating lease liabilities, non-current	41,276	27,146
TOTAL LIABILITIES	454,640	345,930
Commitments and Contingencies (Note 12)		
STOCKHOLDERS' EQUITY		
Convertible preferred stock, par value $0.001 per share — 5,000,000 shares authorized, and no shares issued and outstanding as of June 30, 2021 and December 31, 2020	—	—
Common stock, par value $0.001 per share — 190,000,000 and 95,000,000 shares authorized as of June 30, 2021 and December 31, 2020, respectively; 71,798,624 and 69,178,666 shares issued and outstanding as of June 30, 2021 and December 31, 2020, respectively	72	69
Additional paid-in capital	1,446,643	1,500,514
Accumulated other comprehensive loss	(2)	—
Accumulated deficit	(1,260,478)	(1,126,293)
TOTAL STOCKHOLDERS' EQUITY	186,235	374,290
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 640,875	$ 720,220

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

REVANCE THERAPEUTICS, INC.
Condensed Consolidated Statements of Operations and Comprehensive Loss
(In thousands, except share and per share amounts)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Revenue				
Product revenue	$ 17,039	$ 49	$ 28,686	$ 49
Collaboration revenue	1,394	250	2,905	308
Service revenue	371	—	512	—
Total revenue	18,804	299	32,103	357
Operating expenses:				
Cost of product revenue (exclusive of amortization)	5,409	21	9,626	21
Cost of service revenue (exclusive of amortization)	17	—	17	—
Selling, general and administrative	50,598	29,606	99,603	50,830
Research and development	29,441	27,103	56,692	66,897
Amortization	3,676	674	6,514	674
Total operating expenses	89,141	57,404	172,452	118,422
Loss from operations	(70,337)	(57,105)	(140,349)	(118,065)
Interest income	85	964	182	2,455
Interest expense	(1,569)	(4,256)	(3,129)	(6,404)
Changes in fair value of derivative liability	(19)	(59)	(78)	(149)
Other expense, net	(357)	(134)	(462)	(260)
Loss before income taxes	(72,197)	(60,590)	(143,836)	(122,423)
Income tax provision	—	—	—	(100)
Net loss	(72,197)	(60,590)	(143,836)	(122,523)
Unrealized gain (loss) and adjustment on securities included in net loss	(2)	(407)	(2)	114
Comprehensive loss	$ (72,199)	$ (60,997)	$ (143,838)	$ (122,409)
Basic and diluted net loss	$ (72,197)	$ (60,590)	$ (143,836)	$ (122,523)
Basic and diluted net loss per share	$ (1.07)	$ (1.12)	$ (2.15)	$ (2.27)
Basic and diluted weighted-average number of shares used in computing net loss per share	67,462,413	54,257,320	67,051,902	54,062,678

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

REVANCE THERAPEUTICS, INC.
Condensed Consolidated Statements of Stockholders' Equity
(In thousands, except share and per share amounts)
(Unaudited)

	Three Months Ended June 30,				Six Months Ended June 30,			
	2021		2020		2021		2020	
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount
Convertible Preferred Stock	—	$ —	—	$ —	—	$ —	—	$ —
Common Stock								
Balance — Beginning of period	71,411,389	71	57,026,154	57	69,178,666	69	52,374,735	52
Issuance of restricted stock awards and performance stock awards, net of cancellation	166,670	—	220,799	—	1,036,256	1	1,417,853	1
Issuance of common stock in connection with at-the-market offerings	—	—	—	—	761,526	1	—	—
Issuance of common stock upon exercise of stock options and warrants	150,038	1	24,442	—	879,476	1	76,794	—
Issuance of common stock relating to employee stock purchase plan	91,562	—	48,661	—	91,562	—	48,661	—
Shares withheld related to net settlement of restricted stock awards	(21,035)	—	(6,500)	—	(148,862)	—	(79,487)	—
Issuance of common stock in connection with the Teoxane Agreement	—	—	—	—	—	—	2,500,000	3
Issuance of common stock in connection with offerings	—	—	—	—	—	—	975,000	1
Balance — End of period	71,798,624	72	57,313,556	57	71,798,624	72	57,313,556	57
Additional Paid-In Capital								
Balance — Beginning of period	—	1,432,457	—	1,213,931	—	1,500,514	—	1,069,639
Cumulative-effect adjustment from adoption of ASU 2020-06	—	—	—	—	—	(108,509)	—	—
Issuance of restricted stock awards and performance stock awards, net of cancellation	—	—	—	—	—	(1)	—	(1)
Issuance of common stock in connection with at-the-market offerings, net of issuance costs	—	(77)	—	—	—	21,623	—	—
Issuance of common stock upon exercise of stock options and warrants	—	1,373	—	427	—	12,509	—	999
Issuance of common stock relating to employee stock purchase plan	—	2,206	—	671	—	2,206	—	671
Shares withheld related to net settlement of restricted stock awards	—	(605)	—	(111)	—	(4,250)	—	(1,512)
Stock-based compensation	—	11,289	—	7,353	—	22,551	—	13,897
Equity component of convertible senior notes	—	—	—	—	—	—	—	108,510
Issuance of common stock in connection with the Teoxane Agreement	—	—	—	—	—	—	—	43,397
Issuance of common stock in connection with offerings, net of issuance costs of $44	—	—	—	—	—	—	—	15,536
Capped call transactions related to the issuance of convertible senior notes	—	—	—	—	—	—	—	(28,865)
Balance — End of period	—	$ 1,446,643	—	$ 1,222,271	—	$ 1,446,643	—	$ 1,222,271

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

REVANCE THERAPEUTICS, INC.
Condensed Consolidated Statements of Stockholders' Equity—(Continued)
(In thousands, except share and per share amounts)
(Unaudited)

	Three Months Ended June 30,				Six Months Ended June 30,			
	2021		2020		2021		2020	
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount
Other Accumulated Comprehensive Gain (Loss)								
Balance — Beginning of period	—	—	—	524	—	—	—	3
Unrealized gain (loss) and adjustment on securities included in net loss	—	(2)	—	(407)	—	(2)	—	114
Balance — End of period	—	(2)	—	117	—	(2)	—	117
Accumulated Deficit								
Balance — Beginning of period	—	(1,188,281)	—	(906,137)	—	(1,126,293)	—	(844,204)
Cumulative-effect adjustment from adoption of ASU 2020-06	—	—	—	—	—	9,651	—	—
Net loss	—	(72,197)	—	(60,590)	—	(143,836)	—	(122,523)
Balance — End of period	—	(1,260,478)	—	(966,727)	—	(1,260,478)	—	(966,727)
Total Stockholders' Equity	71,798,624	$ 186,235	57,313,556	$ 255,718	71,798,624	$ 186,235	57,313,556	$ 255,718

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

REVANCE THERAPEUTICS, INC.
Condensed Consolidated Statements of Cash Flows
(In thousands)
(Unaudited)

	Six Months Ended June 30,	
	2021	**2020**
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (143,836)	$ (122,523)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation	21,975	13,897
Depreciation and amortization	9,284	2,152
Amortization of debt discount and issuance costs	622	4,504
Amortization of discount on investments	(105)	(1,111)
Other non-cash operating activities	62	240
Non-cash in-process research and development	—	11,184
Changes in operating assets and liabilities:		
Accounts receivable	1,188	(49)
Inventories	811	(778)
Prepaid expenses and other current assets	(3,309)	(1,179)
Operating lease right of use assets	(16,702)	1,165
Other non-current assets	(3,440)	30
Accounts payable	(4,090)	(1,099)
Accruals and other liabilities	(1,389)	4,052
Deferred revenue	(170)	30,692
Operating lease liabilities	15,339	(1,679)
Net cash used in operating activities	(123,760)	(60,502)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(168,597)	(159,412)
Purchases of property and equipment	(5,016)	(1,113)
Proceeds from maturities of investments	103,000	132,000
Finance lease prepayments	(3,500)	—
Purchase of intangible assets	—	(118)
Proceeds from sale of investments	—	16,969
Net cash used in investing activities	(74,113)	(11,674)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of common stock in connection with at-the-market offerings, net of commissions	21,707	—
Proceeds from the exercise of stock options, common stock warrants and employee stock purchase plan	14,715	1,670
Taxes paid related to net settlement of restricted stock awards	(4,250)	(1,512)
Payment of offering costs	(216)	(337)
Proceeds from issuance of convertible senior notes	—	287,500
Proceeds from issuance of common stock in connection with offerings, net of commissions and discount	—	15,581
Payment of capped call transactions	—	(28,865)
Payment of convertible senior notes transaction costs	—	(9,190)
Net cash provided by financing activities	31,956	264,847
NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	(165,917)	192,671
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH — Beginning of period	337,003	171,890
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH — End of period	$ 171,086	$ 364,561
SUPPLEMENTAL DISCLOSURES OF NON-CASH INVESTING AND FINANCING INFORMATION:		
Internally developed software capitalized from stock-based compensation	$ 576	$ —
Property and equipment purchases included in accounts payable and accruals	$ 501	$ 159
Accrued offering costs	$ 55	$ —
Issuance of common stock in connection with the Teoxane Agreement	$ —	$ 43,400

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

REVANCE THERAPEUTICS, INC.

Notes to Condensed Consolidated Financial Statements

(Unaudited)

1. The Company and Summary of Significant Accounting Policies

The Company

Revance is a biotechnology company focused on innovative aesthetic and therapeutic offerings, including its next-generation neuromodulator product, DaxibotulinumtoxinA for Injection. DaxibotulinumtoxinA for Injection combines a proprietary stabilizing peptide excipient with a highly purified botulinum toxin that does not contain human or animal-based components. We have successfully completed a Phase 3 program for DaxibotulinumtoxinA for Injection in glabellar (frown) lines and are pursuing United States ("U.S.") regulatory approval. We are also evaluating DaxibotulinumtoxinA for Injection in the full upper face, including glabellar lines, forehead lines and crow's feet, as well as in two therapeutic indications - cervical dystonia and adult upper limb spasticity. To accompany DaxibotulinumtoxinA for Injection, we own a unique portfolio of premium products and services for U.S. aesthetics practices, including the exclusive U.S. distribution rights to Teoxane SA ("Teoxane")'s line of Resilient Hyaluronic Acid® ("RHA®") Collection of dermal fillers, the first and only range of U.S. Food and Drug Administration (the "FDA")-approved fillers for correction of dynamic facial wrinkles and folds, and the HintMD fintech platform, which includes integrated smart payment, subscription and loyalty digital services. We have also partnered with Viatris (formerly Mylan N.V.) to develop a biosimilar to BOTOX® ("an onabotulinumtoxinA biosimilar"), which would compete in the existing short-acting neuromodulator marketplace.

On July 23, 2020, we completed the acquisition of all of the issued and outstanding shares of Hint, Inc. (d/b/a HintMD) (the "HintMD Acquisition"), and HintMD became a wholly owned subsidiary of Revance. HintMD operates the HintMD Platform, which is a payment solution and practice management tool for medical aesthetic practices. In April 2021, HintMD completed the integration of the payment facilitator ("PayFac") functionality and launched the next-generation HintMD Platform (the "Next-generation Platform", and together with the HintMD Platform, the "Fintech Platform") in beta form to select customers.

Since inception, we have devoted substantial efforts to identifying and developing product candidates for the aesthetic and therapeutic pharmaceutical markets, recruiting personnel, raising capital, conducting preclinical and clinical development of, and manufacturing development for DaxibotulinumtoxinA for Injection, DaxibotulinumtoxinA Topical, the onabotulinumtoxinA biosimilar, and the commercial launch of our products and services. We have incurred losses and negative cash flows from operations. We have not generated substantial revenue to date, and will continue to incur significant research and development, sales and marketing, and other expenses related to our ongoing operations.

For the three and six months ended June 30, 2021, we had a net loss of $72.2 million and $143.8 million. As of June 30, 2021, we had working capital surplus of $296.4 million and an accumulated deficit of $1.3 billion. In recent years, we have funded our operations primarily through the sale of common stock, convertible senior notes, payments received from collaboration arrangements, and sales of the RHA® Collection of dermal fillers. As of June 30, 2021, we had capital resources of $336.3 million consisting of cash, cash equivalents, and short-term investments. We believe that our existing capital resources will fund our operating plan through at least the next 12 months following the issuance of this Report, and we may identify additional capital resources to fund our operations.

Basis of Presentation and Principles of Consolidation

The accompanying condensed consolidated financial statements are unaudited, and reflect all adjustments which are, in the opinion of management, of a normal recurring nature and necessary for a fair statement of the results for the interim periods presented.

Our condensed consolidated balance sheet for the year ended December 31, 2020 was derived from audited consolidated financial statements, but does not include all disclosures required by U.S. generally accepted accounting

principles ("U.S. GAAP"). The interim results presented herein are not necessarily indicative of the results of operations that may be expected for the full fiscal year ending December 31, 2021, or any other future period. Our condensed consolidated financial statements should be read in conjunction with our audited consolidated financial statements contained in our Annual Report on Form 10-K for the year ended December 31, 2020, which was filed with the Securities and Exchange Commission (the "SEC"), on February 25, 2021.

Our condensed consolidated financial statements include our accounts and those of our wholly-owned subsidiaries, and have been prepared in conformity with U.S. GAAP. All intercompany transactions have been eliminated.

Use of Estimates

The preparation of the condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Such estimates include, but are not limited to, the fair value of assets and liabilities assumed in business combinations, incremental borrowing rate used to measure operating lease liabilities, the recoverability of goodwill and long-lived assets, useful lives associated with property and equipment and intangible assets, period of benefit associated with deferred costs, revenue recognition (including the timing of satisfaction of performance obligations, estimating variable consideration, estimating stand-alone selling prices of promised goods and services, and allocation of transaction price to performance obligations), deferred revenue classification, accruals including clinical trial costs, valuation and assumptions underlying stock-based compensation and other equity instruments, fair value of derivative liability, and income taxes.

The ongoing COVID-19 pandemic has caused a global slowdown of economic activity which has negatively impacted consumer spending, including with respect to our current and potential customers, while also disrupting sales channels and marketing activities. In addition, the COVID-19 pandemic has impacted the regulatory approval process for DaxibotulinumtoxinA for Injection. In November 2020, the FDA deferred a decision on the biologics license application ("BLA") for DaxibotulinumtoxinA for Injection for the treatment of moderate to severe glabellar (frown) lines. The FDA reiterated that an inspection of our manufacturing facility is required as part of the BLA approval process, but the FDA was unable to conduct the required inspection of our manufacturing facility in Northern California, due to the FDA's travel restrictions associated with the COVID-19 pandemic. The FDA initiated the pre-approval inspection of our manufacturing facility in June 2021. We are unable to predict the future impact of the COVID-19 pandemic on the timing of the regulatory approval process following inspection, the progress of clinical trials, supplies and sales of the RHA® Collection of dermal fillers, demand for our products and other aspects of our operations.

As of the date of issuance of these condensed consolidated financial statements, we are not aware of any specific event or circumstance that would require us to update our estimates, judgments or revise the carrying value of our assets or liabilities. These estimates may change as new events occur and additional information is obtained, and are recognized in the condensed consolidated financial statements as soon as they become known. Actual results could differ from those estimates and any such differences may be material to our condensed consolidated financial statements.

Recently Adopted Accounting Pronouncement

In August 2020, the Financial Accounting Standards Board issued ASU 2020-06, Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity. The amendments in ASU 2020-06 simplifies the accounting for certain financial instruments with characteristics of liabilities and equity, including convertible instruments and contracts in an entity's own equity. Among other changes, ASU 2020-06 simplifies the accounting for convertible debt instruments by removing certain requirements to separately account for conversion options embedded in debt instruments that are not required to be accounted for as derivative instruments. ASU 2020-06 also updates and improves the consistency of earnings per share calculations for convertible instruments. ASU 2020-06 is effective for fiscal years beginning after December 15, 2021, with early adoption permitted for fiscal years beginning after December 15, 2020, and can be adopted on either a fully retrospective or modified retrospective basis. On January 1, 2021, we adopted ASU 2020-06 using the modified retrospective method and the adoption did not have any impact for our consolidated balance sheets as of December 31, 2020. As a result of the adoption, on January 1, 2021, we made certain adjustments to our consolidated balance

sheets which consisted of an increase of $98.9 million in Convertible Senior Notes (the 2027 Notes as defined in Note 9), a decrease of $108.5 million in Additional Paid-in Capital and a decrease of $9.7 million in Accumulated Deficit. Additionally, from January 1, 2021, we will no longer incur non-cash interest expense for the amortization of debt discount after adoption, therefore the interest expense for the 2027 Notes, which is included in the "interest expense" on the condensed consolidated statements of operations and comprehensive loss, will be lower compared to fiscal year 2020.

2. Revenue

Our revenue is primarily generated from U.S. customers. Our product and collaboration revenue is generated from the Product Segment, and our service revenue is generated from the Service Segment (Note 13). The following tables present our revenues disaggregated by the timing of transfer of goods or services:

	Three Months Ended June 30, 2021				Six Months Ended June 30, 2021			
(in thousands)	Product Revenue	Collaboration Revenue	Service Revenue	Total	Product Revenue	Collaboration Revenue	Service Revenue	Total
Timing of revenue recognition:								
Transferred at a point in time	$ 17,039	$ —	$ 213	$ 17,252	$ 28,686	$ —	$ 213	$ 28,899
Transferred over time	—	1,394	158	1,552	—	2,905	299	3,204
Total	$ 17,039	$ 1,394	$ 371	$ 18,804	$ 28,686	$ 2,905	$ 512	$ 32,103

	Three Months Ended June 30, 2020				Six Months Ended June 30, 2020			
(in thousands)	Product Revenue	Collaboration Revenue	Service Revenue	Total	Product Revenue	Collaboration Revenue	Service Revenue	Total
Timing of revenue recognition:								
Transferred at a point in time	$ 49	$ —	$ —	$ 49	$ 49	$ —	$ —	$ 49
Transferred over time	—	250	—	250	—	308	—	308
Total	$ 49	$ 250	$ —	$ 299	$ 49	$ 308	$ —	$ 357

Product Revenue

For the three and six months ended June 30, 2021, all product revenue was generated from the sale of the RHA® Collection of dermal fillers.

Receivables and contract liabilities from contracts with our product revenue customers are as follows:

(in thousands)	June 30, 2021	December 31, 2020
Accounts receivables, net	$ 542	$ 1,687
Contract liabilities:		
Deferred revenue, current	$ (1,537)	$ —
Total contract liabilities	$ (1,537)	$ —

Collaboration Revenue

Viatris Collaboration and License Agreement

Agreement Terms

We entered into a collaboration and license agreement with Viatris (the "Viatris Collaboration") in February 2018, pursuant to which we are collaborating with Viatris exclusively, on a world-wide basis (excluding Japan), to develop, manufacture, and commercialize an onabotulinumtoxinA biosimilar.

Viatris has paid us an aggregate of $60 million in non-refundable fees as of June 30, 2021, and the agreement provides for additional remaining contingent payments of up to $70 million in the aggregate, upon the achievement of certain clinical and regulatory milestones and of specified, tiered sales milestones of up to $225 million. The payments do not represent a financing component for the transfer of goods or services.

Revenue Recognition

We re-evaluate the transaction price at each reporting period. We estimated the transaction price for the Viatris Collaboration using the most likely amount method. In order to determine the transaction price, we evaluated all of the payments to be received during the duration of the contract, which included milestones and consideration payable by Viatris. Other than the upfront payment, all other milestones and consideration we may earn under the Viatris Collaboration are subject to uncertainties related to development achievements, Viatris' rights to terminate the agreement, and estimated effort for cost-sharing payments. Components of such estimated effort for cost-sharing payments include both internal and external costs. Consequently, the transaction price does not include any milestones and considerations that, if included, could result in a probable significant reversal of revenue when related uncertainties become resolved. Sales-based milestones and royalties are not included in the transaction price until the sales occur because the underlying value relates to the license and the license is the predominant feature in the Viatris Collaboration. As of June 30, 2021, the transaction price allocated to the unfulfilled performance obligations was $101.3 million.

We recognize revenue and estimate deferred revenue based on the cost of development service incurred over the total estimated cost of development service to be provided for the development period. For revenue recognition purposes, the development period is estimated to continue through 2025. It is possible that this period will change and is assessed at each reporting date.

For the three and six months ended June 30, 2021, we recognized revenue related to development services of $1.4 million and $2.9 million, respectively. For the three and six months ended June 30, 2020, we recognized revenue related to development services of less than $0.3 million and $0.3 million, respectively.

Fosun License Agreement

Agreement Terms

In December 2018, we entered into a license agreement (the "Fosun License Agreement") with Shanghai Fosun Pharmaceutical Industrial Development Co., Ltd., a wholly-owned subsidiary of Shanghai Fosun Pharmaceutical (Group) Co., Ltd ("Fosun"), whereby we granted Fosun the exclusive rights to develop and commercialize our proprietary DaxibotulinumtoxinA for Injection in mainland China, Hong Kong and Macau (the "Fosun Territory") and certain sublicense rights.

Fosun has paid us non-refundable upfront and other payments totaling $31 million before foreign withholding taxes. We are also eligible to receive (i) additional remaining contingent payments of up to $229.5 million upon the achievement of certain milestones based on (a) the approval of BLAs for certain aesthetic and therapeutic indications and (b) first calendar year net sales, and (ii) tiered royalty payments in low double digits to high teen percentages on annual net sales. The royalty percentages are subject to reduction in the event that (i) we do not have any valid and unexpired patent claims that cover the

product in the Fosun Territory, (ii) biosimilars of the product are sold in the Fosun Territory or (iii) Fosun needs to pay compensation to third parties to either avoid patent infringement or market the product in the Fosun Territory.

Revenue Recognition

We estimated the transaction price for the Fosun License Agreement using the most likely amount method. We evaluated all of the variable payments to be received during the duration of the contract, which included payments from specified milestones, royalties, and estimated supplies to be delivered. We will re-evaluate the transaction price at each reporting period and upon a change in circumstances. As of June 30, 2021, the transaction price allocated to unfulfilled performance obligation was $31 million.

For the three and six months ended June 30, 2021 and 2020, no revenue was recognized from the Fosun License Agreement.

Contract liabilities from contracts with our collaboration revenue customers are as follows:

(in thousands)	June 30, 2021	December 31, 2020
Contract liabilities:		
Deferred revenue, current - Viatris	$ 8,317	$ 7,851
Total contract liabilities, current	$ 8,317	$ 7,851
Deferred revenue, non-current - Viatris	$ 44,118	$ 46,299
Deferred revenue, non-current - Fosun	30,995	30,995
Total contract liabilities, non-current	$ 75,113	$ 77,294

Changes in our contract liabilities from contracts with our collaboration revenue customers for the six months ended June 30, 2021 are as follows:

	(in thousands)
Balance on January 1, 2021	$ 85,145
Revenue recognized	(2,905)
Billings and adjustments, net	1,190
Balance on June 30, 2021	$ 83,430

Service Revenue

Following the HintMD Acquisition in July 2020, we began to offer customer payment processing and certain value-added services through the HintMD Platform to aesthetic practices. We have also launched the beta testing phase of the Next-generation Platform as PayFac, which has not generated material revenue to date. Generally, revenue related to the payment

processing service is recognized at a point in time, whereas revenue related to the value-added services is recognized over time.

Receivables and contract assets from contracts with our service revenue customers are as follows:

(in thousands)	June 30, 2021	December 31, 2020
Accounts receivables, net	$ 99	$ 142
Contract assets:		
Contract assets, current	$ 125	$ 30
Contract assets, non-current	324	85
Total contract assets	$ 449	$ 115

3. Cash Equivalents and Short-Term Investments

The following table is a summary our cash equivalents and short-term investments:

	June 30, 2021			December 31, 2020	
in thousands	Cost	Unrealized Loss	Fair Value	Cost	Fair Value
Money market funds	$ 162,052	$ —	$ 162,052	$ 267,130	$ 267,130
Commercial paper	146,859	—	146,859	113,446	113,446
Corporate bonds	21,805	(2)	21,803	—	—
Total cash equivalents and available-for-sale securities	$ 330,716	$ (2)	$ 330,714	$ 380,576	$ 380,576
Classified as:					
Cash equivalents			$ 162,052		$ 277,629
Short-term investments			168,662		102,947
Total cash equivalents and available-for-sale securities			$ 330,714		$ 380,576

As of June 30, 2021 and December 31, 2020, we have no other-than-temporary impairments on our available-for-sale securities and the contractual maturities of the available-for-sale securities are less than one-year.

REVANCE THERAPEUTICS, INC.

Notes to Condensed Consolidated Financial Statements — (Continued)

(Unaudited)

4. Intangible Assets, net

The following table sets forth the intangible assets and the remaining useful lives for the intangible assets:

	June 30, 2021				December 31, 2020			
(in thousands, except for in years)	Weighted-Average Remaining Useful Lives (in years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Remaining Useful Lives (in years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Distribution rights	2.9	$ 32,334	$ (8,757)	$ 23,577	3.4	$ 32,334	$ (4,715)	$ 27,619
Developed technology	5.4	35,800	(3,670)	32,130	5.6	19,600	(1,362)	18,238
In-process research and development (1)	N/A	—	—	—	N/A	16,200	—	16,200
Customer relationships	3.1	10,300	(2,360)	7,940	3.6	10,300	(1,072)	9,228
Tradename	0.1	100	(92)	8	0.6	100	(42)	58
Total intangible assets		$ 78,534	$ (14,879)	$ 63,655		$ 78,534	$ (7,191)	$ 71,343

(1) In-process research and development relates to the research and development of payment facilitator technology to facilitate the processing of customer payments. During the quarter ended June 30, 2021, the in-process research and development assets were placed into service and reclassified as developed technology.

Aggregate amortization expense for the intangible assets presented in the condensed consolidated statements of operations and comprehensive loss are summarized as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(in thousands)	2021	2020	2021	2020
Amortization (1)	$ 3,512	$ 674	$ 6,350	$ 674
Selling, general and administrative	669	—	1,337	—
Total amortization expense	$ 4,181	$ 674	$ 7,687	$ 674

(1) The amortization expense related to Distribution rights and Developed technology was recorded to “amortization” in the condensed consolidated statement of operations and comprehensive loss.

Based on the amount of intangible assets subject to amortization as of June 30, 2021, the estimated amortization expense for each of the next five fiscal years and thereafter was as follows:

Year Ending December 31,	(in thousands)
2021 remaining six months	$ 8,320
2022	16,625
2023	16,625
2024	10,837
2025	5,967
2026 and thereafter	5,281
Total	$ 63,655

5. Inventories

As of June 30, 2021, and December 31, 2020, we had inventories of $5.1 million and $5.9 million, respectively, which were comprised of finished goods from purchased RHA® Collection of dermal fillers.

6. Balance Sheet Components

Accruals and Other Current Liabilities

Accruals and other current liabilities consist of the following:

(in thousands)	June 30, 2021	December 31, 2020
Accruals related to:		
Compensation	$ 19,555	$ 17,374
General expenses	5,986	6,683
Clinical trials	2,537	3,726
Interest expense	1,887	1,887
Inventories	213	1,796
Other current liabilities	1,227	1,472
Total	$ 31,405	$ 32,938

Property and Equipment, net

Property and equipment, net consists of the following:

(in thousands)	June 30, 2021	December 31, 2020
Manufacturing equipment	$ 20,095	$ 19,810
Platform and computer software [1]	8,194	6,360
Leasehold improvements	5,973	5,972
Other construction in progress	4,393	1,539
Computer equipment	1,909	1,768
Furniture and fixtures	1,615	1,541
Total property and equipment	42,179	36,990
Less: Accumulated depreciation and amortization	(21,087)	(19,491)
Property and equipment, net	$ 21,092	$ 17,499

(1) For both of the three and six months ended June 30, 2021, amortization expense for the platform software was $0.2 million and was recorded to “amortization” in the condensed consolidated statement of operations and comprehensive loss.

7. Derivative Liability

In 2012, we entered into a settlement agreement in which we are obligated to pay $4.0 million upon achieving regulatory approval for DaxibotulinumtoxinA for Injection or DaxibotulinumtoxinA Topical. We determined that such payment was a derivative instrument that requires fair value accounting as a liability and periodic fair value remeasurement until settled. The fair value of the derivative liability was determined by estimating the timing and probability of the related regulatory approval and multiplying the payment amount by this probability percentage and a discount factor.

As of June 30, 2021, the fair value of the derivative liability was $3.2 million, which was measured using a term of 0.2 years based on an expected BLA approval in 2021, a risk-free rate of 0.1% and a credit risk adjustment of 7.5%. As of December 31, 2020, the fair value of the derivative liability was $3.1 million, which was measured using a term of 0.5 years based on an expected BLA approval in 2021, a risk-free rate of 0.1% and a credit risk adjustment of 7.5%.

8. Leases

We have non-cancelable operating leases for facilities for research, manufacturing, and administrative functions, and equipment. Our leases have original lease periods expiring between 2027 and 2034. Our operating leases include one or more options to renew for up to 14 years. As of June 30, 2021, the weighted average remaining lease term is 8.8 years. The monthly payments for the facility leases escalate over the facility lease term with the exception of a decrease in payments at the beginning of 2022. Our lease contracts do not contain termination options, residual value guarantees or restrictive covenants.

The operating lease costs are summarized as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(in thousands)	2021	2020	2021	2020
Operating lease cost	$ 1,874	$ 1,425	$ 3,578	$ 2,850
Variable lease cost [1]	348	272	631	349
Total operating lease costs	$ 2,222	$ 1,697	$ 4,209	$ 3,199

(1) Variable lease cost includes management fees, common area maintenance, property taxes, and insurance, which are not included in the lease liabilities and are expensed as incurred.

As of June 30, 2021, maturities of our operating lease liabilities are as follows:

Year Ending December 31,	(in thousands)
2021 remaining six months	$ 5,555
2022	8,262
2023	8,431
2024	8,685
2025	8,943
2026 and thereafter	26,033
Total operating lease payments	65,909
Less imputed interest [1]	(18,987)
Present value of operating lease payments	$ 46,922

(1) Our lease contracts do not provide a readily determinable implicit rate. The imputed interest was based on a weighted average discount rate of 9.8%, which represents the estimated incremental borrowing based on the information available at the adoption or commencement dates.

Supplemental cash flow information related to the operating leases was as follows:

	Six Months Ended June 30,	
(in thousands)	2021	2020
Cash paid for amounts included in the measurement of operating lease liabilities	$ 4,940	$ 3,363
Right-of-use assets obtained in exchange for operating lease liabilities	$ 18,511	$ —

Leases Not Yet Commenced

ABPS Fill-and-finish Line

In December 2020, we entered into Amendment No.1 to the Technology Transfer, Validation and Commercial Fill/Finish Services Agreement with Ajinomoto Althea, Inc. dba Aji Bio-Pharma Services, a contract development and manufacturing organization (“ABPS”) (the “ABPS Amendment”). The ABPS Amendment contains a lease related to a dedicated fill-and finish-line for the manufacturing of DaxibotulinumtoxinA for Injection because it has an identified asset

that is physically distinct for which we will have the right of control as defined under ASC 842. The right of control is conveyed because the embedded lease will provide us with both (1) the right to obtain substantially all of the economic benefit from the fill-and-finish line resulting from the exclusivity of the dedicated manufacturing capacity and (2) the right to direct the use of the fill-and-finish line through our purchase orders to ABPS. The embedded lease has not yet commenced as of June 30, 2021. The commencement and recognition of the right-of-use lease asset and lease liabilities related to this embedded lease will take place when we have substantively obtained the right of control, which is expected to be in January 2022.

Under the ABPS Amendment, we are subject to minimum purchase obligations of $8 million for the year ending in December 31, 2021, and $30 million for each of the years ending December 31, 2022, 2023 and 2024. Each party has the right to terminate the ABPS Amendment, without cause, with an 18-month written notice to the other party.

LSNE Agreement

In April 2021, we and Lyophilization Services of New England, Inc. ("LSNE"), a contract development and manufacturing services organization, entered into a commercial supply agreement (the "LSNE Agreement") pursuant to which LSNE would serve as a non-exclusive manufacturer and supplier of our anticipated products currently under development (the "Products"). The initial term of the LSNE Agreement is dependent upon the date of regulatory submission for the applicable Product and may be terminated by either party in accordance with the terms of the LSNE Agreement. The term of the LSNE Agreement may also be extended for one additional three-year term upon mutual agreement of the parties.

The LSNE Agreement contains a lease related to a dedicated fill-and finish-line for the manufacturing of the Products because it has identified assets that are physically distinct for which we will have the right of control as defined under ASC 842. The right of control is conveyed because the embedded lease will provide us with both (1) the right to obtain substantially all of the economic benefit from the fill-and-finish line resulting from the exclusivity implied from the dedicated manufacturing capacity and (2) the right to direct the use of the fill-and-finish line.

The embedded lease has not yet commenced as of June 30, 2021. The commencement and recognition of the right-of-use lease assets and lease liabilities related to the embedded lease will take place when we have substantively obtained the right of control, which is currently expected to be in 2022. The embedded lease is preliminarily classified as a finance lease.

Pursuant to the LSNE Agreement, we are responsible for certain costs associated with the design, equipment procurement and validation, and facilities-related costs, monthly payments and minimum purchase obligations throughout the initial term of the LSNE Agreement. Based on our best estimate as of June 30, 2021, our total commitment under the LSNE Agreement will be $4 million for the year ending in December 31, 2021, $20 million for 2022, $13 million for 2023, $18 million for 2024, $25 million for 2025 and $164 million for 2026 and thereafter in aggregate.

9. Convertible Senior Notes

On February 14, 2020, we issued $287.5 million aggregate principal amount of convertible senior notes that are due in 2027 (the "2027 Notes") pursuant to an indenture, dated February 14, 2020, between Revance and U.S. Bank National Association, as trustee (the "Indenture"). The 2027 Notes are senior unsecured obligations and bear interest at a rate of 1.75% per year, payable semiannually in arrears on February 15 and August 15 of each year, beginning on August 15, 2020. The 2027 Notes will mature on February 15, 2027, unless earlier converted, redeemed or repurchased. In connection with issuing the 2027 Notes, we received $278.3 million in net proceeds, after deducting the initial purchasers' discount, commissions, and other issuance costs. A portion of the net proceeds from the 2027 Notes were used to purchase the capped call transactions described below and the remainder will be used to fund expenses associated with commercial launch activities for both the RHA® Collection of dermal fillers and, if approved, DaxibotulinumtoxinA for Injection for glabellar lines, research and development, and other corporate activities.

The 2027 Notes may be converted at any time by the holders prior to the close of business on the business day immediately preceding November 15, 2026 only under the following circumstances: (1) during any fiscal quarter commencing after the fiscal quarter ending on June 30, 2020 (and only during such fiscal quarter), if the last reported sale price of our common stock for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding fiscal quarter is greater than or equal to 130% of the conversion price on each applicable trading day; (2) during the five business day period after any ten consecutive trading day period (the "measurement period") in which the trading price (as defined in the Indenture) per $1,000 principal amount of the 2027 Notes for each trading day of the measurement period was less than 98% of the product of the last reported sale price of our common stock and the conversion rate on each such trading day; (3) if we call any or all of the 2027 Notes for redemption, at any time prior to the close of business on the scheduled trading day immediately preceding the redemption date; or (4) upon the occurrence of specified corporate events. On or after November 15, 2026 until the close of business on the second scheduled trading day immediately preceding the maturity date, holders may convert all or any portion of their 2027 Notes at any time, regardless of the foregoing circumstances. Upon conversion, we will pay or deliver, as the case may be, cash, shares of our common stock or a combination of cash and shares of our common stock, at our election.

The conversion rate will initially be 30.8804 shares of our common stock per $1,000 principal amount of the 2027 Notes (equivalent to an initial conversion price of approximately $32.38 per share of our common stock). The conversion rate is subject to adjustment in some events but will not be adjusted for any accrued and unpaid interest. In addition, following certain corporate events that occur prior to the maturity date or if we deliver a notice of redemption, we will, in certain circumstances, increase the conversion rate for a holder who elects to convert its 2027 Notes in connection with such a corporate event or notice of redemption, as the case may be.

Contractually, we may not redeem the 2027 Notes prior to February 20, 2024. We may redeem for cash all or any portion of the 2027 Notes, at our option, on or after February 20, 2024 if the last reported sale price of our common stock has been at least 130% of the conversion price then in effect for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading day period (including the last trading day of such period) ending on, and including, the trading day immediately preceding the date on which we provide notice of redemption at a redemption price equal to 100% of the principal amount of the 2027 Notes to be redeemed, plus any accrued and unpaid interest to, but excluding, the redemption date. No sinking fund is provided for the 2027 Notes.

If we undergo a fundamental change (as defined in the Indenture), holders may require us to repurchase for cash all or any portion of their 2027 Notes at a fundamental change repurchase price equal to 100% of the principal amount of the 2027 Notes to be repurchased, plus any accrued and unpaid interest to, but excluding, the fundamental change repurchase date.

Prior to adoption of ASU 2020-06 on January 1, 2021 (Note 1), we separated the 2027 Notes into liability and equity components. The carrying amount of the liability component was $175.4 million, which was calculated by using a discount rate of 9.5%, which was estimated to be our borrowing rate on the issuance date for a similar debt instrument without the conversion feature. The carrying amount of the equity component was $112.1 million, which represents the conversion option, and was determined by deducting the fair value of the liability component from the par value of the 2027 Notes. The equity component of the 2027 Notes is included in additional paid-in capital in the condensed consolidated balance sheets and will not be subsequently remeasured as long as it continues to meet the conditions for equity classification. The difference between the principal amount of the 2027 Notes and the liability component (the "debt discount") is amortized to interest expense in the condensed consolidated statements of operations and comprehensive loss using the effective interest method over the term of the 2027 Notes.

Total transaction costs for the issuance of the 2027 Notes were $9.2 million, consisting of the initial purchasers' discount, commissions, and other issuance costs. Prior to adoption of ASU 2020-06 we allocated the total transaction costs proportionally to the liability and equity components. The transaction costs attributed to the liability component were $5.6 million, which were recorded as debt issuance costs (presented as contra debt in our condensed consolidated balance sheets) and are amortized to interest expense in the condensed consolidated statements of operations and comprehensive loss over the term of the 2027 Notes. The transaction costs attributed to the equity component were $3.6 million, which were included in additional paid-in capital.

As a result of the early adoption of ASU 2020-06 (Note 1), we reclassified the equity component associated with the 2027 Notes principal and transaction costs from the additional paid-in capital to the convertible senior notes on the condensed consolidated balance sheet. Debt discount was eliminated and the adjustment to the interest expenses was recorded in the accumulated deficit on the condensed consolidated balance sheets.

Interest expense relating to the 2027 Notes in the condensed consolidated statements of operations and comprehensive loss are summarized as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(in thousands)	2021	2020	2021	2020
Contractual interest expense	$ 1,257	$ 1,258	$ 2,515	$ 1,901
Amortization of debt issuance costs	312	90	622	134
Amortization of debt discount[1]	—	2,909	—	4,370
Total interest expense	$ 1,569	$ 4,257	$ 3,137	$ 6,405

(1) The effective interest rate on the liability component of the 2027 Notes was 9.5% for the year ended December 31, 2020, which remained unchanged from the issuance date. As of December 31, 2020, the unamortized debt discount was $101.7 million, and will be amortized over 6.1 years. Due to the adoption of ASU 2020-06 (Note 1), debt discount was eliminated on January 1, 2021 therefore we no longer amortize debt discount.

As of June 30, 2021, and December 31, 2020, the convertible senior notes on the condensed consolidated balance sheet represented the carrying amount of the liability component of the 2027 Notes, net of unamortized debt discounts and debt issuance costs (as applicable), which are summarized as follows:

(in thousands)	June 30, 2021	December 31, 2020
2027 Notes	$ 287,500	$ 287,500
Less: Unamortized debt issuance costs	(7,497)	(5,275)
Less: Unamortized debt discount	—	(101,699)
Carrying amount of 2027 Notes	$ 280,003	$ 180,526

Capped Call Transactions

Concurrently with the 2027 Notes, we entered into capped call transactions with one of the initial purchasers and another financial institution (the "option counterparties") and used $28.9 million of the net proceeds from the 2027 Notes to pay the cost of the capped call transactions. The capped call transactions are expected generally to reduce the potential dilutive effect upon conversion of the 2027 Notes and/or offset any cash payments we are required to make in excess of the principal amount of converted 2027 Notes, as the case may be, with such reduction and/or offset subject to a price cap of $48.88 of our common stock per share, which represents a premium of 100% over the last reported sale price of our common stock on February 10, 2020. The capped calls have an initial strike price of $32.38 per share, subject to certain adjustments, which corresponds to the conversion option strike price in the 2027 Notes. The capped call transactions cover, subject to anti-dilution adjustments, approximately 8.9 million shares of our common stock.

The capped call transactions are separate transactions that we entered into with the option counterparties and are not part of the terms of the 2027 Notes. As the capped call transactions meet certain accounting criteria under ASC 815, the premium paid of $28.9 million was recorded as a reduction in additional paid-in capital in the condensed consolidated balance sheets, and will not be remeasured to fair value as long as the accounting criteria continue to be met. As of June 30, 2021, and December 31, 2020, we had not purchased any shares under the capped call transactions.

10. Stockholders' Equity and Stock-Based Compensation

2014 Equity Incentive Plan (the "2014 EIP")

On January 1, 2021, the number of shares of common stock reserved for issuance under the 2014 EIP increased by 2,767,146 shares. For the six months ended June 30, 2021, 583,571 stock options and 1,215,525 restricted stock awards, including 234,350 performance stock awards, were granted under the 2014 EIP. As of June 30, 2021, 2,246,911 shares were available for issuance under the 2014 EIP.

2014 Inducement Plan (the "2014 IN")

For the six months ended June 30, 2021, 104,090 restricted stock awards were granted under the 2014 IN. As of June 30, 2021, 517,137 shares were available for issuance under the 2014 IN.

HintMD Plan

On July 23, 2020, in connection with the HintMD Acquisition, we registered 1,260,946 shares under the Hint, Inc. 2017 Equity Incentive Plan (the "HintMD Plan"). For the six months ended June 30, 2021, no stock options and no restricted stock awards were granted under the HintMD Plan. As of June 30, 2021, 438,552 shares were available for issuance under the HintMD Plan.

2014 Employee Stock Purchase Plan (the "2014 ESPP")

On January 1, 2021, the number of shares of common stock reserved for issuance under the 2014 ESPP increased by 300,000 shares. As of June 30, 2021, 1,818,238 shares were available for issuance under the 2014 ESPP.

Net Loss per Share

Our basic net loss per share is calculated by dividing the net loss by the weighted average number of shares of common stock outstanding for the period, which includes the vested restricted stock awards. The diluted net loss per share is calculated by giving effect to all potential dilutive common stock equivalents outstanding for the period. For purposes of this calculation, underlying shares of convertible senior notes at the initial conversion price, outstanding stock options, unvested restricted stock awards and performance stock awards were excluded from the computation of diluted net loss per share because including them would have been antidilutive.

Common stock equivalents that were excluded from the computation of diluted net loss per share are presented below:

	June 30,	
	2021	2020
Convertible senior notes	8,878,938	8,878,938
Outstanding common stock options	4,910,088	5,475,879
Unvested restricted stock awards and performance stock awards	4,146,751	2,966,749

At-The-Market Offering

In November 2020, we entered into a sales agreement with Cowen and Company, LLC ("Cowen") as sales agent (the "2020 ATM Agreement"). Under 2020 ATM Agreement, we may offer and sell, from time to time, through Cowen, shares of our common stock, par value $0.001 per share, having an aggregate offering price of up to $125 million. We are not obligated to sell any shares under the 2020 ATM Agreement. Subject to the terms and conditions of the 2020 ATM Agreement, Cowen will use commercially reasonable efforts, consistent with its normal trading and sales practices, applicable state and federal law, rules and regulations and the rules of The Nasdaq Global Market, to sell shares from time to

time based upon our instructions, including any price, time or size limits specified by us. We pay Cowen a commission of up to 3% of the aggregate gross proceeds from each sale of shares, reimburse legal fees and disbursements and provide Cowen with customary indemnification and contribution rights. The 2020 ATM Agreement may be terminated by Cowen or us at any time upon notice to the other party, or by Cowen at any time in certain circumstances, including the occurrence of a material and adverse change in our business or financial condition that makes it impractical or inadvisable to market the shares or to enforce contracts for the sale of the shares.

For the six months ended June 30, 2021, we sold 761,526 shares of common stock under the 2020 ATM Agreement at a weighted average price of $29.09 per share resulting in net proceeds of $21.6 million after sales agent commissions and offering costs. No shares of common stock were sold under the 2020 ATM Agreement after the filing of our 2020 Form 10-K filed with the SEC on February 25, 2021. For the year ended December 31, 2020, we sold 2,585,628 shares of common stock under the 2020 ATM Agreement at a weighted average price of $27.18 per share resulting in net proceeds of $68.2 million after sales agent commissions and offering costs.

As of June 30, 2021, we had $32.6 million available under the 2020 ATM Agreement.

Stock-based Compensation

Stock-based compensation expense was allocated as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(in thousands)	2021	2020	2021	2020
Selling, general and administrative	$ 7,288	$ 4,769	$ 14,569	$ 8,871
Research and development	4,080	2,584	7,406	5,026
Total stock based compensation expense	$ 11,368	$ 7,353	$ 21,975	$ 13,897

11. Fair Value Measurements

The following table summarizes, for assets and liabilities measured at fair value, the respective fair value and the classification by level of input within the fair value hierarchy:

	June 30, 2021			
(in thousands)	Fair Value	Level 1	Level 2	Level 3
Assets				
Money market funds	$ 162,052	$ 162,052	$ —	$ —
Commercial paper	146,859	—	146,859	—
Corporate bonds	21,803	—	21,803	—
Total assets measured at fair value	$ 330,714	$ 162,052	$ 168,662	$ —
Liabilities				
Derivative liability	$ 3,159	$ —	$ —	$ 3,159
Total liabilities measured at fair value	$ 3,159	$ —	$ —	$ 3,159

REVANCE THERAPEUTICS, INC.

Notes to Condensed Consolidated Financial Statements — (Continued)

(Unaudited)

(in thousands)	December 31, 2020			
	Fair Value	Level 1	Level 2	Level 3
Assets				
Money market funds	$ 267,130	$ 267,130	$ —	$ —
Commercial paper	113,446	—	113,446	—
Total assets measured at fair value	$ 380,576	$ 267,130	$ 113,446	$ —
Liabilities				
Derivative liability	$ 3,081	$ —	$ —	$ 3,081
Total liabilities measured at fair value	$ 3,081	$ —	$ —	$ 3,081

For Level 1 investments, we use quoted prices in active markets for identical assets to determine the fair value. For Level 2 investments, we use quoted prices for similar assets sourced from certain third-party pricing services. The third-party pricing services generally utilize industry standard valuation models for which all significant inputs are observable, either directly or indirectly, to estimate the price or fair value of the securities. The primary input generally includes reported trades of or quotes on the same or similar securities. We do not make additional judgments or assumptions made to the pricing data sourced from the third-party pricing services.

The following table summarizes the change in the fair value of our Level 3 financial instrument:

(in thousands)	Derivative Liability
Fair value as of December 31, 2020	$ 3,081
Change in fair value	78
Fair value as of June 30, 2021	$ 3,159

The fair value of the derivative liability was determined by estimating the timing and probability of the related regulatory approval and multiplying the payment amount by this probability percentage and a discount factor based primarily on the estimated timing of the payment and a credit risk adjustment (Note 7). Generally, increases or decreases in these unobservable inputs would result in a directionally similar impact to the fair value measurement of this derivative instrument. The significant unobservable inputs used in the fair value measurement of the product approval payment derivative are the expected timing and probability of the payments at the valuation date and the credit risk adjustment.

The fair value of the 2027 Notes (Note 9) was determined on the basis of market prices observable for similar instruments and is considered Level 2 in the fair value hierarchy. We present the fair value of the 2027 Notes for disclosure purposes only. As of June 30, 2021, and December 31, 2020 the fair value of the 2027 Notes was $337.6 million and $326.2 million respectively.

12. Commitments and Contingencies

Teoxane Agreement

We entered into an exclusive distribution agreement (the "Teoxane Agreement") with Teoxane SA ("Teoxane") in January 2020, pursuant to which Teoxane granted us the exclusive right to import, market, promote, sell and distribute Teoxane's line of RHA® dermal fillers in exchange for 2,500,000 shares of our common stock and certain other commitments by us. The Teoxane Agreement is effective for a term of ten years from product launch in September 2020 and may be extended for a two-year period upon the mutual agreement of the parties. We are required to meet certain minimum purchase obligations during each year of the term and are required to meet certain minimum expenditure requirements in connection with commercialization efforts unless prevented by certain conditions such as manufacturing delays. Either party may terminate the Teoxane Agreement in the event of the insolvency of, or a material breach by, the other party, including certain specified breaches that include the right for Teoxane to terminate the Teoxane Agreement for our failure to meet the minimum purchase requirements or commercialization expenditure during specified periods, or for our breach of the exclusivity obligations under the Teoxane Agreement.

Other Commitments

Our commitment under the ABPS Amendment and the LSNE Agreement were discussed in Note 8—Leases.

Other Contingencies

We are obligated to make a $2.0 million milestone payment to a developer of botulinum toxin, List Biological Laboratories, Inc. ("List Laboratories") upon achievement of a certain regulatory milestone. As of June 30, 2021, the milestone had not been achieved. We are also obligated to pay royalties to List Laboratories on future sales of botulinum toxin products.

We entered into an asset purchase agreement with Botulinum Toxin Research Associates, Inc. ("BTRX"), under which we are obligated to pay up to $16.0 million to BTRX upon the satisfaction of milestones relating to our product revenue, intellectual property, and clinical and regulatory events.

Indemnification

We have standard indemnification agreements in the ordinary course of business. Under these indemnification agreements, we indemnify, hold harmless, and agree to reimburse the indemnified parties for losses suffered or incurred by the indemnified party, in connection with any trade secret, copyright, patent or other intellectual property infringement claim by any third party with respect to our technology. The term of these indemnification agreements is generally perpetual after the execution of the agreements. The maximum potential amount of future payments we are obligated to pay under these indemnification agreements is not determinable because it involves claims that may be made against us in the future but have not been made. We have not incurred costs to defend lawsuits or settle claims related to these indemnification agreements.

We have indemnification agreements with our directors and officers that may require us to indemnify them against liabilities that may arise by reason of their status or service as directors or officers, other than liabilities arising from willful misconduct of the individual.

For the six months ended June 30, 2021, no amounts associated with the indemnification agreements have been recorded.

13. Segment Information

Reportable Segments

We report segment information based on the management approach. The management approach designates the internal reporting used by management for making decisions and assessing performance as the source of our reportable segments.

As a result of the HintMD Acquisition in July 2020, we now have two reportable segments: the Product Segment and the Service Segment. Each reportable segment represents a component, or an operating segment, for which separate financial information is available that is utilized on a regular basis by our chief operating decision maker (CODM) in determining resource allocations and performance evaluation. We also considered whether the identified operating segments should be further aggregated based on factors including economic characteristics, the nature of products and services, production processes, customer base, distribution methods, and regulatory environment; however, no such aggregation was made due to dissimilarity of the operating segments.

Product Segment

Our Product Segment refers to the business that includes the research and development of innovative aesthetic and therapeutic products, including DaxibotulinumtoxinA for Injection for various indications, the U.S. distribution of the RHA® Collection of dermal fillers, and the onabotulinumtoxinA biosimilar program in partnership with Viatris. Both product and collaboration revenues and related expenses are included in Product Segment.

Service Segment

Our Service Segment refers to the business of payment facilitation, integrated smart payment, subscription and other value-added services through the Fintech Platform.

Corporate and other expenses include operating expense related to general and administrative expenses, depreciation and amortization, stock-based compensation, in-process research and development and intersegment elimination that are not used in evaluating the results of, or in allocating resources to, our segments. Intersegment revenue represents the revenue generated between the two segments. Intersegment revenue was $0.4 million for both of the three and six months ended June 30, 2021. There was no intersegment revenue for the three and six months ended June 30, 2020.

Reconciliation of Segment Revenue to Consolidated Revenue

	Three Months Ended June 30,		Six Months Ended June 30,	
(in thousands)	**2021**	**2020**	**2021**	**2020**
Revenue:				
Product Segment	$ 18,433	$ 299	$ 31,591	$ 357
Service Segment	724	—	865	—
Intersegment elimination	(353)	—	(353)	—
Total revenue	$ 18,804	$ 299	$ 32,103	$ 357

Reconciliation of Segment Loss from Operations to Consolidated Loss from Operations

	Three Months Ended June 30,		Six Months Ended June 30,	
(in thousands)	2021	2020	2021	2020
Loss from operations:				
Product Segment	$ (35,399)	$ (34,500)	$ (72,684)	$ (78,967)
Service Segment	(4,048)	—	(8,023)	—
Corporate and other expenses	(30,890)	(22,605)	(59,642)	(39,098)
Total loss from operations	$ (70,337)	$ (57,105)	$ (140,349)	$ (118,065)

We do not evaluate performance or allocate resources based on segment asset data, and therefore such information is not presented.

14. Subsequent Event

Nashville Lease Expansion Premises

In November 2020, we entered into a non-cancelable operating lease for an office space in Nashville, Tennessee (the "Nashville Lease"), which commenced and was recognized on the condensed consolidated balance sheets in June 2021. In July 2021, we entered into the Second Amendment to the Nashville Lease, which provides for the expansion of the initial premises to include an additional 30,591 square feet (the "Expansion Premises") with an expected term to 2034. The lease commencement date of the Expansion Premises has not occurred and is expected to take place when the office space is made available to us after the completion of certain improvement work, which is currently expected in late 2022. The monthly base rent payments for the lease escalate over the term. The total undiscounted basic rent payments determinable for the Expansion Premises are approximately $16 million.

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 condensed consolidated financial statements and the accompanying notes appearing elsewhere in this Report and in conjunction with our other SEC filings, including our Annual Report on Form 10-K for the year ended December 31, 2020, filed with the SEC on February 25, 2021.

This Report including the documents incorporated by reference herein, contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical facts contained in this Quarterly Report on Form 10-Q (this "Report") and the documents incorporated by reference herein, including statements regarding our future financial condition, business strategy and plans and objectives of management for future operations, are forward-looking statements. The words "may," "will," "could," "would," "should," "expect," "intend," "plan," "anticipate," "believe," "estimate," "predict," "project," "potential," "continue," "ongoing" and similar expressions that convey uncertainty of future events or outcomes are intended to identify forward-looking statements. In addition, any statements that refer to our financial outlook or projected performance, anticipated growth, market demand, conditions and trends relevant to our business, milestone expectations, and expected cash runway; our future responses to and the effects of the COVID-19 pandemic; ability to obtain, and the timing relating to, regulatory submissions, meetings and approvals with respect to our drug product candidates, including with respect to the anticipated approval of DaxibotulinumtoxinA for Injection for the treatment of glabellar lines and RHA® 1; the outcome of the U.S. Food and Drug Administration's (the "FDA") inspection of the Company's Northern California manufacturing facility; our ability to integrate, expand and achieve the anticipated benefits of the HintMD Platform and the next-generation HintMD Platform (the "Next-generation Platform", and together with the HintMD Platform, the "Fintech Platform"); the timing of the release of, and our expectations regarding, the Next-generation Platform, including its profitability; the process of, and ability to complete, the current and anticipated future clinical development of our product candidates including the outcome of such clinical studies and trials; development of an onabotulinumtoxinA biosimilar, which would compete in the existing short-acting neuromodulator marketplace; our ability to effectively and reliably manufacture supplies of DaxibotulinumtoxinA for Injection; our business strategy; our ability to build our own sales and marketing capabilities; our plans and prospects, including our commercialization plans and ability to commercialize Teoxane SA's ("Teoxane") line of Resilient Hyaluronic Acid® dermal fillers and DaxibotulinumtoxinA for Injection; and the potential benefits of our drug product candidates and our technologies are forward-looking statements. We have based these forward-looking statements on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs. These forward-looking statements are subject to a number of known and unknown risks, uncertainties and assumptions, including risks described in the section titled "Risk Factors" and elsewhere in this Report.

You should not rely upon forward-looking statements as predictions of future events. These forward-looking statements represent our estimates and assumptions only as of the date of the document containing the applicable statement. Except as required by law, we undertake no obligation to update publicly any forward-looking statements for any reason to conform these statements to actual results or to changes in our expectations. You should read this Report, together with the information incorporated herein by reference, with the understanding that our actual future results, levels of activity, performance and achievements may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements.

Summary of Risk Factors

Investing in our common stock involves risks. See Item 1A. "Risk Factors" in this Report for a discussion of the following principal risks and other risks that make an investment in Revance speculative or risky.

- Our success as a company is substantially dependent on the clinical and commercial success of our product candidate, DaxibotulinumtoxinA for Injection, and RHA® 2, RHA® 3 and RHA® 4, which have been approved by the FDA for the correction of moderate to severe dynamic facial wrinkles and folds (collectively, the "RHA® Collection of dermal fillers"); RHA® 1, for which FDA approval is targeted for the second half of 2021 for the treatment of perioral rhytids (lip lines), and is currently in ongoing clinical trials; and future hyaluronic acid filler advancements and products by Teoxane (collectively the "RHA® Pipeline Products"). Our ability to finance our business and generate revenue depends on the successful development, regulatory approval and commercialization of these product candidates, an onabotulinumtoxinA biosimilar or any future product candidates. If we experience delays or are unable to successfully complete the development or regulatory approval process or commercialize our product candidates, we may not be able to generate sufficient revenue to continue our business.

- We may be unable to obtain regulatory approval for DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar or future product candidates in a timely manner or at all.

- Reports of adverse events or safety concerns involving the RHA® Collection of dermal fillers or other Teoxane approved product candidates could delay or prevent Teoxane from maintaining regulatory approval or obtaining additional regulatory approval for the RHA® Pipeline Products. The denial, delay or withdrawal of any such approval would negatively impact commercialization and could have a material adverse effect on our ability to generate revenue, business prospects, and results of operations.

- The current COVID-19 pandemic has and may continue to adversely affect our product approval timeline, financial condition and our business as well as those of third parties on which we rely for significant manufacturing, clinical or other business operations. The FDA deferred its decision on the Biologics License Application ("BLA") for DaxibotulinumtoxinA for Injection for the treatment of glabellar lines on November 24, 2020 because it was unable to conduct the required inspection of our manufacturing facility due to FDA travel restrictions associated with the COVID-19 pandemic. Further, the COVID-19 pandemic has adversely affected the economy and disposable income levels, which could reduce consumer spending and lower demand for our products.

- We currently contract with third-party manufacturers for certain components and services necessary to produce our product candidates and expect to continue to do so to support further clinical trials and commercial scale production if our product candidates are approved. This increases the risk that we will not have sufficient quantities of our product candidates or be able to obtain such quantities at an acceptable cost, which could delay, prevent or impair our development or commercialization efforts.

- Clinical drug development involves a lengthy and expensive process with an uncertain outcome, and results of earlier studies and trials may not be predictive of future trial results.

- If we do not effectively manage our expanded operations in connection with our recent acquisition of HintMD, or if we are not able to achieve market acceptance of the Fintech Platform, then we may not achieve the anticipated benefits or recoup the substantial expense incurred in connection with the acquisition.

- DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar, the RHA® Pipeline Products or any future product candidates, if approved, may not achieve market acceptance among physicians and patients, and may not be commercially successful and our operating results and financial condition would be adversely affected.

- Our product candidates and the RHA® Pipeline Products will face significant competition, including from companies that enjoy significant competitive advantages, such as substantially greater financial, research and development, manufacturing, personnel and marketing resources, greater brand recognition and more experience and expertise in obtaining marketing approvals from the FDA and other regulatory authorities. Our failure to effectively compete may prevent us from achieving significant market penetration and expansion.

- If our competitors develop and market products that are safer, more effective or more convenient or less expensive than DaxibotulinumtoxinA for Injection, the RHA® Pipeline Products, an onabotulinumtoxinA biosimilar or any other future product candidates, if approved, our commercial opportunity could be reduced or eliminated.

- As we evolve from a company primarily involved in research and development and commercialization of aesthetic products in the U.S. to a company involved in the commercialization of aesthetic and therapeutic products domestically and internationally, we will need to maintain and expand sales, marketing, managerial and/or operational capabilities on our own or through third parties, and we may be unable to do so successfully.

- We use third-party collaborators, including Viatris Inc. (formerly Mylan N.V.) (“Viatris”), Fosun, Ajinomoto Althea, Inc. dba Ajinomoto Bio-Pharma Services (“ABPS”) and Lyophilization Services of New England, Inc. (“LSNE”), to help us develop, validate, manufacture and/or commercialize product candidates. Our ability to commercialize such product candidates could be impaired or delayed if these collaborations are unsuccessful.

- Changes in and failures to comply with U.S. and foreign privacy and data protection laws, regulations and standards may adversely affect our business, operations and financial performance.

- We have incurred significant losses since our inception and we anticipate that these losses will continue for the foreseeable future as we continue our development of, seek regulatory approval for and begin to commercialize DaxibotulinumtoxinA for Injection and continue to commercialize the RHA® Collection of dermal fillers and the Fintech Platform. Our prior losses, combined with expected future losses, may adversely affect the market price of our common stock and our ability to raise capital and continue operations.

- We moved our global headquarters from Newark, California, to Nashville, Tennessee on January 1, 2021. In connection with this relocation, we could experience unexpected costs or business disruption and diversion of management attention, which could negatively impact our business operations and result in additional costs.

- We may require substantial additional financing to achieve our goals, and a failure to obtain the necessary capital when needed on acceptable terms, or at all, could force us to delay, limit, reduce or terminate our product development, commercialization and sales efforts, and other operations.

- Servicing our debt, including the 2027 Notes, requires a significant amount of cash to pay our substantial debt. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets, restructuring debt or obtaining additional equity capital on terms that may be onerous or highly dilutive.

- If our efforts to protect our intellectual property related to DaxibotulinumtoxinA for Injection, the RHA® Pipeline Products, any future product candidates, including an onabotulinumtoxinA biosimilar, or the Fintech Platform are not adequate, we may not be able to compete effectively. Additionally, we may become involved in lawsuits to protect or enforce our patents or other intellectual property or the patents of our licensors, which could be expensive and time-consuming.

- If product liability lawsuits are brought against us and we cannot successfully defend ourselves, we may incur substantial liabilities or be required to limit commercialization of our products. Even a successful defense would require significant financial and management resources.

Overview

Revance is a biotechnology company focused on innovative aesthetic and therapeutic offerings, including its next-generation neuromodulator product, DaxibotulinumtoxinA for Injection. DaxibotulinumtoxinA for Injection combines a proprietary stabilizing peptide excipient with a highly purified botulinum toxin that does not contain human or animal-based components. We have successfully completed a Phase 3 program for DaxibotulinumtoxinA for Injection in glabellar (frown) lines and are pursuing U.S. regulatory approval. We are also evaluating DaxibotulinumtoxinA for Injection in the full upper face, including glabellar lines, forehead lines and crow's feet, as well as in two therapeutic indications - cervical dystonia and adult upper limb spasticity. To accompany DaxibotulinumtoxinA for Injection, we own a unique portfolio of premium products and services for U.S. aesthetics practices, including the exclusive U.S. distribution rights to the RHA® Collection of dermal fillers, the first and only range of the FDA-approved fillers for correction of dynamic facial wrinkles and folds, and the HintMD fintech platform, which includes integrated smart payment, subscription and loyalty digital services. We have also partnered with Viatris to develop an onabotulinumtoxinA biosimilar, which would compete in the existing short-acting neuromodulator marketplace. We are dedicated to making a difference by transforming patient experiences.

Impact of the COVID-19 Pandemic on Our Operations

The COVID-19 pandemic caused general business disruption worldwide beginning in January 2020. In response to the COVID-19 pandemic, we curtailed employee travel and implemented a corporate work-from-home policy in March 2020. Certain manufacturing, quality and laboratory-based employees have continued to work onsite, and certain employees with customer-facing roles have been onsite for training and interfacing in-person with customers in connection with the product launch of the RHA® Collection of dermal fillers. We have resumed essential on-site corporate operations and are working towards transitioning employees back on-site in accordance with local and regional restrictions. Although many of our employees have returned to working on-site, if the severity, duration or nature of the COVID-19 pandemic changes, it may have an impact on our ability to continue on-site operations, which could disrupt our clinical trials and sales activities.

The COVID-19 pandemic has and may continue to negatively affect our ability to obtain approval of product candidates from the FDA or other regulatory authorities, supply chain, end user demand for our products and commercialization activities. In November 2020, the FDA deferred a decision on the BLA for DaxibotulinumtoxinA for Injection for the treatment of moderate to severe glabellar (frown) lines. The FDA reiterated that an inspection of our manufacturing facility is required as part of the BLA approval process, but the FDA was unable to conduct the required inspection of our manufacturing facility in Northern California, due to the FDA's travel restrictions associated with the COVID-19 pandemic. The FDA initiated the pre-approval inspection of our manufacturing facility in June 2021. However, we cannot be certain of how quickly or successfully the regulatory approval process will move following inspection.

The product supply of the RHA® Collection of dermal fillers was delayed by distribution partner Teoxane as they temporarily suspended production in Geneva, Switzerland as a precaution surrounding the COVID-19 pandemic in early 2020. Teoxane resumed manufacturing operations at the end of April 2020 and delivered the first shipment of the RHA® Collection of dermal fillers to us in June 2020. As a result, our initial product launch of the RHA® Collection of dermal fillers was delayed by one quarter to September 2020. In addition, port closures and other restrictions resulting from the COVID-19 pandemic may disrupt our supply chain or limit our ability to obtain sufficient materials for the production of our products. We have taken steps to build sufficient levels of inventory to help mitigate potential future supply chain disruptions.

Our clinical trials have been and may continue to be affected by the COVID-19 pandemic. The COVID-19 pandemic has and may further delay enrollment in and the progress of our current and future clinical trials. Even as restrictions have been lifted in many jurisdictions and vaccines are widely available in the United States and certain other countries, the COVID-19 pandemic may continue to result in government imposed quarantines and consume hospital resources, especially if infection rates rise or more contagious variants spread. Patients may not be able to comply with clinical trial protocols if quarantines impede patient movement or interrupt healthcare services. Site initiation and patient enrollment may be delayed due to prioritization of hospital resources toward the COVID-19 pandemic. For example, enrollment in the JUNIPER Phase 2 adult upper limb spasticity trial was paused in March 2020 due to challenges related to the COVID-19 pandemic. The trial was originally designed to include 128 subjects. Due to the COVID-19 challenges related to continued subject enrollment and the scheduling of in-person study visits, in June 2020, we announced the decision to end

screening and complete the JUNIPER trial with the 83 patients enrolled to date. We released topline results from the Phase 2 study in February 2021, which informed our dosing strategy for the Phase 3 program.

To ensure proper clinical trial coordination and completion, in line with the FDA-issued guidance of March 18, 2020 on the Conduct of Clinical Trials of Medical Products during the COVID-19 pandemic, we have evaluated and implemented risk-based approaches for remote clinical trial monitoring and activities, including remote patient assessment, for those subjects who cannot physically visit clinic sites, to ensure the full completion of trials.

The ultimate impact of the COVID-19 pandemic is highly uncertain and we do not yet know the full extent of potential delays or impacts on our BLA, our manufacturing operations, supply chain, end user demand for our products and services, commercialization efforts, business operations, clinical trials and other aspects of our business, the healthcare systems or the global economy as a whole. As such, it is uncertain as to the full magnitude that the COVID-19 pandemic will have on our financial condition, liquidity, and results of operations.

Fintech Platform

On July 23, 2020, we completed the acquisition of all of the issued and outstanding shares of Hint, Inc. (d/b/a HintMD) (the "HintMD Acquisition"), and HintMD became a wholly owned subsidiary of Revance. HintMD operates the HintMD Platform, which is a payment solution and practice management tool for medical aesthetic practices. In April 2021, HintMD completed the integration of the payment facilitator ("PayFac") functionality and launched the next-generation HintMD Platform (the "Next-generation Platform", and together with the HintMD Platform, the "Fintech Platform") in beta form to select customers. Current HintMD Platform customers will be transitioned to the Next-generation Platform over time.

Recent Developments

At-The-Market Offering

For the six months ended June 30, 2021, we sold 761,526 shares of common stock under the 2020 ATM Agreement at a weighted average price of $29.09 per share resulting in net proceeds of $21.6 million after sales agent commissions and offering costs. No shares of common stock were sold under the 2020 ATM Agreement after the filing of our 2020 Form 10-K filed with the SEC on February 25, 2021.

RHA® Technology and Launch

We launched the RHA® Collection of dermal fillers in 2020, and we recognized $17.0 million in product revenue, and $5.4 million in cost of product revenue (exclusive of amortization) for the three months ended June 30, 2021, and $28.7 million in product revenue and $9.6 million in cost of product revenue (exclusive of amortization) for the six months ended June 30, 2021.

Results of Operations

As a result of the HintMD Acquisition in July 2020, we have two reportable segments: the Product Segment and the Service Segment. Our Product Segment refers to the business that includes the research and development of innovative aesthetic and therapeutic products, including DaxibotulinumtoxinA for Injection for various indications, the U.S. distribution of the RHA® Collection of dermal fillers, and the onabotulinumtoxinA biosimilar program in partnership with Viatris. Both product and collaboration revenues and related expenses are included in the Product Segment. Our Service Segment refers to the business of the Fintech Platform described previously.

Revenue

	Three Months Ended June 30,			Six Months Ended June 30,		
(in thousands, except percentages)	**2021**	**2020**	**Change**	**2021**	**2020**	**Change**
Product revenue	$ 17,039	$ 49	N/M	$ 28,686	$ 49	N/M
Collaboration revenue	1,394	250	458 %	2,905	308	843 %
Service revenue	371	—	N/M	$ 512	—	N/M
Total revenue	$ 18,804	$ 299	6,189 %	$ 32,103	$ 357	8,892 %

N/M - Percentage not meaningful

Product Revenue

We have only generated product revenue from the sale of the RHA® Collection of dermal fillers, which initial sale took place in June 2020.

For the three and six months ended June 30, 2021, our product revenue increased due to full quarters of sales of the RHA® Collection of dermal fillers for the three months ended March 31, 2021 and June 30, 2021 in comparison to a partial quarter of sales for the three months ended June 30, 2020, which sales were related to the PrevU program, a pre-launch promotional program of the RHA® Collection of dermal fillers for select practices.

Collaboration Revenue

We are in the continuation phase of the onabotulinumtoxinA biosimilar program and are moving forward with characterization and product development work, followed by an anticipated filing of an Investigational New Drug Application with the FDA in 2022.

For the three and six months ended June 30, 2021, our collaboration revenue increased compared to the same periods in 2020, due to development activities from the Viatris Collaboration.

Service Revenue

Our service revenue is generated from the Fintech Platform, which earns revenues through payment processing fees, generally net of costs, and value-added services. In our HintMD Platform service offerings, we generally recognize service revenue net of costs as an accounting agent. Service revenue and related costs recognized from the Next-generation Platform are presented gross on the condensed consolidated statements of operations and comprehensive loss.

We did not begin to recognize service revenue until the completion of the HintMD Acquisition in July 2020. We expect service revenue to increase in the future as we expand the general availability of the Next-generation Platform for existing and new customers over time.

Operating Expenses

(in thousands, except percentages)	Three Months Ended March 31, 2021	2020	Change	Six Months Ended June 30, 2021	2020	Change
Operating expenses:						
Cost of product revenue (exclusive of amortization)	$ 5,409	$ 21	N/M	$ 9,626	$ 21	N/M
Cost of service revenue (exclusive of amortization)	17	—	N/M	17	—	N/M
Selling, general and administrative	50,598	29,606	71 %	99,603	50,830	96 %
Research and development	29,441	27,103	9 %	56,692	66,897	(15) %
Amortization	3,676	674	445 %	6,514	674	866 %
Total operating expenses	$ 89,141	$ 57,404	55 %	$ 172,452	$ 118,422	46 %

N/M - Percentage not meaningful

Our operating expenses consist of costs of product revenue (exclusive of amortization), cost of service revenue (exclusive of amortization), selling, general and administrative expenses, research and development expenses, and amortization. The largest component of our operating expenses is our personnel costs, including stock-based compensation, which is a subset of our selling, general and administrative and research and development expenses. We expect our operating expenses to increase in the near term as we increase sales and marketing activities for the RHA® Collection of dermal fillers and the Fintech Platform, account for the full year impact of an expanded organization related to the HintMD Acquisition and the hiring of additional members of our sales force, and other actions taken to prepare for the commercialization of DaxibotulinumtoxinA for Injection for the treatment of glabellar lines if our BLA is approved in 2021. We also expect our operating expenses related to research and development to decrease in the near term as we complete existing clinical trials and associated programs related to DaxibotulinumtoxinA for Injection for certain indications. However, these expenses may increase to the extent we conduct clinical trials for additional indications and depending on the need for additional clinical trials for the current indications we are pursuing.

Cost of Product Revenue (exclusive of amortization)

Cost of product revenue (exclusive of amortization) primarily consists of the cost of inventory and distribution expenses related to the RHA® Collection of dermal fillers. We did not incur cost of product revenue (exclusive of amortization) until the first delivery of the RHA® Collection of dermal fillers in June 2020.

For the three and six months ended June 30, 2021, our cost of product revenue (exclusive of amortization) increased compared to the same periods in 2020 due to full quarters of sales of the RHA® Collection of dermal fillers for the three months ended March 31, 2021 and June 30, 2021 in comparison to a partial quarter of sales for the three months ended June 30, 2020, which sales were related to the PrevU program, a pre-launch promotional program of the RHA® Collection of dermal fillers for select practices.

Cost of Service Revenue (exclusive of amortization)

For the three months ended June 30, 2021, cost of service revenue (exclusive of amortization) consists of interchange and various fees from the beta launch of the Next-generation Platform and other miscellaneous fulfillment costs related to the HintMD Platform.

For the three and six months ended June 30, 2021, such costs for the HintMD Platform were minimal, and we did not incur such costs prior to the completion of the HintMD Acquisition in July 2020. We expect the cost of service revenue (exclusive of amortization) to increase in the future as we expand the general availability of the Next-generation Platform for existing and new customers over time and due to the change to the gross accounting presentation of revenue and costs associated with the Next-generation Platform, which operates as a PayFac.

Selling, General and Administrative Expenses

Selling, general and administrative expenses consist primarily of the following:

- Costs of sales and marketing activities and sales force compensation related to the RHA® Collection of dermal fillers and the Fintech Platform;
- DaxibotulinumtoxinA for Injection pre-commercial activities such as market research and public relations;
- Personnel and professional service costs in our finance, information technology, commercial, investor relations, legal, human resources, and other administrative functions, including related stock-based compensation costs; and
- Depreciation and amortization of certain assets used in selling, general and administrative activities.

We expect that our selling, general and administrative expenses will increase as we increase our sales and marketing activities in connection with the potential commercial launch of DaxibotulinumtoxinA for Injection.

Our selling, general and administration expenses are summarized as follows:

	Three Months Ended June 30,			Six Months Ended June 30,		
(in thousands, except percentages)	**2021**	**2020**	**Change**	**2021**	**2020**	**Change**
Selling, general and administrative	$ 42,391	$ 24,601	72 %	$ 83,183	$ 41,480	101 %
Stock-based compensation	7,288	4,769	53 %	14,569	8,871	64 %
Depreciation and amortization	919	236	289 %	1,851	479	286 %
Total selling, general and administrative expenses	$ 50,598	$ 29,606	71 %	$ 99,603	$ 50,830	96 %

Selling, general and administrative expenses before stock-based compensation

For the three months ended June 30, 2021, selling, general and administrative expenses increased by $17.8 million, or 72% compared to the same period in 2020. Of the total increase, $16.8 million is attributed to sales and marketing expenses in the Product Segment and $0.7 million is attributed to sales and marketing expenses in the Service Segment. For the six months ended June 30, 2021, selling, general and administrative expenses increased by $41.7 million, or 101% compared to the same period in 2020. Of the total increase, $33.9 million is attributed to sales and marketing expenses in the Product Segment and $2.8 million is attributed to sales and marketing expenses in the Service Segment.

The increases in the Product Segment were primarily related to the promotional, professional education, and sales and marketing activities for the RHA® Collection of dermal fillers and pre-commercial activities for DaxibotulinumtoxinA for Injection. The remaining increases were attributed to general and administrative expenses, which were primarily related to increased compensation costs from onboarded HintMD team members and other personnel and costs related to investment in information technology infrastructure and administrative functions to support our continued growth as a commercial company with an expanding portfolio of products and services.

If DaxibotulinumtoxinA for Injection is approved for the treatment of glabellar lines, we expect selling, general and administrative expenses to increase as we prepare for commercial activities.

Stock-based compensation

For the three months ended June 30, 2021, stock-based compensation included in selling, general and administrative expenses increased by $2.5 million, or 53% compared to the same period in 2020. For the six months ended June 30, 2021, stock-based compensation included in selling, general and administrative expenses increased by $5.7 million, or 64%

compared to the same period in 2020. The increases were primarily due to more stock award grants related to increased employee headcount in selling, general and administrative functions.

Research and Development Expenses

In the Product Segment, we do not believe that allocation of all costs by product candidate would be meaningful; therefore, we generally do not track these costs by product candidates unless contractually required by our business partners. In the Service Segment, our research and development expenses relate to the development and introduction of new functionalities and features of the Next-generation Platform that are not subjected to capitalization.

Research and development expenses consist primarily of:

- salaries and related expenses for personnel in research and development functions, including stock-based compensation;
- expenses related to the initiation and completion of clinical trials and studies for DaxibotulinumtoxinA for Injection, future innovations related to Teoxane's RHA® Collection of dermal fillers and an onabotulinumtoxinA biosimilar, including expenses related to the production of clinical supplies;
- fees paid to clinical consultants, contract research organizations ("CROs") and other vendors, including all related fees for investigator grants, patient screening fees, laboratory work and statistical compilation and analysis;
- expenses related to medical affairs, medical information, publications and pharmacovigilance oversight;
- other consulting fees paid to third parties;
- expenses related to the establishment and maintenance of our manufacturing facilities;
- expenses related to the manufacturing of supplies for clinical activities, regulatory approvals, and pre-commercial inventory;
- expenses related to license fees, milestone payments, and development efforts under in-licensing agreements;
- expenses related to compliance with drug development regulatory requirements in the U.S and other foreign jurisdictions;
- expenses related to the development of new features and functionalities of the Next-generation Platform and services that are not subjected to capitalization;
- depreciation and other allocated expenses; and
- charges from the RHA® Collection of dermal fillers asset acquisition related to in-process research and development.

Our research and development expenses are subject to numerous uncertainties primarily related to the timing and cost needed to complete our respective projects. In our Product Segment, the development timelines, probability of success and development expenses can differ materially from expectations, and the completion of clinical trials may take several years or more depending on the type, complexity, novelty and intended use of a product candidate. Accordingly, the cost of clinical trials may vary significantly over the life of a project as a result of differences arising during clinical development. We expect our research and development costs to decrease overall in the near term primarily due to the impact of capitalizing inventory costs of DaxibotulinumtoxinA for Injection, if approved. Other factors contributing to the anticipated decrease include the completion of our existing clinical development of DaxibotulinumtoxinA for Injection for various indications, offset by collaboration activities related to developing an onabotulinumtoxinA biosimilar, continued product development related to the Next-generation Platform not subjected to software capitalization, and certain shared development costs with Teoxane related to future dermal filler innovations and indications. However, these expenses may increase to the extent we conduct clinical trials for additional indications and depending on the need for additional clinical trials for the current indications we are pursuing.

Our research and development expenses fluctuate as projects transition from one development phase to the next. Depending on the stage of completion and level of effort related to each development phase undertaken, we may reflect variations in our research and development expenses. We expense both internal and external research and development expenses as they are incurred.

Our research and development expenses are summarized as follows:

	Three Months Ended June 30,			Six Months Ended June 30,		
(in thousands, except percentages)	**2021**	**2020**	**Change**	**2021**	**2020**	**Change**
Manufacturing and quality	$ 11,517	$ 9,010	28 %	$ 21,595	$ 17,987	20 %
Clinical and regulatory	6,315	12,860	(51)%	14,379	27,519	(48)%
Other research and development expenses	3,068	2,146	43 %	6,299	4,182	51 %
Platform and software development	4,013	—	N/M	6,094	—	N/M
Stock-based compensation	4,080	2,584	58 %	7,406	5,026	47 %
Depreciation and amortization	448	503	(11)%	919	999	(8)%
In-process research and development	—	—	N/M	—	11,184	N/M
Total research and development expenses	$ 29,441	$ 27,103	9 %	$ 56,692	$ 66,897	(15)%

N/M - Not meaningful

Manufacturing and quality

Manufacturing and quality expenses include personnel and occupancy expenses, external contract manufacturing costs, and pre-approval manufacturing of drug products used in our research and development of DaxibotulinumtoxinA for Injection or for anticipated commercial launch. Manufacturing and quality expenses also include raw materials, lab supplies, and storage and shipment of our products to support quality control and assurance activities. For the three months ended June 30, 2021 and 2020, manufacturing and quality expenses were $11.5 million, or 39%, and $9.0 million, or 33% respectively, of the total research and development expenses for the respective periods. For the six months ended June 30, 2021 and 2020, manufacturing and quality expenses were $21.6 million, or 38%, and $18.0 million, or 27%, respectively, of the total research and development expenses for the respective periods.

For the three months ended June 30, 2021, manufacturing and quality expenses increased by $2.5 million, or 28%, compared to the same period in 2020. For the six months ended June 30, 2021, manufacturing and quality expenses increased by $3.6 million, or 20% compared to the same period in 2020. The increases were primarily due to increased expenses related to pre-commercial manufacturing and quality activities, including hiring additional personnel in anticipation and support of FDA inspections and the approval process of DaxibotulinumtoxinA for Injection. We expect that our manufacturing and

quality expenses will continue to increase to prepare for the potential launch of DaxibotulinumtoxinA for Injection if approved; however, certain amounts of the manufacturing and quality expenses, among other costs, are expected to be treated as inventory costs if approval of DaxibotulinumtoxinA for Injection is obtained.

Clinical and regulatory

Clinical and regulatory expenses include costs related to personnel, external clinical sites for clinical trials, clinical research organizations, central laboratories, data management, contractors and regulatory activities associated with the clinical development of DaxibotulinumtoxinA for Injection. For the three months ended June 30, 2021 and 2020, clinical and regulatory costs totaled $6.3 million, or 21%, and $12.9 million, or 47%, respectively, of the total research and development expenses for the respective periods. For the six months ended June 30, 2021 and 2020, clinical and regulatory costs totaled $14.4 million, or 25%, and $27.5 million, or 41%, respectively, of the total research and development expenses for the respective periods.

For the three months ended June 30, 2021, clinical and regulatory expenses decreased by $6.5 million, or 51% compared to the same periods in 2020. For the six months ended June 30, 2021, manufacturing and quality expenses decreased by $13.1 million, or 48% compared to the same period in 2020. The decreases were primarily as a result of the completion of multiple clinical trials in 2020, offset by ongoing BLA regulatory support. We expect clinical and regulatory expenses to decrease in the near term because we completed our existing clinical development of DaxibotulinumtoxinA for Injection for the treatment of glabellar lines, forehead lines, lateral canthal lines (“LCL” or “crow’s feet”) and have completed clinical trials for cervical dystonia and adult upper limb spasticity. However, these expenses may increase to the extent we conduct clinical trials for additional indications and depending on the need for additional clinical trials for the current indications we are pursuing.

Other research and development expenses

Other research and development expenses include expenses for personnel, contract research organizations, consultants, and supplies used to conduct preclinical research and development of DaxibotulinumtoxinA for Injection and an onabotulinumtoxinA biosimilar. For the three months ended June 30, 2021 and 2020, other research and development expenses were $3.1 million, or 10%, and $2.1 million, or 8%, respectively, of the total research and development expenses for the respective periods.

For the three months ended June 30, 2021, other research and development expenses increased by $0.9 million, or 43% compared to the same period in 2020. For the six months ended June 30, 2021, other research and development expenses increased by $2.1 million, or 51% compared to the same period in 2020. The increases were primarily due to additional activities related to the onabotulinumtoxinA biosimilar program.

Platform and software development

Platform and software development include expenses associated with research and development activities in the Service Segment, which represent primarily the costs of developing new functionality or features of the Next-generation Platform that are not subject to capitalization. For the three and six months ended June 30, 2021, platform and software development expenses were $4.0 million, or 14%, and $6.1 million, or 11%, respectively, of the total research and development expenses. We did not have any platform and software development expenses prior to the HintMD Acquisition in July 2020.

Stock-based compensation

For the three months ended June 30, 2021, stock-based compensation included in research and development expenses increased by $1.5 million, or 58%, compared to the same period in 2020. For the six months ended June 30, 2021, stock-based compensation included in research and development expenses increased by $2.4 million, or 47%, compared to the same period in 2020. The increases were primarily due to more stock award grants related to increased employee headcount in research and development related functions.

In-process research and development

In connection with the Teoxane Agreement entered into in January 2020, $11.2 million of the aggregate purchase consideration was recognized as in-process research and development expense in the first quarter of 2020, which was related to certain products and indications not approved by the FDA. This was a one-time non-recurring charge.

Amortization

For the three months ended June 30, 2021, amortization increased by $3.0 million, or 445% compared to the same period in 2020. For the six months ended June 30, 2021, amortization increased by $5.8 million, or 866%, compared to the same period in 2020. The increases were due to the amortization of distribution rights from the Teoxane Agreement beginning in the second quarter of 2020, the amortization of developed technology resulting from the HintMD Acquisition beginning in the third quarter of 2020. Additionally, in the second quarter of 2021, the in-process research and development assets and the platform software were placed in service. As a result, we started to record amortization expense related to these assets. We expect such expense to increase due to a full year of amortization associated with intangible assets acquired in the HintMD Acquisition.

Net Non-Operating Income and Expense

	Three Months Ended June 30,			Six Months Ended June 30,		
(in thousands, except percentages)	**2021**	**2020**	**Change**	**2021**	**2020**	**Change**
Interest income	$ 85	$ 964	(91) %	$ 182	$ 2,455	(93) %
Interest expense	(1,569)	(4,256)	(63) %	(3,129)	(6,404)	(51) %
Change in fair value of derivative liability	(19)	(59)	(68) %	(78)	(149)	(48) %
Other expense, net	(357)	(134)	166 %	(462)	(260)	78 %
Total net non-operating expense	$ (1,860)	$ (3,485)	(47) %	$ (3,487)	$ (4,358)	(20) %

Interest Income

Interest income primarily consists of interest income earned on our deposit, money market fund, and investment balances. We expect interest income to vary each reporting period depending on our average deposit, money market fund, and investment balances during the period and market interest rates.

Interest Expense

Interest expense primarily includes cash and non-cash components from the 2027 Notes. The cash component of the interest expense represents the contractual interest charges. In 2020, the non-cash component of the interest expense represents the amortization of debt discount and issuance costs for our 2027 Notes. In 2021, due to adoption of ASU 2020-06, the non-cash component of the interest expense represents only the amortization of debt issuance costs for our 2027 Notes. For the three months ended June 30, 2021, interest expense decreased by $2.7 million, or 63% compared to the same period in 2020. For the six months ended June 30, 2021, interest expense decreased by $3.3 million, or 51% compared to the same period in 2020. The decreases were primarily due to the elimination of the amortization of the debt discount for our 2027 Notes.

Change in Fair Value of Derivative Liability

The derivative liability on our condensed consolidated balance sheets is remeasured to fair value at each balance sheet date with the corresponding gain or loss recorded. We will continue to record adjustments to the fair value of derivative liability until paid.

Other Expense, net

Other expense, net primarily consists of miscellaneous tax and other expense items.

Liquidity and Capital Resources

Our financial condition is summarized as follows:

(in thousands)	June 30, 2021	December 31, 2020	Decrease
Cash, cash equivalents, and short-term investments	$ 336,296	$ 436,505	$ (100,209)
Working capital	$ 296,356	$ 389,039	$ (92,683)
Stockholders' equity	$ 186,235	$ 374,290	$ (188,055)

Sources and Uses of Cash

We hold our cash, cash equivalents, and short-term investments in a variety of non-interest bearing bank accounts and interest-bearing instruments subject to investment guidelines allowing for certain lower-risk holdings such as, but not limited to, money market accounts, commercial paper, and corporate bonds. Our investment portfolio is structured to provide for investment maturities and access to cash to fund our anticipated working capital needs.

As of June 30, 2021 and December 31, 2020, we had cash, cash equivalents and short-term investments of $336.3 million and $436.5 million, respectively, which represented an decrease of $100.2 million. The decrease was primarily due to cash used in operating activities of $123.8 million, purchase of property and equipment of $5.0 million, net settlement of restricted stock awards for employee taxes of $4.3 million, finance lease prepayments of $3.5 million, and payments of offering costs of $0.2 million. These decreases were primarily offset by the issuance of shares of our common stock in connection with the at-the-market offering program, net of commissions, of $21.7 million, and the proceeds from the exercise of stock options and the purchase of shares of our common stock under the 2014 ESPP of $14.7 million.

We derived the following summary of our condensed consolidated cash flows for the periods indicated from Part I, Item 1, "Financial Information—Condensed Consolidated Financial Statements (Unaudited)" in this Report:

	Six Months Ended June 30,	
(in thousands)	2021	2020
Net cash provided by (used in):		
Operating activities	$ (123,760)	$ (60,502)
Investing activities	$ (74,113)	$ (11,674)
Financing activities	$ 31,956	$ 264,847

Cash Flows from Operating Activities

Our cash used in operating activities is primarily driven by personnel, manufacturing and facility costs, research and development, pre-commercial activities, and sales and marketing activities, offset by cash generated from our product and service revenue. The changes in net cash used in operating activities are primarily related to our adjusted net loss and working capital fluctuations, which are variable. Our cash flows from operating activities will continue to be affected principally by our working capital requirements and the extent to which we increase spending on personnel, manufacturing, regulatory, sales and marketing, and research and development activities as our business grows.

For the six months ended June 30, 2021, net cash used in operating activities was $123.8 million, which was primarily due to personnel and compensation costs of approximately $66 million; professional services and consulting fees of approximately $53 million; rent, supplies and utilities expenses of approximately $21 million; clinical trials expenses of

approximately $6.5 million; legal and other administrative expense of approximately $9 million; and the 2027 Notes interest paid of approximately $2.3 million, offset by approximately $34 million from product and service revenue.

For the six months ended June 30, 2020, net cash used in operating activities was $60.5 million, which was primarily due to personnel and compensation costs of approximately $28 million; professional services and consulting fees of approximately $29 million; clinical trials expenses of approximately $22 million; rent, supplies and utilities expenses of approximately $7.5 million; and legal and other expenditure of approximately $2 million; offset by a $30 million payment received from Viatris, $2.5 million in interest income from our cash, cash equivalent and short-term investments, and $0.9 million milestone payment received from Fosun.

Cash Flows from Investing Activities

For the six months ended June 30, 2021 and 2020, net cash used in investing activities was primarily due to fluctuations in the timing of purchases, sale and maturities of investments, purchases of property and equipment, prepayments for a finance lease, and the purchase of intangible assets in 2020.

Cash Flows from Financing Activities

For the six months ended June 30, 2021, net cash provided by financing activities was driven by the at-the-market offering program, net of commissions, and proceeds from the exercise of stock options and common stock warrants. The inflows were offset by the net settlement of restricted stock awards for employee taxes and payments of offering costs. For the six months ended June 30, 2020, net cash provided by financing activities was driven by proceeds from issuance of the 2027 Notes (as described below), proceeds from the issuance of common stock in connection with the offering (as described below), net of commissions and discount, and proceeds from the exercise of stock options, common stock warrants, and employee stock purchase plan. The inflows were offset by payment of capped call transactions, payments of offering costs and convertible senior notes transaction costs, and net settlement of restricted stock awards for employee taxes.

Convertible Senior Notes

On February 14, 2020, we issued the 2027 Notes with an aggregate principal balance of $287.5 million, pursuant to the Indenture. The 2027 Notes are senior unsecured obligations and bear interest at a rate of 1.75% per year, payable semiannually in arrears on February 15 and August 15 of each year, beginning on August 15, 2020. The 2027 Notes will mature on February 15, 2027, unless earlier converted, redeemed or repurchased. In connection with issuing the 2027 Notes, we received $278.3 million in net proceeds, after deducting the initial purchasers' discount, commissions, and other issuance costs.

The 2027 Notes may be converted by the holders at any time prior to the close of business on the business day immediately preceding November 15, 2026 only under the following circumstances: (1) during any fiscal quarter commencing after the fiscal quarter ending on June 30, 2020 (and only during such fiscal quarter), if the last reported sale price of our common stock for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding fiscal quarter is greater than or equal to 130% of the conversion price on each applicable trading day; (2) during the five business day period after any ten consecutive trading day period (the "measurement period") in which the trading price (as defined in the Indenture) per $1,000 principal amount of the 2027 Notes for each trading day of the measurement period was less than 98% of the product of the last reported sale price of our common stock and the conversion rate on each such trading day; (3) if we call any or all of the 2027 Notes for redemption, at any time prior to the close of business on the scheduled trading day immediately preceding the redemption date; or (4) upon the occurrence of specified corporate events. On or after November 15, 2026 until the close of business on the second scheduled trading day immediately preceding the maturity date, holders may convert all or any portion of their 2027 Notes at any time, regardless of the foregoing circumstances. Upon conversion, we will pay or deliver, as the case may be, cash, shares of our common stock or a combination of cash and shares of our common stock, at our election.

The conversion rate will initially be 30.8804 shares of our common stock per $1,000 principal amount of the 2027 Notes (equivalent to an initial conversion price of approximately $32.38 per share of our common stock). The conversion rate

is subject to adjustment in some events but will not be adjusted for any accrued and unpaid interest. In addition, following certain corporate events that occur prior to the maturity date or if we deliver a notice of redemption, we will, in certain circumstances, increase the conversion rate for a holder who elects to convert its 2027 Notes in connection with such a corporate event or notice of redemption, as the case may be.

We may not redeem the 2027 Notes prior to February 20, 2024. We may redeem for cash all or any portion of the 2027 Notes, at our option, on or after February 20, 2024 if the last reported sale price of our common stock has been at least 130% of the conversion price then in effect for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading day period (including the last trading day of such period) ending on, and including, the trading day immediately preceding the date on which we provide notice of redemption at a redemption price equal to 100% of the principal amount of the 2027 Notes to be redeemed, plus any accrued and unpaid interest to, but excluding, the redemption date. No sinking fund is provided for the 2027 Notes.

If we undergo a fundamental change (as defined in the Indenture), holders may require us to repurchase for cash all or any portion of their 2027 Notes at a fundamental change repurchase price equal to 100% of the principal amount of the 2027 Notes to be repurchased, plus any accrued and unpaid interest to, but excluding, the fundamental change repurchase date.

We used $28.9 million of the net proceeds from the 2027 Notes to pay the cost of the capped call transactions. The capped call transactions are expected generally to reduce the potential dilutive effect upon conversion of the 2027 Notes and/or offset any cash payments we are required to make in excess of the principal amount of converted 2027 Notes, as the case may be, with such reduction and/or offset subject to a price cap of $48.88 of our common stock per share, which represents a premium of 100% over the last reported sale price of our common stock on February 10, 2020. The capped calls have an initial strike price of $32.38 per share, subject to certain adjustments, which corresponds to the conversion option strike price in the 2027 Notes. The capped call transactions cover, subject to anti-dilution adjustments, approximately 8.9 million shares of our common stock.

At-The-Market Offering

For the six months ended June 30, 2021, we sold 761,526 shares of common stock under the 2020 ATM Agreement at a weighted average price of $29.09 per share resulting in net proceeds of $21.6 million after sales agent commissions and offering costs. No shares of common stock were sold under the 2020 ATM Agreement after the filing of our 2020 Form 10-K filed with the SEC on February 25, 2021. As of June 30, 2021, we had $32.6 million available under the 2020 ATM Agreement.

Follow-On Public Offering

During December 2019 and January 2020, we completed a follow-on public offering, pursuant to which we issued an aggregate of 7,475,000 shares of common stock at $17.00 per share, which included the exercise of the underwriters' over-allotment option to purchase 975,000 additional shares of common stock, for net proceeds of $119.2 million, after underwriting discounts, commissions and other offering expenses, of which $103.6 million was received in December 2019 and $15.6 million was received in January 2020.

Common Stock and Common Stock Equivalents

As of July 28, 2021, outstanding shares of common stock were 71,829,718, outstanding stock options were 4,900,282, unvested restricted stock awards and performance stock awards were 4,146,290, and underlying shares convertible from the 2027 Notes is 8.9 million at the initial conversion price.

Operating and Capital Expenditure Requirements

We have not achieved profitability on a quarterly or annual basis since our inception and we expect to continue to incur net losses for the foreseeable future. We expect to make additional capital outlays, which will increase operating expenditures over the next several years to support the completion of clinical trials and associated programs relating to DaxibotulinumtoxinA for Injection for various indications, an onabotulinumtoxinA biosimilar, our investment in future innovations in the RHA® Pipeline Products, the procurement of regulatory approval for DaxibotulinumtoxinA for Injection for various indications and an onabotulinumtoxinA biosimilar, preparation for and, if approved, commercialization for DaxibotulinumtoxinA for Injection, internal and external manufacturing capabilities, the sale of the RHA® Collection of dermal fillers in the U.S. and the completion of the integration of HintMD and the development and commercialization of the Next-generation Platform. We have funded our operations primarily through the sale of common stock, convertible senior notes, payments received from collaboration arrangements, and sales of the RHA® Collection of dermal fillers. We believe that our existing capital resources will be sufficient to fund our operations for at least the next 12 months following the filing of this Report. However, we may need to raise substantial additional financing in the future to fund our operations. Our operating plan may change as a result of many factors currently unknown to us, and we may need to seek additional capital sooner than planned. For example, if the FDA does not approve our BLA for DaxibotulinumtoxinA for Injection for the treatment of glabellar lines on a timely basis or at all, it may take longer than anticipated to generate revenue sufficient to fund our operations. In order to meet additional cash requirements, we may seek to sell additional equity or debt, convertible debt or other securities that may result in dilution to our stockholders. If we raise additional funds through the issuance of debt or convertible debt securities, these securities could have rights senior to those of our common stock and could contain covenants that restrict our operations. There can be no assurance that we will be able to obtain additional equity or debt financing on terms acceptable to us, if at all. Debt financing, if available, would result in increased fixed payment obligations and may involve agreements that include covenants limiting or restricting our ability to take specific actions such as incurring debt, making capital expenditures or declaring dividends. In addition, uncertain market conditions, including as a result of the ongoing COVID-19 pandemic, may limit our ability to access capital. Our failure to obtain sufficient funds on acceptable terms when needed could have a material adverse effect on our business, results of operations, and financial condition.

If adequate funds are not available to us on a timely basis, or at all, we may be required to terminate or delay preclinical studies, clinical trials and research and development activities for DaxibotulinumtoxinA for Injection, the RHA® Pipeline Products, an onabotulinumtoxinA biosimilar and any future product candidates, and the development and commercialization of the Fintech Platform, or scale back the establishment of sales and marketing capabilities or other activities that may be necessary to commercialize our services and product candidates, if we obtain marketing approval. Further, if adequate funds are not available to us on a timely basis, or at all, we may be required to curtail integration of and execution of operational strategies related to the Fintech Platform. We may elect to raise additional funds even before we need them if the conditions for raising capital are favorable.

Please read Part II, Item 1A. “Risk Factors” for additional risks associated with our substantial capital requirements.

Critical Accounting Policies and Estimates

For the six months ended June 30, 2021, there have been no material changes in our critical accounting policies compared to those disclosed in Item 7 in our Annual Report on Form 10-K for the year ended December 31, 2020, filed with the SEC on February 25, 2021.

Contractual Obligations

Except as follows, there were no material changes outside of the ordinary course of business in our contractual obligations as of June 30, 2021, from those as of December 31, 2020 as reported in our Annual Report on Form 10-K for the year ended December 31, 2020, as filed with the SEC on February 25, 2021.

LSNE Agreement

In April 2021, we and LSNE entered into a commercial supply agreement (the “LSNE Agreement”) pursuant to which LSNE would serve as a non-exclusive manufacturer and supplier of our anticipated products currently under

development (the "Products"). The LSNE Agreement provides us with an additional source of drug manufacturing to support clinical development and commercialization of the Products to potentially mitigate supply chain risk. Pursuant to the LSNE Agreement, we will be responsible for certain costs associated with the design, equipment procurement and validation and facilities-related costs, monthly payments and minimum purchase obligations throughout the initial term of the LSNE Agreement. Based on our best estimate as of June 30, 2021, the total commitment under the LSNE Agreement will be $4 million for the remaining six months of 2021, $20 million for 2022, $13 million for 2023, $18 million for 2024, $25 million for 2025 and $164 million for 2026 and thereafter. Refer to Part I, Item 1. "Condensed Consolidated Financial Statements (Unaudited)—Notes to Condensed Consolidated Financial Statements (Unaudited) —Note 8—Leases" for details of the LSNE Agreement.

The initial term of the LSNE Agreement is dependent upon the date of regulatory submission for the applicable Product and may be terminated by either party in accordance with the terms of the LSNE Agreement. The term of the LSNE Agreement may also be extended by mutual agreement of the parties.

Nashville Lease Expansion Premises

In July 2021, we entered into the Second Amendment to the Nashville Lease, which provides us the Expansion Premises with an expected term to 2034. The total undiscounted base rent payments determinable are approximately $16 million. Refer to Part I, Item 1. "Condensed Consolidated Financial Statements (Unaudited)—Notes to Condensed Consolidated Financial Statements (Unaudited) —Note 14—Subsequent Events" for details of the Nashville Lease Expansion Premises.

Recent Accounting Pronouncements

Refer to "Recent Accounting Pronouncements" in Part I, Item 1, "Financial Information—Notes to Condensed Consolidated Financial Statements (Unaudited)—Note 1—The Company and Summary of Significant Accounting Policies" in this Report.

Off-Balance Sheet Arrangements

As of June 30, 2021, we did not have any off-balance sheet arrangements or any relationships with any entities or financial partnerships, such as entities often referred to as structured finance or special purpose entities that would have been established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risk in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily a result of fluctuations in foreign currency exchange rates and interest rates. We do not hold or issue financial instruments for trading purposes. For the six months ended June 30, 2021, our exposure to market risk did not change materially from what was disclosed in Item 7A in our Annual Report on Form 10-K for the year ended December 31, 2020, filed with the SEC on February 25, 2021.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Management, with the participation of our principal executive officer and our principal financial officer, evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this Report. The term "disclosure controls and procedures" as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company's management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives, and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures as of the end of the period covered by this Report, our principal executive officer and principal financial officer concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

For the three months ended June 30, 2021, there were no changes in our internal control over financial reporting identified in management's evaluation pursuant to Rules 13a-15(d) or 15d-15(d) of the Exchange Act that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

From time to time, we may be involved in litigation relating to claims arising out of our operations. We are not currently involved in any material legal proceedings. We may, however, be involved in material legal proceedings in the future. Such matters are subject to uncertainty and there can be no assurance that such legal proceedings will not have a material adverse effect on our business, results of operations, financial position or cash flows.

ITEM 1A. RISK FACTORS

Investing in our common stock involves a high degree of risk. You should carefully consider the risks described below, as well as all other information included in this Report, including our condensed consolidated financial statements, the notes thereto and the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations," before you decide to purchase shares of our common stock. If any of the following risks actually occurs, our business, prospects, financial condition and operating results could be materially harmed. As a result, the trading price of our common stock could decline and you could lose all or part of your investment. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business operations and stock price.

We have marked with an asterisk (*) those risks described below that reflect substantive changes from, or additions to, the risks described in our Annual Report on Form 10-K for the year ended December 31, 2020.

Risks Related to Our Business and Strategy

We are substantially dependent on the clinical and commercial success of DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar or any future product candidates.*

To date, we have invested substantial efforts and financial resources in the research and development of neuromodulator product candidates. Our success as a company is substantially dependent on the clinical and commercial success of DaxibotulinumtoxinA for Injection. In December 2018, we completed Phase 3 clinical development for DaxibotulinumtoxinA for Injection in North America for the treatment of glabellar lines. Although we have successfully completed the Phase 3 clinical development program and the FDA has initiated its pre-approval inspection of our manufacturing facility, we have not received FDA approval for DaxibotulinumtoxinA for Injection in glabellar lines and the timing to receive FDA approval, if at all, is uncertain.

We submitted the BLA for DaxibotulinumtoxinA for Injection for the treatment of glabellar lines in November 2019, which was accepted by the FDA on February 5, 2020, and the PDUFA target action date was initially set for November 25, 2020. On November 24, 2020, the FDA deferred its decision on the BLA. The FDA reiterated that an inspection of our manufacturing facility is required as part of the BLA approval process, but the FDA was unable to conduct the required inspection due to the FDA's travel restrictions associated with the COVID-19 pandemic. The FDA initiated its pre-approval inspection of our manufacturing facility in June 2021. We cannot be certain of how quickly or successfully the regulatory approval process will move following inspection. A continuing delay in obtaining FDA approval of the BLA for DaxibotulinumtoxinA for Injection for the treatment of glabellar lines would delay commercialization and could adversely impact our results of operations and financial condition. Further, failure to obtain FDA approval of the BLA for DaxibotulinumtoxinA for Injection for the treatment of glabellar lines due to issues with the FDA's inspection of our manufacturing facility or for any other reason would adversely impact our results of operations and financial condition.

We also have completed and have ongoing clinical trials evaluating DaxibotulinumtoxinA for Injection for other indications. Our clinical trials may not have an effective design or generate positive results. For example, in November 2020, we released topline results from the Phase 2 study of DaxibotulinumtoxinA for Injection for the management of plantar fasciitis. The results of this study did demonstrate pain relief on the NPRS that was numerically greater from baseline than placebo. However, neither dose used in the study met the primary efficacy endpoint of statistically significant improvement from baseline compared to placebo. As a result, we are not currently pursuing the plantar fasciitis indication, and we will focus our efforts on indications for muscle movement and pain disorder indications where the use of neuromodulators is well-

established. In addition, in February 2021, we announced topline data from the JUNIPER Phase 2 trial. The JUNIPER Phase 2 trial achieved one co-primary endpoint, which evaluated the change in the MAS score from baseline, with demonstration of a statistically significant treatment benefit in the 500 unit treatment group compared with placebo. Statistical significance was not achieved on the second co-primary endpoint, however numerical improvement compared with placebo in all three doses on the PGIC assessment was achieved. Although we believe the JUNIPER Phase 2 trial provided sufficient data to inform our dosing strategy and design for a successful Phase 3 program, we cannot guarantee that the results of the Phase 3 program will meet the level of efficacy and safety required by the FDA for approval.

Our near-term prospects, including our ability to finance our business and generate revenue, will depend heavily on the successful development, regulatory approval and commercialization of DaxibotulinumtoxinA for Injection, including the receipt of FDA approval of the BLA for DaxibotulinumtoxinA for Injection for the treatment of glabellar lines. Our longer-term prospects will depend on the successful development, regulatory approval and commercialization of DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar product candidate and any future product candidates. The preclinical, clinical and commercial success of our product candidates will depend on a number of factors, including the following:

- delays in the FDA's approval of the BLA for DaxibotulinumtoxinA for Injection for the treatment of glabellar lines, including as a result of observations made by the FDA during the site inspection, delays caused by the COVID-19 pandemic or other reasons;
- disruptions to our manufacturing operations, supply chain, end user demand for our products, commercialization efforts, business operations, clinical trials and other aspects of our business, including those resulting from the COVID-19 pandemic, including delays in regulatory approvals;
- timely completion of, or need to conduct additional clinical trials, including clinical trials for DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar and any future product candidates, which may be significantly slower or cost more than we currently anticipate and will depend substantially upon the number and design of such trials and the accurate and satisfactory performance of third-party contractors;
- the timely receipt of necessary marketing approvals from the FDA and foreign regulatory authorities;
- achieving and maintaining compliance with all regulatory requirements applicable to DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar or any future product candidates or approved products;
- our ability to successfully commercialize DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar or any future product candidates, if approved for marketing and sale, whether alone or in collaboration with others;
- our ability to demonstrate and the market perception of the differentiation of our products on a consistent basis as compared to existing or future therapies, including as it relates to cost, safety, efficacy and other benefits;
- our success in educating physicians and patients about the benefits, administration and use of DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar or any future product candidates, if approved;
- our ability to demonstrate to the satisfaction of the FDA or other similar foreign regulatory agencies, the safety and efficacy of DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar or any future product candidates through clinical trials;
- the prevalence and severity of adverse events experienced with our product candidates or future approved products and the continued acceptable safety profile of our products, if approved;
- the effectiveness of our own or our current and any future potential strategic collaborators' distribution strategy and operations;

- our ability and the ability of any third-party partners to effectively and reliably manufacture supplies of DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar or any future product candidates for clinical trials and commercialization, if approved, and to develop, validate and maintain a commercially viable manufacturing process that is compliant with current good manufacturing practices ("cGMP");
- our ability to enforce our intellectual property rights in and to DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar or any future product candidates;
- our ability to avoid third-party patent interference or intellectual property infringement claims;
- the willingness of third-party payors to reimburse physicians or patients for DaxibotulinumtoxinA for Injection and any future products we may commercialize for therapeutic indications, if approved;
- the willingness of patients to pay out of pocket for DaxibotulinumtoxinA for Injection and any future products we may commercialize for aesthetic indications if approved; and
- the ability to raise additional capital on acceptable terms and in the time frames necessary to achieve our goals.

One or more of these factors, many of which are beyond our control, could cause significant delays or an inability to successfully commercialize our product candidates. Accordingly, we cannot assure you that we will be able to generate sufficient revenue through the sale of DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar or any future product candidate to continue our business.

We are substantially dependent on the clinical and commercial success of the RHA® Collection of dermal fillers.

In September 2020, we became a commercial company and launched the Prestige Aesthetics Portfolio by introducing the RHA® Collection of dermal fillers. As of the date of this report, we have not generated revenue from the sale of any pharmaceutical product except the RHA® Collection of dermal fillers.

Our success as a company is substantially dependent on our ability to continue to generate revenue from the sales of the RHA® Collection of dermal fillers and successfully commercialize the other products in the RHA® Pipeline Products, which will depend on many factors including, but not limited to, our ability to:

- develop and execute our sales and marketing strategies for the RHA® Collection of dermal fillers;
- develop, maintain and manage the necessary sales, marketing and other capabilities and infrastructure that are required to successfully integrate and commercialize the RHA® Collection of dermal fillers, including in connection with our marketing and sale of DaxibotulinumtoxinA for Injection;
- achieve, maintain and grow market acceptance of, and demand for, the RHA® Collection of dermal fillers;
- establish or demonstrate in the medical community the safety and efficacy of the RHA® Collection of dermal fillers and their potential advantages over and side effects compared to existing dermal fillers and products currently in clinical development;
- offer the RHA® Collection of dermal fillers at competitive prices as compared to alternative options, and our ability to achieve a suitable profit margin on our sales of the RHA® Collection of dermal fillers;
- collaborate with Teoxane to obtain necessary approvals from the FDA and similar regulatory authorities for the RHA® Pipeline Products;
- adapt to additional changes to the label for the RHA® Collection of dermal fillers, that could place restrictions on how we market and sell the RHA® Collection of dermal fillers, including as a result of adverse events observed in these or other studies;

- obtain adequate and timely supply of the RHA® Collection of dermal fillers under the Teoxane Agreement, which has in the past and may in the future be adversely affected by factors relating to the COVID-19 pandemic;
- comply with the terms of the Teoxane Agreement, including our obligations with respect to purchase quantities and marketing efforts;
- comply with applicable legal and regulatory requirements, including medical device compliance as the RHA® Collection of dermal fillers are Class III Premarket Approval ("PMA") devices under the FDCA;
- register as the initial importer of the RHA® Collection of dermal fillers with the FDA and obtain necessary state prescription medical device distribution permits and hire and operationalize complaint and medical device vigilance services in support of the RHA® Collection of dermal fillers; and
- maintain our arrangements with third party logistics providers to distribute the RHA® Collection of dermal fillers to customers.

If we do not achieve one or more of these factors, many of which are beyond our control, in a timely manner or at all, we may not be able to continue to generate revenue from the sales of the RHA® Collection of dermal fillers and successfully commercialize the other products in the RHA® Pipeline Products, which may materially impact the success of our business. For example, as a result of the COVID-19 pandemic, product supply of the RHA® Collection of dermal fillers was delayed by Teoxane, as they temporarily suspended production in Geneva, Switzerland. Teoxane resumed manufacturing operations at the end of April 2020 and delivered the first shipment of the RHA® Collection of dermal fillers to us in June 2020. As a result of production delay, the initial product launch of the RHA® Collection of dermal fillers was delayed by one quarter to September 2020. Additional delays in the product supply of the RHA® Collection of dermal fillers may have an adverse effect on our commercialization activities.

If we fail to comply with the terms of the Teoxane Agreement, including by failing to meet certain obligations in connection with purchase and marketing of the RHA® Collection of dermal fillers, Teoxane may terminate the Teoxane Agreement, and we would have no further rights to distribute the RHA® Collection of dermal fillers. In addition, the lack of, or limited, complementary products to be offered by sales personnel in marketing the RHA® Collection of dermal fillers may put us at a competitive disadvantage relative to companies with more extensive product lines. Accordingly, we cannot assure you that we will be able to generate sufficient revenue through the sale of the RHA® Collection of dermal fillers to continue our business.

Even if DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar, the RHA® Pipeline Products, or any future product candidates obtain regulatory approval, they may never achieve market acceptance or commercial success.

Even if we obtain FDA or other regulatory approvals, DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar, the RHA® Pipeline Products or any future product candidates may not achieve market acceptance among physicians and patients, and may not be commercially successful, which could harm our financial results and future prospects.

The degree and rate of market acceptance of DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar, the RHA® Pipeline Products or any future product candidates for which we receive approval depends on a number of factors, including:

- the safety, efficacy and duration of the product as compared to existing and future therapies;
- the clinical indications for which the product is approved and patient demand for the treatment of those indications;
- acceptance by physicians, major operators of clinics and patients of the product as a safe and effective treatment;
- the extent to which physicians recommend the products to their patients;

- the proper training and administration of our products by physicians and medical staff such that patients do not experience excessive discomfort during treatment or adverse side effects;
- patient satisfaction with the results and administration of our product and overall treatment experience;
- the potential and perceived advantages and cost of our products over alternative treatments;
- the willingness of patients to pay for DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar, the RHA® Pipeline Products and other aesthetic treatments in general, relative to other discretionary items, especially during economically challenging times, including as a result of the COVID-19 pandemic;
- the willingness of third-party payors to reimburse physicians or patients for DaxibotulinumtoxinA for Injection and any future products we may commercialize for therapeutic indications;
- the revenue and profitability that our product will offer a physician as compared to alternative therapies;
- the relative convenience and ease of administration;
- the prevalence and severity of adverse events;
- the effectiveness of our sales and marketing efforts, including efforts by any third parties we engage;
- consumer sentiment about the benefits and risks of aesthetic procedures generally and our products in particular; and
- general consumer, patient and physician confidence and availability of practicing physicians, which may be impacted by general economic and political conditions, including challenges affecting the global economy resulting from the COVID-19 pandemic.

Any failure by our product candidates or the RHA® Pipeline Products that obtain regulatory approval to achieve market acceptance or commercial success would materially adversely affect our results of operations and delay, prevent or limit our ability to generate revenue and continue our business.

In addition, DaxibotulinumtoxinA for Injection has only been used in clinical trials to date. Therefore, the commercial or real-world experience may yield different outcomes or patient experiences due to variations in injection techniques, dilution approaches and dosing levels employed by different physician and nurse injectors. As a result, these market-based approaches may differ from our clinical trial design and could negatively impact adoption.

The regulatory approval process is highly uncertain and we or any collaboration partner may not obtain regulatory approval for the commercialization of DaxibotulinumtoxinA for Injection, RHA® 1 or any future product candidates.*

The research, testing, manufacturing, labeling, approval, selling, import, export, marketing and distribution of drug and biologic products are subject to extensive regulation by the FDA and other regulatory authorities in the U.S. and other countries, which regulations differ from country to country. Neither we nor any collaboration partner are permitted to market DaxibotulinumtoxinA for Injection or any future product candidates in the U.S. until we receive approval of a BLA from the FDA. Even though filed with the FDA, our BLA may receive a Complete Response Letter or another response from the FDA identifying deficiencies that must be addressed, rather than an approval. Obtaining regulatory approval of a BLA can be a lengthy, expensive and uncertain process. Although Teoxane has received PMA approval for the RHA® Collection of dermal fillers, it must obtain PMA approval by the FDA for RHA® 1.

In addition, failure to comply with FDA and other applicable U.S. and foreign regulatory requirements may subject us to administrative or judicially imposed sanctions or other actions, including:

- warning letters;

- civil and criminal penalties;
- injunctions;
- withdrawal of approved products;
- product seizure or detention;
- product recalls;
- total or partial suspension of production;
- refusal to approve pending BLAs or supplements to approved BLAs; and
- refusal to approve PMAs or supplements to PMAs by our partners.

Prior to obtaining approval to commercialize a product candidate in the U.S. or abroad, we or our collaborators must demonstrate with substantial evidence from well controlled clinical trials, and to the satisfaction of the FDA or other foreign regulatory agencies, that such product candidates are safe and effective for their intended uses. Results from preclinical studies and clinical trials can be interpreted in different ways. Even if we believe the preclinical and clinical data for our product candidates are promising, such data may not be sufficient to support approval by the FDA and other regulatory authorities. Administering product candidates to humans may produce undesirable side effects, which could interrupt, delay or halt clinical trials and result in the FDA or other regulatory authorities denying approval of a product candidate for any or all targeted indications.

Regulatory approval of a BLA or PMA, or BLA or PMA supplement, is not guaranteed, and the approval process is expensive and may take several years. The FDA also has substantial discretion in the approval process. Despite the time and expense expended, failure can occur at any stage, and we could encounter problems that cause us to abandon or repeat clinical trials, or perform additional preclinical studies and clinical trials. The number of preclinical studies and clinical trials that will be required for FDA approval varies depending on the product candidate, the disease or the condition that the product candidate is designed to address and the regulations applicable to any particular product candidate. The FDA can delay, limit or deny approval of a product candidate for many reasons, including the following:

- a product candidate may not be deemed safe, effective, or of required quality;
- FDA officials may not find the data from preclinical studies and clinical trials sufficient;
- the FDA might not approve our third-party manufacturers' processes or facilities; or
- the FDA may change its approval policies or adopt new regulations.

If DaxibotulinumtoxinA for Injection, RHA® 1 or any future product candidates fail to demonstrate safety and efficacy in clinical trials or do not gain approval, our business and results of operations will be materially and adversely harmed.

The COVID-19 pandemic has affected the business of the FDA and other health authorities. In March 2020, the FDA announced the postponement of most foreign inspections due to the global impact of COVID-19 and, in July 2020, only restarted domestic inspections on a risk-based prioritization basis, and foreign inspections on a mission-critical basis. In May 2021, the FDA released a report highlighting possible scenarios for transitioning to standard operational levels of inspection activities. However, given the continued uncertainty of the trajectory of the ongoing COVID-19 pandemic, we cannot be certain of when standard operations will resume and whether the inspection process will take longer than pre-COVID-19 inspections. If another government shutdown or other disruption to the normal functioning of government agencies occurs as a result of the COVID-19 pandemic or other reasons, 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 or prospects. For instance,

interruption or delays in the operations of the FDA or other applicable local or foreign regulatory agencies caused by the COVID-19 pandemic may cause delays in meetings related to planned or completed clinical trials and may affect the review and approval timelines for DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar, RHA® 1 or any future hyaluronic acid filler products developed pursuant to the Teoxane Agreement or any future product candidates, including the BLA approval for DaxibotulinumtoxinA for Injection in the treatment of glabellar lines. In addition, the COVID-19 pandemic has generally diverted healthcare resources away from the conduct of clinical trials and may cause delays or difficulties in clinical site initiation and site inspection, including difficulties in recruiting clinical site investigators and clinical site staff. Further, delays in the operations of the FDA or other applicable local or foreign regulatory agencies may result in delays or difficulties in obtaining required inspections of the facilities where we or third parties with whom we contract manufacture any of our product candidates or the raw materials used in the manufacture of our product candidates. For instance, delays in FDA operations have impacted the approval timeline for DaxibotulinumtoxinA for Injection in the treatment of glabellar lines and may affect the approval timeline for DaxibotulinumtoxinA for Injection in other indications or other product candidates.

The RHA® Collection of dermal fillers are Class III medical devices that require PMA approval before they may be commercialized in the U.S. Although Teoxane has received PMA approval for the RHA® Collection of dermal fillers, we and Teoxane will be subject to ongoing and pervasive regulatory requirements governing, among other things, the manufacture, marketing, advertising, medical device reporting, sale, promotion, registration, and listing of these devices. For example, periodic reports must be submitted to the FDA as a condition of PMA approval. These reports include safety and effectiveness information about the device after its approval. Failure to submit such reports, or failure to submit the reports in a timely manner, could result in enforcement action by the FDA. Following its review of the periodic reports, the FDA might ask for additional information or initiate further investigation. Any failure to comply with the conditions of approval could result in the withdrawal of PMA approval and the inability to continue to market the device. The medical device regulations to which we are subject are complex and have become more stringent over time, and we have no history of operating as a distributor of Class III medical devices. Our failure to comply with applicable regulatory requirements could result in enforcement action by the FDA, state or foreign regulatory authorities, including recalls, Dear Doctor letters and negative publicity which would negatively affect our business, financial condition and results of operations.

We may fail to realize the benefits expected from the HintMD Acquisition or those benefits may take longer to realize than expected.*

On July 23, 2020, we completed the HintMD Acquisition. The anticipated benefits we expect from the HintMD Acquisition are based on projections and assumptions about our combined businesses with HintMD, which may not materialize as expected or which may prove to be inaccurate. In addition, we may not realize the anticipated benefits within the anticipated time frame, or at all, if the integration process takes longer than expected or is more costly than expected. Achieving the benefits of the HintMD Acquisition will depend, in part, on our ability to complete the integration of the business, operations and services of HintMD successfully and efficiently with our business and the commercial acceptance of the Fintech Platform. The challenges involved in the completion of the integration and commercial success of the Fintech Platform, which will be complex and time-consuming, include the following:

- significant issues with the acquired technology, security, product architecture and legal, regulatory and contractual compliance, among other matters that our due diligence process may have failed to identify;
- difficulties entering new markets and integrating new technologies in which we had no or limited direct experience prior to the HintMD Acquisition;
- our ability to comply with new and complex regulatory regimes and compliance standards applicable to the Fintech Platform;
- HintMD’s ability to successfully launch the Next-generation Platform at scale;
- technical or other difficulties faced by our aesthetic practice customers when using the Fintech Platform, which may negatively impact our existing or future customer relationships;
- limiting exposure to data and security breaches of consumer personal information used by the Fintech Platform;

- retaining and managing existing relationships with HintMD's customer base;
- developing new product features for the Fintech Platform;
- expanding sales and marketing efforts to effectively position the Fintech Platform and expand the HintMD customer base;
- the Fintech Platform''s ability to create loyalty between physicians and their patients through repeated aesthetic treatments and increase the number of aesthetic procedures performed, including with products we offer;
- entry of competitors to the market, including those with greater resources, experience and name recognition; the timing of development and release of new products, features and functionality and pricing by competitors; our ability to adapt to technological advancement in comparison to our competitors;
- changes in user preferences and growth or contraction in the addressable market;
- the increased scale and complexity of our operations resulting from the HintMD Acquisition;
- retaining our key employees and key employees of HintMD; and
- minimizing the diversion of management's attention from other important business objectives.

Further, the HintMD Acquisition has increased the size and scope of our business beyond the previous size and scope of either our or HintMD's previous businesses. Our future success depends, in part, upon our ability to manage our expanded and distinct business segments, which may pose substantial challenges for management, including challenges related to the management and monitoring of new operations and associated increased costs, regulatory requirements and complexity. We have also incorporated as a part of our commercial strategy leveraging the Fintech Platform to build a prestige aesthetics category and grow our U.S. aesthetics market opportunity. If we do not successfully manage these issues and other challenges inherent in integrating and expanding an acquired business of the size and complexity of HintMD, then we may need to alter our commercial strategy, we may not achieve the anticipated benefits of the HintMD Acquisition and our revenue, expenses, operating results and financial condition could be materially adversely affected.

The current COVID-19 pandemic has and may continue to, and other actual or threatened epidemics, pandemics, outbreaks, or public health crises may, adversely affect our financial condition and our business.*

Our business could be materially and adversely affected by the risks, or the public perception of the risks, related to an epidemic, pandemic, outbreak, or other public health crisis, such as the ongoing COVID-19 pandemic. An epidemic, pandemic, outbreak or other public health crisis could cause delays in regulatory approvals needed to commercialize our product candidates or interfere with enrollment and our ability to complete ongoing clinical trials on schedule or at all. The risk of a continued pandemic, or public perception of the risk, could cause customers to cancel or defer aesthetic and elective procedures, avoid public places, including hospitals and physician offices, and cause temporary or long-term disruptions in our supply chain, manufacturing and/or delays in the delivery of our inventory. Certain of these risks have materialized in connection with the COVID-19 pandemic. On November 24, 2020, the FDA deferred its decision on the BLA for DaxibotulinumtoxinA for Injection for the treatment of moderate to severe glabellar lines. The FDA reiterated that an inspection of our manufacturing facility is required as part of the BLA approval process, but the FDA was unable to conduct the required inspection of our manufacturing facility in Newark, California due to the FDA's travel restrictions associated with the COVID-19 pandemic. The FDA initiated its pre-approval inspection of our manufacturing facility in June 2021. We cannot be certain of how quickly or successfully the regulatory approval process will move following inspection. In addition, in March 2020 we paused enrollment in the JUNIPER Phase 2 adult upper limb spasticity trial, and ultimately enrolled fewer subjects, due to challenges related to the COVID-19 environment. We are unable to predict whether similar delays will occur or whether such delays will delay regulatory approvals.

Many HintMD physician customers temporarily closed their offices and stopped performing procedures as a result of the COVID-19 pandemic, and while most customers have reopened, a rise in infection rates, the spread of more contagious

variants and other impacts of the COVID-19 pandemic may adversely affect their ability to stay open and the types of procedures performed. The spread of COVID-19 has also impacted our sales professionals' ability to travel, and medical facilities and physician offices have limited access for non-patients, including our sales professionals, which has had a negative impact on our access to customers and our ability to introduce the Fintech Platform and the RHA® Collection of dermal fillers to potential customers. We cannot be certain whether or to what extent these trends may continue, and if patients' financial circumstances or ability to or interest in receiving aesthetic procedures are materially impacted by the COVID-19 pandemic or another pandemic or public health crisis, we may be unable to generate meaningful revenue in the near term or at all.

Port closures and other restrictions resulting from the COVID-19 pandemic have and may continue to disrupt our supply chain or limit our ability to obtain sufficient materials for our drug products. Changes in U.S. and foreign trade policies or border closures related to the COVID-19 pandemic or otherwise could trigger retaliatory actions by affected countries, resulting in "trade wars", which may reduce customer demand for goods exported out of the U.S. if the parties having to pay those retaliatory tariffs increase their prices, or if trading partners limit their trade with the U.S. If these consequences are realized, the price to the consumer of aesthetic or therapeutic medical procedures from products exported out of the U.S. may increase, resulting in a material reduction in the demand for our future product candidates. Such a reduction may materially and adversely affect our potential sales and our business. In particular, under our Fosun License Agreement, we are responsible for manufacturing DaxibotulinumtoxinA for Injection and supplying it to Fosun, which would then develop, commercialize, market and sell it in mainland China, Hong Kong and Macau. If this arrangement is restricted in any way due to the U.S.–China trade relationship or the COVD-19 pandemic, the contingent payments we are entitled to receive under the agreement, which are based on product sales, among other things, may be adversely affected. In addition, under the Teoxane Agreement, we are responsible for the commercialization of the RHA® Collection of dermal fillers in the U.S. and rely on Teoxane for our entire supply of the RHA® Collection of dermal fillers, which was previously delayed as a result of the COVID-19 pandemic and may again be delayed in the future. Additional delays in the product supply of the RHA® Collection of dermal fillers may have an adverse effect on our commercialization strategy.

Moreover, an epidemic, pandemic, outbreak or other public health crisis, could require a complete or partial closure of one or more of our facilities or cause employees to avoid our properties, which could adversely affect our ability to adequately staff and manage our businesses. For instance, "shelter-in-place" or other such orders by governmental authorities in response to the COVID-19 pandemic have disrupted our operations, as employees who could not perform their responsibilities from home were not able to report to work. In addition, we have had to put in place a work from home policy for all employees. Although many of our employees have returned to working on-site, the trajectory of the COVID-19 pandemic is uncertain, and a rise in infection rates, the spread of more contagious variants or other impacts of the COVID-19 pandemic may require that we transition back to work from home policies. Certain departments, like clinical and manufacturing, are dependent on working on-site. The effective operation of these departments is critical to the completion of our clinical programs and, if the employees in these departments are subject to work from home policies now or in the future, our business may be adversely impacted. In addition, continued reliance on personnel working from home may negatively impact productivity and employee morale, which may harm our business. In addition, this could increase our cyber security risk, create data accessibility concerns, and make us more susceptible to communication disruptions, any of which could adversely impact our business operations or delay necessary interactions with local and federal regulators, manufacturing sites, research or clinical trial sites, other important agencies and contractors, HintMD or RHA® Collection of dermal fillers physician customers and other third parties with whom we do business.

Risks related to an epidemic, pandemic or other health crisis, such as the COVID-19 pandemic, could also negatively impact the business or operations of our sourcing or manufacturing partners, CROs, customers or other third parties with whom we conduct business.

The ultimate extent of the impact of the COVID-19 pandemic or any other epidemic, pandemic or other health crisis on our business, financial condition and results of operations or healthcare systems generally or the global economy as a whole will depend on future developments, which are highly uncertain and cannot be predicted, including new information that may emerge concerning the severity and duration of such epidemic, pandemic or other health crisis and actions taken to contain or prevent their further spread, among others. These and other potential impacts of an epidemic, pandemic or other health crisis, such as COVID-19 pandemic, could therefore materially and adversely affect our business, financial condition and results of operations.

Worldwide economic and market conditions, an unstable economy, a decline in consumer-spending levels and other adverse developments, including inflation, could adversely affect our business, results of operations and liquidity.

Many economic and other factors are outside of our control, including general economic and market conditions, consumer and commercial credit availability, inflation, unemployment, consumer debt levels and other challenges affecting the global economy, including the ongoing COVID-19 pandemic. Increases in the rates of unemployment, reduced access to credit and issues related to domestic and international politics may adversely affect consumer confidence and disposable income levels. Lower consumer confidence and disposable incomes could lead to reduced consumer spending and lower demand for our products and services. Decreases in the number of physicians and physician offices or financial hardships for physicians may also adversely affect distribution channels of our products. A weak or declining economy could also strain our suppliers, possibly resulting in supply disruption. In addition, historically, during economic downturns, there have been reductions in spending on information technology as well as pressure for extended billing terms and other financial concessions. The adverse impact of economic downturns may be particularly acute among small and medium-sized plastic surgery and dermatology practices offering elective aesthetic procedures, which comprise the majority of HintMD's customer base. If economic conditions deteriorate, current and prospective HintMD customers may elect to decrease their information technology budgets or cancel subscriptions to the Fintech Platform, which would limit our ability to grow the Fintech Platform business. The COVID-19 pandemic has resulted in an economic recession characterized by business closures and limited social interaction as well as higher levels of unemployment and reductions in working hours. Elective aesthetic procedures are discretionary and less of a priority for those patients that have lost their jobs, are furloughed, have reduced work hours or have to allocate their cash to other priorities and essential items. Even after the COVID-19 pandemic subsides, we may continue to experience negative impacts to our business and financial results due to the continued perceived risk of infection or concern of a resurgence of the COVID-19 outbreak as well as COVID-19's global economic impact, including decreases in consumer discretionary spending and any economic slowdown or recession that has occurred or may occur in the future. A severe or prolonged economic downturn could also limit our ability to raise additional capital when needed on acceptable terms, if at all. These factors could have a negative impact on our potential sales and operating results.

Reports of adverse events or safety concerns involving the RHA® Collection of dermal fillers or other Teoxane approved product candidates could prevent Teoxane from maintaining regulatory approval of the RHA® Collection of dermal fillers, delay or prevent Teoxane from obtaining additional regulatory approval for the RHA® Pipeline Products, or could negatively impact our sales of, the RHA® Collection of dermal fillers.

Reports of adverse events or safety concerns involving the RHA® Collection of dermal fillers or other Teoxane approved product candidates could result in the FDA or other regulatory authorities withdrawing approval of the RHA® Collection of dermal fillers for any or all indications that have approval, including the use of the RHA® Collection of dermal fillers for specified aesthetic indications and delay or prevent Teoxane from obtaining additional regulatory approval for the RHA® Pipeline Product**s**. We cannot assure you that patients receiving the RHA® Collection of dermal fillers will not experience serious adverse events that require submission of medical device reports to the FDA. Adverse events, including with respect to dermal filler products generally, may also negatively impact demand for the RHA® Collection of dermal fillers and future RHA® Pipeline Product**s**, which could result in reduced sales. For example, facial swelling in patients with dermal filler cosmetic injections was reported as a serious adverse event in patients receiving the Moderna COVID-19 vaccination. Teoxane may also be required to further update package inserts and patient information brochures of the RHA® Collection of dermal fillers based on reports of adverse events or safety concerns, which could adversely affect acceptance of the RHA® Collection of dermal fillers in the market, make the RHA® Collection of dermal fillers less competitive or make it more difficult or expensive for us to commercialize the RHA® Collection of dermal fillers.

The Teoxane Agreement requires us to make specified annual minimum purchases of the RHA® Collection of dermal fillers and to meet specified expenditure levels in connection with our marketing of the RHA® Collection of dermal fillers in furtherance of the commercialization of the RHA® Collection of dermal fillers, regardless of whether our commercialization efforts are successful. Such expenditure requirements may adversely affect our cash flow and our ability to operate our business and our prospects for future growth, or may result in the termination of the Teoxane Agreement.

The Teoxane Agreement requires us to make specified annual minimum purchases of the RHA® Collection of dermal fillers, and to meet an annual minimum expenditure on marketing and other areas related to the commercialization of

the RHA® Collection of dermal fillers, regardless of whether our commercialization efforts are successful. If we fail to meet the annual minimum purchase amount or the annual minimum marketing spending requirements specified in the Teoxane Agreement, Teoxane has the right to terminate the Teoxane Agreement.

If our commercialization efforts of the RHA® Collection of dermal fillers are unsuccessful, there can be no assurance that we will have sufficient cash flow to comply with such minimum purchase and expenditure requirements. Our obligation to Teoxane to meet such requirements could:

- make it more difficult for us to satisfy obligations with respect to our indebtedness, including the 2027 Notes, and any failure to comply with the obligations of any of our debt instruments, including financial and other restrictive covenants, could result in an event of default under the agreements governing such indebtedness;
- require us to dedicate a substantial portion of available cash flow to meet the minimum expenditure requirements, which will reduce the funds available for working capital, capital expenditures, acquisitions and other general corporate purposes;
- limit flexibility in planning for and reacting to changes in our business and in the industry in which we operate;
- limit our ability to engage in strategic transactions or implement our business strategies;
- limit our ability to borrow additional funds; and
- place us at a disadvantage compared to our competitors.

Any of the factors listed above could materially and adversely affect our business and our results of operations.

We may be unable to obtain regulatory approval for DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar or future product candidates, and Teoxane may be unable to do the same for RHA® 1 and future hyaluronic acid filler advancements. The denial or delay of any such approval, including as a result of the COVID-19 pandemic, would delay commercialization and have a material adverse effect on our potential to generate revenue, our business prospects, and our results of operations.*

To gain approval to market a biologic product, such as DaxibotulinumtoxinA for Injection or an onabotulinumtoxinA biosimilar, we must provide the FDA and applicable foreign regulatory authorities with data that adequately demonstrate the safety, efficacy and quality of the product for the intended indication applied for in the BLA, or other respective marketing applications. Teoxane must do the same with its PMAs to the FDA for the RHA® Pipeline Products. The development of such products is a long, expensive and uncertain process, and delay or failure can occur at any stage of any of our clinical trials. A number of companies in the pharmaceutical industry, including biotechnology companies, have suffered significant setbacks in clinical trials, including in Phase 3 development, even after promising results in earlier preclinical studies or clinical trials. These setbacks have been caused by, among other things, findings made while clinical trials were underway, safety or efficacy observations, including previously unreported adverse events, and the need to conduct further supportive or unanticipated studies, even after initiating Phase 3 trials. Success in preclinical testing and early clinical trials does not ensure that later clinical trials will be successful or that additional supportive studies will not be required, and the results of clinical trials by other parties may not be indicative of the results in trials we may conduct.

For example, we completed DaxibotulinumtoxinA Topical clinical trials for the treatment of “crow’s feet and primary axillary hyperhidrosis but discontinued further clinical development in 2016 following the results from our REALISE 1 Phase 3 clinical trial for crow’s feet. In addition, in November 2020, we released topline results from the Phase 2 study of DaxibotulinumtoxinA for Injection for the management of plantar fasciitis. The results of this study did demonstrate pain relief on the NPRS that was numerically greater from baseline than placebo. However, neither dose used in the study met the primary efficacy endpoint of statistically significant improvement from baseline compared to placebo. As a result, we are not currently pursuing the plantar fasciitis indication, and we will focus our efforts on indications for muscle movement and pain disorder indications where the use of neuromodulators is well-established.

Further, obtaining regulatory approval of our product candidates or the completion of our clinical trials may be delayed as a result of the COVID-19 pandemic. For example, in November 2020, the FDA deferred its decision on our BLA for DaxibotulinumtoxinA for Injection for the treatment of glabellar lines because it was unable to conduct the required site inspection of our manufacturing facility due to the FDA's travel restrictions associated with the COVID-19 pandemic. In addition, enrollment in the JUNIPER Phase 2 adult upper limb spasticity trial was paused in March 2020 due to challenges related to the COVID-19 environment. In June 2020, we announced the decision to end screening and complete the JUNIPER trial with 83 patients enrolled. We released topline results from JUNIPER trial in February 2021. Delays in the completion of clinical trials could also delay regulatory submissions and as a result, regulatory approvals.

Our business currently depends substantially on the successful development, regulatory approval and commercialization of our product candidates. Of the large number of drugs, including biologics, and medical devices in development, only a small percentage successfully complete the FDA or other regulatory approval processes and are commercialized. Currently, the only products for which we have the rights to commercialize and that have been approved for sale by the applicable regulatory authorities are the RHA® Collection of dermal fillers.

We may never obtain regulatory approval to commercialize DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar, or future rights to commercialize RHA® 1 or any hyaluronic acid filler products developed pursuant to the Teoxane Agreement. The research, testing, manufacturing, labeling, approval, sale, marketing and distribution of drug, biologic and medical device products are subject to extensive regulation by the FDA and other regulatory authorities in the U.S. and other countries, and such regulations differ from country to country. We are not permitted to market our biologic product candidates, including DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar, any hyaluronic acid filler products, such as RHA® 1 or future advancements developed by Teoxane, or future product candidates, in the U.S. until we receive approval of a BLA from the FDA. We are also not permitted to market the RHA® Collection of dermal fillers for additional indications for use unless and until Teoxane receives approval of a PMA supplement for such new indication for use. We are also not permitted to market our product candidates in any foreign countries until we receive the requisite approval from the regulatory authorities of such countries.

The FDA or any foreign regulatory body can delay, limit or deny approval of our product candidates for many reasons, including:

- our inability to demonstrate to the satisfaction of the FDA or applicable foreign regulatory body that DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar, RHA® 1 or any future hyaluronic acid filler products developed pursuant to the Teoxane Agreement or any future product candidates are safe and effective for the requested indication;
- Teoxane's inability to satisfy FDA approval requirements with respect to the RHA® Pipeline Products;
- our inability to demonstrate proof of concept of an onabotulinumtoxinA biosimilar, RHA® 1 or any future hyaluronic acid filler products developed pursuant to the Teoxane Agreement or other products in new indications;
- the FDA's or applicable foreign regulatory agency's disagreement with the trial protocol or the interpretation of data from preclinical studies or clinical trials;
- our inability to demonstrate that clinical and other benefits of DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar, RHA® 1 or any future hyaluronic acid filler products developed pursuant to the Teoxane Agreement, or any future product candidates outweigh any safety or other perceived risks;
- the FDA's or applicable foreign regulatory agency's requirement for additional preclinical or clinical studies;
- the FDA's or applicable foreign regulatory agency's non-approval of the formulation, labeling or the specifications of DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar, RHA® 1 or any future hyaluronic acid filler products developed pursuant to the Teoxane Agreement or any future product candidates;

- the FDA's or applicable foreign regulatory agency's failure to approve our manufacturing processes or facilities, or the manufacturing processes or facilities of third-party manufacturers with which we contract; or
- the potential for approval policies or regulations of the FDA or applicable foreign regulatory agency to significantly change in a manner rendering our clinical data insufficient for approval.

Further, interruption or delays in the operations of the FDA or other applicable local or foreign regulatory agencies caused by the COVID-19 pandemic may affect the review and approval timelines for DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar, RHA® 1 or any future hyaluronic acid filler products developed pursuant to the Teoxane Agreement or any future product candidates, including the BLA approval for DaxibotulinumtoxinA for Injection in the treatment of glabellar lines, which has been delayed as a result of the delay in the inspection of our manufacturing facility by the FDA.

Even if we eventually complete clinical testing and receive approval of any regulatory filing for DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar, RHA® 1 or any future hyaluronic acid filler products developed pursuant to the Teoxane Agreement or any future product candidates, the FDA or an applicable foreign regulatory agency may grant approval contingent on the performance of costly additional post-approval clinical trials. The FDA or applicable foreign regulatory agency also may approve DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar, RHA® 1 or any future hyaluronic acid filler products developed pursuant to the Teoxane Agreement, or any future product candidates for a more limited indication or a narrower patient population than we originally requested, and the FDA or applicable foreign regulatory agency may not approve the labeling that we believe is necessary or desirable for the successful commercialization of our product candidates. The requirement to conduct additional clinical trials or our inability to obtain the requested label or indication could increase our expenses or limit our ability to generate revenue.

All of the RHA® Pipeline Products and any of our approved products and product candidates in the future will be subject to ongoing FDA and foreign regulatory obligations and continued regulatory review.

We and any third-party contract development and manufacturers or suppliers are required to comply with applicable cGMP regulations and other international regulatory requirements. The regulations require that our product candidates be manufactured and records maintained in a prescribed manner with respect to manufacturing, testing and quality control/quality assurance activities. Manufacturers and suppliers of materials must be named in a BLA submitted to the FDA for any product candidate for which we are seeking FDA approval. The RHA® Collection of dermal fillers are subject to the FDA's QSR for medical devices. Additionally, third party manufacturers and suppliers and any manufacturing facility must undergo a pre-approval inspection before we can obtain marketing authorization for any of our product candidates. Even after a manufacturer has been qualified by the FDA, the manufacturer must continue to expend time, money and effort in the area of production and quality control to ensure full compliance with cGMP and QSR, as applicable. Manufacturers are subject to regular, periodic inspections by the FDA following initial approval. Further, to the extent that we contract with third parties for the supply and/or manufacture of our products (for example, Teoxane with respect to the RHA® Collection of dermal fillers and ABPS and LSNE with respect to our product candidates), our ability to control third-party compliance with FDA requirements will be limited to contractual remedies and rights of inspection.

If, as a result of the FDA's inspections, it determines that the equipment, facilities, laboratories or processes do not comply with applicable FDA regulations and conditions of product approval, the FDA may not approve the product or may suspend the manufacturing operations. If the manufacturing operations of any of the suppliers for our product candidates are suspended, we may be unable to generate sufficient quantities of commercial or clinical supplies of product to meet market demand, which would harm our business. In addition, if delivery of material from our suppliers were interrupted for any reason, we might be unable to ship our approved product for commercial supply or to supply our products in development for clinical trials. Significant and costly delays can occur if the qualification of a new supplier is required.

Failure to comply with regulatory requirements and reports of adverse events or safety concerns could prevent or delay marketing approval or require additional clinical trials and the expenditure of money or other resources to correct. Failure to comply with applicable requirements and reports of adverse events or safety concerns may also result in warning letters, fines, injunctions, civil penalties, recall or seizure of products, total or partial suspension of production, refusal of the government to renew marketing applications and criminal prosecution, any of which could be harmful to our ability to

generate revenues and our stock price. As such, any failure of Teoxane to maintain compliance with the applicable regulations and standards for the RHA® Collection of dermal fillers and reports of adverse events or safety concerns could increase our costs, cause us to lose revenue, prevent the import and/or export of the RHA® Collection of dermal fillers, cause the RHA® Collection of dermal fillers to be recalled or withdrawn and prevent us from successfully commercializing the RHA® Collection of dermal fillers.

Any regulatory approvals that we receive for our product candidates are likely to contain requirements for post-marketing follow-up studies, which may be costly. Product approvals, once granted, may be modified based on data from subsequent studies or commercial use. As a result, limitations on labeling indications or marketing claims, or withdrawal from the market may be required if problems occur after approval and commercialization.

We will require substantial additional financing to achieve our goals, and a failure to obtain the necessary capital when needed on acceptable terms, or at all, could force us to delay, limit, reduce or terminate our product development, other operations or commercialization efforts.*

Since our inception, most of our resources have been dedicated to the research and development of our neuromodulator product candidates. Our clinical programs for DaxibotulinumtoxinA for Injection and an onabotulinumtoxinA biosimilar will require substantial additional funds to complete. In connection with the Teoxane Agreement, we must make specified annual minimum purchases of the RHA® Collection of dermal fillers and meet annual minimum expenditures in connection with the commercialization of the RHA® Collection of dermal fillers. We have incurred substantial transaction expenses in order to complete the HintMD Acquisition and expect to incur additional expenses in connection with combining our business, operations, networks, systems, technologies, policies and procedures with those of HintMD. Further, to grow the Fintech Platform business, we must develop features, products and services that reflect the changing nature of payments processing software and continually modify and enhance the Fintech Platform to keep pace with changes in updated hardware, software, communications and database technologies and standards. In addition, we have dedicated manufacturing capacity, buyback obligations, cost sharing arrangements and related minimum purchase obligations under our manufacturing and supply agreements in connection with the manufacture and supply of our product candidates.

As of June 30, 2021, we had working capital surplus of $296.4 million and an accumulated deficit of $1.3 billion. Our recorded net losses were $72.2 million and $60.6 million, and $143.8 million and $122.5 million for the three and six months ended June 30, 2021 and 2020, respectively. We have funded our operations primarily through the sale of common stock, convertible senior notes, payments received from collaboration arrangements, and sales of the RHA® Collection of dermal fillers. As of June 30, 2021, we had capital resources consisting of cash, cash equivalents and short-term investments of $336.3 million. We believe that we will continue to expend substantial resources for the foreseeable future for (i) the continued sales and marketing of the RHA® Collection of dermal fillers; (ii) the potential commercialization of DaxibotulinumtoxinA for Injection for the treatment of glabellar lines, if approved; (iii) the clinical development of DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar and development of any other indications and product candidates that we may choose to pursue; (iv) to grow the Fintech Platform business; and (v) the continued build-out of our sales and marketing functions. These expenditures will include costs associated with research and development, conducting preclinical studies and clinical trials, manufacturing and supply, marketing, selling and commercialization, and product development for the Fintech Platform. In addition, other unanticipated costs may arise from remote working arrangements for our employees or disruptions associated with the COVID-19 pandemic. We cannot reasonably estimate the actual amounts necessary to successfully commercialize the RHA® Collection of dermal fillers and, because the outcome of any clinical trial is highly uncertain, we cannot reasonably estimate the actual amounts necessary to successfully complete the development and commercialization of DaxibotulinumtoxinA for Injection and any future product candidates. In addition, we have formed strategic collaborations, licensing and similar arrangements with third parties, such as the Teoxane Agreement, the Viatris Collaboration and the Fosun License Agreement. Although we believe these partnerships can complement or support our product offering strategy, we will continue to incur expense associated with these partnerships, including specified annual minimum purchases and expenditures and expense associated with purchases of the RHA® Collection of dermal fillers and research and development pursuant to the Teoxane Agreement; milestone payments in connection with the Fosun License Agreement, and cost-sharing arrangements with Viatris in connection with the development of an onabotulinumtoxinA biosimilar.

We believe that our existing cash, cash equivalents, and short-term investments will allow us to fund our operations for at least 12 months following the filing of this Report. However, our operating plan may change as a result of many factors currently unknown to us, and we may need to seek additional capital sooner than planned, through public or private equity or debt financings or other sources, such as strategic collaborations. In addition, we may seek additional capital due to favorable market conditions or strategic considerations even if we believe that we have sufficient funds for our current or future operating plans.

Our future capital requirements depend on many factors, including:

- disruptions to our business or operations, or that of our manufacturers, suppliers, CROs, physician customers or other third parties with whom we conduct business, including as a result of the COVID-19 pandemic;
- future global financial crises and economic downturns, including those caused by widespread public health crises such as the COVID-19 pandemic;
- our ability to continue to successfully commercialize DaxibotulinumtoxinA for Injection, the RHA® Collection of dermal fillers, an onabotulinumtoxinA biosimilar and any future product candidates;
- our ability to establish, maintain and grow our marketing, sales, and distribution functions;
- the results of our clinical trials for DaxibotulinumtoxinA for Injection and preclinical studies and clinical trials of an onabotulinumtoxinA biosimilar, RHA® 1 or any future hyaluronic acid filler products developed pursuant to the Teoxane Agreement or any future product candidates;
- the timing of, and the costs involved in, obtaining regulatory approvals for DaxibotulinumtoxinA for Injection, or any future product candidates including an onabotulinumtoxinA biosimilar, and the timing of regulatory approval of RHA® 1 or any future products;
- the number and characteristics of any additional product candidates we develop or acquire;
- the scope, progress, results and costs of researching and developing and conducting preclinical and clinical trials of DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar, RHA® 1 or any future products;
- the cost of commercialization activities of DaxibotulinumtoxinA for Injection, the RHA® Collection of dermal fillers, an onabotulinumtoxinA biosimilar or any future product candidates, including marketing, sales and distribution costs;
- the cost of manufacturing DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar, or any future product candidates and any products we successfully commercialize and maintaining our related facilities;
- our ability to establish and maintain strategic collaborations, licensing or other arrangements including the Viatris Collaboration, Fosun Licensing Agreement, and the terms of and timing such arrangements;
- the degree and rate of market acceptance of any approved products;
- the emergence, approval, availability, perceived advantages, relative cost, relative safety and relative efficacy of alternative and competing products or treatments;
- our ability to increase market acceptance and adoption of and to generate revenues from the Fintech Platform;
- any product liability or other lawsuits related to our products;
- the expenses needed to attract and retain skilled personnel;

- any litigation, including litigation costs and the outcome of such litigation;
- the costs associated with being a public company;
- the costs involved in preparing, filing, prosecuting, maintaining, defending and enforcing patent claims, including litigation costs and the outcome of such litigation; and
- the timing, receipt and amount of sales of, or royalties on, future approved products, if any.

Additional capital may not be available when needed, on terms that are acceptable to us or at all. If adequate funds are not available to us on a timely basis, or at all, we may be required to terminate or delay preclinical studies, clinical trials and research and development activities for DaxibotulinumtoxinA for Injection, the RHA® Pipeline Products, an onabotulinumtoxinA biosimilar and any future product candidates and delay the complete integration of HintMD and the development and commercialization of the Fintech Platform, or scale back our sales and marketing capabilities or other activities that may be necessary to commercialize our services and product candidates, if we obtain marketing approval.

If we raise additional capital through marketing and distribution arrangements or other collaborations, strategic alliances or licensing arrangements with third parties, we may have to relinquish certain valuable rights to our product candidates, technologies, future revenue streams or research programs or grant licenses on terms that may not be favorable to us. If we raise additional capital through public or private equity offerings, the ownership interest of our existing stockholders will be diluted and the terms of any new equity securities may have a preference over our common stock. If we raise additional capital through debt financing, we may be subject to covenants limiting or restricting our ability to take specific actions, such as incurring additional debt or making capital expenditures or specified financial ratios, any of which could restrict our ability to commercialize our product candidates or operate as a business.

Our product candidates and the RHA® Pipeline Products that are approved will face significant competition, and our failure to effectively compete may prevent us from achieving significant market penetration and expansion. In addition, our competitors may develop products that are safer, more effective, more convenient or less expensive than the RHA® Pipeline Products and our product candidates, which could reduce or eliminate our commercial opportunity.

We expect to enter highly competitive pharmaceutical and medical device markets if our product candidates are approved. Successful competitors in the pharmaceutical and medical device markets have the ability to efficiently and effectively discover therapies, obtain patents, develop, test and obtain regulatory approvals for products, and effectively commercialize, market and promote approved products, including communicating the effectiveness, safety and value of products to actual and prospective customers and medical staff. Numerous companies are engaged in developing, patenting, manufacturing and marketing healthcare products which we expect will compete with our products. Many of these competitors are large, experienced companies that enjoy significant competitive advantages, such as substantially greater financial, research and development, manufacturing, testing, personnel and marketing resources, greater brand recognition and more experience and expertise in obtaining marketing approvals from the FDA and other regulatory authorities.

Upon marketing approval, the first expected use of DaxibotulinumtoxinA for Injection or an onabotulinumtoxinA biosimilar will be in aesthetic medicine. Competition in aesthetic products is significant and dynamic and is characterized by substantial technological development and product innovations, and our competitors include large, fully-integrated pharmaceutical companies and more established biotechnology and medical device companies. We anticipate that DaxibotulinumtoxinA for Injection, if approved, will face significant competition from existing injectable neuromodulators as well as unapproved and off-label treatments. Further, if approved, in the future we may face competition for DaxibotulinumtoxinA for Injection from biosimilar products and products based upon botulinum toxin. In addition, the only products we are currently commercializing are the RHA® Collection of dermal fillers. It is possible that competitors will succeed in developing technologies that are safer, more effective, more convenient or that have a lower cost of goods and price than those used in DaxibotulinumtoxinA for Injection, if approved, or the RHA® Collection of dermal fillers and in our product candidates or products being developed by us, or that would render our technology obsolete or noncompetitive. Competition could also result in reduced profit margins and limited sales, which would harm our business, financial condition and results of operations.

For a variety of reasons, including less stringent regulatory requirements, there are significantly more aesthetic products and procedures available for use in a number of foreign countries than are approved for use in the U.S. There are also fewer limitations on the claims that our competitors in certain countries can make about the effectiveness of their products and the manner in which they can market them.

We currently make our DaxibotulinumtoxinA for Injection clinical drug product exclusively in one internal manufacturing facility. We plan to utilize internal and external facilities, including through one or more third-party contractors, in the future to support clinical and commercial production if our product candidates are approved. If we experience a significant disruption in our manufacturing operations or our third-party manufacturers experience a significant disruption in their operations for any reason, our ability to continue to operate our business would be materially harmed.

We currently manufacture our own clinical drug product to support DaxibotulinumtoxinA for Injection development in one internal manufacturing facility. In March 2017, we entered into the Technology Transfer, Validation and Commercial Fill/Finish Services Agreement (as amended, the "ABPS Services Agreement") with ABPS, a contract development and manufacturing organization, and in April 2021, we entered into the LSNE Agreement with LSNE. We plan to utilize our internal and external ABPS and LSNE facilities to provide multiple sources of clinical and commercial production of our drugs candidates. If these or any future facility were to be damaged, destroyed or otherwise unable to operate, whether due to earthquakes, fire, floods, hurricanes, storms, tornadoes, other natural disasters, employee malfeasance, terrorist acts, power outages, actual or threatened epidemics, pandemics, outbreaks, or public health crises, or otherwise, or if performance of such manufacturing facilities is disrupted for any other reason, such an event could delay our clinical trials or, if our product candidates are approved, jeopardize the ability to manufacture our products as promptly as our customers expect or at all. As the ultimate impact of the COVID-19 pandemic is highly uncertain and subject to change, we do not yet know the full extent of potential delays or impacts on our manufacturing operations or on the ability of our third-party contractors to provide manufacturing services for our product candidates. If we experience delays in achieving our development objectives, or if we are unable to manufacture an approved product within a timeframe that meets our customers' expectations, our business, prospects, financial results and reputation could be materially harmed.

If DaxibotulinumtoxinA for Injection is approved, we will face certain risks associated with manufacturing DaxibotulinumtoxinA for Injection to support commercial production.

We have developed an integrated manufacturing, research and development facility located at our Newark, California office. We manufacture drug substance and finished dose forms of the drug product at this facility that we use for research and development purposes, clinical trials and ultimately for commercial supplies post regulatory approval. There are risks associated with commercial manufacturing including, among others, cost overruns, process reproducibility, stability issues, lot consistency and timely availability of raw materials. If DaxibotulinumtoxinA for Injection is approved, there is no assurance that we will be successful in operating a commercial scale manufacturing process that can support commercial demand. If DaxibotulinumtoxinA for Injection is approved, we may need to expand our manufacturing facilities, add manufacturing personnel and ensure that validated processes are consistently implemented in our facilities and potentially enter into additional relationships with third-party manufacturers. The upgrade and expansion of our facilities will require additional regulatory approvals. In addition, it will be costly and time-consuming to expand our facilities and recruit necessary additional personnel. We entered into the ABPS Services Agreement and LSNE Agreement to provide additional sources of manufacturing for our product candidates, however, there are no assurances that either or both sources will continue to be available to us at the required commercial scale, or at all. If we are unable to expand our manufacturing facilities in compliance with regulatory requirements, to hire additional necessary manufacturing personnel, or retain our third-party manufacturers, we may encounter delays or additional costs in achieving our research, development and commercialization objectives, including obtaining regulatory approvals of our product candidates, which could materially damage our business and financial position.

We currently contract with third-party manufacturers for certain components and services necessary to produce our product candidates and expect to continue to do so to support further clinical trials and commercial scale production if our product candidates are approved. This increases the risk that we will not have sufficient quantities of our product candidates or be able to obtain such quantities at an acceptable cost, which could delay, prevent or impair our development or commercialization efforts.

We currently rely on third-party manufacturers for certain components and services necessary to produce DaxibotulinumtoxinA for Injection, and we expect to continue to rely on these and other manufacturers to support our commercial requirements if DaxibotulinumtoxinA for Injection or other product candidates are approved. In particular, we plan to utilize our internal and the external ABPS and LSNE facilities to support clinical and commercial production of product candidates, if approved. We may never be able to successfully operate a manufacturing process at commercial scale or establish additional suppliers to support commercialization of our product candidates, if approved. Even where alternative sources of supply are available, qualifying alternate suppliers and establishing reliable supplies could cost more or could result in delays and a loss of revenues. As a result, we are dependent on a limited number of suppliers for our product candidates and the loss of one of our suppliers could have a material adverse effect on our business, results of operations and financial condition.

Reliance on third-party manufacturers entails other additional risks, including the reliance on the third party for regulatory compliance and quality assurance, the possible breach of the manufacturing agreement by the third party, and the possible termination or nonrenewal of the agreement by the third party at a time that is costly or inconvenient for us. In addition, third-party manufacturers may not be able to comply with cGMP or QSR, or similar regulatory requirements outside the U.S. Our failure or the failure of our third-party manufacturers to comply with applicable regulations could result in sanctions being imposed on us, including fines, injunctions, civil penalties, delays, suspension or withdrawal of approvals, license revocation, seizures or recalls of products, operating restrictions and criminal prosecutions, any of which could significantly and adversely affect supplies of our product candidates or products that we may develop. Any failure or refusal to supply the components or services for our product candidates or products that we may develop could delay, prevent or impair our clinical development or commercialization efforts.

We have incurred significant losses since our inception and we anticipate that we will continue to incur losses for the foreseeable future. We have only had commercial sales of the RHA® Collection of dermal fillers and Fintech Platform services, and aside from our rights to the RHA® Collection of dermal fillers, we only have one product candidate in clinical trials, which makes it difficult to assess our future viability.*

Biotechnology product development is a highly speculative undertaking and involves a substantial degree of risk. We are not profitable and have incurred losses in each year since we commenced operations in 2002. In addition, we have limited experience and have not yet demonstrated an ability to successfully overcome many of the risks and uncertainties frequently encountered by companies in new and rapidly evolving fields, particularly in the biotechnology industry. We have only made sales of the RHA® Collection of dermal fillers since the initial product launch in September 2020 and the Fintech Platform since the HintMD Acquisition in July 2020 and have not demonstrated the ability to successfully commercialize the RHA® Collection of dermal fillers or the Fintech Platform over the long-term. To date, we have not obtained any regulatory approvals for any of our product candidates or generated any revenue from product sales relating to DaxibotulinumtoxinA for Injection or an onabotulinumtoxinA biosimilar. We continue to incur significant research and development and other expenses related to our ongoing clinical trials and operations, and expect to incur additional expenses in building out our sales, marketing and distribution function as we pursue commercialization of DaxibotulinumtoxinA for Injection, if approved, and continue to commercialize the RHA® Collection of dermal fillers. In addition, prior to the HintMD Acquisition, HintMD incurred a net loss in each year since its inception. We may have difficulties entering the payments industry and integrating new technologies in which we have no direct prior experience. We expect to incur significant expense developing the Next-generation Platform and growing the business of the Fintech Platform.

As of June 30, 2021, we had working capital surplus of $296.4 million and an accumulated deficit of $1.3 billion. Our recorded net losses were $72.2 million and $60.6 million, and $143.8 million and $122.5 million, for the three and six months ended June 30, 2021 and 2020, respectively. As of June 30, 2021, we had capital resources consisting of cash, cash equivalents and short-term investments of $336.3 million. We have funded our operations primarily through the sale of common stock, convertible senior notes, payments received from collaboration arrangements, and sales of the RHA®

Collection of dermal fillers. Our capital requirements to implement our business strategy are substantial, including our capital requirements to continue to commercialize the RHA® Collection of dermal fillers and to develop and commercialize DaxibotulinumtoxinA for Injection, if approved, and to increase market acceptance and adoption of the Fintech Platform. We believe that our currently available capital is sufficient to fund our operations through at least the next 12 months following the filing of our 2020 Form 10-K, filed with the SEC on February 25, 2021.

We expect to continue to incur losses for the foreseeable future as we continue our development of, seek regulatory approval for and begin to commercialize DaxibotulinumtoxinA for Injection, and continue to commercialize the RHA® Collection of dermal fillers. Our ability to achieve revenue and profitability is dependent on our ability to complete the development of our product candidates, obtain necessary regulatory approvals, manufacture and market and commercialize our products and services successfully. Even if we achieve profitability in the future, we may not be able to sustain profitability in subsequent periods. Our prior losses, combined with expected future losses, may adversely affect the market price of our common stock and our ability to raise capital and continue operations.

Clinical drug development involves a lengthy and expensive process with an uncertain outcome, and results of earlier studies and trials may not be predictive of future trial results.

Clinical testing is expensive and can take many years to complete, and its outcome is inherently uncertain. Furthermore, we rely on CROs, and clinical trial sites to ensure the proper and timely conduct of our clinical trials. While we have agreements governing the committed activities of our CROs, we have limited influence over their actual performance. A failure of one or more of our clinical trials can occur at any time during the clinical trial process. The results of preclinical studies and clinical trials of our product candidates may not be predictive of the results of later-stage clinical trials. Furthermore, final results may differ from interim results. For example, any positive results generated to date in clinical trials for DaxibotulinumtoxinA for Injection do not ensure that later clinical trials will demonstrate similar results. Product candidates in later stages of clinical trials may fail to show the desired safety profile and efficacy despite having progressed through preclinical studies and initial clinical trials.

A number of companies in the biotechnology industry have suffered significant setbacks in advanced clinical trials due to a lack of efficacy or adverse safety profiles, notwithstanding promising results in earlier clinical trials. We have suffered similar setbacks with the clinical development of DaxibotulinumtoxinA Topical and for DaxibotulinumtoxinA for Injection for the management of plantar fasciitis, and we cannot be certain that we will not face other similar setbacks in the future for DaxibotulinumtoxinA for Injection in other indications or other clinical development programs. Even if our clinical trials are completed, the results may not be sufficient to obtain regulatory approval for our product candidates.

We may experience delays in our ongoing clinical trials, and we do not know whether future clinical trials, if any, will begin on time, need to be redesigned, enroll an adequate number of subjects on time or be completed on schedule, if at all. For example, enrollment in the JUNIPER Phase 2 adult upper limb spasticity trial was paused in March 2020 due to challenges related to the COVID-19 environment. In June 2020, we announced the decision to end screening and complete enrollment in the JUNIPER trial. We completed the JUNIPER trial in February of 2021 with 83 subjects enrolled. The JUNIPER Phase 2 trial achieved one co-primary endpoint, which evaluated the change in the MAS score from baseline, demonstrating a statistically significant treatment benefit in the 500 unit treatment group compared with placebo. Statistical significance was not achieved on the second co-primary endpoint, however numerical improvement compared with placebo in all three doses on the PGIC assessment was achieved. Although we believe the JUNIPER Phase 2 trial provided sufficient data to inform our dosing strategy and design for a successful Phase 3 program, we cannot guarantee that the results of the Phase 3 program will generate positive results.

Clinical trials can be delayed or aborted for a variety of reasons, including delay or failure to:

- obtain regulatory approval to commence a trial;
- reach agreement on acceptable terms with prospective CROs and clinical trial sites, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and trial sites;
- obtain IRB approval at each site;

- recruit suitable subjects to participate in a trial;
- have subjects complete a trial or return for post-treatment follow-up;
- ensure clinical sites observe trial protocol or continue to participate in a trial;
- address any patient safety concerns that arise during the course of a trial;
- address any conflicts with new or existing laws or regulations;
- add a sufficient number of clinical trial sites; or
- manufacture sufficient quantities of product candidate for use in clinical trials.

Subject enrollment is a significant factor in the timing of clinical trials and is affected by many factors, including the size and nature of the patient population, the proximity of patients to clinical sites, the eligibility criteria for the trial, the design of the clinical trial, competing clinical trials and clinicians' and patients' perceptions as to the potential advantages of the drug being studied in relation to other available therapies, including any new drugs or treatments that may be approved for the indications we are investigating.

We could also encounter delays if a clinical trial is suspended or terminated by us, by the IRBs of the institutions in which such trials are being conducted, by the data safety monitoring board for such trial or by the FDA or other regulatory authorities. Such authorities may suspend or terminate a clinical trial due to a number of factors, including failure to conduct the clinical trial in accordance with regulatory requirements or our clinical protocols, failure of inspection of the clinical trial operations or trial site by the FDA or other regulatory authorities resulting in the imposition of a clinical hold, discovery of unforeseen safety issues or adverse side effects, failure to demonstrate a benefit from using a drug, changes in governmental regulations or administrative actions, risks related to conducting clinical trials during the COVID-19 pandemic, or lack of adequate funding to continue the clinical trial.

If we experience delays in the completion or termination of any clinical trial of our product candidates, the commercial prospects of these product candidates may be harmed, and our ability to generate product revenues from any of these product candidates will be delayed. In addition, any delays in completing our clinical trials will increase our costs, slow down our product candidate development and approval process and jeopardize our ability to commence product sales and generate revenues. Any of these occurrences may significantly harm our business, financial condition and prospects. In addition, many of the factors that cause or lead to a delay in the commencement or completion of clinical trials may also ultimately lead to the denial of regulatory approval of our product candidates.

We rely on Teoxane for the manufacture and supply of the RHA® Collection of dermal fillers pursuant to the Teoxane Agreement, and our dependence on Teoxane may impair our ability to commercialize the RHA® Collection of dermal fillers.

Pursuant to the Teoxane Agreement, we are not entitled to manufacture the RHA® Collection of dermal fillers. Instead, Teoxane is responsible for supplying all of our requirements for the RHA® Collection of dermal fillers. If Teoxane were to cease production or otherwise fail to timely supply us with an adequate supply of the RHA® Collection of dermal fillers, our ability to commercialize the RHA® Collection of dermal fillers would be adversely affected. For example, as a result of the COVID-19 pandemic, product supply of the RHA® Collection of dermal fillers was delayed by Teoxane, as they temporarily suspended production in Geneva, Switzerland. Teoxane resumed manufacturing operations at the end of April 2020 and delivered the first shipment of the RHA® Collection of dermal fillers to us in June 2020. As a result, the initial product launch of the RHA® Collection of dermal fillers was delayed by one quarter to September 2020. Additional delays in the product supply of the RHA® Collection of dermal fillers may have an adverse effect on our commercialization strategy.

Teoxane is required to produce the RHA® Collection of dermal fillers under QSR in order to meet acceptable standards for commercial sale. If such standards change, the ability of Teoxane to produce the RHA® Collection of dermal fillers on the schedule we require to meet commercialization goals may be affected. Teoxane is subject to pre-approval

inspections and periodic unannounced inspections by the FDA and corresponding state and foreign authorities to ensure strict compliance with QSR and other applicable government regulations and corresponding foreign standards. We do not have control over Teoxane's compliance with these regulations and standards. Any difficulties or delays in Teoxane's manufacturing and supply of the RHA® Collection of dermal fillers or any failure of Teoxane to maintain compliance with the applicable regulations and standards could increase our costs, cause us to lose revenue, prevent the import and/or export of the RHA® Collection of dermal fillers, or cause the RHA® Collection of dermal fillers to be the subject of field alerts, recalls or market withdrawals.

We depend on single-source suppliers for the raw materials necessary to produce DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar, and any other product candidates. The loss of these suppliers, or their failure to supply us with these raw materials, could negatively affect our business.

We and our manufacturers purchase the materials necessary to produce DaxibotulinumtoxinA for Injection for our clinical trials from single-source third-party suppliers. There are a limited number of suppliers for the raw materials that we use to manufacture our product candidates, and we may need to assess alternate suppliers to prevent a possible disruption of the manufacture of the materials necessary to produce our product candidates for our clinical trials and, if approved, ultimately for commercial sale. In particular, we outsource the manufacture of bulk peptide through an agreement with a single supplier.

We do not have any control over the process or timing of the acquisition of raw materials by our manufacturers. Although we generally do not begin a clinical trial unless we believe that we have a sufficient supply of a product candidate to complete the clinical trial and while we have taken steps to ensure we are sufficiently scaled to support expected future commercial demands, any significant delay in the supply of DaxibotulinumtoxinA for Injection or any future product candidates, or the raw material components thereof, for an ongoing clinical trial due to the need to replace a third-party supplier could considerably delay completion of our clinical trials, product testing and potential regulatory approval of DaxibotulinumtoxinA for Injection or any future product candidates. If we or our manufacturers are unable to purchase these raw materials on acceptable terms and at sufficient quality levels or in adequate quantities if at all, the development of DaxibotulinumtoxinA for Injection and any future product candidates, or the commercial launch of any approved products, would be delayed or there would be a shortage in supply, which would impair our ability to meet our development objectives for our product candidates or generate revenues from the sale of any approved products.

Furthermore, if there is a disruption to our or our third-party suppliers' relevant operations, including as a result of the COVID-19 pandemic, we will have no other means of producing DaxibotulinumtoxinA for Injection or any future product candidates until they restore the affected facilities or we or they procure alternative facilities. Additionally, any damage to or destruction of our or our third party or suppliers' facilities or equipment may significantly impair our ability to manufacture our product candidates on a timely basis.

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.

Our corporate office that houses the majority of our workforce and other facilities, including our internal manufacturing facility, are located in the San Francisco Bay Area, which has experienced severe earthquakes. We do not carry earthquake insurance. 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 offices or facilities or that damaged critical infrastructure, such as our manufacturing facility, enterprise financial systems or manufacturing resource planning and enterprise quality systems, 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. In particular, because we manufacture botulinum toxin in our facilities, we would be required to obtain further clearance and approval by state, federal or other applicable authorities to continue or resume manufacturing activities. The disaster recovery and business continuity plans we have in place currently are limited and may not be adequate 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, particularly when taken together with our lack of earthquake insurance, could have a material adverse effect on our business.

Furthermore, integral parties in our supply chain are geographically concentrated and operating from single sites, thereby increasing their vulnerability to natural disasters or other sudden, unforeseen and severe adverse events. If such an event were to affect our supply chain, it could have a material adverse effect on our business.

We currently rely on third parties and consultants to conduct all of our preclinical studies and clinical trials. If these third parties or consultants do not successfully carry out their contractual duties or meet expected deadlines, we may be unable to obtain regulatory approval for or commercialize DaxibotulinumtoxinA for Injection or any future product candidates.

We do not have the ability to independently conduct preclinical studies or clinical trials. We rely on medical institutions, clinical investigators, contract laboratories, collaborative partners and other third parties, such as CROs and clinical data management organizations, to conduct clinical trials on our product candidates. The third parties with whom we contract for execution of our clinical trials play a significant role in the conduct of these trials and the subsequent collection and analysis of data. However, these third parties are not our employees, and except for contractual duties and obligations, we have limited ability to control the amount or timing of resources that they devote to our programs. Although we rely on these third parties to conduct our preclinical studies and clinical trials, we remain responsible for ensuring that each of our preclinical studies and clinical trials is conducted in accordance with its investigational plan and protocol. Moreover, the FDA and foreign regulatory authorities require us to comply with GCPs and good laboratory practices for conducting, monitoring, recording and reporting the results of clinical and preclinical trials to ensure that the data and results are scientifically credible and accurate, and that the trial subjects are adequately informed of the potential risks of participating in clinical trials. We also rely on consultants to assist in the execution, including data collection and analysis, of our clinical trials.

In addition, the execution of preclinical studies and clinical trials, and the subsequent compilation and analysis of the data produced, requires coordination among various parties. In order for these functions to be carried out effectively and efficiently, it is imperative that these parties communicate and coordinate with one another. Moreover, these third parties may also have relationships with other commercial entities, some of which may compete with us. These third parties may terminate their agreements with us upon as little as 30 days' prior written notice of a material breach by us that is not cured within 30 days. Many of these agreements may also be terminated by such third parties under certain other circumstances, including our insolvency or our failure to comply with applicable laws. In general, these agreements require such third parties to reasonably cooperate with us at our expense for an orderly winding down of services of such third parties under the agreements. If the third parties or consultants conducting our clinical trials do not perform their contractual duties or obligations, experience work stoppages, do not meet expected deadlines, terminate their agreements with us or 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 trial protocols or GCPs, or for any other reason, we may need to conduct additional clinical trials or enter into new arrangements, which could be difficult, costly or impossible, and our clinical trials may be extended, delayed or terminated or may need to be repeated. We may be unable to recover unused funds from these third-parties. If any of the foregoing were to occur, we may not be able to obtain, or may be delayed in obtaining, regulatory approval for, and will not be able to, or may be delayed in our efforts to, successfully commercialize the product candidate being tested in such trials.

If we are found to have improperly promoted off-label uses for our products that are approved for marketing, including the RHA® Collection of dermal fillers and, if approved for marketing, DaxibotulinumtoxinA for Injection, or if physicians misuse our products or use our products off-label, we may become subject to prohibitions on the sale or marketing of our products, significant fines, penalties, and sanctions, product liability claims, and our image and reputation within the industry and marketplace could be harmed.

The FDA and other regulatory agencies strictly regulate the marketing and promotional claims that are made about regulated products, such as the RHA® Collection of dermal fillers and, if approved, DaxibotulinumtoxinA for Injection. In particular, a product may not be promoted for uses or indications that are not approved by the FDA or such other regulatory agencies as reflected in the product's approved labeling. If we are found to have promoted such off-label uses, we may receive warning letters, become subject to significant liability and be subject to FDA prohibitions on the sale or marketing of our products, which could affect our reputation within the industry and materially harm our business. The federal government has levied large civil and criminal fines against companies for alleged improper promotion and has enjoined several companies from engaging in off-label promotion. If we become the target of such an investigation or prosecution based on

our marketing and promotional practices, we could face similar sanctions, which would materially harm our business. In addition, management's attention could be diverted from our business operations, significant legal expenses could be incurred, and our reputation could be damaged. The FDA has also requested that companies enter into consent decrees or permanent injunctions under which specified promotional conduct is changed or curtailed.

Physicians may, in their independent medical judgment, prescribe legally available products for off-label uses. However, physicians may also misuse the RHA® Collection of dermal fillers and, if approved, DaxibotulinumtoxinA for Injection or our other products, or use improper techniques, potentially leading to adverse results, side effects or injury, which may lead to product liability claims. If these products are misused or used with improper technique, we may become subject to costly litigation by our customers or their patients. Product liability claims could divert management's attention from our core business, be expensive to defend, and result in sizable damage awards against us that may not be covered by insurance. Furthermore, the use of these products for indications other than those cleared by the FDA may not effectively treat such conditions, which could harm our reputation in the marketplace among physicians and patients.

Any of these events could harm our business and results of operations and cause our stock price to decline.

We are subject to uncertainty relating to third-party reimbursement policies which, if not favorable for DaxibotulinumtoxinA for Injection or any future product candidates for therapeutic indications, could hinder or prevent their commercial success.*

Our ability to commercialize DaxibotulinumtoxinA for Injection or any future product candidates for therapeutic indications such as cervical dystonia, adult upper limb spasticity or migraine will depend in part on the coverage and reimbursement levels set by governmental authorities, private health insurers and other third-party payors. As a threshold for coverage and reimbursement, third-party payors generally require that drug products have been approved for marketing by the FDA. Third-party payors also are increasingly challenging the effectiveness of and prices charged for medical products and services. We may not obtain adequate third-party coverage or reimbursement for DaxibotulinumtoxinA for Injection or any future product candidates for therapeutic indications, or we may be required to sell them at a discount. Third party payor coverage and reimbursement will not likely be available for our products developed for aesthetic indications.

We expect that third-party payors will consider the efficacy, cost effectiveness and safety of DaxibotulinumtoxinA for Injection in determining whether to approve reimbursement for DaxibotulinumtoxinA for Injection for therapeutic indications and at what level. Our business would be materially adversely affected if we do not receive coverage and adequate reimbursement of DaxibotulinumtoxinA for Injection for therapeutic indications from private insurers on a timely or satisfactory basis. No uniform policy for coverage and reimbursement for products exists among third-party payors in the U.S.; therefore, coverage and reimbursement for products can differ significantly from payor to payor. Further, coverage under certain government programs, such as Medicare and Medicaid, may not be available for certain of our product candidates. As a result, the coverage determination process will likely be a time-consuming and costly process, with no assurance that coverage and adequate reimbursement will be applied consistently or obtained in the first instance. Our business could also be adversely affected if third-party payors limit the indications for which DaxibotulinumtoxinA for Injection will be reimbursed to a smaller patient set than we believe they are effective in treating.

In some foreign countries, particularly Canada and European countries, the pricing of prescription pharmaceuticals is subject to strict governmental control. In these countries, pricing negotiations with governmental authorities can take six to 12 months or longer after the receipt of regulatory approval and product launch. To obtain favorable reimbursement for the indications sought or pricing approval in some countries, we may be required to conduct a clinical trial that compares the cost-effectiveness of our products, including DaxibotulinumtoxinA for Injection, to other available therapies. If reimbursement for our product is unavailable in any country in which reimbursement is sought, limited in scope or amount, or if pricing is set at unsatisfactory levels, our business could be materially harmed.

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

We face an inherent risk of product liability lawsuits as a result of commercializing the RHA® Collection of dermal fillers, DaxibotulinumtoxinA for Injection, if approved, and as a result of the clinical testing of DaxibotulinumtoxinA for

Injection, an onabotulinumtoxinA biosimilar, or any other product candidates. For example, we may be sued if any product we develop allegedly causes injury or is found to be otherwise unsuitable during product testing, manufacturing, marketing or sale. Any such product liability claims may include allegations of defects in manufacturing, defects in design, a failure to warn of dangers inherent in the product, negligence, strict liability and a breach of warranties. Claims could also be asserted under state consumer protection acts. If we cannot successfully defend ourselves against product liability claims, we may incur substantial liabilities or be required to limit commercialization of our products. Even a successful defense would require significant financial and management resources. Regardless of the merits or eventual outcome, liability claims may result in:

- decreased demand for the RHA® Collection of dermal fillers, DaxibotulinumtoxinA for Injection or any future product candidates or products we develop;
- injury to our reputation and significant negative media attention;
- withdrawal of clinical trial participants or cancellation of clinical trials;
- costs to defend the related litigation;
- a diversion of management's time and our resources;
- substantial monetary awards to trial participants or patients;
- regulatory investigations, product recalls, withdrawals or labeling, marketing or promotional restrictions;
- loss of revenue;
- an increase in product liability insurance premiums or an inability to maintain product liability insurance coverage; and
- the inability to commercialize the RHA® Collection of dermal fillers, DaxibotulinumtoxinA for Injection or any other products we develop.

Our inability to obtain and maintain sufficient product liability insurance at an acceptable cost and scope of coverage to protect against potential product liability claims could prevent or inhibit the commercialization of DaxibotulinumtoxinA for Injection, the RHA® Collection of dermal fillers or any future products we develop. We currently carry product liability insurance covering our clinical trials. Although we maintain such insurance, any claim that may be brought against us could result in a court judgment or settlement in an amount that is not covered, in whole or in part, by our insurance or that is in excess of the limits of our insurance coverage. Our insurance policies also have various exclusions and deductibles, and we may be subject to a product liability claim for which we have no coverage. We will have to pay any amounts awarded by a court or negotiated in a settlement that exceed our coverage limitations or that are not covered by our insurance, and we may not have, or be able to obtain, sufficient capital to pay such amounts. Moreover, in the future, we may not be able to maintain insurance coverage at a reasonable cost or in sufficient amounts to protect us against losses. If and when we obtain approval for marketing DaxibotulinumtoxinA for Injection we intend to expand our insurance coverage to include the sale of DaxibotulinumtoxinA for Injection as applicable; however, we may be unable to obtain this liability insurance on commercially reasonable terms.

We have been, and in the future may be, subject to securities class action and stockholder derivative actions. These, and potential similar or related litigation, could result in substantial damages and may divert management's time and attention from our business.

We have been, and may in the future be, the target of securities class actions or stockholder derivative claims. On May 1, 2015, a securities class action complaint was filed on behalf of the City of Warren Police and Fire Retirement System against us and certain of our directors and executive officers at the time of our follow-on public offering, and the investment banking firms that acted as the underwriters in our follow-on public offering. The Court granted final approval of the settlement, as set forth in the Stipulation of Settlement, on July 28, 2017. While the litigation has ended, we may be subject to

future securities class action and shareholder derivation actions, which may adversely impact our business, results of operations, financial position or cash flows and divert management's time and attention from the business.

If we are not successful in discovering, developing, acquiring and commercializing additional product candidates, our ability to expand our business and achieve our strategic objectives may be impaired.

Although a substantial amount of our effort has focused on the commercialization of the RHA® Collection of dermal fillers and the continued clinical testing and working toward approval of DaxibotulinumtoxinA for Injection, our strategy also includes the discovery, development and commercialization of a portfolio of neuromodulator products for both aesthetic and therapeutic indications. We are seeking to do so through our internal research programs and may explore strategic collaborations for the development or acquisition of new products.

Even if we identify an appropriate collaboration or product acquisition, we may not be successful in negotiating the terms of the collaboration or acquisition, or effectively integrating the collaboration or acquired product into our existing business and operations. Moreover, we may not be able to pursue such opportunities if they fall within the non-compete provision of the Teoxane Agreement, which prohibits us from developing, manufacturing, marketing, selling, detailing or promoting any cross-linked hyaluronic acid dermal filler (other than the RHA® Collection of dermal fillers) in the U.S. during the term of the Teoxane Agreement. We have limited experience in successfully acquiring and integrating products and technologies into our business and operations, and even if we are able to consummate an acquisition or other investment, we may not realize the anticipated benefits of such acquisitions or investments. We may face risks, uncertainties and disruptions, including difficulties in the integration of the operations and services of these acquisitions. If we fail to successfully integrate collaborations, assets, products or technologies that we enter into or acquire, or if we fail to successfully exploit acquired product distribution rights and maintain acquired relationships with customers, our business could be harmed. Furthermore, we may have to incur debt or issue equity securities in connection with proposed collaborations or to pay for any product acquisitions or investments, the issuance of which could be dilutive to our existing shareholders. Identifying, contemplating, negotiating or completing a collaboration or product acquisition and integrating an acquired product or technology could significantly divert management and employee time and resources.

While DaxibotulinumtoxinA for Injection is in the clinical development stage, our onabotulinumtoxinA biosimilar and all of our other potential product candidates remain in the discovery or preclinical stage. Research programs to identify product candidates require substantial technical, financial and human resources, whether or not any product candidates are ultimately identified. Our research programs may initially show promise in identifying potential product candidates, yet fail to yield product candidates for clinical development for many reasons, including the following:

- the research methodology used may not be successful in identifying potential product candidates;
- competitors may develop alternatives that render our product candidates obsolete or less attractive;
- product candidates we develop may nevertheless be covered by third parties' patents or other exclusive rights;
- a product candidate may on further study be shown to have harmful side effects or other characteristics that indicate it is unlikely to be effective or otherwise does not meet applicable regulatory criteria;
- a product candidate may not be capable of being produced in commercial quantities at an acceptable cost, or at all;
- a product candidate may not be accepted as safe and effective by patients, the medical community or third-party payors, if applicable; and
- intellectual property rights of third parties may potentially block our entry into certain geographies or make such entry economically impracticable.

If we fail to develop and successfully commercialize other product candidates, our business and future prospects may be harmed and our business will be more vulnerable to problems that we encounter in commercializing the RHA® Collection of dermal fillers and in developing and commercializing DaxibotulinumtoxinA for Injection.

Our business involves the use of hazardous materials and we and our third-party manufacturers and suppliers must comply with environmental laws and regulations, which can be expensive and restrict how we do business.

Our sales, marketing, research and development and manufacturing activities and our third-party manufacturers' and suppliers' activities involve the controlled storage, use and disposal of hazardous materials owned by us, including botulinum toxin type A, a key component of our product candidates, and other hazardous compounds. We and our manufacturers and suppliers are subject to laws and regulations governing the use, manufacture, storage, handling and disposal of these hazardous materials. We are licensed with the CDC and with the California Department of Health, Food and Drug Branch for use of botulinum toxin and to manufacture both the active pharmaceutical ingredient and the finished product in topical and injectable dose forms. In some cases, these hazardous materials and various wastes resulting from their use are stored at our and our manufacturers' facilities pending their use and disposal. We cannot eliminate the risk of contamination, which could cause an interruption of our commercialization efforts, research and development efforts and business operations, environmental damage resulting in costly clean-up and liabilities under applicable laws and regulations governing the use, storage, handling and disposal of these materials and specified waste products. Although we believe that the safety procedures utilized by us and our third-party manufacturers for handling and disposing of these materials generally comply with the standards prescribed by these laws and regulations, we cannot guarantee that this is the case or eliminate the risk of accidental contamination or injury from these materials. In such an event, we may be held liable for any resulting damages and such liability could exceed our resources and state or federal or other applicable authorities may curtail our use of certain materials and interrupt our business operations. Furthermore, environmental laws and regulations are complex, change frequently and have tended to become more stringent. We cannot predict the impact of such changes and cannot be certain of our future compliance.

We may use third-party collaborators to help us develop, validate or commercialize any new product candidates, and our ability to commercialize such product candidates could be impaired or delayed if these collaborations are unsuccessful.

We may continue to license or selectively pursue strategic collaborations for the development, validation and commercialization of DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar, hyaluronic acid filler products, and any future product candidates. For instance, in February 2018, we and Viatris entered into the Viatris Collaboration, as amended in August 2019, pursuant to which we and Viatris are collaborating exclusively, on a world-wide basis (excluding Japan), to develop, manufacture and commercialize our onabotulinumtoxinA biosimilar product candidate. In December 2018, we and Fosun entered into the Fosun License Agreement pursuant to which we have granted Fosun the exclusive rights to develop and commercialize DaxibotulinumtoxinA for Injection in the Fosun Territory and certain sublicense rights. In addition, we entered into the Teoxane Agreement in January 2020, as amended in September 2020, pursuant to which Teoxane granted us the exclusive right to import, market, promote, sell and distribute the RHA® Pipeline Products in the U.S., its territories and possessions. In any third-party collaboration, we are dependent upon the success of the collaborators to perform their responsibilities with continued cooperation. Our collaborators may not cooperate with us or perform their obligations under our agreements with them. We cannot control the amount and timing of our collaborators' resources that will be devoted to performing their responsibilities under our agreements with them. Our collaborators may choose to pursue alternative technologies in preference to those being developed in collaboration with us. The development, validation and commercialization of our product candidates will be delayed if collaborators fail to conduct their responsibilities in a timely manner or in accordance with applicable regulatory requirements or if they breach or terminate their collaboration agreements with us.

Disputes with our collaborators could also impair our reputation or result in development delays, decreased revenues and litigation expenses. Our collaboration with Viatris is for the development of an onabotulinumtoxinA biosimilar, which is subject to risks inherent with the relatively short history of biosimilar product approvals in the U.S. In February 2019, we and Viatris participated in a BIAM with the FDA to discuss the feasibility of a 351(k) onabotulinumtoxinA biosimilar submission and the necessary development pathway for an onabotulinumtoxinA biosimilar product candidate. We have begun the continuation phase of the onabotulinumtoxinA biosimilar program and are moving forward with characterization and product development work. While we believe that a pathway is viable, the successful development and commercialization of an onabotulinumtoxinA biosimilar product in any approved indications of BOTOX® or BOTOX Cosmetic® would be subject to FDA requirements that would need to be assessed by us and Viatris in determining the development of an

onabotulinumtoxinA biosimilar product candidate. Even if successfully developed, an onabotulinumtoxinA biosimilar product would be subject to similar commercial risks as DaxibotulinumtoxinA for Injection.

Significant disruptions of information technology systems or security breaches could materially adversely affect our business, our reputation, our customer relationships, results of operations and financial condition.

We collect and maintain information in digital form that is necessary to conduct our business, and we are increasingly dependent on information technology systems and infrastructure to operate our business. In the ordinary course of our business, we collect, store and transmit confidential information, including intellectual property, proprietary business information, and personally identifiable information ("personal information"). It is critical that we do so in a secure manner to maintain the confidentiality and integrity of such confidential information. We have established physical, electronic and organizational measures to safeguard and secure our systems to prevent a data compromise, and rely on commercially available systems, software, tools, and monitoring to provide security for our information technology systems and the processing, transmission and storage of digital information. We have also outsourced elements of our information technology infrastructure, and as a result a number of third-party vendors may or could have access to our confidential information. Our internal information technology systems and infrastructure, and those of our current and any future collaborators, contractors and consultants and other third parties on which we rely, are vulnerable to damage from computer viruses, malware, natural disasters, terrorism, war, telecommunication and electrical failures, cyber-attacks or cyber-intrusions over the Internet, attachments to emails, persons inside our organization, or persons with access to systems inside our organization. Because the techniques used to obtain unauthorized access or to sabotage systems change frequently and often are not identified until they are launched against a target, we may be unable to anticipate these techniques or to implement adequate preventative measures. We may also experience unauthorized, accidental or unlawful destruction, loss, alteration, disclosure of, or access to, data, systems, networks, infrastructure and facilities ("security breaches") that may remain undetected for extended periods of time. Security breaches can be difficult to detect and any delay in identifying them could increase their harm. While we have implemented security measures to protect our data security and information technology systems, the recovery systems, security protocols, network protection mechanisms and other security measures that we have integrated into our systems, the Fintech Platform, systems, networks, and physical facilities, which are designed to protect against, detect and minimize security breaches, may not be adequate to prevent or detect service interruption, system failure, data access, data loss or other types of security breach. Third parties may also exploit vulnerabilities in, or obtain unauthorized access to, platforms, systems, networks and/or physical facilities used by our vendors. In addition, our work from home policy implemented in response to the COVID-19 pandemic could increase our cyber security risk, create data accessibility concerns, and make us more susceptible to communication disruptions. U.S. and international authorities have been warning businesses of increased cybersecurity threats from actors seeking to exploit the COVID-19 pandemic. Any such security breaches could disrupt our operations, harm our reputation or otherwise have a material adverse effect on our business, financial condition and results of operations.

The risk of a security breach or disruption, particularly through cyber-attacks or cyber intrusion, including by computer hackers, foreign governments and cyber terrorists, has generally increased as the number, intensity and sophistication of attempted attacks and intrusions from around the world have increased. In addition, the Fintech Platform operates in an industry that is prone to cyber-attacks and the prevalent use of mobile devices that access confidential information increases the risk of security breaches, which could lead to the loss of our or our customers' data, confidential information or other intellectual property. The costs to us to mitigate network security problems, bugs, viruses, worms, malicious software programs and security vulnerabilities could be significant, and while we have implemented security measures to protect our data security and information technology systems, our efforts to address these problems may not be successful, and these problems could result in unexpected interruptions, delays, cessation of service and other harm to our business and our competitive position. If such an event were to occur and cause interruptions in our operations, it could result in a material disruption of our product development programs. For example, the loss or compromise to the integrity of clinical study data from completed or ongoing or planned clinical studies could result in delays in our regulatory approval efforts and significantly increase our costs to recover or reproduce the data. In addition, where cardholder data is compromised, HintMD might be responsible for payment of network fines levied pursuant to payment network rules and regulations.

Moreover, if a security breach affects our systems, corrupts our data or results in the unauthorized disclosure or release of personal information, our reputation could be materially damaged. In addition, federal, state and local governments

and agencies in the United States and many countries around the world, including the member states of the EEA, have adopted laws and regulations concerning the collection, use, adaptation, alteration, combination, maintenance, recording, organization, structuring, storage, retrieval, consultation, disclosure, protection, restriction, erasure, destruction and the performance of other operations (collectively the "processing") of personal information of individuals (including patients, consumers, employees, and professionals) who reside in the United States and these other countries (generally, "privacy laws"). Additionally, United States and foreign laws and regulations, including laws in every U.S. state, and laws in the member states of the EEA, may require notification to governmental agencies, supervisory authorities, credit reporting agencies, the media, or individual data subjects, in the event the company suffers a security breach that exposes personal information processed by or on behalf of the company ("breach notification laws"). For example, privacy laws such as the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA"), U.S. state breach notification laws, and the EU General Data Protection Regulation (EU) 2016/679 together with implementing or supplementary legislation of member states of the EEA (collectively, the "GDPR") all have significant obligations with respect to processing personal information, as well as obligations related to notifications in the event of certain unauthorized disclosures, access, loss, alteration or destruction of personal information.

In the event of a security breach affecting personal information we could also be exposed, pursuant to these privacy laws and breach notification laws, to a risk of financial loss, regulatory enforcement measures, penalties, and fines, as well as third-party indemnification claims or litigation, and potential civil or criminal liability, which could materially adversely affect our business, results of operations and financial condition. Further, unauthorized access to the Fintech Platform, systems, networks, or physical facilities, could result in litigation with HintMD customers, HintMD customers' end-users, or other relevant stakeholders. Any of these proceedings could force us to spend money in defense or settlement, divert management's time and attention, increase our costs of doing business, or adversely affect our reputation and the reputation of the Fintech Platform. We could be required to fundamentally change the business activities and practices of the Fintech Platform or modify its products and/or platform capabilities in response to such litigation, which could have an adverse effect on our business. If a security breach were to occur, and the confidentiality, integrity or availability of our data or the data of our or HintMD's customers or its customers' end-users was disrupted, we could incur significant liability, or the Fintech Platform, systems or networks may be perceived as less desirable, which could negatively affect our business and damage our reputation. Any of the foregoing circumstances may have a material adverse effect on our business and our results of operations as a result.

In addition to the obligations arising from the breach notification laws, we also have contractual and legal obligations to notify relevant stakeholders, including certain customers and partners, of security breaches. Such mandatory disclosures are costly, could lead to negative publicity, may cause our customers to lose confidence in the effectiveness of our security measures and require us to expend significant capital and other resources to respond to and/or alleviate problems caused by the actual or perceived security breach. A security breach may result in a breach of HintMD customer contracts or agreements with third party service providers. Our agreements with certain customers or third party service providers may require us to use industry-standard, reasonable measures, or measures otherwise mandated by law to safeguard personal information or confidential information. A security breach could lead to claims by our customers, their end-users, or other relevant stakeholders that we have failed to comply with such legal or contractual obligations. As a result, we could be subject to legal action or our customers or third party service providers could end their relationships with the Fintech Platform. There can be no assurance that the limitations of liability in our contracts would be enforceable or adequate or would otherwise protect us from liabilities or damages.

Changes in and failures to comply with U.S. and foreign privacy laws and standards may adversely affect our business, operations and financial performance.

As stated above, we are subject to or affected by numerous federal, state and foreign privacy laws, as well as regulatory guidance, governing the processing of personal information, such as information that we collect about patients and healthcare providers in connection with clinical trials in the U.S. and abroad. This global privacy law and regulatory guidance landscape is rapidly evolving, and implementation standards and enforcement practices are likely to remain uncertain for the foreseeable future. This evolution may create uncertainty in our business, affect our or our vendors' ability to operate in certain jurisdictions or to collect, store, transfer, use, share and otherwise process personal information, necessitate the acceptance of more onerous obligations in our contracts, result in liability, or impose additional costs on us. The cost of compliance with these laws, regulations and standards is high and is likely to increase in the future. Any failure or perceived

failure by us to comply with federal, state or foreign privacy laws, our internal policies and procedures, or our contracts governing our processing of personal information could result in negative publicity, diversion of management time and effort, and proceedings against us by governmental entities or others. In many jurisdictions, enforcement actions and consequences for noncompliance are rising.

In the U.S., HIPAA imposes, among other things, certain standards and obligations on covered entities including certain healthcare providers, health plans and healthcare clearinghouses, as well as their respective business associates and their subcontractors that create, receive, maintain, or transmit individually identifiable health information for or on behalf of a covered entity relating to the privacy, security, transmission and breach reporting of individually identifiable health information. Certain states have also adopted comparable privacy and security laws and regulations, some of which may be more stringent than HIPAA. We may become subject to new privacy laws or cybersecurity regulations. Such laws and regulations could affect our ability to process personal information (in particular, our ability to use certain data for purposes such as risk or fraud avoidance, marketing or advertising), our ability to control our costs by using certain vendors or service providers, or impact our ability to offer certain services in certain jurisdictions. For example, the California Consumer Privacy Act became effective on January 1, 2020 and its applicable regulations are being implemented in waves by the California Attorney General, including additional regulations that were finalized in March of 2021 ("CCPA"). Further, in November 2020, California voters passed a ballot initiative called the California Privacy Rights Act ("CPRA") that further amends and expands the CCPA and which will have additional regulations all of which become effective January 2023 (the CCPA collectively the Act and its regulations and CPRA and their applicable regulations are referred to hereafter as, "CCPA"). The CCPA establishes a privacy framework for covered businesses, including an expansive definition of personal information and data privacy rights for California residents. The CCPA includes a framework with potentially severe statutory damages and private rights of action and requires installation of the first U.S. authority solely dedicated to privacy enforcement, the California Privacy Protection Agency. The CCPA requires covered companies to provide new disclosures to California consumers (as that word is broadly defined in the CCPA), provide such consumers new ways to opt-out of certain sales of personal information, and allow for a new cause of action for data breaches. As we expand our operations, the CCPA will likely impact our business activities and may increase our compliance costs and potential liability. If we fail to comply with the CCPA, including all of the various and recent waves of its implementing regulations and amendments, we may face significant fines and penalties that could adversely affect our business, financial condition and results of operations. Other states are beginning to pass similar laws., and some observers have noted that the CCPA could mark the beginning of a trend toward more stringent privacy legislation in the U.S., which could increase our potential liability and adversely affect our business. Such laws and regulations will be subject to interpretation by various courts and other governmental authorities, thus creating potentially complex compliance issues for us and our future customers and strategic partners.

Because data security is a critical competitive factor in the payments processing industry, there are statements in the Fintech Platform privacy policies and terms of service, its certifications to privacy standards, and its marketing materials, describing the security of the Fintech Platform, including descriptions of certain security measures it employs. Should any of these statements be untrue, become untrue, or be perceived to be untrue, even if through circumstances beyond our reasonable control, we may face claims, including claims of unfair or deceptive trade practices, brought by the U.S. Federal Trade Commission, state, local regulators or private litigants. In the event that we are subject to HIPAA, the CCPA, or other U.S. privacy laws, any liability from failure to comply with the requirements of these laws could adversely affect our financial condition.

Our operations abroad may also be subject to increased scrutiny or attention from data protection authorities. Many countries in these regions have established or are in the process of establishing privacy laws with which we, our customers, and our vendors must comply. For example, member states of the EEA have adopted the GDPR, which went into effect in May 2018 and introduces strict requirements for processing the personal information of data subjects in the EEA, including clinical trial data. The GDPR requires the following: establishing a legal basis for processing personal information; creating obligations for controllers and processors to appoint data protection officers in certain circumstances; increasing transparency obligations to data subjects for controllers (including presentation of certain information in a concise, intelligible and easily accessible form about how their personal information is used and their rights vis-à-vis that data and its use); introducing the obligation to carry out so-called data protection impact assessments in certain circumstances; establishing limitations on collection and retention of personal information through 'purpose,' 'data minimization' and 'storage limitation' principles; establishing obligations to implement 'privacy by design'; introducing obligations to honor increased rights for data subjects (such as rights for individuals to be 'forgotten,' rights to data portability, rights to object etc. in certain circumstances);

formalizing a heightened and codified standard of data subject consent; establishing obligations to implement certain technical and organizational safeguards to protect the security and confidentiality of personal information; introducing obligations to agree to certain specific contractual terms and to take certain measures when engaging third party processors and joint controllers; introducing the obligation to provide notice of certain significant security breaches to the relevant supervisory authority(ies) and affected individuals; and mandating the appointment representatives in the European Union in certain circumstances.

The processing of 'special categories of personal data', such as data concerning health, biometric data used for unique identification purposes and genetic information imposes heightened compliance burdens under the GDPR and is a topic of active interest among foreign regulators. The GDPR increases our obligations with respect to clinical trials conducted in Europe by expressly expanding the definition of personal information to include 'pseudonymized' or key-coded data and requiring changes to informed consent practices and more detailed notices for clinical trial subjects and investigators. The GDPR also provides that EEA member states should make their own further laws and regulations to introduce specific requirements related to the processing of 'special categories of personal data,' as well as personal information related to criminal offences or convictions. This fact may lead to greater divergence on the law that applies to the processing of such data types across the EEA, compliance with which, as and where applicable, may increase our costs and could increase our overall compliance risk.

In addition, the GDPR provides for robust regulatory enforcement and greater penalties for noncompliance than previous data protection laws, including fines of up to €20 million or 4 percent of the annual global revenue of the noncompliant company for the preceding financial year, whichever is greater. In addition to administrative fines, a wide variety of other potential enforcement powers are available to competent supervisory authorities in respect of potential and suspected violations of the GDPR, including extensive audit and inspection rights, and powers to order temporary or permanent bans on all or some processing of personal information carried out by non-compliant actors. The GDPR also confers a private right of action on data subjects and consumer associations to lodge complaints with supervisory authorities, seek judicial remedies, and obtain compensation for damages resulting from violations of the GDPR.

European data protection laws, including the GDPR, generally restrict the transfer of personal information from Europe, including the EEA, United Kingdom and Switzerland, to the United States and most other countries unless the parties to the transfer have implemented specific safeguards to protect the transferred personal information. One of the primary safeguards allowing U.S. companies to import personal information from Europe had been certification to the EU-U.S. Privacy Shield and Swiss-U.S. Privacy Shield frameworks administered by the U.S. Department of Commerce. However, the EU-U.S. Privacy Shield was invalidated in July 2020 by the Court of Justice of the European Union ("CJEU") in a case known colloquially as "Schrems II." Following this decision, the Swiss Federal Data Protection and Information Commissioner (the "FDPIC"), announced that the Swiss-U.S. Privacy Shield does not provide adequate safeguards for the purposes of personal information transfers from Switzerland to the United States. While the FDPIC does not have authority to invalidate the Swiss-U.S. Privacy Shield regime, the FDPIC's announcement casts doubt on the viability of the Swiss-U.S. Privacy Shield as a future compliance mechanism for Swiss-U.S. data transfers.

The CJEU's decision in Schrems II also raised questions about whether one of the primary alternatives to the EU-U.S. Privacy Shield, namely, the European Commission's Standard Contractual Clauses, can lawfully be used for personal information transfers from Europe to the United States or other third countries that are not the subject of an adequacy decision of the European Commission. While the CJEU upheld the adequacy of the Standard Contractual Clauses in principle in Schrems II, it made clear that reliance on those Clauses alone may not necessarily be sufficient in all circumstances. Use of the Standard Contractual Clauses must now be assessed on a case-by-case basis taking into account the legal regime applicable in the destination country, in particular regarding applicable surveillance laws and relevant rights of individuals with respect to the transferred data. In the context of any given transfer, where the legal regime applicable in the destination country may or does conflict with the intended operation of the Standard Contractual Clauses and/or applicable European law, the decision in Schrems II and subsequent draft guidance from the European Data Protection Board, or EDPB, would require the parties to that transfer to implement certain supplementary technical, organizational and/or contractual measures to rely on the Standard Contractual Clauses as a compliant 'transfer mechanism.' However, the aforementioned draft guidance from the EDPB on such supplementary technical, organizational and/or contractual measures appears to conclude that no combination of such measures could be sufficient to allow effective reliance on the Standard Contractual Clauses in the context of transfers of personal information 'in the clear' to recipients in countries where the power granted to public

authorities to access the transferred data goes beyond that which is 'necessary and proportionate in a democratic society' – which may, following the CJEU's conclusions in Schrems II on relevant powers of United States public authorities and commentary in that draft EDPB guidance, include the United States in certain circumstances (e.g., where Section 702 of the US Foreign Intelligence Surveillance Act applies). At present, there are few, if any, viable alternatives to the EU-U.S. Privacy Shield and the Standard Contractual Clauses.

As such, if we are unable to implement a valid solution for personal information transfers from Europe, including, for example, obtaining individuals' explicit consent to transfer their personal information from Europe to the United States or other countries, we will face increased exposure to regulatory actions, substantial fines and injunctions against processing personal information from Europe. Inability to import personal information from the EEA, United Kingdom or Switzerland may also restrict our clinical trials activities in Europe; limit our ability to collaborate with contract research organizations as well as other service providers, contractors and other companies subject to European data protection laws; and require us to increase our data processing capabilities in Europe at significant expense. Additionally, other countries outside of Europe have enacted or are considering enacting similar cross-border data transfer restrictions and laws requiring local data residency, which could increase the cost and complexity of delivering our services and operating our business. The type of challenges we face in Europe will likely also arise in other jurisdictions that adopt laws similar in construction to the GDPR or regulatory frameworks of equivalent complexity.

As we continue to expand into other foreign countries and jurisdictions, we may be subject to additional laws and regulations that may affect how we conduct business. It is possible that the GDPR, CCPA or other laws and regulations relating to privacy and data protection may be interpreted and applied in a manner that is inconsistent from jurisdiction to jurisdiction or inconsistent with our current policies and practices and compliance with such laws and regulations could require us to change our business practices and compliance procedures in a manner adverse to our business. We cannot guarantee that we are in compliance with all such applicable data protection laws and regulations as they are enforced now or as they evolve.

The relocation of our headquarters may not be executed as we envision.

We moved our global headquarters from Newark, California, to Nashville, Tennessee, effective January 1, 2021. In connection with this relocation, we could experience unexpected costs or business disruption and diversion of management attention, which could negatively impact our business operations and result in additional costs. The relocation may have a significant adverse effect on our ability to motivate and retain current employees. Further significant managerial and operational challenges could arise, such as ineffective transfer of institutional knowledge from current employees to newly-hired employees and we could encounter more difficulty than expected in hiring qualified employees to help staff our Nashville headquarters.

Risks Related to the Fintech Platform

If HintMD is not able to increase the use and adoption of the Fintech Platform and maintain and enhance its brand, then HintMD's business, operating results and financial condition may be negatively impacted, and we may not realize the anticipated benefits of the HintMD Acquisition.*

HintMD launched the next-generation HintMD Platform, the Next-generation Platform in beta form in April 2021, which operates as a fully integrated PayFac. As a PayFac, the Next-generation Platform earns revenue by charging fees for completing payment transactions and other payment-related services based on the volume of activity processed on the platform. Although the Next-generation Platform has launched, it has only been installed in limited accounts and HintMD customers will need to be transitioned from the HintMD Platform to the Next-generation Platform. In order to increase revenue generated by HintMD, we need to expand the HintMD customer base significantly, maintain and onboard practices to the HintMD Platform until the Next-generation Platform is ready for full scale and transition HintMD Platform customers to the Next-generation Platform successfully. HintMD has limited experience operating as a PayFac, and practices and their patient customers may experience issues as a result of performance problems associated with the transition and Next-generation Platform and may not be satisfied with the Next-generation Platform experience in comparison to the HintMD Platform experience. If practices and their patient customers do not continue to utilize the HintMD Platform through the transition, the Next-generation Platform is not widely adopted by new customers or new customers to the Next-generation

Platform are not satisfied with their experience, then our expectations for revenue growth and additional marketing opportunities through the Fintech Platform will not be achieved.

We believe that maintaining and enhancing the HintMD reputation as a differentiated payments processing platform serving the medical aesthetic industry is critical to HintMD's relationship with existing customers and its ability to attract new customers and may also result in the generation of new aesthetic product customers for Revance. The successful promotion of HintMD's brand attributes will depend on a number of factors, including our ability to: target and have the Fintech Platform adopted by premier accounts; increase loyalty between practices and patients; continue to develop high-quality software; successfully differentiate the Fintech Platform from competitive products and services; achieve success in sales and marketing efforts and successfully transition practices from the HintMD Platform to the Next-generation Platform.

The transition of practices from the HintMD Platform to the Next-generation Platform, product enhancements and continued development of the Next-generation Platform and the promotion of the Fintech Platform will require us to make substantial expenditures, and we anticipate that the expenditures will increase as we seek to expand the Fintech Platform. To the extent that these activities generate increased revenue, this revenue may not offset the increased expenses we incur. If HintMD does not successfully maintain and enhance the Fintech Platform offerings, it could lose customers or fail to attract potential new customers, which would negatively affect HintMD's business, operating results and financial condition. As a result, we may not generate revenue from the Fintech Platform, which could adversely affect our business, results of operations and financial condition, or we may not realize the anticipated benefits from the HintMD Acquisition.

The HintMD Acquisition may result in significant charges or other liabilities that could adversely affect our financial results.

Our financial results may be adversely affected by cash expenses and non-cash accounting charges incurred in connection with the HintMD Acquisition and our continued integration of the business and operations of HintMD. The amount and timing of these possible charges are not yet known. Further, our failure to identify or accurately assess the magnitude of certain liabilities or necessary technology investments we are assuming as a result of the HintMD Acquisition could result in unexpected litigation or regulatory exposure, unfavorable accounting charges, unexpected increases in taxes due, a loss of anticipated tax benefits or other adverse effects on our business, operating results or financial condition.

Interruptions or performance problems associated with the Fintech Platform technology, infrastructure or service offerings may adversely affect our business and operating results.

The continued growth of the Fintech Platform depends in part on the ability of users to access the Fintech Platform at any time and within an acceptable amount of time. The Fintech Platform is proprietary, and it relies on the expertise of members of engineering, operations and software development teams for its continued performance. In addition, we depend on external data centers, such as Amazon's AWS, to host the Fintech Platform applications and have integrated third-party services that we rely upon as critical components of the HintMD application. We do not control the operation of these facilities. The Fintech Platform has experienced minor disruptions, outages and performance problems in the past, and may in the future experience disruptions, outages and other performance problems due to a variety of factors, including infrastructure changes, introductions of new functionality, human or software errors, delays in scaling of the technical infrastructure (such as if we do not maintain enough excess capacity or accurately predict the infrastructure requirements of the Fintech Platform), capacity constraints due to an overwhelming number of users accessing the Fintech Platform simultaneously, denial-of-service or other cyber-attacks or other security-related incidents. In some instances, HintMD may not be able to identify the cause or causes of these performance problems within an acceptable period of time. It may become increasingly difficult to maintain and improve the performance of the Fintech Platform, especially during peak usage times and as the Fintech Platform becomes more complex and its user traffic increases. As a result, the Fintech Platform may become unavailable or users may be unable to access the Fintech Platform within a reasonable amount of time. In the event of any of the factors described above, or certain other failures of our infrastructure or that of third-parties we rely on, user data may be permanently lost. If the Fintech Platform experiences significant periods of service downtime in the future, HintMD and Revance may be subject to claims by users of the Fintech Platform. To the extent that HintMD and Revance do not effectively address capacity constraints, upgrade our systems as needed, continually develop our technology and network architecture to accommodate actual and anticipated changes in technology and efficiently resolve interruptions or performance problems with the Fintech Platform, existing relationships with practices would be adversely affected and the

HintMD brand could be harmed. In addition to technological and infrastructure problems, if customers of the Fintech Platform experience other issues or are unsatisfied with the service offerings or operations of the Fintech Platform, this could result in poor relationships with practices and reputational harm to HintMD. Poor customer relations and reputational harm to HintMD as a wholly-owned subsidiary of Revance and one of Revance's aesthetic product offerings, could negatively impact Revance's brand and its relationships with aesthetic product customers.

The business and growth of the Fintech Platform depend in part on the success of its strategic relationships with third parties, including payments partners, platform partners, technology partners and potentially aesthetics manufacturers.*

HintMD depends on, and anticipates that it will continue to depend on, various third-party relationships in order to sustain and grow the Fintech Platform. It is highly dependent upon partners for certain critical features and functionality of the Fintech Platform, including secure data centers, a sponsor bank, third-party payment processors and has historically been dependent on third-party aesthetics manufacturers which have used the Fintech Platform for brand loyalty programs. In July 2020, Allergan terminated its alliance with HintMD through Allergan's Brilliant Distinctions® program, which may have a negative impact on customer adoption of the Fintech Platform.

HintMD depends on hardware providers and third-party processing partners to perform payment processing services to make the Fintech Platform work. For example, it relies on Fiserv to provide the payment gateway services that enables the Fintech Platform to process payments, and if Fiserv is unable to continue to supply processing for the Fintech Platform, the performance of the Fintech Platform system could be adversely affected and its growth would be limited. Its processing partners and suppliers may go out of business or otherwise be unable or unwilling to continue providing such services, which could significantly and materially reduce its payments revenue and disrupt its business. In addition, users of the Fintech Platform may be subject to quality issues related to its third-party processing partners or it may become involved in contractual disputes with its processing partners, both of which could impact the HintMD reputation and adversely impact customer relationships and its ability to generate revenue.

If HintMD were no longer able to use its current third-party processing partners, it may be required to migrate to other third-party payment partners in the future. The initiation of these relationships and the transition from one relationship to another could require significant time and resources, and establishing these new relationships may be challenging. Further, any new third-party payment processing relationships may not be as effective, efficient or well received by users of the Fintech Platform, nor is there any assurance that HintMD will be able to reach an agreement with such processing partners. Contracts with such processing partners may be less economically beneficial to HintMD than existing relationships. In addition, for pricing, technological or other reasons, existing customers may not agree to migrate to a new payments provider, which may reduce the HintMD customer base and decrease the profitability of the Fintech Platform.

In addition to a third-party payment processor, another payment partner required for HintMD to act as a PayFac is an acquiring bank that is a member of the payment networks. The acquiring bank acquires and settles funds on behalf of its customers. The acquiring bank may change their underwriting criteria such that continued use of the acquiring bank would render HintMD processing services unprofitable, the acquiring bank may itself encounter difficulties unrelated to HintMD or payment network rules may be amended rendering the acquiring bank incapable of processing for HintMD customers. Any of these occurrences could interfere with the ability of the Fintech Platform to secure effective and profitable payment processing services for its customers, which would disrupt the HintMD business, increase its expenses and impact the services it could provide to its customers.

In addition, failure of these or any of its technology providers to maintain, support or secure their technology platforms in general, and HintMD integrations in particular, or errors or defects in their technology, could materially and adversely impact HintMD's relationship with its customers, damage its reputation and brand, and harm its business. In addition, any failure by the software provided by HintMD's third party vendors may cause HintMD to fail to comply with applicable laws and regulations and could expose HintMD and Revance to regulatory, financial, or reputational risk. HintMD third-party partners may also suffer disruptions or weakness in their businesses, including those that require changes to their technological integration specifications or payment transaction risk management protocols, which could increase costs to HintMD to maintain compatibility, decrease sales or require HintMD to source new partners.

Identifying, negotiating and documenting relationships with strategic third parties requires significant time and resources. In addition, integrating third-party technology is complex, costly and time-consuming. HintMD's agreements with these partners are typically limited in duration, non-exclusive and do not prohibit them from working with HintMD's competitors or from offering competing services. HintMD's competitors may be effective in providing incentives to third parties to favor their products or services or to prevent or reduce use of the Fintech Platform. In addition, HintMD partners could develop competing products or services.

If HintMD is unsuccessful in establishing or maintaining relationships with these strategic third parties, its ability to compete in the payments marketplace could be impaired, and as a result HintMD's business, operating results and financial condition may negatively be impacted, and we may not realize the benefits of the HintMD Acquisition.

Substantial and increasingly intense competition in the payment processing industry may harm the HintMD business. Further, HintMD is dependent on payment card networks and third-party payment processors, and any changes to their fee structures could harm HintMD's business.

HintMD operates in a highly competitive marketplace, which impacts the pricing HintMD may charge its customers for the processing of credit cards. There can be significant downward pricing pressure in order to remain competitive in the marketplace. HintMD's competitors may be able to offer similar or lower rates to its customers alongside a more comprehensive set of financial services products that allows them to offset a reduction in processing margins.

Additionally, HintMD's costs associated with the processing of credit cards are not directly under its control. HintMD's expenses related to the processing of credit cards include interchange fees, assessment fees, and other related costs payable to a third-party payment processor. From time to time, these fees have increased and may continue to do so in the future. An increase in the fee structure may adversely affect HintMD's margins and we may not realize the benefits of the HintMD Acquisition.

If the Fintech Platform or its vendors' networks or computer systems are breached or if the security of the personal information that HintMD collects, stores or processes through the Fintech Platform (or that its vendors collect, store or process) is compromised or otherwise experiences unauthorized access, or HintMD fails to comply with commitments and assurances regarding the privacy and security of personal information on the Fintech Platform, the Fintech Platform may be perceived as insecure, and HintMD may lose existing users or fail to attract new users to the Fintech Platform, and the Revance brand and reputation may be negatively impacted, and HintMD and Revance may incur significant liabilities.

Use of the Fintech Platform involves the storage, transmission and processing of customers' proprietary data, including personal or identifying information regarding their patients such as name, address and the types of treatments they are receiving. As a result, unauthorized access to, security breaches of, malicious code (such as viruses and worms), employee theft or misuse, or denial-of-service or other cyber-attacks against the Fintech Platform could result in the unauthorized access to or use of, disclosure of, and/or loss of, such data, as well as loss of intellectual property or trade secrets.

If any unauthorized access to the Fintech Platform systems or data or a security breach occurs or is believed to have occurred, HintMD's reputation and brand could be damaged, which could reflect negatively on Revance's reputation and brand. HintMD could be required to expend significant capital and other resources to alleviate problems caused by such actual or perceived breaches or attacks and remediate its systems, and HintMD could be exposed to a risk of loss, litigation or regulatory action and possible liability, and our ability to operate the Fintech Platform business may be impaired. HintMD may in the future experience denial-of-service or other cyber-attacks against the Fintech Platform. If potential new users or existing users believe that the Fintech Platform does not provide adequate security for the storage of personal information or confidential information or its transmission over the Internet, they may not adopt the Fintech Platform or may choose not to renew their subscriptions to the Fintech Platform, which could harm its business. Additionally, actual, potential or anticipated attacks may cause HintMD and Revance to incur increasing costs, including costs to deploy additional personnel and protection technologies, train employees, and engage third-party experts and consultants. Although we maintain cyber liability insurance, we cannot be certain that such insurance will continue to be available to us on commercially reasonable terms, or at all, and our liability may be in excess of the limits of our insurance coverage.

HintMD has contractual and legal obligations to notify relevant stakeholders of security breaches. The Fintech Platform operates in an industry that is prone to cyber-attacks. Failure to prevent or mitigate cyber-attacks could result in the unauthorized access to our data or the data of HintMD's customers and its customers' end-users. Most jurisdictions have enacted laws requiring companies to notify individuals, regulatory authorities and others of security breaches involving certain types of data. In addition, HintMD's agreements with certain customers and partners may require HintMD to notify them in the event of a security breach. Such mandatory disclosures are costly, could lead to negative publicity, may cause HintMD customers to lose confidence in the effectiveness of HintMD's security measures and require HintMD to expend significant capital and other resources to respond to and/or alleviate problems caused by the actual or perceived security breach. A security breach may result in a breach of HintMD customer contracts. HintMD's agreements with certain customers may require it to use industry-standard, reasonable measures or measures otherwise mandated by law to safeguard personal information or confidential information. A security breach could lead to claims by HintMD customers, its customers' end-users, or other relevant stakeholders that HintMD has failed to comply with such legal or contractual obligations. HintMD also agreed contractually to comply with payment network regulations concerning security that, when violated, can result in fines payable by HintMD to payment networks. As a result, HintMD could be subject to legal action, fines, or its customers could end their relationships with the Fintech Platform. There can be no assurance that the limitations of liability in HintMD's contracts would be enforceable or adequate or would otherwise protect HintMD from liabilities or damages.

Because data security is a critical competitive factor in the payments processing industry, there are statements in the Fintech Platform privacy policies and terms of service, its certifications to privacy standards, and its marketing materials, describing the security of the Fintech Platform, including descriptions of certain security measures it employs. Should any of these statements be untrue, become untrue, or be perceived to be untrue, even if through circumstances beyond HintMD's reasonable control, HintMD may face claims, including claims of unfair or deceptive trade practices brought by the U.S. Federal Trade Commission, state, local regulators or private litigants.

Because the techniques used to obtain unauthorized access or to sabotage systems change frequently and often are not identified until they are launched against a target, HintMD may be unable to anticipate these techniques or to implement adequate preventative measures. HintMD may also experience security breaches that may remain undetected for extended periods of time. The recovery systems, security protocols, network protection mechanisms and other security measures that HintMD has integrated into the Fintech Platform, systems, networks, and physical facilities, which are designed to protect against, detect and minimize security breaches, may not be adequate to prevent or detect service interruption, system failure, data access, data loss or other types of security breach. Third parties may also exploit vulnerabilities in, or obtain unauthorized access to, platforms, systems, networks and/or physical facilities used by HintMD vendors.

Litigation resulting from security breaches on the Fintech Platform may adversely affect HintMD's business. Unauthorized access to the Fintech Platform, systems, networks, or physical facilities could result in litigation with HintMD customers, HintMD customers’ end-users, or other relevant stakeholders. These proceedings could force HintMD to spend money in defense or settlement, divert management’s time and attention, increase HintMD's costs of doing business, or adversely affect the reputation of the Fintech Platform. HintMD could be required to fundamentally change the business activities and practices of the Fintech Platform or modify its products and/or platform capabilities in response to such litigation, which could have an adverse effect on HintMD's business. If a security breach were to occur, and the confidentiality, integrity or availability of HintMD data or the data of HintMD customers or its customers’ end-users was disrupted, HintMD could incur significant liability, or the Fintech Platform, systems or networks may be perceived as less desirable, which could negatively affect HintMD's business and damage its reputation.

HintMD is a wholly-owned subsidiary of Revance, and all of the HintMD operations are conducted by Revance employees. As a result, any of the foregoing circumstances may expose Revance to legal liability, regulatory action, fines, damages and lawsuits, increased expenses, damage to its brand and reputation and may have a material adverse effect on Revance's business, financial results and results of operations.

Risks Related to Our Human Capital Resources

As we evolve from a company primarily involved in research and development and commercialization of aesthetic products in the U.S. to a company involved in the commercialization of aesthetic and therapeutic products both

domestically and internationally, we will need to increase the size of our organization. If we are unable to maintain and expand sales, marketing, managerial and/or operational capabilities on our own or through third parties, we may be unable to successfully commercialize our product candidates for therapeutic indications and expand into international markets.*

In order to successfully commercialize our products for both aesthetic and therapeutic indications and expand internationally, we will need to expand our organization, including adding marketing, managerial, operational and sales capabilities, or contracting with third parties to provide these capabilities for us in the U.S. and foreign jurisdictions. In August 2020, we established an approximately 100-person field sales team that has marketing and sales capabilities targeted toward commercialization of aesthetic products in the U.S. To commercialize our product candidates for therapeutic indications and to expand internationally, we must manage and further expand our marketing, sales, distribution, managerial, operational and other non-technical capabilities or make arrangements with third parties to perform these services, and we may not be successful in doing so. Effectively executing our growth strategy requires that we:

- identify recruit, train, integrate, incentivize and retain adequate numbers of effective sales and marketing personnel;
- generate sufficient sales leads, provide adequate training to sales and marketing personnel and effectively manage a geographically dispersed sales and marketing team;
- achieve, maintain and grow market, physician, patient and healthcare payor acceptance of, and demand for our products;
- manage our clinical trials and manufacturing operations effectively;
- manage our internal development efforts effectively while carrying out our contractual obligations to Teoxane under the Teoxane Agreement and to other third parties;
- successfully complete the integration of HintMD and realize the benefits expected from the HintMD Acquisition; and
- continue to improve our operational, financial and management controls, reporting systems and procedures.

We expect to market DaxibotulinumtoxinA for Injection, if approved, and the RHA® Collection of dermal fillers through our current sales force in North America, and in other countries through either our own sales force or a combination of our internal sales force and distributors or partners. We may also need to increase our sales force or contract with distributors and partners if we obtain regulatory approval for DaxibotulinumtoxinA for Injection for any therapeutic indications we are pursuing. Establishing these channels may be expensive and time consuming. While we believe we are creating an efficient commercial organization, we may not be able to correctly judge the size and experience of the sales and marketing force and the scale of distribution necessary to be successful. We may choose to collaborate with third parties that have direct sales forces and established distribution systems, either to augment our own sales force and distribution systems or in lieu of our own sales force and distribution systems. If we are unable to enter into such arrangements on acceptable terms or at all, we may not be able to successfully commercialize the RHA® Collection of dermal fillers and, if approved, DaxibotulinumtoxinA for Injection or any future product candidates. Establishing and maintaining sales, marketing, and distribution capabilities are expensive and time-consuming. Such expenses may be disproportionate compared to the revenues we may be able to generate on sales of DaxibotulinumtoxinA for Injection, if approved, and the RHA® Collection of dermal fillers, which could cause our commercialization efforts to be unprofitable or less profitable than expected.

We have limited prior experience in the marketing, sale and distribution of aesthetic pharmaceutical products and no experience with the marketing, sale and distribution of therapeutic pharmaceutical products or any pharmaceutical products internationally. There are significant risks involved in building and managing a sales organization, including our ability to hire, retain and incentivize qualified individuals, generate sufficient sales leads, provide adequate training to sales and marketing personnel and effectively manage a geographically dispersed sales and marketing team. For example, we have and may continue to experience challenges associated with recruiting field representatives virtually through remote, group interviewing platforms and with onboarding new field representatives during such times as the COVID-19 pandemic,

especially if our work from home policy continues. Any failure to maintain adequate internal sales, marketing and distribution capabilities would adversely impact the commercialization of our products and may result in a breach of our obligations to Teoxane under the Teoxane Agreement. We also have to compete with other pharmaceutical and life sciences companies to recruit, hire, train and retain sales and marketing personnel, and turnover in our sales force and marketing personnel could negatively affect the commercialization of the RHA® Collection of dermal fillers and, if it receives regulatory approval, DaxibotulinumtoxinA for Injection. We may not be able to attract and retain quality personnel on acceptable terms, or at all. In addition, to the extent we hire personnel from competitors, we may be subject to allegations that they have been improperly solicited or that they have divulged proprietary or other confidential information, or that their former employers own their previous research output.

As our operations expand, we expect that we will also need to manage additional relationships with various collaborative partners, suppliers and other third parties. Future growth will impose significant added responsibilities on our organization, in particular on management. Our future financial performance and our ability to commercialize the RHA® Collection of dermal fillers and, if approved, DaxibotulinumtoxinA for Injection and to compete effectively will depend, in part, on our ability to manage any future growth effectively. Due to our limited financial resources and our limited experience in managing a company with such anticipated growth, we may not be able to effectively manage the expansion of our operations or recruit and train additional qualified personnel. The physical expansion of our operations may lead to significant costs and may divert our management and business development resources. Any inability to manage growth could delay the execution of our development and strategic objectives, or disrupt our operations.

If we fail to attract and keep senior management, we may be unable to successfully develop DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar or any future product candidates, conduct our clinical trials and commercialize the RHA® Pipeline Products, DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar or any future products we develop, or grow revenue from the Fintech Platform.

Our success depends in part on our continued ability to attract, retain and motivate highly qualified management, clinical, scientific, technical and sales personnel. We believe that our future success is highly dependent upon the contributions of our senior management, particularly Mark J. Foley, our President and Chief Executive Officer, Abhay Joshi, Ph.D., our Chief Operating Officer, President of R&D and Product Operations, Tobin C. Schilke, our Chief Financial Officer, Dustin Sjuts, our Chief Commercial Officer, Aesthetics & Therapeutics, and Aubrey Rankin, our President of Innovation and Technology, as well as our senior scientists and other members of our senior management team. The loss of services of any of these individuals could delay or prevent the successful development of our product pipeline, the completion of our planned clinical trials, the commercialization of the RHA® Pipeline Products, DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar or any future products we develop, or our ability to increase adoption of the Fintech Platform.

Leadership transitions can be inherently difficult to manage. Resignations of executive officers may cause disruption in our business, strategic and employee relationships, which may significantly delay or prevent the achievement of our business objectives. Leadership changes may also increase the likelihood of turnover in other key officers and employees and may cause declines in the productivity of existing employees. The search for a replacement officer may take many months or more, further exacerbating these factors. Identifying and hiring an experienced and qualified executive officer are typically difficult. Periods of transition in senior management leadership are often difficult as the new executives gain detailed knowledge of our operations and may result in cultural differences and friction due to changes in strategy and style. During the transition periods, there may be uncertainty among investors, employees, creditors and others concerning our future direction and performance.

Risks Related to Our Intellectual Property

If Teoxane fails to obtain and maintain patent, licensing arrangements or other protection for the proprietary intellectual property that we have exclusive distribution rights to, we could lose our rights related to the RHA®

Collection of dermal fillers, which would have a material adverse effect on our potential to generate revenue, our business prospects, and our results of operations.

If Teoxane fails to obtain and maintain patent, licensing arrangements or other protection for the proprietary intellectual property that we have exclusive distribution rights to, we could lose our rights to the intellectual property or our exclusivity with respect to those rights, and our competitors could market competing products using the intellectual property. The intellectual property underlying the RHA® Collection of dermal fillers is of critical importance to our business and involves complex legal, business and scientific issues and is complicated by the rapid pace of scientific discovery in our industry. Disputes may arise regarding intellectual property subject to the Teoxane Agreement, including:

- the scope of rights granted under the Teoxane Agreement and other interpretation-related issues;
- the extent to which our technology and processes infringe on intellectual property of Teoxane that is not subject to the Teoxane Agreement;
- the sublicensing of patent and other rights under our collaborative development relationships; and
- the ownership of inventions and know-how resulting from the development of intellectual property under the Teoxane Agreement.

If disputes over intellectual property that we have licensed prevent or impair our ability to maintain our current licensing arrangements on acceptable terms, we may be unable to successfully develop and commercialize the affected products or product candidates.

If our efforts to protect our intellectual property related to DaxibotulinumtoxinA for Injection, the RHA® Collection of dermal fillers or any future product candidates, including an onabotulinumtoxinA biosimilar, are not adequate, we may not be able to compete effectively.*

We rely upon a combination of patents, trade secret protection and confidentiality agreements to protect the intellectual property related to DaxibotulinumtoxinA for Injection, the RHA® Collection of dermal fillers, our onabotulinumtoxinA biosimilar, and our development programs. Any disclosure to or misappropriation by third parties of our confidential proprietary information could enable competitors to quickly duplicate or surpass our technological achievements, thereby eroding our competitive position.

The strength of patents in the biotechnology and pharmaceutical field involves complex legal and scientific questions and can be uncertain. This uncertainty includes changes to the patent laws through either legislative action to change statutory patent law or court action that may reinterpret existing law in ways affecting the scope or validity of issued patents. The patent applications that we own or license may fail to result in issued patents in the U.S. or foreign countries. Competitors and academic scientists in the field of cosmetics, pharmaceuticals, and neuromodulators have created a substantial amount of prior art, including scientific publications, patents and patent applications. Our ability to obtain and maintain valid and enforceable patents depends on whether the differences between our technology and the prior art allow our technology to be patentable over the prior art. Even if the patents do successfully issue, third parties may challenge the validity, enforceability or scope of such issued patents or any other issued patents we own or license, which may result in such patents being narrowed, invalidated or held unenforceable. For example, patents granted by the European Patent Office may be opposed by any person within nine months from the publication of their grant. Our European Patent EP 2 661 276 for “Topical composition comprising botulinum toxin and a dye” was opposed in the European Patent Office by Allergan plc on May 2, 2018, and although this patent is not material to our business, we continue to take appropriate measures to defend the patent, including an appeal of a decision to revoke the patent, which decision is suspended in view of the appeal. On May 2, 2019 our European Patent No. EP 2 490 986 B1 for “Methods and Systems For Purifying Non-Complexed Botulinum Neurotoxin” was opposed. On June 10, 2021, we successfully defended the patent in the European Patent Office with the patent being upheld with amendments to certain claims. In May 2019 we were informed that our patent application NC2018/0005351 pending in Colombia for “Injectable Botulinum Toxin Formulations And Methods of Use Thereof Having Long Duration of Therapeutic Effect” was opposed. We have responded to this pre-grant opposition. Furthermore, even if our

patents and applications are unchallenged, they may not adequately protect our intellectual property or prevent others from designing around our claims.

In addition, the patent laws of the U.S. provide procedures for third parties to challenge the validity of issued patents. Patents issued from applications filed after March 15, 2013 may be challenged by third parties using the post-grant review procedure which allows challenges for a number of reasons, including prior art, sufficiency of disclosure, and subject matter eligibility. Under the inter partes review procedure, any third party may challenge the validity of any issued U.S. Patent in the U.S. Patent and Trademark Office ("USPTO") on the basis of prior art patents or printed publications. Because of a lower evidentiary standard necessary to invalidate a patent claim in USPTO proceedings as compared to the evidentiary standard relied on in U.S. federal court, a third party could potentially provide evidence in a USPTO proceeding sufficient for the USPTO to hold a claim invalid even though the same evidence would be insufficient to invalidate the claim if first presented in a district court action. Accordingly, a third party may attempt to use the USPTO procedures to invalidate our patent claims that would not have been invalidated if first challenged by the third party as a defendant in a district court action. If the breadth or strength of protection provided by the patents and patent applications we hold or pursue with respect to DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar or any future product candidates is challenged, then it could threaten our ability to commercialize DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar or any future product candidates, and could threaten our ability to prevent competitive products from being marketed. Further, if we encounter delays in our clinical trials, the period of time during which we could market DaxibotulinumtoxinA for Injection, or any future product candidates under patent protection would be reduced.

Since patent applications in the U.S. and most other countries are confidential for a period of time after filing, we cannot be certain that we were the first to either (i) file any patent application related to our product candidates or (ii) invent any of the inventions claimed in our patents or patent applications. Furthermore, for applications filed before March 16, 2013, or patents issuing from such applications, an interference proceeding can be provoked by a third party, or instituted by the USPTO to determine who was the first to invent any of the subject matter covered by the patent claims of our applications and patents. As of March 16, 2013, the U.S. transitioned to a "first-to-file" system for deciding which party should be granted a patent when two or more patent applications are filed by different parties claiming the same invention. A third party that files a patent application in the USPTO before us could therefore be awarded a patent covering an invention of ours even if we had made the invention before it was made by the third party. The change to "first-to-file" from "first-to-invent" is one of the changes to the patent laws of the United States resulting from the Leahy-Smith America Invents Act signed into law on September 16, 2011. Among some of the other changes to the patent laws are changes that limit where a patentee may file a patent infringement suit and providing opportunities for third parties to challenge any issued patent in the USPTO.

Even where laws provide protection, costly and time-consuming litigation could be necessary to enforce and determine the scope of our proprietary rights, and the outcome of such litigation would be uncertain. Moreover, any actions we may bring to enforce our intellectual property against our competitors could provoke them to bring counterclaims against us, and some of our competitors have substantially greater intellectual property portfolios and financial resources than we have.

We also rely on trade secret protection and confidentiality agreements to protect proprietary know-how that may not be patentable, processes for which patents may be difficult to obtain or enforce and any other elements of our product development and manufacturing processes that involve proprietary know-how, information or technology that is not covered by patents.

In an effort to protect our trade secrets and other confidential information, we require our employees, consultants, collaborators and advisers to execute confidentiality agreements upon the commencement of their relationships with us. These agreements require that all confidential information developed by the individual or made known to the individual by us during the course of the individual's relationship with us be kept confidential and not disclosed to third parties. These agreements, however, may not provide us with adequate protection against improper use or disclosure of confidential information, and these agreements may be breached. Adequate remedies may not exist in the event of unauthorized use or disclosure of our confidential information. A breach of confidentiality could significantly affect our competitive position. In addition, in some situations, these agreements may conflict with, or be subject to, the rights of third parties with whom our employees, consultants, collaborators or advisers have previous employment or consulting relationships. To the extent that our employees, consultants or contractors use any intellectual property owned by others in their work for us, disputes may

arise as to the rights in any related or resulting know-how and inventions. Also, others may independently develop substantially equivalent proprietary information and techniques or otherwise gain access to our trade secrets and other confidential information.

If we infringe or are alleged to infringe intellectual property rights of third parties, our business could be harmed.

Our research, development and commercialization activities may infringe or otherwise violate or be claimed to infringe or otherwise violate patents owned or controlled by other parties. Competitors in the field of cosmetics, pharmaceuticals and neuromodulators have developed large portfolios of patents and patent applications in fields relating to our business. For example, there are patents held by third parties that relate to the treatment with neuromodulator products for indications we are currently developing. There may also be patent applications that have been filed but not published that, when issued as patents, could be asserted against us. These third parties could bring claims against us that would cause us to incur substantial expenses and, if successful against us, could cause us to pay substantial damages and/or we could be forced to stop or delay research, development, manufacturing or sales of the product or product candidate that is the subject of the suit. Further, if a patent infringement suit were brought against us, during the pendency of the litigation, we could be forced to stop or delay research, development, manufacturing or sales of the product or product candidate that is the subject of the suit.

As a result of patent infringement claims, or to avoid potential claims, we may choose or be required to seek licenses from third parties. These licenses may not be available on acceptable terms, or at all. Even if we are able to obtain a license, the license would likely obligate us to pay license fees or royalties or both, and the rights granted to us might be nonexclusive, which could result in our competitors gaining access to the same intellectual property. Ultimately, we could be prevented from commercializing a product based on our current or future indications, or be forced to cease some aspect of our business operations, if, as a result of actual or threatened patent infringement claims, we are unable to enter into licenses on acceptable terms.

There has been substantial litigation and other proceedings regarding patent and other intellectual property rights in the pharmaceutical industry. In addition to infringement claims against us, we may become a party to other patent litigation and other proceedings, including interference, derivation or post-grant proceedings declared or granted by the USPTO and similar proceedings in foreign countries, regarding intellectual property rights with respect to our current or future products. The cost to us of any patent litigation or other proceeding, even if resolved in our favor, could be substantial. Some of our competitors may be able to sustain the costs of such litigation or proceedings more effectively than we can because of their substantially greater financial resources. Patent litigation and other proceedings may also absorb significant management time. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings could impair our ability to compete in the marketplace. The occurrence of any of the foregoing could have a material adverse effect on our business, financial condition or results of operations.

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

Competitors may infringe upon our intellectual property, including our patents or the patents of our licensors. As a result, we may be required to file infringement claims to stop third-party infringement or unauthorized use of our own or licensed intellectual property. This can be expensive, particularly for a company of our size, and time-consuming. In addition, in an infringement proceeding, a court may decide that a patent of ours is not valid or is unenforceable, or may refuse to stop the other party from using the technology at issue on the grounds that our patent claims do not cover its technology or that the factors necessary to grant an injunction against an infringer are not satisfied.

An adverse determination of any litigation or other proceeding could put one or more of our patents at risk of being invalidated or interpreted narrowly and could put our patent applications at risk of not issuing.

Interference, derivation, inter partes review, post-grant review or other proceedings brought at the USPTO may be necessary to determine the priority or patentability of inventions with respect to our patents or patent applications or those of our licensors or collaborators. Litigation or USPTO proceedings brought by us may fail or may be invoked against us by third parties. Even if we are successful, domestic or foreign litigation or USPTO or foreign patent office proceedings may result in

substantial costs and distraction to our management. We may not be able, either alone or with our licensors or collaborators, to prevent misappropriation of our proprietary rights, particularly in countries where the laws may not protect such rights as fully as in the U.S.

Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation or other proceedings, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation or proceeding. In addition, during the course of this kind of litigation or proceeding, there could be public announcements of the results of hearings, motions or other interim proceedings or developments or public access to related documents. If investors perceive these results to be negative, the market price for our common stock could be significantly harmed.

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

Filing, prosecuting and defending patents on product candidates in all countries throughout the world would be prohibitively expensive, and our intellectual property rights in some countries outside the U.S. can be less extensive than those in the U.S. In addition, the laws of some foreign countries do not protect intellectual property rights to the same extent as federal and state laws in the U.S. and in some cases may even force us to grant a compulsory license to competitors or other third parties. Consequently, we may not be able to prevent third parties from practicing our inventions in all countries outside the U.S., or from selling or importing products made using our inventions in and into the U.S. or other jurisdictions. Competitors may use our technologies to develop their own products in jurisdictions where we have not obtained patent protection and further, may export otherwise infringing products to territories where we have patent protection, but where enforcement is not as strong as that in the U.S. These products may compete with our products and our patents or other intellectual property rights may not be effective or sufficient to prevent them from competing.

Many companies have encountered significant problems in protecting and defending intellectual property rights in foreign jurisdictions. The legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of patents and other intellectual property protection, particularly those relating to biotechnology, which could make it difficult for us to stop the infringement of our patents or marketing of competing products in violation of our proprietary rights generally. Proceedings to enforce our patent rights in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business, could put our patents at risk of being invalidated or interpreted narrowly and our patent applications at risk of not issuing and could provoke third parties to assert claims against us. We may not prevail in any lawsuits that we initiate and the damages or other remedies awarded, if any, may not be commercially meaningful. Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or license.

In addition, our ability to protect and enforce our intellectual property rights may be adversely affected by unforeseen changes in domestic and foreign intellectual property laws.

Use of “open source” software for the Fintech Platform could adversely affect HintMD's ability to provide the Fintech Platform and subject HintMD and Revance to possible claims.

The Fintech Platform incorporates open source software and we expect to continue to use open source software in the future. HintMD and Revance may face claims from others claiming ownership of open source software, or seeking to enforce the terms of, an open source license, including by demanding release of the open source software or derivative works thereof, or of HintMD's proprietary source code associated with such open source software. These claims could also result in litigation, require us to purchase a costly license or require us to devote additional research and development resources to change the Fintech Platform, any of which would have a negative effect on HintMD's and Revance's business and operating results. In addition, if the license terms for the open source software HintMD utilizes change, HintMD and Revance may be forced to reengineer the Fintech Platform or incur additional costs. Although we have implemented policies to regulate the use and incorporation of open source software into the Fintech Platform, we cannot be certain that we have not incorporated open source software in the Fintech Platform in a manner that is inconsistent with such policies.

Any failure to protect intellectual property rights associated with the Fintech Platform could impair our ability to protect HintMD's proprietary technology and the HintMD brand.*

HintMD currently has four issued patents and 11 pending patent applications. However, there is no guarantee that the pending patent applications will result in issued patents, or that the issued patents will ultimately be determined to be valid and enforceable. HintMD also has one registered trademark in the United States and one pending trademark in Canada. We primarily rely on copyright, trade secret and trademark laws, trade secret protection and confidentiality or other protective agreements with our employees, customers, partners and others to protect HintMD's intellectual property rights. However, the steps we take to protect HintMD intellectual property rights may be inadequate to prevent others from competing with the HintMD Platform.

To protect HintMD's intellectual property rights, we may be required to spend significant resources to monitor, protect and enforce these rights. Litigation brought to protect and enforce HintMD's intellectual property rights could be costly, time-consuming and distracting to management, and could result in the impairment or loss of portions of HintMD's intellectual property. Furthermore, our efforts to enforce the HintMD intellectual property rights may be met with defenses, counterclaims and countersuits attacking the validity and enforceability of the HintMD intellectual property rights. Our failure to secure, protect and enforce the HintMD intellectual property rights could adversely affect the HintMD brand and adversely affect our business.

Risks Related to Government and Industry Regulation

Our business and products are subject to extensive government regulation.

We are subject to extensive, complex, costly and evolving regulation by federal and state governmental authorities in the U.S., principally by the FDA, the U.S. Drug Enforcement Administration, the CDC, and foreign regulatory authorities. Failure to comply with all applicable regulatory requirements, including those promulgated under FDCA, the Public Health Service Act, and Controlled Substances Act, may subject us to operating restrictions and criminal prosecution, monetary penalties and other disciplinary actions, including, sanctions, warning letters, product seizures, recalls, fines, injunctions, suspension, revocation of approvals, or exclusion from future participation in the Medicare and Medicaid programs.

After our other products receive regulatory approval, we, and our direct and indirect suppliers, will remain subject to the periodic inspection of our plants and facilities, review of production processes, and testing of our products to confirm that we are in compliance with all applicable regulations. Adverse findings during regulatory inspections may result in the implementation of Risk Evaluation and Mitigation Strategies programs, completion of government mandated clinical trials, and government enforcement action relating to labeling, advertising, marketing and promotion, as well as regulations governing manufacturing controls noted above.

Even if we receive regulatory approval for DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar or any future product candidates, we will be subject to ongoing regulatory obligations and continued regulatory review, which may result in significant additional expense, may limit or delay regulatory approval and may subject us to penalties if we fail to comply with applicable regulatory requirements.

Once regulatory approval has been granted, DaxibotulinumtoxinA for Injection or any approved product will be subject to continual regulatory review by the FDA and/or non-U.S. regulatory authorities. Additionally, any product candidates, if approved, will be subject to extensive and ongoing regulatory requirements, including 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 products.

Any regulatory approvals that we or our collaborators receive for DaxibotulinumtoxinA for Injection, RHA® 1 or any future product candidates may also be subject to limitations on the approved indications for which the product 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 product candidate. In addition, if the applicable regulatory agency approves DaxibotulinumtoxinA for Injection, RHA® 1 or any future product candidates, the manufacturing processes, labeling, packaging, distribution, adverse event reporting, storage, advertising, promotion and recordkeeping for the product 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 cGMP and GCPs for any clinical trials conducted post-approval. The RHA® Collection of dermal fillers are currently subject

to such extensive and ongoing regulatory requirements, reports, registration and continued compliance. Later discovery of previously unknown problems with DaxibotulinumtoxinA for Injection, the RHA® Collection of dermal fillers or any future product candidates, 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 product, withdrawal of the product from the market, or voluntary or mandatory product recalls;
- fines, warning letters or holds on clinical trials;
- refusal by the FDA to approve pending applications or supplements to approved applications submitted by us or our strategic collaborators, or suspension or revocation of product license approvals;
- product seizure or detention, or refusal to permit the import or export of products; and
- injunctions or the imposition of civil or criminal penalties.

Our ongoing regulatory requirements may also change from time to time, potentially harming or making costlier our commercialization efforts. We cannot predict the likelihood, nature or extent of government regulation that may arise from future legislation or administrative action, either in the U.S. or other countries. 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 and we may not achieve or sustain profitability, which would adversely affect our business.

If we fail to obtain regulatory approvals in foreign jurisdictions for DaxibotulinumtoxinA for Injection, or any future product candidates including an onabotulinumtoxinA biosimilar, we will be unable to market our products outside of the U.S.

In addition to regulations in the U.S., we will be subject to a variety of foreign regulations governing manufacturing, clinical trials, commercial sales and distribution of our future products. Whether or not we obtain FDA approval for a product candidate, we must obtain approval of the product by the comparable regulatory authorities of foreign countries before commencing clinical trials or marketing in those countries. The approval procedures vary among countries and can involve additional clinical testing, or the time required to obtain approval may differ from that required to obtain FDA approval. Clinical trials conducted in one country may not be accepted by regulatory authorities in other countries. Approval by the FDA does not ensure approval by regulatory authorities in other countries, and approval by one or more foreign regulatory authorities does not ensure approval by regulatory authorities in other foreign countries or by the FDA. The foreign regulatory approval process may include all of the risks associated with obtaining FDA approval. We may not be able to file for regulatory approvals or to do so on a timely basis, and even if we do file, we may not receive the necessary approvals to commercialize our products in geographies outside of the U.S.

Further, interruption or delays in the operations of applicable foreign regulatory agencies caused by the COVID-19 pandemic may affect the review and approval timelines of such agencies for DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar, RHA® 1 or any future hyaluronic acid filler products developed pursuant to the Teoxane Agreement or any future product candidates.

The RHA® Collection of dermal fillers, and, if approved, DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar or any other products, may cause or contribute to adverse medical events that we are required to report to regulatory agencies and if we fail to do so, we could be subject to sanctions that would materially harm our business.

As we continue to commercialize the RHA® Collection of dermal fillers, and if we are successful in commercializing DaxibotulinumtoxinA for Injection or any other products, including an onabotulinumtoxinA biosimilar, the FDA and foreign regulatory agency regulations require that we report certain information about adverse medical events if those products may have caused or contributed to those adverse events. The timing of our obligation to report would be triggered by the date we become aware of the adverse event as well as the nature of the event. We may fail to report adverse

events we become aware of within the prescribed timeframe. We may also fail to appreciate that we have become aware of a reportable adverse event, especially if it is not reported to us as an adverse event or if it is an adverse event that is unexpected or removed in time from the use of our products. If we fail to comply with our reporting obligations, the FDA or a foreign regulatory agency could take action including criminal prosecution, the imposition of civil monetary penalties, seizure of our products, or delay in approval or clearance of future products.

The Fintech Platform is subject to stringent and changing privacy laws, regulations, standards and contractual obligations related to data privacy and security. Because the Fintech Platform can be used to collect and store personal information, domestic privacy and data security concerns could result in HintMD and Revance incurring additional costs and liabilities or inhibit sales of the Fintech Platform.

Practices use the Fintech Platform to process personal information, including personal information that could be considered “sensitive”, regarding patients, which processing is subject to U.S. federal and state privacy laws and breach notification laws. The costs of compliance with these privacy laws and breach notification laws, as well as the associated burdens imposed by such laws, may limit the use or adoption of the Fintech Platform, lead to significant fines, penalties or liabilities related to noncompliance, or slow the pace at which we close sales of the Fintech Platform, any of which could harm HintMD's and Revance's business. See “If the Fintech Platform or its vendors’ networks or computer systems are breached or if the security of the personal information that HintMD collects, stores or processes through the Fintech Platform (or that its vendors collect, store or process) is compromised or otherwise experiences unauthorized access, or HintMD fails to comply with commitments and assurances regarding the privacy and security of personal information on the Fintech Platform, the Fintech Platform may be perceived as insecure, and HintMD may lose existing users or fail to attract new users to the Fintech Platform, and the Revance brand and reputation may be negatively impacted, and HintMD and Revance may incur significant liabilities.”

Any failure by HintMD vendors to comply with the terms of HintMD’s contractual provisions or the applicable privacy or breach notification laws or where applicable the Payment Card Industry Data Security Standards ("PCI DSS") of the PCI Security Standards Council could result in proceedings against HintMD and Revance by governmental entities or others.

We also expect that there will continue to be new federal and state privacy laws passed that directly impact the Fintech Platform, and we may not be able to predict the full impact that such future laws may have on our business. For instance, if our privacy and data policies and practices with respect to the Fintech Platform, are, or are perceived to be, insufficient to demonstrate compliance with existing or new privacy laws, our risk and cost of operation could increase and user demand for the Fintech Platform could decline, and our business could be harmed.

The Fintech Platform may in certain circumstances, process information that could be defined by HIPAA as “protected health information” (“PHI”) and thus such processing may be subject to HIPAA. Additionally, certain states have adopted health information privacy laws and regulations related to the processing of PHI and comparable to HIPAA, some of which may be more stringent than HIPAA. Generally, HIPAA and state health information privacy laws require entities directly regulated by the law and regulations (HIPAA calls these entities “covered entities”, and their service providers and subcontractors “business associates”) to develop and maintain certain administrative, physical, and technical safeguards to protect PHI and ensure the confidentiality, integrity and availability of electronic PHI. In the event of an unauthorized use or disclosure of PHI, the reporting requirements could include notification to affected individuals, state and federal governmental agencies, and in certain instances the media. Depending on the facts and circumstances we could be subject to significant civil and administrative penalties, and in rare circumstances, criminal penalties, if we obtain, use, or disclose PHI through the Fintech Platform in a manner that is not authorized or permitted by HIPAA or state health information privacy laws. Further, if we are not able to meet our obligations under HIPAA and/or applicable state health information privacy laws relating to the Fintech Platform, HintMD could be found to have breached its contractual obligations with its customers. Maintaining compliance with applicable privacy laws and our contractual obligations is a complex undertaking, and we cannot be certain how these health information privacy laws will be interpreted, enforced or applied to our operations.

Additionally, the Fintech Platform processes a significant portion of its payments through credit or debit cards and enables users of its payments platform to engage in payments through its service. HintMD, and as a result, Revance operations related to the Fintech Platform, are contractually required to maintain compliance with current PCI DSS as part of

our information security program and to undergo periodic PCI DSS audits undertaken by third party auditors ("PCI Audits"). We also may be bound by additional, more stringent contractual obligations relating to our collection, use and disclosure of personal, financial and other data. If we cannot comply with or if we incur a violation of any of these standards or contractual requirements, or if we have findings resulting from a PCI Audit and we fail to undertake timely corrective action, we could incur significant liability through fines and penalties imposed by credit card associations or other organizations or litigation with relevant stakeholders, either of which could have an adverse effect on the reputation, business, financial condition and operating results of HintMD and Revance. In addition, failure to comply with the PCI DSS obligations or HintMD's contractual obligations, including timely and sufficient mitigation of any findings from a PCI Audit, could also result in the termination of HintMD's status as a registered PayFac, thereby dramatically impairing HintMD's ability to continue doing business in the payments industry, or HintMD could be liable to the payment card issuing banks for their costs of issuing new cards and related expenses.

We may find it necessary to change our business practices or expend significant resources to modify the HintMD software or platform to adapt to audit findings, new laws, regulations and industry standards concerning these matters. We may be unable to make such changes and modifications in a commercially reasonable manner or at all. Any failure to comply with federal, state or local laws and regulations, industry standards or other legal obligations, or any actual or suspected security incident, may result in governmental enforcement actions and prosecutions, private litigation, fines, penalties or adverse publicity for HintMD and Revance and could cause users of the Fintech Platform, patients undergoing Revance's clinical trials or customers of Revance to lose trust in HintMD and Revance, which could have an adverse effect on the reputation and business of HintMD and Revance.

We may in the future be subject to various U.S. federal and state laws pertaining to healthcare fraud and abuse, including anti-kickback, self-referral, false claims and fraud laws, and any violations by us of such laws could result in fines or other penalties.

While we do not expect that DaxibotulinumtoxinA for Injection, if approved for the treatment of glabellar lines, or the RHA® Collection of dermal fillers to subject us to all of the various U.S. federal and state laws intended to prevent healthcare fraud and abuse, we may be subject to, or in the future become subject to, additional laws in connection with the use of these products for treatment of therapeutic indications or any future product candidates. The federal anti-kickback statute prohibits the offer, receipt, or payment of remuneration in exchange for or to induce the referral of patients or the use of products or services that would be paid for in whole or part by Medicare, Medicaid or other federal healthcare programs. Remuneration has been broadly defined to include anything of value, including cash, improper discounts, and free or reduced price items and services. Additionally, the intent standard under the federal Anti-Kickback Statute was amended by the ACA to a stricter standard such that a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation. Further, the ACA codified case law that a claim including items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the False Claims Act ("FCA"). Many states have similar laws that apply to their state healthcare programs as well as private payors.

The federal false claims and civil monetary penalties laws, including the FCA impose liability on persons who, among other things, present or cause to be presented false or fraudulent claims for payment by a federal healthcare program. The FCA has been used to prosecute persons submitting claims for payment that are inaccurate or fraudulent, for services not provided as claimed, or for services that are not medically necessary. The FCA includes a whistleblower provision that allows individuals to bring actions on behalf of the federal government and share a portion of the recovery of successful claims.

HIPAA imposes criminal and civil liability for, among other things, knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program, or knowingly and willfully falsifying, concealing or covering up a material fact or making any materially false statement, in connection with the delivery of, or payment for, healthcare benefits, items or services. Similar to the U.S. federal Anti-Kickback Statute, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation.

HIPAA also imposes, among other things, certain standards and obligations on covered entities including certain healthcare providers, health plans and healthcare clearinghouses, as well as their respective business associates and subcontractors that create, receive, maintain, or transmit individually identifiable health information for or on behalf of a

covered entity relating to the privacy, security, transmission and breach reporting of individually identifiable health information.

The federal Physician Payments Sunshine Act, and its implementing regulations, require certain manufacturers of drugs, devices, biologics and medical supplies that are reimbursable under Medicare, Medicaid, or the Children's Health Insurance Program to report annually to CMS information related to certain payments and other transfers of value to physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors) and teaching hospitals, as well as ownership and investment interests held by the physicians described above and their immediate family members. Beginning in 2022, covered manufacturers will also be required to report annually regarding payments and other transfers of value provided in the previous year to certain other healthcare professionals, including physician assistants, nurse practitioners, clinical nurse specialists, anesthesiologist assistants, certified nurse anesthetists, and certified nurse-midwives.

We may also be subject to analogous state laws and regulations, including: state anti-kickback and false claims laws, state laws that require pharmaceutical companies to comply with the pharmaceutical industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the U.S. federal government, or otherwise restrict payments that may be made to healthcare providers and other potential referral sources, state laws and regulations that require drug manufacturers to file reports relating to pricing and marketing information, which requires tracking gifts and other remuneration and items of value provided to healthcare professionals and entities, and state and local laws that require the registration of our pharmaceutical sales representatives.

State and federal authorities have aggressively targeted pharmaceutical manufacturers for alleged violations of these anti-fraud statutes for a range of activities, such as those based on improper research or consulting contracts with physicians and other healthcare professionals, certain marketing arrangements that rely on volume-based pricing, off-label marketing schemes, and other improper promotional practices. Companies targeted in such prosecutions have paid substantial fines in the hundreds of millions of dollars or more, have been forced to implement extensive corrective action plans, and have often become subject to consent decrees severely restricting the manner in which they conduct business. Further, defending against any such actions can be costly, time-consuming and may require significant financial and personnel resources. If we become the target of such an investigation or prosecution based on our activities such as contractual relationships with providers or institutions, or our marketing and promotional practices, including any HintMD rewards programs, we could be subject to significant civil, criminal, and administrative sanctions, damages, disgorgement, monetary fines, possible exclusion from participation in Medicare, Medicaid, and other federal healthcare programs, imprisonment, additional reporting requirements, and/or oversight if we become subject to a corporate integrity agreement or similar agreement to resolve allegations of non-compliance with these laws, contractual damages, reputational harm, diminished profits and future earnings, and curtailment or restructuring of our operations, any of which could adversely affect our ability to operate our business and our results of operations. Even if we are successful in defending against any such actions that may be brought against us, our business may be impaired.

Also, the U.S. Foreign Corrupt Practices Act and similar worldwide anti-bribery laws generally prohibit companies and their intermediaries from making improper payments to non-U.S. officials for the purpose of obtaining or retaining business. We cannot assure you that our internal control policies and procedures will protect us from reckless or negligent acts committed by our employees, future distributors, partners, collaborators or agents. Violations of these laws, or allegations of such violations, could result in fines, penalties or prosecution and have a negative impact on our business, results of operations and reputation.

Legislative or regulatory healthcare reforms in the U.S. may make it more difficult and costly for us to obtain regulatory clearance or approval of DaxibotulinumtoxinA for Injection, an onabotulinumtoxinA biosimilar, or any future product candidates and to produce, market, and distribute such products if clearance or approval is obtained.*

From time to time, legislation is drafted and introduced in Congress that could significantly change the statutory provisions governing the regulatory clearance or approval, manufacture, and marketing of regulated products or the reimbursement thereof. In addition, FDA regulations and guidance are often revised or reinterpreted by the FDA in ways that may significantly affect our business and our products. For example, the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010 (the "ACA") was passed in March 2010, and substantially changed the way healthcare is financed by both governmental and private insurers, and continues to

significantly impact the U.S. biotechnology industry. There have been executive, judicial and Congressional challenges to certain aspects of the ACA. Since January 2017, the former U.S. presidential administration signed several Executive Orders and other directives designed to delay the implementation of certain provisions of the ACA. Concurrently, Congress considered legislation to repeal or repeal and replace all or part of the ACA. While Congress has not passed comprehensive repeal legislation, it has enacted laws that modify certain provisions of the ACA such as removing penalties, starting January 1, 2019, for not complying with the ACA's individual mandate to carry health insurance. On June 17, 2021, the U.S. Supreme Court dismissed a challenge on procedural grounds that argued the ACA is unconstitutional in its entirety because the "individual mandate" was repealed by Congress. Thus, the ACA will remain in effect in its current form. Further, prior to the U.S. Supreme Court ruling on January 28, 2021, President Biden issued an executive order that initiated a special enrollment period that began in February 2021, which has been extended through August 15, 2021 for purposes of obtaining health insurance coverage through the ACA marketplace. The executive order also instructed certain governmental agencies to review and reconsider their existing policies and rules that limit access to healthcare, including among others, reexamining Medicaid demonstration projects and waiver programs that include work requirements, and policies that create unnecessary barriers to obtaining access to health insurance coverage through Medicaid or the ACA. It is possible that the ACA will be subject to judicial or Congressional challenges in the future. It is unclear how the future challenges and the healthcare reform measures of the Biden administration will impact the ACA and our business.

In addition, there have been several recent U.S. congressional inquiries and proposed and enacted state and federal legislation designed to, among other things, bring more transparency to drug pricing, review the relationship between pricing and manufacturer patient programs, reduce the costs of drugs under Medicare and reform government program reimbursement methodologies for drug products. At the federal level, the former U.S. presidential administration used several means to propose or implement drug pricing reform, including through federal budget proposals, executive orders and policy initiatives. For example, on July 24, 2020 and September 13, 2020, the Trump administration announced several executive orders related to prescription drug pricing that seek to implement several of the administration's proposals, which have resulted in additional regulations from the FDA, CMS and the U.S. Department of Health and Human Services. For example, in November 2020, CMS issued an interim final rule implementing the Most Favored Nation ("MFN") Model under which Medicare Part B reimbursement rates will be calculated for certain drugs and biologicals based on the lowest price drug manufacturers receive in the Organization for Economic Cooperation and Development countries with a similar gross domestic product per capita. The MFN Model regulations mandate participation by identified Part B providers and will apply in all U.S. states and territories for a seven-year period beginning January 1, 2021 and ending December 31, 2027. On December 28, 2020, the U.S. District Court for the Northern District of California issued a nationwide preliminary injunction against implementation of the interim final rule. On January 13, 2021, in a separate lawsuit brought by industry groups in the U.S. District of Maryland, the government defendants entered a joint motion to stay litigation on the condition that the government would not appeal the preliminary injunction granted in the U.S. District Court for the Northern District of California and that performance for any final regulation stemming from the MFN Model interim final rule shall not commence earlier than sixty (60) days after publication of that regulation in the Federal Register. Further, on November 20, 2020, the U.S. Department of Health and Human Services finalized a regulation removing safe harbor protection for price reductions from pharmaceutical manufacturers to plan sponsors under Part D, either directly or through pharmacy benefit managers, unless the price reduction is required by law. The implementation of the rule has been delayed by the Biden administration until January 1, 2023 in response to ongoing litigation. The rule also creates a new safe harbor for price reductions reflected at the point-of-sale, as well as a safe harbor for certain fixed fee arrangements between pharmacy benefit managers and manufacturers, the implementation of which have also been delayed until January 1, 2023. Based on a recent executive order, the Biden administration expressed its intent to pursue certain policy initiatives to reduce drug prices. 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. Any new regulations or revisions or reinterpretations of existing regulations may impose additional costs or lengthen review times of, or affect the price that we may charge for, DaxibotulinumtoxinA for Injection, or any future product candidates including an onabotulinumtoxinA biosimilar. Any new regulations or revisions or reinterpretations of existing regulations may impose additional costs on our commercialization efforts for the RHA® Collection of dermal fillers. We cannot determine what effect changes in regulations, statutes, legal interpretation or policies, when and if promulgated, enacted or adopted may have on our business in the future. Such changes could require, among other things:

- changes to manufacturing methods;
- recall, replacement, or discontinuance of one or more of our products; and
- additional recordkeeping.

Each of these would likely entail substantial time and cost and could materially harm our business and our financial results. In addition, delays in receipt of or failure to receive regulatory clearances or approvals for any future products would harm our business, financial condition, and results of operations.

Our failure to maintain licenses and other authorizations to enable us to act as a distributor of Teoxane's RHA® Collection of dermal fillers or comply with such licensing requirements could result in fines or other penalties.

As the distributor of Teoxane's RHA® Collection of dermal fillers, we will be required to maintain certain licenses, registrations, permits, authorizations, approvals or other types of state and local permissions in order to comply with various regulations regarding the distribution of medical devices, and must cooperate with Teoxane in the event of any medical device reports (adverse events) or product recalls. Satisfaction of regulatory requirements may take many months, and may require the expenditure of substantial resources. Failure to comply with such regulatory requirements can result in enforcement actions, including the revocation or suspension of licenses, registrations or accreditations, and can also subject us to plans of correction, monitoring, civil monetary penalties, civil injunctive relief and/or criminal penalties. Failure to obtain state regulatory approval will also prevent distribution of products where such approval is necessary and will limit our ability to generate revenue. As we have limited prior experience in the distribution of medical devices, it will take time and expense to build the necessary compliance infrastructure to support these activities.

Changes in funding for the FDA, the SEC and other government agencies could hinder their ability to hire and retain key leadership and other personnel, prevent new products and services from being developed or commercialized in a timely manner or otherwise prevent those agencies from performing normal functions on which the operation of our business may rely, which could negatively impact our business.

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 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.

The Fintech Platform is subject to extensive regulation and industry compliance requirements associated with operating as a PayFac, and its failure to comply with such regulation and requirements could negatively impact the business of HintMD and Revance.

The financial services offered by HintMD as a PayFac are subject to legal, regulatory, and card brand requirements, including those regarding anti-money laundering, sanctions, fraud, and consumer financial protection. All HintMD operations are conducted by certain Revance employees, and, as a result, those employees and the operations of Revance as it relates to the Fintech Platform will be subject to these regulations and requirements. Noncompliance with applicable laws and regulations could result in: civil or criminal penalties that could increase our expenses and adversely impact our business operations; the termination of HintMD's key supplier agreements, such as its Payment Facilitator Agreement; assessment of significant fines or monetary penalties; damage to HintMD's and Revance's brand and reputation; loss of HintMD customers, and poor financial performance for Revance. In addition, changes in applicable laws and regulations or changes in interpretations and enforcement practices may in turn require increased operating costs or capital expenditures to implement operational changes. Unforeseen regulatory changes may also limit HintMD's ability to offer certain products or services, or impact the competitiveness of products or services it offers. If HintMD is no longer able to offer the full suite of its services or expand its services to appeal to a larger consumer base, the HintMD brand and reputation may be harmed, customer retention and procurement may be negatively impacted, we may have to alter our commercialization strategy and we may not achieve the anticipated benefits of the HintMD Acquisition.

Risks Related to Our 2027 Notes

Servicing our debt requires a significant amount of cash, and we may not have sufficient cash flow from our business to pay our substantial debt.

Our ability to make scheduled payments of the principal of, to pay interest on or refinance our indebtedness, including the 2027 Notes, depends on our future performance, which is subject to economic, financial, competitive and other factors beyond our control, including global macroeconomic effects of the COVID-19 pandemic. Our business may not continue to generate cash flow from operations in the future sufficient to service our debt and make necessary capital expenditures. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets, restructuring debt or obtaining additional equity capital on terms that may be onerous or highly dilutive. Our ability to refinance our indebtedness will depend on the capital markets and our financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on our debt obligations.

We may not have the ability to raise the funds necessary to settle conversions of the 2027 Notes in cash or to repurchase the 2027 Notes upon a fundamental change, and our future debt may contain limitations on our ability to pay cash upon conversion or repurchase of the 2027 Notes.

Holders of the 2027 Notes will have the right to require us to repurchase all or a portion of their 2027 Notes upon the occurrence of a fundamental change (as defined in the indenture for the 2027 Notes) at a fundamental change repurchase price equal to 100% of the principal amount of the 2027 Notes to be repurchased, plus accrued and unpaid interest, if any. In addition, upon conversion of the 2027 Notes, unless we elect to deliver solely shares of our common stock to settle such conversion (other than paying cash in lieu of delivering any fractional share), we will be required to make cash payments in respect of the 2027 Notes being converted. However, we may not have enough available cash or be able to obtain financing at the time we are required to make repurchases of the 2027 Notes surrendered therefor or notes being converted. In addition, our ability to repurchase the 2027 Notes or to pay cash upon conversions of the 2027 Notes may be limited by law, by regulatory authority or by agreements governing our future indebtedness. Our failure to repurchase the 2027 Notes at a time when the repurchase is required by the indenture or to pay any cash payable on future conversions of the 2027 Notes as required by the indenture would constitute a default under the indenture. A default under the indenture or the fundamental change itself could also lead to a default under agreements governing our future indebtedness. If the repayment of the related indebtedness were to be accelerated after any applicable notice or grace periods, we may not have sufficient funds to repay the indebtedness and repurchase the 2027 Notes or make cash payments upon conversions thereof.

The conditional conversion feature of the 2027 Notes, if triggered, may adversely affect our financial condition and operating results.

In the event the conditional conversion feature of the 2027 Notes is triggered, holders of 2027 Notes will be entitled to convert the 2027 Notes at any time during specified periods at their option. If one or more holders elect to convert their 2027 Notes, unless we elect to satisfy our conversion obligation by delivering solely shares of our common stock (other than paying cash in lieu of delivering any fractional share), we would be required to settle a portion or all of our conversion obligation through the payment of cash, which could adversely affect our liquidity. In addition, even if holders do not elect to convert their 2027 Notes, we could be required under applicable accounting rules to reclassify all or a portion of the outstanding principal of the 2027 Notes as a current rather than long-term liability, which would result in a material reduction of our net working capital.

Conversion of the 2027 Notes may dilute the ownership interest of our stockholders or may otherwise depress the price of our common stock.

The conversion of some or all of the 2027 Notes may dilute the ownership interests of our stockholders. Upon conversion of the 2027 Notes, we have the option to pay or deliver, as the case may be, cash, shares of our common stock, or a combination of cash and shares of our common stock. If we elect to settle our conversion obligation in shares of our common stock or a combination of cash and shares of our common stock, any sales in the public market of our common stock issuable upon such conversion could adversely affect prevailing market prices of our common stock. In addition, the existence of the 2027 Notes may encourage short selling by market participants because the conversion of the 2027 Notes could be used to satisfy short positions, or anticipated conversion of the 2027 Notes into shares of our common stock could depress the price of our common stock.

General Risk Factors

The trading price of our common stock is volatile, and purchasers of our common stock could incur substantial losses.

The trading price of our common stock is highly volatile and could be subject to wide fluctuations in response to various factors, some of which are beyond our control. The stock markets in general and the markets for pharmaceutical biopharmaceutical and biotechnology stocks in particular have experienced extreme volatility that may have been for reasons that are related or unrelated to the operating performance of the issuer. The market price for our common stock may be influenced by many factors, including:

- regulatory or legal actions, developments and guidance in the U.S. and foreign countries;
- our success or lack of success in commercializing the RHA® Collection of dermal fillers;
- results from or delays in clinical trials of our product candidates;
- announcements of regulatory approval or disapproval of DaxibotulinumtoxinA for Injection, the RHA® Collection of dermal fillers or any future product candidates;
- introductions and announcements of new products by us, any commercialization partners or our competitors, and the timing of these introductions and announcements;
- 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;
- announcements by us or our competitors of significant acquisitions, licenses, strategic partnerships, joint ventures or capital commitments;
- market conditions in the pharmaceutical and biotechnology sectors and issuance of securities analysts' reports or recommendations;
- quarterly variations in our results of operations or those of our future competitors;
- changes in financial estimates or guidance, including our ability to meet our future revenue and operating profit or loss estimates or guidance;
- sales of substantial amounts of our stock by insiders and large stockholders, or the expectation that such sales might occur;
- general economic, industry and market conditions;

- adverse tax laws or regulations enacted or existing laws applied to us or our customers;
- additions or departures of key personnel;
- intellectual property, product liability or other litigation against us;
- expiration or termination of our potential relationships with customers and strategic partners;
- the occurrence of trade wars or barriers, or the perception that trade wars or barriers will occur;
- any buying or selling of shares of our common stock or other hedging transactions in our common stock in connection with the 2027 Notes or the capped call transactions;
- widespread public health crises such as the COVID-19 pandemic; and
- other factors described in this “Risk Factors” section.

These broad market fluctuations may adversely affect the trading price or liquidity of our common stock. In addition, in the past, stockholders have initiated class actions against pharmaceutical companies, including us, following periods of volatility in their stock prices. Such litigation instituted against us could cause us to incur substantial costs and divert management’s attention and resources.

If securities or industry analysts do not publish research or publish unfavorable research about our business, our stock price and trading volume could decline.

The trading market for our common stock depends, in part, on the research and reports that securities or industry analysts publish about us or our business. Securities and industry analysts may cease to publish research on our company at any time in their discretion. A lack of research coverage may adversely affect the liquidity and market price of our common stock. We will not have any control of the equity research analysts or the content and opinions included in their reports. The price of our stock could decline if one or more equity research analysts downgrade our stock or issue other unfavorable commentary or research. If one or more equity research analysts ceases coverage of our company, or fails to publish reports on us regularly, demand for our stock could decrease, which in turn could cause our stock price or trading volume to decline.

Sales of substantial amounts of our common stock in the public markets, or the perception that such sales might occur, could cause the market price of our common stock to drop significantly, even if our business is doing well.*

Sales of a substantial number of shares of our common stock in the public market could occur at any time. In November 2020, we entered into a sales agreement with Cowen and Company, LLC (“Cowen”) as sales agent (the “2020 ATM Agreement”). Under the 2020 ATM Agreement, we may offer and sell, from time to time, through Cowen, shares of our common stock, par value $0.001 per share, having an aggregate offering price of up to $125 million. As of June 30, 2021, we sold 3.3 million shares of common stock under the 2020 ATM Agreement resulting in net proceeds of $90.1 million after sales agent commissions, with $32.6 million remaining available under the 2020 ATM Agreement.

If our stockholders sell, or the market perceives that our stockholders intend to sell, substantial amounts of our common stock in the public market, the market price of our common stock could decline significantly. For instance, shares of our common stock that were issued to HintMD stockholders as consideration for the HintMD Acquisition, including those shares issued upon the exercise of outstanding stock options, are freely tradable without restrictions or further registration under the Securities Act, in some cases following the expiration of lock-up agreements entered into between Revance and HintMD directors and members of management and certain HintMD stockholders (the “Lock-Up Agreements”). If former HintMD stockholders sell substantial amounts of our common stock in the public market, including following the expiration of the Lock-Up Agreements, the market price per share of our common stock may decline. Any sales of securities by stockholders could have a material adverse effect on the trading price of our common stock.

Provisions in our corporate charter documents and under Delaware law could discourage takeover attempts and lead to management entrenchment, and the market price of our common stock may be lower as a result.

Certain provisions in our amended and restated certificate of incorporation and amended and restated bylaws may make it difficult for a third party to acquire, or attempt to acquire, control of our company, even if a change in control was considered favorable by you and other stockholders. For example, our board of directors has the authority to issue up to 5,000,000 shares of preferred stock. Our board of directors can fix the price, rights, preferences, privileges, and restrictions of the preferred stock without any further vote or action by our stockholders. The issuance of shares of preferred stock may delay or prevent a change in control transaction. As a result, the market price of our common stock and the voting and other rights of our stockholders may be adversely affected. An issuance of shares of preferred stock may result in the loss of voting control to other stockholders.

Our charter documents also contain other provisions that could have an anti-takeover effect, including:

- only one of our three classes of directors will be elected each year;
- no cumulative voting in the election of directors;
- the ability of our board of directors to issues shares of preferred stock and determine the price and other terms of those shares, including preferences and voting rights, without stockholder approval;
- the exclusive right of our board of directors to elect a director to fill a vacancy or newly created directorship;
- stockholders will not be permitted to take actions by written consent;
- stockholders cannot call a special meeting of stockholders;
- stockholders must give advance notice to nominate directors or submit proposals for consideration at stockholder meetings;
- the ability of our board of directors, by a majority vote, to amend the bylaws; and
- the requirement for the affirmative vote of at least 66 2/3 percent or more of the outstanding common stock to amend many of the provisions described above.

In addition, we are subject to the anti-takeover provisions of Section 203 of the Delaware General Corporation Law (the “DGCL”), which regulates corporate acquisitions. These provisions could discourage potential acquisition proposals and could delay or prevent a change in control transaction. They could also have the effect of discouraging others from making tender offers for our common stock, including transactions that may be in your best interests. These provisions may also prevent changes in our management or limit the price that certain investors are willing to pay for our stock.

Our amended and restated certificate of incorporation also provides that the Court of Chancery of the State of Delaware will be the exclusive forum for the following types of actions or proceedings under Delaware statutory or common law:

- any derivative action or proceeding brought on our behalf;
- any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers or other employees to the Company or the Company’s stockholders;
- any action asserting a claim against us arising pursuant to any provision of the DGCL, our amended and restated certificate of incorporation or our amended and restated bylaws; or
- any action asserting a claim against us governed by the internal affairs doctrine.

This provision would not apply to suits brought to enforce a duty or liability created by the Exchange Act. Furthermore, Section 22 of the Securities Act, creates concurrent jurisdiction for federal and state courts over all such Securities Act actions. Accordingly, both state and federal courts have jurisdiction to entertain such claims. The exclusive forum provision contained in our amended and restated certificate of incorporation may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, or other employees, which may discourage lawsuits against us and our directors, officers and other employees. If a court were to find the exclusive-forum provision in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving the dispute in other jurisdictions, which could harm our business.

Claims for indemnification by our directors and officers may reduce our available funds to satisfy successful third-party claims against us and may reduce the amount of money available to us.

Our amended and restated certificate of incorporation and amended and restated bylaws provide that we will indemnify our directors and officers, in each case to the fullest extent permitted by Delaware law.

In addition, as permitted by Section 145 of the DGCL, our amended and restated bylaws and our indemnification agreements that we have entered into with our directors and officers provide that:

- We will indemnify our directors and officers for serving us in those capacities, or for serving other business enterprises at our request, to the fullest extent permitted by Delaware law. Delaware law provides that a corporation may indemnify such person if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the registrant and, with respect to any criminal proceeding, had no reasonable cause to believe such person's conduct was unlawful.
- We may, in our discretion, indemnify employees and agents in those circumstances where indemnification is permitted by applicable law.
- We are required to advance expenses, as incurred, to our directors and officers in connection with defending a proceeding, except that such directors or officers shall undertake to repay such advances if it is ultimately determined that such person is not entitled to indemnification.
- We will not be obligated pursuant to our amended and restated bylaws to indemnify a person with respect to proceedings initiated by that person against us or our other indemnitees, except with respect to proceedings authorized by our board of directors or brought to enforce a right to indemnification.
- The rights conferred in our amended and restated bylaws are not exclusive, and we are authorized to enter into indemnification agreements with our directors, officers, employees and agents and to obtain insurance to indemnify such persons.
- We may not retroactively amend our amended and restated bylaw provisions to reduce our indemnification obligations to directors, officers, employees and agents.

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

We have not declared or paid cash dividends on our common stock to date. We currently intend to retain our future earnings, if any, to fund the development and growth of our business. In addition, the terms of any existing or future debt agreements may preclude us from paying dividends. As a result, capital appreciation, if any, of our common stock will be your sole source of gain for the foreseeable future.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

The following exhibits are included herein or incorporated herein by reference:

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filling Date	
3.1	Amended and Restated Certificate of Incorporation	8-K	001-36297	3.1	February 11, 2014	—
3.2	Certificate of Amendment to Amended and Restated Certificate of Incorporation	8-K	001-36297	3.1	May 7, 2021	—
3.3	Amended and Restated Bylaws	S-1	333-193154	3.4	December 31, 2013	—
4.1	Form of Common Stock Certificate	S-1/A	333-193154	4.4	February 3, 2014	—
4.2	Indenture, dated as of February 14, 2020, by and between Revance Therapeutics, Inc. and U.S. Bank National Association, as Trustee	8-K	001-36297	4.1	February 14, 2020	—
4.3	Form of Global Note, representing Revance Therapeutics, Inc.'s 1.75% Convertible Senior Notes due 2027 (included as Exhibit A to the Indenture filed as Exhibit 4.2)	8-K	001-36297	4.2	February 14, 2020	—
10.1+	Commercial Supply Agreement, effective as of April 6, 2021, by and between Revance Therapeutics, Inc. and Lyophilization Services of New England, Inc.	—	—	—	—	X
31.1	Certification of Principal Executive Officer pursuant to Rule 13a-14(a) and 15d-14(a) promulgated under the Exchange Act	—	—	—	—	X
31.2	Certification of Principal Financial Officer pursuant to Rule 13a-14(a) and 15d-14(a) promulgated under the Exchange Act	—	—	—	—	X
32.1†	Certification of the Principal Executive Officer pursuant to18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	—	—	—	—	X
32.2†	Certification of the Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	—	—	—	—	X
101.INS	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	—	—	—	—	X
101.SCH	XBRL Taxonomy Extension Schema Document	—	—	—	—	X
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document	—	—	—	—	X
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document	—	—	—	—	X
101.LAB	XBRL Taxonomy Extension Labels Linkbase Document	—	—	—	—	X
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document	—	—	—	—	X
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibits 101)	—	—	—	—	X

+ Portions of this exhibit (indicated by asterisks) have been omitted as the Registrant has determined that (i) the omitted information is not material and (ii) the omitted material is of the type that the Registrant treats as private or confidential.

† The certifications attached as Exhibit 32.1 and 32.2 that accompany this Quarterly Report on Form 10-Q pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002, and shall not be deemed filed with the Securities and Exchange Commission for purposes of Section 18 of the Exchange Act. Such certifications shall not be deemed incorporated by reference into any filing of Revance Therapeutics, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except to the extent that the registrant specifically incorporates it by reference.

SIGNATURES

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

REVANCE THERAPEUTICS, INC.

Date: August 5, 2021

By: /s/ Mark J. Foley
Mark J. Foley
President and Chief Executive Officer
(Duly Authorized Principal Executive Officer)

By: /s/ Tobin C. Schilke
Tobin C. Schilke
Chief Financial Officer
(Duly Authorized Principal Financial Officer and Principal Accounting Officer)

Exhibit 10.1

COMMERCIAL SUPPLY AGREEMENT

This Commercial Supply Agreement (the **"Agreement"** or **"Supply Agreement"**) is entered into as of the last date of signature below (the **"Effective Date"**) by and between **Revance Therapeutics, Inc.**, a corporation organized and existing under the laws of Delaware, having a place of business at 7555 Gateway Boulevard, Newark, CA 94560 (**"Company"**) and **Lyophilization Services of New England, Inc.**, a corporation organized and existing under the laws of New Hampshire, having its principal place of business at 23 Commerce Drive, Bedford, NH 03110 (**"Supplier"**). Company and Supplier are referred to individually as a **"Party"** and collectively as the **"Parties."**

RECITALS

WHEREAS, Company desires for Supplier to design and build a dedicated manufacturing suite on Supplier's premises, and to manufacture and supply certain products to Company or its designee, for use either in the form supplied by Supplier or after incorporation or further modification by or on behalf of Company, and Supplier agrees to perform such work, all on the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants herein contained, the receipt and sufficiency which are hereby acknowledged, Company and Supplier hereby agree as follows.

1. Definitions. Capitalized terms used in this Agreement shall have the meanings set forth below:

1.1 **"Affiliate"** of a Person or a Party means any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. The term "control" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

1.2 **"[*]"** shall mean [*].

1.3 **"Applicable Laws"** means all relevant federal, state and local laws, statutes, rules, and regulations of the United States (including US Territories), Canada and EU that are applicable to a Party's activities hereunder, and in any other jurisdictions which the Parties have mutually agreed upon in the Product Appendixes hereto, or where a Product is filed for Regulatory Approval (with prior notice from Company to Supplier), including without limitation cGMP if applicable.

1.4 **"[*] Minimum(s)"** means the applicable number of [*] of Product (or any combination of Products) to be purchased by Company from Supplier [*], following Regulatory Submission, as set forth in Section 10.8 of this Agreement.

1.5 **"[*] Minimum Value(s)"** means the invoiceable value of Commercial Manufacturing of Product(s) produced [*] from manufacturing the applicable [*] Minimum, as set forth in Section 10.8 of this Agreement.

1.6 **"Batch"** shall mean a specific quantity of Product produced in a single manufacturing cycle that is expected to be homogeneous within specified limits. The Batch size for each Product is set forth in Exhibit A and B, respectively, attached hereto and incorporated herein by reference.

1.7 **"Batch Records"** means the documents and other records that are produced in connection with the manufacture of a particular Batch of the Product using the Master Batch Record and which relate specifically to such batch of Product.

1.8 "**Binding Forecast**" has the meaning set forth in Section 10.2.

1.9 **"Business Days"** means a day other than a Saturday, Sunday, or a day on which banking institutions are closed in New Hampshire.

1.10 **"Business Review Meeting"** has the meaning set forth in Section 13.

1.11 **"Certificate of Processing"** means a document, signed by an authorized representative of Supplier, attesting that a particular batch of the Product was manufactured in accordance with cGMP requirements, Applicable Law, and the Master Batch Record.

1.12 "**cGMP**" shall mean current good manufacturing practice and standards for the production of pharmaceutical intermediates and active pharmaceutical ingredients applicable to both commercial and investigational quantities of compounds (as applicable), as set forth in: (a) Parts 210 and 211 of Title 21 of the U.S. Code of Federal Regulations (21 CFR 210 and 21 CFR 211); and (b) European Community Directive 2003/94/EC and the Rules Governing Medicinal Products in the European Union, Volume 4 (Medicinal Products for Human and Veterinary Use: Good Manufacturing Practice), in each case, as may be amended from time to time after the Effective Date, and as interpreted by ICH Harmonised Tripartite Guideline, Quality Risk Management (Q9) and ICH Harmonised Tripartite Guideline, Pharmaceutical Quality System (Q10).

1.13 "**Claims**" has the meaning set forth in Section 22.1.

1.14 **"Clinical Batches"** shall mean any cGMP batches that will be used by Company in Clinical Trials.

1.15 **"Company Contribution"** shall mean the portion of the Total Cost that will be covered by Company pursuant to Section 5.2 and paid according to the schedule in Section 5.4.

1.16 **"Company Debarment"** has the meaning set forth in Section 20.2.

1.17 "**Company Indemnitees**" has the meaning set forth in Section 22.1.

1.18 "**Company Inventions**" has the meaning set forth in Section 18.2.2.

1.19 "**Contract Year**" has the meaning set forth in Section 23.1.

1.20 "**Corrective Action**" has the meaning set forth in Section 17.4.

1.21 **"Dedicated Suite"** means the [*] filling and lyophilization suite to be constructed at the Facility pursuant to the Project Plan described in Section 11.1, which will be used for Products.

1.22 "**Defective Product**" has the meaning set forth in Section 14.1.1.

1.23 **"Design Work"** shall mean all [*].

1.24 **"Development Activities"** shall mean any non-GMP activities performed in the development lab; including formulation development, Lyophilization Cycle development and Vacuum Drying Cycle development.

1.25 **"Engineering Run"** shall mean any non-GMP batch run with or without [*].

1.26 **"Equipment"** means any dedicated equipment required for the manufacturing of Products.

1.27 **"Facility"** shall mean the building containing the Dedicated Suite, located in [*], which is fully owned by Supplier.

1.28 **"FD&C Act"** shall mean the United States Federal Food, Drug, and Cosmetic Act and regulations promulgated thereunder, as each may be amended from time to time.

1.29 **"FDA"** means the United States Food and Drug Administration or any successor entity thereto.

1.30 **"Force Majeure**" means any event beyond a Party's reasonable control, including but not limited to, acts of God, terrorism, fire, explosion, weather, power failure, disease, epidemic, pandemic, or the resulting government diversion of equipment or supplies, inability to procure primary packaging, excipients or disposables, war, insurrection, civil strife, riots, government action, or power failure.

1.31 **"Full Scale"** means a Batch that maximizes the commercially reasonable utilization of the [*] filling line and the current lyophilization capacity.

1.32 **"Gross Negligence or Willful Misconduct"** means any act or failure to act (whether sole, joint or concurrent) by a person that was intended to cause or was in reckless disregard of, or wanton indifference to, the harmful consequences to the safety or property of another person which the person acting or failing to act knew, or reasonably should have known, would result from such act or omission, provided that Gross

Negligence or Willful Misconduct does not include any act or failure to act insofar as it: (i) constituted mere ordinary negligence; (ii) was done or omitted in accordance with the express instructions or approval of the other Party to this Agreement; or (iii) was done or omitted in accordance with applicable law or regulation or in accordance with a Party's reasonable interpretation of applicable law or regulation.

1.33 "**Inspection Period**" has the meaning set forth in Section 14.1.1.

1.34 "**Joint Inventions**" has the meaning set forth in Section 18.2.2.

1.35 "**Losses**" has the meaning set forth in Section 22.1.

1.36 **"Lyophilization Cycle"** means [*].

1.37 "**Master Batch Record**" means the master batch record to be used in the manufacture of a particular Product, approved in writing in advance by Company.

1.38 **"Materials"** means any materials supplied by Company for use in connection with the manufacturing and supply under this Agreement.

1.39 **"Maximum Capacity**" has the meaning set forth in Section 10.6.

1.40 **"Media Fill"** means an evaluation run conducted with media to test the sterility of the manufacturing process in accordance with the applicable Specifications and current FDA and EU aseptic requirements.

1.41 "**Milestone(s)**" are set forth in Section 11.1.

1.42 "**Milestone Payments**" has the meaning set forth in Section 5.4.

1.43 "Minimum Effective Date" is defined in Section 10.7.2.

1.44 "**Monthly Fee**" means the applicable monthly fee described in Section 10.7.1.

1.45 "[*]" means [*].

1.46 "**Person**" means any individual, partnership (general or limited), corporation, limited liability company, limited liability partnership, association, trust, joint venture, unincorporated organization, and any government, governmental department or agency or political subdivision thereof.

1.47 "**Pre-Approval Batch(es)**" means Process Performance Qualification Batches (including registration batches) and Clinical Batches.

1.48 "**Preliminary Monthly Fee"** means the applicable monthly fee described in Section 10.7.2.

1.49 **“Process Performance Qualification Batch(es)”** or “**PPQ Batch(es)**” means the manufacture of any Product(s) as a registration batch or validation batch under this Agreement.

1.50 “**Process**” means the manufacturing process to be used for commercial manufacturing of a Product, which shall be included in the relevant Product Appendix.

1.51 “**Product Appendix**” has the meaning set forth in Section 10.1.

1.52 “**Product Inventions**” has the meaning set forth in Section 18.2.1.

1.53 “**Product(s)**” means any product or products agreed between the Parties to be manufactured and supplied under this Agreement, pursuant to one or more Product Appendices.

1.54 **“Project Plan”** means the document described in Section 11.1 of this Agreement to be developed by Supplier and approved by Company based on the requirements of this Agreement. The Project Plan will include all [*] along with the proposed timelines. The Scope of Work included in the initial Project Plan may be updated as needed upon written agreement of Supplier and Company, and consent will not be unreasonably withheld by either Party.

1.55 **“Purchase Order”** has the meaning set forth in Section 10.3.

1.56 “**Quality Agreement**” has the meaning set forth in Section 14.3.

1.57 “**Receiving Party**” has the meaning set forth in Section 19.2.

1.58 “**Regulatory Approval**” means approval by the FDA of Company’s NDA/ANDA/BLA/505(b)(2) (form of New Drug Application) for the Product and satisfaction of any related applicable FDA registration and notification requirements (if any), and if mutually agreed upon by the Parties in the Product Appendixes hereto, any approvals by similar governmental authorities in other jurisdictions through the world, including Marketing Authorization Application (MAA) and New Drug Submission (NDS).

1.59 “**Regulatory Submission**” means the Company’s submission of an application for Regulatory Approval of a Product covered under this Agreement.

1.60 “**Rolling Forecast**” has the meaning set forth in Section 10.2.

1.61 **“Shared Resource CAPEX”** means [*].

1.62 **“SOPs”** means Supplier’s Standard Operating Procedures for manufacture of Products, as updated from time to time and customized as necessary for different versions of each Product, in each case in accordance with the terms and conditions of this Agreement and subject to Company’s advance written approval as set forth in Section 10.9.

1.63 **"Specifications"** means any procedures, process parameters, analytical tests and other attributes and written specifications for the Products manufactured and supplied under this Agreement, which shall be included in the relevant Product Appendix.

1.64 "**Supplier Debarment Activity**" has the meaning set forth in Section 20.2.

1.65 "**Supplier Indemnitees**" has the meaning set forth in Section 22.2.

1.66 "**Supplier Inventions**" has the meaning set forth in Section 18.2.2

1.67 "**Target Completion Date(s)**" are set forth in Section 11.1.

1.68 "**Term**" has the meaning set forth in Section 23.1.

1.69 **"Term Sheet"** means the document entitled "Revance Therapeutics Manufacturing Term Sheet" executed on February 26, 2021 by both Parties.

1.70 **"Total Cost"** means the sum of [*].

1.71 **"Third Party Vendor"** means any person or entity that is contracted directly by Supplier to provide any products or services in connection with the activities covered under this Supply Agreement.

1.72 **"Vacuum Drying Cycle**" means [*].

1.73 **"Work Order"** means any individually negotiated document that is executed by both Parties and which authorizes a defined scope of work. All Work Orders will be attached or incorporated by reference to this Agreement and will be governed by the terms herein.

2. Design Work

2.1 **Design Work. [*].**

2.2 **Responsibilities.** Supplier will be responsible for managing [*]. Supplier will be responsible for [*]. Company will be responsible for providing input in a timely manner (i.e. within [*] Business Days or a mutually agreed upon timeline, if longer) [*], and final decisions will be made by Supplier after reasonable consultation with Company.

2.3 **Cost.** Supplier has estimated that Company's portion of the Third-Party cost of the Design Work to be $[*]. In addition, Company will pay Supplier $[*]to cover the cost of [*]. Supplier will complete the Design Work to construct the Facility in a manner that is appropriate in scale to produce the [*] volumes provided by Company. If Company requests any changes to the [*] activities that have been agreed upon by the Parties, the cost will be passed through to Company via a written Work Order process that allows Company to review and approve the additional costs before incurring them. All Work Orders will be approved by Company in a timely manner (i.e. within [*] Business Days or a mutually agreed upon timeline if longer).

3. Equipment Procurement and Validation

3.1 **Equipment Procurement.** Supplier will procure or supply all Equipment required to manufacture the Products. The list of Equipment to be procured or supplied by Supplier includes but is not limited to: [*]. Company will provide Supplier with the necessary input to procure suitable Equipment to manufacture the Products. Supplier will have the discretion to procure Equipment best suited for the Dedicated Suite and Facility. Supplier will complete the Equipment procurement to construct the Facility in a manner that is appropriate in scale to produce the annual volumes provided by Company. If Company requests any changes to the list of Equipment to be procured, (including but not limited to additional equipment required, equipment modification) beyond the Equipment described in this Section 3.1, Supplier will provide a written Work Order to Company specifying the additional pass-through cost to Company and Supplier will procure such change only if approved in writing by Company. Any Company-Product specific additional Equipment, such as required stainless steel tanks, will be covered in a written Work Order that allows Company to review and approve the additional costs, not exceeding $[*], before incurring them. The Equipment procured will be designed to be compliant with all applicable US and EU regulatory requirements in effect on the Effective Date. If Company requests to have the Equipment comply with any additional regulatory jurisdictions, the cost of any additional equipment and/or Facility Modifications will be the sole responsibility of Company. Company acknowledges and agrees that Supplier will not be subject to any penalty fees or charges under Section 11.2 of this Agreement to the extent any delays are due to such Equipment needed to meet the requirements of any such additional regulatory jurisdictions.

3.2 **Equipment.** All Equipment will remain as the sole property of Supplier. Supplier will be responsible for the routine maintenance and calibration of the Equipment. Supplier will be responsible for any repairs to the Equipment that are required to continue manufacturing with minimal delay or disruption.

3.3 **Equipment Validation.** Supplier will be responsible for completing/managing the installation and validation of the Equipment, including the computerized system validation, as applicable, according to the Target Completion Date(s) covered in Section 11.1. All validation activities will be completed prior to cGMP manufacturing.

3.4 **Cost.** Supplier has estimated that Company's portion of the cost of the Equipment procurement to be $[*]. Supplier has estimated the cost of the Equipment validation to be an additional $[*]. These costs are included in the Company Contribution.

3.5 **Additional Equipment**. The Parties agree that [*] from Company. At a time that is mutually agreed upon by Supplier and Company (which consent shall not be unreasonably withheld by either Party), Supplier will procure a [*]. Company will be responsible for [*]. Supplier will provide a written quote and obtain the written consent of Company prior to initiating this procurement. Company will be responsible for any Monthly Payment under Section 10.6 during the shutdown of the Dedicated Suite. To minimize disruption, Supplier will construct and pre-dispose utilities during the initial construction phase to accommodate this addition of [*].

4. Construction Activities

4.1 **Construction.** Supplier will be responsible for the management of the construction of the Facility and the Dedicated Suite in accordance with the Milestones and Target Completion Dates set forth in Section 11.1. Supplier will be responsible for working with all Third Party Vendors to manage the construction process. Company will be responsible for providing Supplier with any necessary input during the construction to ensure compatibility with the Products. Supplier will complete the construction to construct the Facility in a manner that is appropriate in scale to produce the annual volumes provided by Company. If Company requests any changes to the construction activities that have been agreed upon by the Parties, Supplier will provide a written Work Order, and upon Company's written acceptance, the cost will be passed through to Company. All Work Orders will be approved by Company in a timeline manner (i.e. within [*] Business Days or a mutually agreed upon timeline if longer). The Facility will be constructed to be compliant with all applicable US and EU regulatory requirements in effect on the Effective Date. If Company requests to have the Facility or Dedicated Suite comply with any additional regulatory jurisdictions, the cost of any additional equipment and/or Facility Modifications will be the sole responsibility of Company. Company acknowledges and agrees that Supplier will not be subject to any penalty fees or charges under Section 11.2 to the extent any delays are due to such changes to the Facility or Dedicated Suite to meet the requirements of any such additional regulatory jurisdictions.

4.2 **Utilities**. Supplier will be responsible for installing the required utilities for the Dedicated Suite, including but not limited to [*]. During the initial construction phase, Supplier will provide suitable utilities to allow for [*] covered in Section 3.5.

4.3 **Validation.** Supplier will be responsible for the qualification of the Facility and the Dedicated Suite, including but not limited to utilities and required smoke studies. Media fill qualification is not included in the Facility validation and will be covered under Section 7.

4.4 **Cost.** Supplier has estimated that Company's portion of the cost of the construction of the Dedicated Suite at the Facility to be $[*]. Supplier has estimated that Company's portion of the cost of the validation for the Dedicated Suite at the Facility to be an additional $[*]. These costs are included in the Company Contribution.

4.5 **Shared Resource CAPEX.** If the Dedicated Suite is located in a [*], Company will be responsible for a portion of the Shared Resource CAPEX. Supplier has estimated the cost of the Shared Resource CAPEX to be $[*], which is included in the Company Contribution. If the Dedicated Suite is located in [*], there will be no Shared Resource CAPEX and the cost allocated for the Shared Resource CAPEX will be added to the Construction costs covered in Section 4.4. For clarity, the Company Contribution will not change.

5. Total Cost and Company Contribution

5.1 **Total Cost.** The estimated Total Cost for the work detailed in Sections 2, 3, and 4 under this Supply Agreement (Design Work, Equipment procurement and validation, and Construction) is $[*]-$[*]. Company will be responsible for a portion of this Total Cost which is defined as Company Contribution covered in Section 5.2. For the avoidance of doubt, this Total Cost does not include any costs of manufacture and/or supply of Products under this Agreement by Supplier on behalf of Company.

5.2 **Company Contribution.** The estimated Company Contribution for the work detailed in Sections 2, 3, and 4 under this Supply Agreement (including validation costs for Equipment, environments and utilities) is $[*]. If any changes are made to the scope of work covered in Section 2, 3, and 4 following a review period of at least three [*]Business Days and Company's written approval of such changes, the Company Contribution will be adjusted in the amount reviewed and approved by Company. Supplier will not be subject to any penalty fees or other charges under Section 11.2 to the extent any delays are due to changes to the scope of work requested by Company. For the avoidance of doubt, this Company Contribution does not include any costs of manufacture and/or supply of Products under this Agreement by Supplier on behalf of Company.

5.3 **Delay Costs**. If this Supply Agreement is not executed on or before [*], Company will be responsible for a delay cost that is in addition to the Company Contribution covered in Section 5.1. If the Supply Agreement is executed after [*]but before [*] Company will pay Supplier $[*]upon execution of the Supply Agreement, in addition to the amount specified in Section 5.4 below.

5.4 **Payment Schedule.** Supplier will invoice for, and Company will pay, the Company Contribution to the Total Cost according to the following Milestone Payment Schedule:

Milestone	**Amount**	**Estimated Timing**
• Paid upon [*]	$[*]	[*]
• Due upon [*]	$[*]	[*]
• Due upon [*]	$[*]	[*]
• Due upon [*]	$[*]	[*]
• Due [*]	$[*]	[*]
• Due upon [*]	$[*]	[*]

5.5 **Adjustment.** Both Parties agree that at no point during the payment schedule for the [*]monthly payments of $[*]each scheduled to commence [*] will Company's cumulative payments be more than [*]% of the Total Cost ahead of Supplier's internal payment schedule. If this occurs, Supplier will suspend charging the monthly payment or a portion of the monthly payment until Supplier's internal payment schedule catches up, at which time the monthly payments will resume. For clarity, the number and aggregate value of the monthly payments will not change. Supplier will share its internal payment schedule with Company on a monthly basis prior to the due date for the monthly payment.

6. QC Transfer & Development Activities

6.1 **QC Transfer.** Any required QC Method Transfer and/or Validation activities, for methods used for testing of [*], [*] or Product (as those terms are defined in the Quality Agreement), will be agreed upon in writing by both Parties and will be governed by mutually approved protocols that are covered in a Work Order approved in writing by Company. For clarity, the cost for QC Transfer is not included in the Total Cost or Company Contribution. The

cost of the QC Transfer will be covered under a Work Order. Based on the information that has been provided by Company the cost of the QC Transfer will not exceed $[*]in the aggregate.

6.2 **Development Activities.** Any required Development Activities will be approved in writing by both Parties and will be covered in a Work Order.

6.3 **Location.** Unless specified otherwise, all Development Activities will take place in Supplier's R&D lab located in [*]. To protect Supplier's personnel and facility, a surrogate will be used in place of [*] for Development Activities.

7. Engineering Runs

7.1 **Engineering Runs.** Supplier will perform a minimum of [*]Engineering Runs ([*]) prior to manufacturing any cGMP batches. The Engineering Runs will take place on the Equipment located in the Dedicated Suite under non-GMP conditions. Assuming that Batches are run at Full Scale for [*] and at least equivalent batch size for the [*] presentation, the price of the Engineering Run(s) will be billed to Company at a rate of $[*]/[*]. All testing, raw materials (excluding [*] and [*]) and Batch Record Documentation of the Engineering Runs will be covered in this pricing. The price of these [*] will count toward the Preliminary Monthly Fee and Monthly Fees, covered in Section 10.7.

8. Media Fills

8.1 **Media Fills.** Supplier will perform [*] (or [*], if requested by Company) consecutive successful Media Fills prior to cGMP manufacturing. The Media Fills will bracket [*] and [*] and will be performed using Company's primary components. Assuming that Batches are run at Full Scale (or half scale for [*]), the price of the Media Fills will be billed to Company at a rate of $[*]/[*]. If a smaller scale Batch is requested by Company, the per [*] price will be adjusted appropriately. Under no circumstances will the per Batch price be less than $[*]. Testing, raw materials and Batch Record Documentation of the Media Fills will be covered in this pricing. The price of these [*] will count toward the Preliminary Monthly Fees covered in Section 10.7. For clarity, Company will pay Supplier the price for the successful designated Media Fills under this Section 8.1. Supplier will bear the cost of any Media Fill failures and routine cGMP Media Fills following construction of the Dedicated Suite. Company will be responsible for the cost of Media Fill(s) required for any new qualification(s) required due to process changes requested by the Company.

9. Pre-Approval Batches

9.1 **Services.** Each Process Performance Qualification ("PPQ") Batch (including each registration batch(es)) and Clinical Batch(es) of Product manufactured under this Agreement will be considered a Pre-Approval Batch until Company receives Regulatory Approval in the United States. Notwithstanding anything to the contrary in this Agreement, Company shall be responsible for the price of each Pre-Approval Batch as outlined in the applicable Work Order.

9.2 **Clinical Batches.** As requested by Company and covered in a Work Order, Supplier will produce Clinical Batches to be used in clinical trials in US or/ and *ex* US. Product can be filled in either [*] or [*]. Assuming that Batches are run at Full Scale, the price of each

Clinical Batch will be billed to Company at a rate of $[*]/[*]. If a smaller scale batch is requested by Company, the per [*] price will be adjusted appropriately. Under no circumstances will the per Batch price be less than $[*]. Testing, raw materials (excluding [*] and [*]) and Batch Record Documentation of Clinical Batches will be covered in this pricing. The price of these [*] will count toward the Monthly Fees covered in Section 10.7. If the Clinical Batch Product is out-of-specification (OOS), Company will still be responsible for the price of Batch unless the root cause of the OOS is material and is directly related to Supplier's failure to follow the manufacturing process or testing instructions that are covered in the agreed upon Batch Records or transferred test methods, respectively.

9.3 **PPQ Batches.** As requested by Company and covered in a Work Order, Supplier will produce PPQ Batches to be used in clinical trials in US and *ex* US. Product can be filled in either [*]or [*]. Assuming that PPQ Batches are run at Full Scale, the cost of the PPQ will be billed to Company at a rate of $[*]/[*]. If a smaller scale Batch is requested by Company, the per vial price will be adjusted appropriately. Under no circumstances will the per Batch price be less than $[*]. Testing, raw materials (excluding [*] and [*]) and Batch Record Documentation will be covered in this pricing. The cost of any required process characterization and/or process validation documentation is not covered in the per [*] pricing and will be agreed upon by the Parties in the relevant Work Order. The price of these [*] will count toward the Monthly Fees covered in Section 10.7. If the PPQ Batch Product is out-of-specification, Company will still be responsible for the price of Batch unless the root cause of the OOS is material and is directly related to Supplier's failure to follow the manufacturing process or testing instructions that are covered in the agreed upon Batch Records or transferred test methods, respectively. For clarity, no scale-up or process characterization activities are included in the PPQ Batches. Any required scale-up or process characterization activities will be covered and agreed upon in writing by the Parties in a Work Order.

9.4 **Remedies.** While manufacturing Pre-Approval Batches, if Supplier commits any material error in performing any Services which renders the results unacceptable to a Regulatory Authority to which Company submits such results, Company's sole and exclusive remedy and Supplier's sole and exclusive obligation to Company, upon each such occurrence, shall be for Supplier to repeat the relevant Services at Supplier's own cost (excluding the cost of the [*] which shall be supplied by Company, at no charge). If Supplier follows the manufacturing process or testing instructions that are covered in the agreed upon Batch Records or transferred test methods, respectively without major deviation directly related to the OOS and the final product is out of specification, Supplier will not be responsible for repeating that Batch.

10. Commercial Supply

10.1 **Specifications and Process; Product Appendix.** For each Product to be manufactured and supplied under this Agreement as a commercial product, the Parties shall agree on the detailed description of such Product, Specifications, Process, lead time for ordering and delivery, and other terms and conditions for the manufacture and supply of such Product, all of which shall be set forth in a Product-specific appendix to this Agreement using the form set forth in Exhibit A and B, respectively (each, a "**Product Appendix**"). Critical Components in [*] and [*] for [*] are set forth in Exhibit C. Pricing is set forth in this Agreement. In the event of any conflict between this Agreement and any provision of a Product Appendix, the Agreement will control unless the Parties' intent to alter the terms of the Agreement is expressly set forth in

the Product Appendix, and such alteration shall only apply to the particular Product described in such Product Appendix and shall not be construed as a general amendment to the terms of this Agreement.

10.2 **Forecasting.** For each Product to be manufactured and supplied under this Agreement as a commercial product, Company shall provide a written rolling forecast (the "**Rolling Forecast**") and shall specify the portion of that Rolling Forecast that will be binding (the "**Binding Forecast**") in accordance with the Product Appendix. The length of the Rolling Forecast (including the length of the Binding Forecast) for a particular Product shall be as set forth in the applicable Product Appendix, together with any adjustments or additional conditions upon such quantity or timing terms as may be agreed upon by the Parties in writing. However, it is understood that no Binding Forecasts shall be required prior to Regulatory Submission or during a commercially reasonable period following such Regulatory Submission ([*]post submission which was negotiated by the Parties in good faith.) The Binding Forecast shall constitute a mutually binding commitment of the Parties to order, have supplied and take timely delivery the total quantity of such Product specified therein. Notwithstanding the foregoing, (i) in no event shall a Binding Forecast require the manufacture and supply of Product in excess of the [*] set forth in the Product Appendix without the prior written approval of Supplier, and (ii) Supplier shall have no obligation to manufacture and supply Product in the quantities specified in a Binding Forecast (nor shall Supplier be deemed in breach of this Agreement for any failures to do so) if Supplier has diligently placed orders for materials as applicable with reasonable lead time in accordance with the Binding Forecast, and for reasons reasonably outside Supplier's control, Company or any vendor fails to provide in a timely manner and/or in sufficient quantities of the [*] or [*] for the Product or other materials required to manufacture and supply the Product pursuant to a Binding Forecast. Supplier shall maintain a mutually agreed upon stock of components of the Products, including any Materials, reasonably adequate to meet the Binding Forecast provided by Company.

10.3 **Purchase Orders**. Company shall submit written Purchase Orders, using its standard form for the Products to Supplier (each a "Purchase Order"). Each Purchase Order shall specify the Product being ordered, the quantity of each such Product and the desired delivery date and delivery location for each shipment. All Purchase Orders shall be in whole Batch quantities and will be received at least [*] days prior to the scheduled fill date. The terms and conditions of this Agreement shall be controlling over any conflicting or additional terms and conditions stated in any Purchase Order or any other documents submitted by a Party to the other Party with respect thereto (unless the Parties shall have mutually agreed to the contrary in writing with respect to a particular instance).

10.4 **Orders.** Orders provided by Company will be at a scale that is commercially reasonable for Supplier, which will be set forth in each Product Appendix. Supplier will have the ability to adjust the scale and/or batch size to meet the Binding Forecast provided by Company
.

10.5 **Minimum Orders**. Company shall be obligated to purchase minimum volumes of Product as and to the extent set forth in a Product Appendix for commercial batches. It is understood that no minimum orders shall be required prior to Regulatory Submission or during a commercially reasonable period following such Regulatory Submission (such period to be negotiated by the Parties in good faith and set forth in the applicable Product Appendix).

10.6 **Maximum Orders**. Supplier shall not be obligated to produce Product in excess of the Maximum Capacity of the Facility. Assuming [*], the Maximum Capacity of the Facility will be [*] for exclusively [*] and [*] for exclusively [*]. The Maximum Capacity will be between [*] and [*] if a mixture of [*] and [*] are produced.

10.7 **Monthly Fees and Cost of Unused Capacity.**

10.7.1. No later than [*], Supplier and Company shall update the Project Plan to include the schedule of Product development and commercialization activities. After the Dedicated Suite construction is complete and Supplier has successfully completed an Engineering Run [*], Company will be responsible for paying a Preliminary Monthly Fee of $[*]per month (the "**Preliminary Monthly Fee**"). The Preliminary Monthly Fee will apply until the completion of the last successful Media Fill. Completion of the last successful Media Fill will be defined as a passing [*] day readout and growth promotion documented by Supplier using Supplier's approved testing records or protocol, with subsequent review by Company's Quality Assurance department required to proceed to manufacturing of PPQ Batches, which approval to proceed will not be unreasonably withheld by Company. The Media Fill program will [*] and [*] and will be performed using Company's primary packaging components. If Company delays the timing for the Engineering Run beyond more than [*] weeks from completion of the last successful Media Fill, Supplier may commence charging the Monthly Fees prior to the Engineering Run. [*].

10.7.2. After the last successful Media Fill is completed, Company will be responsible for a Monthly Fee of $[*] (the "**Monthly Fee**"). This Monthly Fee will apply until the first day of January following the Regulatory Submission (the "**Minimum Effective Date**"). For clarity the Monthly fee will apply for the remainder of the calendar year in which the Regulatory Submission is made; provided that the Company will not be obligated to pay more than $[*] in Monthly Fees in the calendar year in which the Regulatory Submission is made. If Company materially holds up the timing for the Media Fill(s), Engineering Run with [*] and/or PPQ Batches, Supplier will have the option to commence charging the Monthly Fees prior to the Regulatory Submission. The price of the Media Fills, Engineering Run(s), PPQ Batches, and commercial batches produced at risk will be [*] in the month that they were manufactured, and Company will be responsible for the balance each month. Supplier will commence with commercially reasonable efforts to move immediately from Engineering Runs to Media Fills and PPQ Batches to minimize downtime except where required by Batch Record or testing instructions to wait for results. Company has the right to move immediately to commercial production at risk after the PPQ batches and prior to approval of the Regulatory Submission.

10.7.3 Beginning on the Minimum Effective Date, the Monthly Fee will be suspended and [*] Minimums in Section 10.8 will apply. Any commercial Product manufacturing that takes place prior to Regulatory Approval by the applicable regulatory body will be billed to Company at the per [*] pricing covered in Section 15 of this Agreement. Once [*] Minimums go into effect, they will replace the Monthly Fee.

10.7.4 If the Regulatory Submission is not completed by Company within [*] from completion of the last PPQ Batch, the Monthly Fee will be adjusted to $[*]for each subsequent month until the Minimum Effective Date (in which case the $[*]maximum in Section 10.7.2 shall not apply).

10.7.5 Prior to introducing [*] into the Dedicated Suite, Supplier may seek Company's written consent for Supplier to utilize the Dedicated Suite for other customers.

[*]

10.8 [*] Minimums

10.8.1. Minimums are set at: [*]

10.8.2. Any of Supplier's Product(s) manufactured in the Dedicated Suite will count towards the [*] Minimums.

10.8.3. [*] Minimums will become effective upon the Minimum Effective Date.

10.8.4. In months where the Supplier's invoices generated from Commercial Manufacturing Orders placed by Company do not meet or exceed [*]of the amount of the applicable [*] Minimum Value for [*], Company will pay Supplier the Shortfall Payment. The "Shortfall Payment" will be defined as [*] of the amount of the [*] Minimum Value minus the actual monthly invoiced amount from Commercial Manufacturing. (For example, in the [*] after the Regulatory Submission, [*]of the [*] Minimum Value will be $[*]. If the actual monthly invoiced amount for one month is $[*], the difference will be $[*]). To the extent the sum of the Shortfall Payments and the Company's invoices from the Commercial Manufacturing exceeds the [*] Minimum Value in [*], the excess amount will be applied as a credit in the [*] to invoices for Commercial Manufacturing. The value of the credit cannot be more than [*]% of the [*] Minimum Value for [*]. (For example, the maximum value of the credit that can be carried from [*] to [*] is $[*] ([*]% x $[*]).

10.8.5. Unless mutually agreed upon between the Parties, Supplier will not be obligated to manufacture more than [*]% of the [*] Minimum within [*].

10.9. Exclusivity.

10.9.1. **Supply Relationship**. [*].

10.9.2. **Competing Products**. Supplier shall not produce any other product that contains [*] and directly competes with any of the Products during the period of the Supply Agreement.

10.10. Performance. Supplier shall manufacture and supply the Products ordered by Company in accordance with the terms and conditions of this Agreement, the requirements set forth in the applicable Product Appendix, and the Quality Agreement, in

conformity to the Specifications (after the successful completion of process validation), and in compliance with all Applicable Laws. Prior to Supplier's commencement of any manufacturing activities related to the commercial supply of a particular Product under this Agreement, Supplier shall obtain Company's written approval for the Process, Master Batch Record, material control procedures, and any applicable SOPs. Supplier shall promptly notify Company in the event that it anticipates any delay in fulfilling any Purchase Order. Such notice shall not be deemed to relieve Supplier of its obligations to fulfill the Order by the delivery date set forth therein. Supplier shall not subcontract any aspect of the manufacturing and supply of the Product hereunder, except as permitted herein or with the prior written consent of Company. If a Product is out-of-specification, Company will still be responsible for the cost of the Batch unless the root cause of the OOS is material and is directly related to Supplier's failure to follow the manufacturing process or testing instructions that are covered in the agreed upon Batch Records and transferred test methods, respectively.

10.11. **[*].** [*]. If Company would like Supplier to manage the [*] for the Products, an amendment or Work Order will be drafted and negotiated between Parties.

11. Timing.

11.1. **Timing.** Company will commence [*] upon execution of this Supply Agreement. Company estimates that the first cGMP batch will be executed approximately [*]from the execution of this Supply Agreement, pursuant to the following agreed upon Milestones and Target Completion Dates:

Milestone	Target Completion Date
• [*]:	[*]
• [*]	[*]
• [*]	[*]
• [*]	[*]
• [*]	[*]

Upon execution of this Supply Agreement, Supplier will work with the Third-Party Suppliers and Company to develop a Project Plan to meet the Target Completion Dates listed above. This Project Plan will cover the timelines for the above-listed milestones and the listed Target Completion Dates will be considered the mutually agreed upon timelines. By the end of the [*], Supplier and the Company will update the Project Plan to include a schedule of activities (including milestones and target completion dates) to be conducted following construction of the Dedicated Suite.

11.2 **Supplier Delays**. Any material delay in the project completion of longer than 3 months after the applicable Target Completion Date, up to and including completion of [*] activities, caused solely and directly by matters reasonably within the control of Supplier will be considered a Supplier delay in project. Supplier will provide a [*]% discount on all Company's Milestone Payments at the time the delay is incurred up to and including Company's full Company Contribution. If a delay in the project goes beyond [*] months after the applicable Target Completion Date, an additional [*]% discount will

be credited within [*] days of such delay being triggered. All Supplier delay discounts will be in the form of an evenly applied discount to manufacturing services in the first [*]of commercial production. In addition, this Agreement may be terminated by Company in its sole discretion with immediate effect in the case of a delay in the project beyond [*]from the Target Completion Date. In the event of such termination, Supplier shall refund to Company all payments made, plus [*]%. Notwithstanding the foregoing, Company shall not be entitled to any discount and may not terminate this Agreement to the extent any delay in the project is due in whole or in part to Company's actions, failure to make payments in a timely fashion, inactions, vendors and contractors engaged directly by Company, requests, changes or change orders, or a Force Majeure event that is governed by Section 25.8.

11.3 **Company Delays.** If Company substantially delays the project timelines with updated requests and/or changes to the Project Plan, Company will be responsible for the Monthly Fee covered in Section 10.7 during the downtime caused by the change in request. No Supplier delay fees under Section 11.2 would apply for missed timelines to the extent due to Company's delay.

12. Shipping and Delivery.

12.1 Upon completion of any testing required to be done by Supplier under this Agreement or the Quality Agreement with respect to a particular Batch of Product, Supplier shall provide to Company the complete, executed Batch Records for such Batch, a Certificate of Processing, and any other documentation agreed by the Parties (collectively, the "**Manufacturing Documentation**") and, at Company's request, make available to Company or a Company designee samples of Product from such Batch. Company shall carry out its review of the Manufacturing Documentation in accordance with the Quality Agreement. Except as agreed to by the Parties in writing, Company shall be under no obligation to authorize for shipment or accept any shipment of Product without first having the opportunity to review the relevant Certificate of Analysis.

12.2 Company will make all appropriate efforts to authorize shipment of the Product in a reasonable period of time, but in no event later than [*]days following the expiration of the Inspection Period. Following Company's written authorization to ship the Product, Supplier shall deliver the Products ordered by Company to the delivery location specified in the applicable Purchase Order or as otherwise instructed by Company. Company shall have the right to request shipment of part of the Products order in a particular Order, in which case Supplier shall store the remainder of such Products and Company shall pay Supplier for such storage at Supplier's then standard rate, provided that storage space is available at Supplier's facility for such Products. Delivery of all Products and any other deliverables to Company under this Agreement shall take place [*] Supplier's facility. Supplier shall package and ship the Product in accordance with the Specifications, the Product Appendix, and Company's instructions. Supplier shall prepare and provide complete and accurate shipping documentations, including any applicable custom, import and export documents. Supplier shall be responsible for pulling and shipping stability samples of Product to the testing facility designated by Company. Company shall bear the risk of loss of Product or other deliverables after delivery of Product to a commercial

shipping company, provided that Supplier ships the Product in compliance with this Section 12.2.

12.3 If Company fails to take timely delivery of Product or any other deliverables on any scheduled delivery date, Supplier shall store such items as Company's agent, and Company shall be invoiced for the stored items and invoiced on a monthly basis thereafter for reasonable administration and storage costs. Company agrees that: (i) Company has made a fixed commitment to accept and pay for, if applicable, such items; (ii) title and risk of loss for such items passes to Company upon the scheduled delivery date or transfer to storage, whichever is earlier; (iii) such items shall be on a bill and hold basis for legitimate business purposes; and (iv) Company will be responsible for any decrease in market value of such items. Within [*] following a written request from Supplier, Company shall provide Supplier with a letter confirming items (i) through (iv) of this Section with respect to a given undelivered item.

13. Business Review Meetings

13.1. **Business Review Meetings.** Company and Supplier agree to a business review meeting every [*] to discuss the current state of business and the Agreement ("**Business Review Meetings**"). When possible, [*], representatives from Company and Supplier will meet in person and the location of the meetings will alternate between Company and Supplier's headquarters. Additional Business Review Meetings can be scheduled as needed between the Parties.

14. Acceptance and Rejection.

14.1. Within [*] days (or such longer period set forth in the Product Appendix or the Quality Agreement) after the receipt of a shipment of Product by Company or its designee (the "**Inspection Period**"), Company shall have the right, subject to Section 14.2.3(a), to reject (a) all or any portion of any shipment of the Products that does not conform to the warranty set forth in Section 14.2 below ("**Defective Product**"), (b) Product shipments that do not match the applicable Order or (c) any Product that Supplier was not authorized to ship under the terms of the Quality Agreement. If Company fails to provide notice of such rejection within the Inspection Period, Company shall be deemed to have accepted the shipment of Product, subject to its right to reject such Product for latent defect as set forth in Section 14.1.2 below. In determining whether any Product is Defective Product, Company may, in its sole discretion, perform or have performed additional testing on Product, but shall in any event be entitled to rely upon the Manufacturing Documentation provided by Supplier. Company assumes responsibility, all risk and liability for results obtained by the use of or integration of Supplier's Services, incorporating the Product, whether used singly or in combination with other products. Company shall be responsible for the final release of Product for human use.

14.1.1. In the event that Company or its designee discovers, after the expiration of the Inspection Period, Defective Product due to a non-obvious defect that was not reasonably susceptible to discovery using commercially reasonable efforts, including visual inspection of the Product and review of the Manufacturing Documentation (including a defect identified after the Product has been packaged,

labelled, further processed, and/or sold), Company shall have the right to reject such Defective Product by providing notice to Supplier within [*] Business Days after Company becomes aware of such defect.

14.1.2. If Supplier disagrees with Company's determination that certain units of Product are Defective Product, Supplier shall notify Company within [*] Business Days and the Parties shall submit such Product to a mutually agreed independent Third Party testing service to determine whether such Product is Defective Product. The determination of such independent Third-Party testing service shall be final and binding on both Parties. The costs of such independent Third-Party testing service shall be borne by the party that is determined to be incorrect in the dispute by the independent Third-Party laboratory. For the avoidance of doubt, Supplier shall not be responsible for (i) damages to Product during shipment, (ii) noncompliance with the Product warranty for Product that complied with the Product warranty at time of shipment, (iii) nonconformities that result from a deficiency or change in the [*] utilized in the applicable batches of Product that existed prior to delivery of such [*] to Supplier, or (iv) nonconformities that result from a defect in the Specifications for the Product.

14.1.3. If Supplier agrees with Company, or if the independent Third Party testing service determines, that certain units of Product are Defective Product, then Company's sole and exclusive remedy and Supplier's sole and exclusive obligation shall be for Supplier to, at Company's option and within [*] after the receipt of written notice from Company or the independent Third Party testing service (as applicable), either (a) replace such Defective Product with conforming Product at no additional cost to Company (excluding the cost of the [*]), or (b) refund the amount paid by Company for such Defective Product, reimburse Company for the freight, insurance, custom duties and other charges incurred by Company in connection with the delivery of such Defective Product, and the Order for such Product shall be cancelled. Supplier shall not re-work or re-process such Defective Product without Company's prior written consent.

14.1.4. Supplier shall reasonably cooperate with Company in determining the cause of any Defective Product, including quality problems involving a Product, identifying corrective action and ensuring the implementation and effectiveness thereof. At Supplier's request, Company shall return to Supplier any Defective Product or otherwise dispose of Defective Product as Supplier may direct.

14.2. **Product Warranty.** Supplier represents and warrants to Company that:

14.2.1. all Products supplied hereunder shall be manufactured using the Process set forth in the applicable Product Appendix and in compliance with the requirements set forth in the Product Appendix, the Quality Agreement and all Applicable Laws including cGMP requirements;

14.2.2. the Batch Records, Certificate of Processing, and other documents provided with the shipments of the Product (including, for example, the results of

prefiltration bioburden testing, sterility testing, and bacterial endotoxin testing) are accurate.

14.2.3. at the time of shipment, all Products supplied hereunder shall (a) conform to the applicable Specifications in effect at the time of shipment, provided that such representation and warranty shall be effective only after the successful completion of process validation, (b) not be adulterated or misbranded within the meaning of the FD&C Act, and (c) not be an article which may not, under the provisions of the FD&C Act, be introduced into interstate commerce;

14.2.4. at the time of delivery, all Products supplied hereunder shall be free and clear of any lien, security interest or encumbrance; and

14.2.5. at the time of delivery, all Products supplied hereunder shall have a remaining shelf life of the required shelf life set forth in the applicable Product Appendix, unless Company otherwise consents in writing in advance of any shortened shelf life.

14.3 **Quality Agreement**. Upon mutual agreement of the Parties or if required by Applicable Law, the Parties shall enter into a quality agreement (the "**Quality Agreement**") that sets forth in detail the quality assurance arrangements and procedures with respect to the manufacturing and supply of the Products, which Quality Agreement shall be incorporated herein by reference following its execution by both Parties. The Quality Agreement shall in no way determine liability or financial responsibility between the Parties for the responsibilities set forth therein. In the event of any conflict between this Agreement and the Quality Agreement, the terms of this Agreement shall control, except that with respect to matters relating to compliance with cGMP and related regulations, the Quality Agreement shall control. The Quality Agreement must be executed by the Parties prior to Supplier initiating production of the PPQ Batches. The Parties may also execute a clinical phase Quality Agreement to cover the quality assurance arrangement with respect to clinical supplies.

14.4. **Materials.** Solely if and to the extent specified in this Agreement or the Product Appendix for a particular Product, Company shall, in a timely manner, provide Supplier with sufficient amounts of the Materials for the Supplier to manufacture and supply such Product in accordance with the Orders, at Company's cost and expense. Supplier will provide Company with a quarterly update on available inventory to be used for the manufacturing of Product. Title to and risk of loss of the Materials shall remain with Company at all times. Supplier shall use the Materials solely to perform its obligations under this Agreement and for no other purpose, and in compliance with Company's instructions, the applicable Product Appendix, and all Applicable Laws. Supplier shall not sell, transfer, disclose or otherwise provide access to the Materials to any person or entity without the prior written consent of Company, and Supplier shall not reverse engineer or otherwise attempt to determine the structure, composition or individual components of the Materials. Upon completion of Supplier's obligations with respect to such Materials under this Agreement, or earlier upon Company's request, Supplier shall, according to Company's instructions and at Company's cost and expense, return the Materials to Company or destroy the Materials and certify such destruction in writing.

Company shall be responsible for providing in a timely manner to Supplier the following: (i) documented evidence that the [*] and [*] (and any other Materials) and the packaging and processes used to make the [*] are free of [*], (ii) documented evidence that the [*] was manufactured in accordance with cGMP, and (iii) a Certificate of Analysis for the [*] upon its receipt by Supplier.

14.5. **Labels.** Supplier shall provide primary bulk packaging and primary bulk labeling services with respect to the Product upon mutual written agreement of the Parties. Additional labeling details will be covered in the Product Appendix.

14.6. **Changes**. Any change to the Product Appendix, including the Specifications, must be approved in a writing signed by both Parties and, if applicable, shall be made in accordance with the Quality Agreement. Notwithstanding the foregoing, if Company finds it necessary or desirable to change the Specifications for any Product or other aspects of a Product Appendix, Company may deliver a request for such change to Supplier and Supplier shall use commercially reasonable efforts to make any change identified in such request, but Supplier shall not be liable in any way for its inability to do so. The Parties shall negotiate in good faith any changes to the price for Product that results from changes to the Specifications or other aspects of the Product Appendix.

14.7. **Capacity**. Supplier shall maintain sufficient capacity to supply Products to Company under this Agreement.

14.8. **Change in Vendor**. If Company requests a change in vendor for any of the required Materials, the cost of any required vendor qualification will be covered in a Work Order and agreed upon in writing by the Parties. Any changes in cost to the Materials will be covered under Section 15.3.

15. Payment/Pricing

15.1. Per [*] Pricing. Subject to the terms and conditions of this Agreement, Company shall pay for the Products manufactured and supplied hereunder following the Submission Date at the following prices:

- The first [*] per Contract Year will be billed to Company at a rate of $[*]/[*].
- [*] through [*] per Contract Year will be billed to Company at a rate of $[*]/[*].
- [*] through [*] per Contract Year will be billed to Company at a rate of $[*]/[*].
- [*] through [*] per Contract Year will be billed to Company at a rate of $[*]/[*].
- [*] through [*] per Contract Year will be billed to Company at a rate of $[*]/[*].
- [*] through [*] per Contract Year will be billed to Company at a rate of $[*]/[*].
- [*] and above per Contract Year will be billed to Company at a rate of $[*]/ [*].

15.1.1. Per [*] pricing applies to a mix of the Products and [*] sizes ([*] and [*]) exclusively [*] or exclusively [*].

15.1.2. Pricing includes cost of all bulk unlabeled [*] and all primary container closures and excipients (assuming <or equal to $[*]/[*], stopper, seal). If component prices exceed $[*]/unit, Supplier will have the option to adjust the per

[*] pricing accordingly upon presentation of documentation of the component prices.

15.1.3. The following testing (as such terms are defined in the Quality Agreement) is included in the per unit pricing: [*].

15.1.4. Unless expressly set forth in the applicable Product Appendix, such prices will not include stability testing or any other work not specifically set forth herein or in such Product Appendix. Stability testing services and other services (including, without limitation, annual product reviews) requested by Company shall be provided at Supplier's then current rates for such services.

15.1.5. Per [*] pricing does not include bulk packaging, shipping, or shipping containers. The cost of this material will be billed to Company at cost +[*]%.

15.1.6. Per [*] pricing does not include the [*] or [*] (including testing), which will be supplied by Company.

15.2. **Storage.** Supplier will hold the Product at the Facility for up to [*] days following the release of the Product at no additional cost to Company. Supplier will store Product in accordance with the Specifications and Applicable Laws. Any costs related to Company-requested change to the storage requirements for the Product, the Materials, [*] excipients and/or [*] as set forth in the Specifications shall be borne by Company. Company will make all appropriate effort to authorize shipment of the Product from Facility in a reasonable period of time but in no event later than [*] days following capping.

15.3. **Price Adjustments**. Beginning on the [*] of the Effective Date, Supplier shall be permitted to increase the price for the Products upon [*] days written notice to Company; provided, however that any year-to-year increase in price shall not exceed the [*] for the same period or [*]%, whichever is higher. As used in this section, "[*]. If publication of the [*]ceases, or if the [*]otherwise becomes unavailable or is altered in a way as to be unusable, the Parties will agree on the use of an appropriate substitute [*]. In addition, Supplier shall be entitled to revise the prices for the Products if and solely to the extent of any increased costs directly associated with (i) any information relating to a Product Appendix which is provided by Company is materially inaccurate or incomplete, (ii) Supplier's responsibilities, the Specifications, protocols, applicable test methods, final review of test methods, procedures, assumptions, development processes, test methods or analytical requirements are materially revised, (iii) Company requests an alternate report format, material revisions to laboratory reports, or additional laboratory records, or (iv) vendor changes or regulatory requirements related to the manufacture and supply of the Product result in material additional costs to Supplier.

15.4. **Invoicing and Payment**. Supplier shall provide to Company a written invoice for each shipment of Product delivered to Company or its designee and for each unit of Product retained in stock by Supplier at Company's request or stored in accordance with Section 12 above, which invoice shall include reasonable supporting documents. Company shall pay the undisputed portion of such invoice within [*] after Company's

receipt of the applicable invoice unless such shipment of Product is rejected as Defective Product under the provisions of Section 14.1.1. For clarity, Company shall have no obligation to pay for any Defective Product. All payments due hereunder to Supplier shall be paid in United States dollars. Payments shall be reduced by [*]% if paid within [*] after receipt of invoice. In the event payment is not received by Supplier on or before the [*] day after Company's receipt of the applicable invoice, then Supplier may, in addition to any other remedies available at equity or in law, at its option elect to (i) charge interest on the outstanding sum from the due date (both before and after any judgment) at [*]% per month until paid in full (or, if less, the maximum amount permitted by Applicable Law), and/or (ii) suspend any further manufacture and supply of Product hereunder until such invoice is paid in full. If at any time in Supplier's reasonable discretion, Company's credit is impaired, Supplier shall have the right to require payment in advance before manufacturing or making further shipment of Product. If Company shall fail within a reasonable time to make such payment in advance, or if Company shall fail to make payment when due, Supplier shall have the right, at its option, to suspend any further manufacturing or shipment of Product until such default is cured, without thereby releasing Company from its obligations under this Agreement. Company will be pay [*]% of the value of the batch at the time of capping and the remaining [*]% due at the time of release.

15.5. **Offset**. Company shall make no setoff or deduction of any kind from any payments due to Supplier unless Supplier authorizes such setoff or deduction in writing.

15.6. **Taxes**. Prices set forth in the Product Appendices are exclusive of applicable taxes unless otherwise expressly set forth therein. Company will pay any applicable sales, use or similar tax imposed in connection with the sale of Products to Company hereunder; provided, that Supplier shall not charge or collect, and Company shall have no liability for, taxes on any sale of Products for which Company has provided Supplier with an appropriate resale certificate or other documentation evidencing an exemption from such taxes. For all sales of Products upon which tax reimbursement to Supplier is applicable, Supplier shall separately identify and itemize all applicable taxes on invoices submitted to Company.
15.7. **Regulatory Fees**. Company will be responsible for any applicable fees assessed by a government or regulatory agency which relate to the Product, including without limitation facility, product, Regulatory Submission, and user fees assessed by the FDA any other similar regulatory body in another jurisdiction.

15.8 **Payment Terms.** Unless stated otherwise, payment terms between Company and Supplier will be [*]days from date Supplier sends electronic invoice.

15.9. **Material Costs**. Unless otherwise set forth in a Product Appendix, Supplier shall be responsible for the costs of all Materials (excluding[*] and [*]), including [*], stoppers, seals, excipients, disposable formulation and filling materials, bulk primary labeling and packaging.

15.10. **Postponement; Cancellation**.

15.10.1 Company shall reimburse Supplier for all costs and expenses incurred by Supplier as a result of the postponement of any Order due to (a) Company's delay in providing Materials to Supplier for the applicable Order, (b) Supplier's receipt of Materials which cannot be used to manufacture the Product, or (c) any necessary retesting or re-validation of Materials, including [*]. Notwithstanding anything to the contrary herein, Supplier shall not be liable for any loss, spoilage or the expiration of [*] which occurs due to such postponement of an Order. Upon the occurrence of a postponement of an Order, the Parties shall mutually agree upon a schedule for the manufacture and supply of Product for such postponed Order. In no event shall such postponement of an Order obligate Supplier to manufacture and supply Product in quantities in excess of the maximum volumes set forth in the applicable Product Appendix (nor shall Supplier be deemed in breach of this Agreement if Supplier is unable to manufacture and supply Product in quantities in excess of such maximum volumes).

15.10.2. In the event of cancellation of an Order in connection with a regulatory issue (other than a regulatory issue specific to Supplier's facility), Company shall be responsible for any loss of inventory and any costs and expenses incurred by Supplier in connection with such Order cancellation, and Company shall be obligated pay to Supplier such sums as will compensate Supplier had the cancellation not occurred.

15.11. **Retesting**. All retesting performed that is not directly due to Supplier's material error will be billed to Company. All required investigational studies or additional requests made by Company not outlined in a Product Appendix will be invoiced for the cost of performance at Supplier's current standard hourly rate, plus any associated fees.

15.12. [*] **Minimum Volumes**. If Company fails to purchase the [*] Minimum of Product set forth in Section 10.8, Company shall be obligated to pay to Supplier the Shortfall Amount set forth in Section 10.8.4.

16. Facility Ownership

16.1. **Facility Ownership.** Under all circumstances, the equipment and the Facility will remain under the ownership of Supplier.

17. Regulatory.

17.1. **Regulatory Responsibilities.** Company shall be solely responsible for filing and seeking regulatory approval for Product in jurisdictions it chooses. Supplier shall provide to Company such documentation, data and other information relating to the Products as Company may require for Regulatory Submission to regulatory authorities relating to Product, including without limitation an annual product review pursuant to 21 C.F.R. §211.180(e), at Company's cost and expense. Company shall be solely responsible for and will obtain all permits and licenses required by any regulatory authority relating to the Product, including any product licenses, applications and amendments in connection

therewith; provided, however, that Supplier shall be responsible for any licenses or permits generally necessary for conducting its manufacturing business.

17.2. **Audit.** In accordance with the terms of the Quality Agreement, if applicable, and subject to Supplier's obligations of confidentiality to third parties, upon reasonable advance written notice, Supplier shall allow Company's representatives to visit the facilities of Supplier once per year, unless for cause, during normal business hours at mutually agreed upon times, and in a manner designed to minimize any business interruption to Supplier, in order to verify that the manufacturing of the Products are being performed in accordance with the requirements of this Agreement, the Quality Agreement and all Applicable Laws, including review of the records described in Section 17.7. Supplier shall use commercially reasonable efforts to facilitate any such audit, including providing access to its employee, agents, equipment and facilities. Company's duly authorized agents and representatives shall be required to sign Supplier's standard confidential disclosure agreement prior to being allowed access to Supplier's facility. Such agents and representatives shall comply with Supplier's rules and regulations. Company shall indemnify and hold harmless Supplier for any action or activity of such agents or representatives while on Supplier's premises. The results of any such audits shall constitute Confidential Information under this Agreement. Any audit pursuant to this Section shall be for a commercially reasonable amount of time, in accordance with the terms set forth in the Quality Agreement.

17.3. **Regulatory Inspection.** Each Party agrees to inform the other Party in accordance with the terms of the Quality Agreement of any inspection by any regulatory authority that directly relates to the manufacture of the Products under this Agreement. Supplier shall cooperate with such regulatory authority in such inspection and shall permit Company's representatives to observe such inspection to the extent permitted by Applicable Laws and in accordance with the terms set forth in the Quality Agreement. Company agrees to fully cooperate with and assist Supplier in fulfilling its obligations pursuant to this Section. Company's representatives shall be required to sign Supplier's standard confidential disclosure agreement prior to being allowed access to Supplier's facility. Such representatives shall comply with Supplier's rules and regulations. Company shall indemnify and hold harmless Supplier for any action or activity of such representatives while on Supplier's premises. Supplier shall use commercially reasonable efforts to promptly cure deficiencies as noted during any such regulatory inspection. Each Party acknowledges that it may not direct the manner in which the other Party fulfills its obligations to permit inspection by a regulatory authority.

17.4. **Corrective Actions**. Product complaints received by Company with respect to Product manufactured by Supplier shall be promptly communicated to Supplier in accordance with the terms of the Quality Agreement. Company shall make all final decisions with respect to any recall, market withdrawal, field alert or correction related to Product ("**Corrective Action**"), and except as set forth herein or in the Quality Agreement, Company shall have sole responsibility for carrying out a Corrective Action. Company shall promptly notify Supplier if any Product is the subject of a Corrective Action and provide Supplier with a copy of all documents relating to such Corrective Action. Upon request, Supplier shall reasonably cooperate with, and provide reasonable assistance in a timely manner to Company in connection with any such Corrective

Action, including without limitation providing information relating to a potential or actual Corrective Action in accordance with the terms of the Quality Agreement. In the event that Supplier believes that a Corrective Action may be necessary or appropriate, Supplier shall notify Company in accordance with the terms of the Quality Agreement. The cost of any Corrective Action shall be borne by Company, except to the extent such Corrective Action results from or arises out of a breach by Supplier of the Product warranty set forth in Section 14.2 above, in which case Supplier shall bear the reasonable cost of such Corrective Action. For clarity, to the extent a Corrective Action is partially caused by Company's actions or omissions and partially caused by Supplier's breach of the Product warranty set forth in Section 14.2 above, then each Party shall be responsible for its proportionate share of the Corrective Action expenses based on its proportionate share of causation.

17.5. **Recall Procedures.** In the event Company is required to recall any Company Product by a Regulatory Authority or under applicable laws and regulations, or in the event that Company elects to institute a voluntary recall, withdrawal, field alert or similar action (collectively a "***Recall***"), Company shall be responsible for coordinating such Recall. Company promptly shall notify Supplier if any Company Product is the subject of a Recall and provide Supplier with a copy of all documents relating to such Recall. Supplier shall reasonably cooperate with Company in connection with any Recall. Company shall be responsible for all of the costs and expenses of such Recall, except to the extent (a) the Recall is caused by Supplier's breach of the Product Warranty (subject to the Warranty Period) and (b) Company gives notice thereof to Supplier on or before the relevant Company Product expiration date, but in no event later than [*] from delivery of same to Company. In such case Supplier shall be responsible for reimbursing Company's reasonable and documented direct out of pocket costs and expenses of such Recall, in addition to refunding any amounts previously paid for Batches that meet the criteria in (a) and (b) above.

17.6. **Regulatory Filings.** Company will be responsible for preparing and submitting any necessary regulatory filings to add Supplier as a manufacturing site in territories where Product is filed. Supplier will provide direct regulatory consulting support to Company at an hourly rate of $[*]/hour, subject to adjustment for changes in Supplier's standard rates.

17.7. **Records.** In accordance with the terms of the Quality Agreement, Supplier will keep accurate and complete records of its manufacture, testing and supply of the Product hereunder and will retain such records for a period of one (1) year following the date of Product expiry, or longer if required by Applicable Laws, after which time such records shall be transferred to Company. Supplier shall use commercially reasonable efforts to maintain such records in a manner that avoids cross-reference to any third party confidential information, so as to facilitate Company's audit and/or use of any such records.

18. Intellectual Property

18.1. **Existing Intellectual Property**. Subject to Sections 18.2 and 18.3, each Party shall retain all rights in all intellectual property rights owned or controlled by such Party

prior to the Effective Date or developed or acquired by such Party during the term of this Agreement.

18.2. **Inventions**.

18.2.1. Company shall own all right, title, and interest in and to any and all ideas, inventions, or improvements (whether patentable or unpatentable) that are developed solely by Supplier or jointly by Supplier and Company in the course of performing work for Company and that relate solely to the Products, along with all intellectual property rights, with respect thereto (the "**Product Inventions**"). Supplier agrees to communicate all Product Inventions promptly to Company. Supplier hereby assigns and transfers to Company all right, title, and interest in the Product Inventions, and Supplier agrees to take all further acts reasonably required to evidence such assignment and transfer to Company at Company's expense.

18.2.2. Any Inventions (other than the Product Inventions) that are developed solely by Supplier in the course of performing work for Company, along with all intellectual property rights with respect thereto ("**Supplier Inventions**"), shall be owned solely by Supplier, subject to the license granted in Section 18.3. Any Inventions (other than the Product Inventions) that are developed jointly by Supplier and Company in the course, of performing work for Company, along with all intellectual property rights with respect thereto ("**Joint Inventions**"), shall be owned jointly by Supplier and Company, and each shall have the right to use such Joint Inventions, without the consent of, or a duty of accounting to, the other. For the avoidance of doubt, all inventions developed solely by Company, along with all intellectual property rights with respect thereto, shall be owned solely by Company ("**Company Inventions**").

18.2.3. Supplier shall enter into an agreement with each employee or agent of Supplier performing work in connection with the manufacture and supply of Product hereunder, pursuant to which such person shall grant all rights in Inventions developed by such employee or agent in the course of such work, such that Supplier can comply with the terms of this Section 18.2.3. All Product Inventions and Company Inventions and any Confidential Information specifically related thereto shall be Company's Confidential Information subject to the confidentiality provisions of Section 19. All Joint Inventions and any Confidential Information specifically related thereto shall be the Confidential Information of both Parties subject to the confidentiality provisions of Section 19. All Supplier Inventions and any Confidential Information specifically related thereto shall be Supplier's Confidential Information subject to the confidentiality provisions of Section 19.

18.3. **License**. Company hereby grants to Supplier a non-exclusive, limited sublicensable, limited transferable (in accordance with Section 25.3), fully-paid, royalty-free license to use Company's Confidential Information, Product Inventions, and Company Inventions solely as necessary for Supplier to carry out its obligations hereunder, including Company's Intellectual Property to label and package the Product.

The purchase of the Products shall confer on Company and its Affiliates, and their respective subcontractors, distributors, and agents, an irrevocable, world-wide, royalty-free, non-exclusive non-transferable license under Supplier's patent applications, patents, copyrights, trade secrets, trademarks or other intellectual property rights it owns or controls, to use, test, market, sell, lease, distribute or otherwise use and dispose of such Products (either alone or together with other products). In addition, Supplier hereby grants to Company a fully-paid, royalty-free, irrevocable, sublicensable, non-exclusive license, under (a) any patent right claiming a Supplier Invention that is owned or controlled by Supplier and (b) any other Supplier Invention that is disclosed to Company, in each case to use the applicable Supplier Invention to make, have made, import, sell, and offer for sale Products and any improvements to such Products. Except as expressly set forth in this Section, no license or other right to intellectual property is granted hereunder.

19. Confidentiality

19.1. **Confidentiality Obligation.** Subject to Section 19.2, during the term of this Agreement and for [*] thereafter (and, in the case of information that constitutes a trade secret, continuing after the end of such [*] period for so long as such information remains a trade secret under Applicable Law), each Party shall not use for any purpose other than the purposes expressly permitted or contemplated under this Agreement, and shall not disclose to any Third Party, the confidential or proprietary information of the other Party ("Confidential Information"), except that either Party may disclose Confidential Information on a need-to-know basis to its Affiliates and its and their respective directors, officers, employees, consultants, advisors, subcontractors or agents who are subject to obligations of confidentiality and non-use that are (i) no less restrictive than those set forth herein, or (ii) approved by the other Party in advance of such disclosure. Upon written request of the other Party, a Party will promptly return to the other Party, or destroy, all documents, notes and other tangible materials representing the Confidential Information of such other Party and all copies thereof; provided, however, that such other Party may retain a single archival copy of the Confidential Information for the sole purpose of facilitating compliance with the surviving provisions of this Agreement. Notwithstanding anything to the contrary herein, each Party may retain such copies of the Confidential Information as are required to be retained under Applicable Law. Except as expressly set forth in this Agreement, neither Party will make any press release or other public disclosure regarding this Agreement or the transactions contemplated hereby without the other Party's express prior written consent. Company shall not use Supplier's name in a manner that could be construed as an endorsement of Company's Product, including any scientific conclusion as to safety or efficacy.

19.2. **Exceptions.** The obligations of confidentiality and non-use contained in Section 19.1 shall not apply to any Confidential Information to the extent that it can be established by the Party receiving the Information (the "**Receiving Party**") that such Information: (a) was already known to the Receiving Party, other than under an obligation of confidentiality, at the time of disclosure by the other Party; (b) was part of the public domain at the time of its disclosure to the Receiving Party or became part of the public domain after its disclosure to the Receiving Party through no fault of the Receiving Party; (c) was disclosed to the Receiving Party, other than under an obligation

of confidentiality, by a Third Party who had no obligation to the disclosing Party not to disclose such information to others; or (d) was independently discovered or developed by employees or agents of the Receiving Party without the use of or access to Confidential Information of the disclosing Party.

19.3. **Authorized Disclosure.** Each Party may disclose Confidential Information of the other Party to the extent such disclosure is reasonably necessary in complying with applicable laws, including securities laws, governmental regulations or court orders, and obtaining regulatory or other government approvals, provided that a Party making any such disclosure uses its reasonable efforts to secure confidential treatment of such Confidential Information required to be disclosed and to minimize the extent of such disclosure. In the event either Party is required to make a press release or public disclosure relating to this Agreement or the transactions contemplated hereunder, the Disclosing Party shall use commercially reasonable efforts to obtain the approval of the other Party as to the form, nature and extent of such press release or public disclosure prior to making such disclosure.

19.4. **Injunctive Relief.** The Parties expressly acknowledge and agree that any breach or threatened breach of this Section 19 by the Receiving Party may cause immediate and irreparable harm to the disclosing Party which may not be adequately compensated by damages. Each Party therefore agrees that in the event of such breach or threatened breach, and in addition to any remedies available at law, the disclosing Party shall have the right to seek equitable and injunctive relief without bond, in connection with such a breach or threatened breach.

19.5. **Other Confidentiality Agreements.** In the event that the Parties have entered into (or enter into during the Term hereof) a confidentiality agreement(s), the terms of this Agreement shall supersede any such agreement(s) between the Parties in connection with the Confidential Information disclosed pursuant to this Agreement, including, without limitation, the representations and warranties by either Party regarding the Confidential Information, the definition of Confidential Information, and the use or non-use of such Confidential Information.

20. Representations and Warranties

20.1. **Due Authorization.** Each Party represents and warrants to the other Party as of the Effective Date that (a) it is a corporation duly organized and validly existing under the laws of the jurisdiction of its organization, and has the full right, power and authority to enter into this Agreement, to perform its obligations hereunder; and (b) this agreement has been duly executed by it and is legally binding upon it, enforceable in accordance with its terms, and does not conflict with any agreement, instrument or understanding, oral or written, to which it is a party or by which it may be bound, nor violate any material law or regulation of any court, governmental body or administrative or other agency having jurisdiction over it.

20.2. **No Debarred Person.** Each of Company and Supplier respectively represents and warrants that it will not employ, contract with, or retain any person directly or indirectly to perform any of its obligations under this Agreement if such person is under

investigation by the FDA for debarment or is presently debarred by the FDA pursuant to the Generic Drug Enforcement Act of 1992, as amended (21 U.S.C. § 301, *et seq*.). In addition, each of Company and Supplier represents and warrants that it has not engaged in any conduct or activity that could lead to any such debarment actions. If during the Term, Company, Supplier or any person employed or retained by it to perform any of its obligations under this Agreement (i) comes under investigation by the FDA for a debarment action, (ii) is debarred, or (iii) engages in any conduct or activity that could lead to debarment (the "**Supplier Debarment Activity**" or **"Company Debarment Activity"**, as applicable), Company or Supplier shall immediately notify the other Party of same. Each of Supplier or Company shall have the right to terminate this Agreement upon the occurrence of any above stated Debarment Activity, pursuant to Section 23.4.

20.3. **Materials.** Company represents and warrants that all Materials shall comply with all applicable specifications, shall have been produced in compliance with all Applicable Laws, and shall not be adulterated, misbranded or mislabeled within the meaning of Applicable Laws.

20.4. **Safe Handling Instructions.** Company shall provide Supplier with specific safe handling instructions for similar operations, health and environmental information and/or safety data sheets that are applicable to and available for the Products, [*], [*] or any other Materials applicable the Product manufacturing process, and will be disclosed to Supplier in writing by Company in sufficient time for review and training by Supplier prior to delivery of Products. Supplier shall comply with such instructions in the performance of this Agreement.

20.5. **Intellectual Property.** Company represents and warrants that, to the best of its knowledge (a) it has all necessary authority to use and to permit Supplier to use pursuant to this Agreement all intellectual property related to the Product, [*] or other Materials that is necessary for Supplier's performance under this Agreement, and (b) there are no patents, trade secrets or other intellectual property or other proprietary rights of any third parties related to the Product, [*] or other Materials that would be violated, infringed, misappropriated or misused by Supplier's performance of this Agreement.

20.6. **Use of Deliverables.** Company represents and warrants that it shall use, hold and dispose of the results, data, samples and other materials and deliverables provided to it by Supplier solely as set forth in the relevant Product Appendix and in compliance with all Applicable Laws (including in connection with any such items that are not labeled); specifically, Company shall not sell any Product for human consumption unless such sale is permitted by an applicable Regulatory Approval from appropriate governmental authorities.

20.7. **Compliance with Laws.** Each of Supplier and Company respectively represents and warrants that it will comply with all laws applicable to its performance under this Agreement.

20.8. **Complete and Accurate Information.** Company represents and warrants that unless otherwise agreed by the Parties in writing, Company (a) has provided and will continue to provide Supplier with complete and accurate scientific data regarding the

Product and Company's requirements under each Product Appendix, including, without limitation, test methods in each case to the extent necessary for Supplier to perform its work under Product Appendix (b) has provided and will continue to provide Supplier with complete and accurate information necessary to develop the scope of work and estimated or fixed costs under each Product Appendix, (c) has reviewed and approved and will continue to review and approve all Specifications and protocols as applicable, (d) will review and approve all in-process and finished Product test results to ensure conformity of such results with the Specifications, regardless of which Party is responsible for finished Product release, and (e) has prepared and made and will continue to prepare and make all necessary submissions to the FDA and any other regulatory authorities as applicable.

20.9. **Warranty Disclaimer.** EXCEPT AS EXPLICITLY STATED IN THIS THIS SECTION 20, (A) NO REPRESENTATION, CONDITION OR WARRANTY WHATSOEVER IS MADE OR GIVEN BY OR ON BEHALF OF COMPANY OR SUPPLIER; AND (B) ALL OTHER CONDITIONS AND WARRANTIES WHETHER ARISING BY OPERATION OF LAW OR OTHERWISE ARE HEREBY EXPRESSLY EXCLUDED, INCLUDING ANY CONDITIONS AND WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT.

21. Insurance.

21.1. Supplier, at its sole cost and expense, shall secure and maintain in full force and effect throughout the Term of this Agreement and for [*] thereafter, (i) Workers' Compensation insurance with coverage in accordance with statutory limits, and (ii) Commercial General Liability insurance, including blanket contractual liability with limits of not less than $[*] per occurrence and $[*] aggregate. Certificates evidencing such insurance shall be made available for examination upon request by Company.

21.2. Company, at its sole cost and expense, shall secure and maintain in full force and effect throughout the Term of this Agreement and for [*] thereafter, (i) Workers' Compensation insurance with coverage in accordance with statutory limits, (ii) Commercial General Liability insurance, including blanket contractual liability with limits of not less than $[*] per occurrence and $[*] aggregate, (iii) Products and Completed Operations Liability insurance (including coverage for Products used in clinical trials, if applicable) with a per-occurrence limit of not less than $[*], and (iv) All Risk Property insurance, including transit coverage, in an amount equal to full replacement value covering Company' property while it is at Supplier's facilities or in transit to, from or between Supplier's facilities. Supplier shall be named an additional insured under the Products and Completed Operations Liability insurance policies with respect to the Products and completed operations outlined in this Agreement. Certificates evidencing such insurance shall be made available for examination upon request by Supplier.

22. Indemnification; Limitation of Liability

22.1. **Indemnification by Supplier.** Supplier shall indemnify, defend and hold harmless Company, its Affiliates, their respective directors, officers, employees, and agents, and their respective successors, heirs and assigns (the "**Company Indemnitees**"), against all liabilities, damages, losses and expenses (including without limitation, reasonable attorneys' fees and expenses of litigation) (collectively, "**Losses**") incurred by or imposed upon the Company Indemnitees, or any of them, as a direct result of claims, suits, actions, demands or judgments of Third Parties, including without limitation personal injury and product liability claims (collectively, "**Claims**"), to the extent arising out of: (a) the breach of any of Supplier's representations and warranties under this Agreement; or (b) the negligence or willful misconduct of Supplier, its Affiliates, or their officers, directors, employees and agents. The foregoing indemnity obligation shall not apply to the extent that (i) the Company Indemnitees fail to comply with the indemnification procedures set forth in Section 22.3 and Supplier's defense of the relevant Claims is prejudiced by such failure, or (ii) any Claim arises from, is based on, or results from the breach of any of Company's obligations under this Agreement, including its representations and warranties, or the Gross Negligence or Willful Misconduct of Company, its Affiliates, or their officers, directors, employees and agents.

22.2. **Indemnification by Company.** Company shall indemnify, defend and hold harmless Supplier, its Affiliates, their respective directors, officers, employees, consultants and agents, and their respective successors, heirs and assigns (the "**Supplier Indemnitees**"), against all Losses incurred by or imposed upon the Supplier Indemnitees, or any of them, as a direct result of Claims, to the extent arising out of: [*]. The foregoing indemnity obligation shall not apply to the extent that (i) the Supplier Indemnitees fail to comply with the indemnification procedures set forth in Section 22.3 and Company's defense of the relevant Claims is prejudiced by such failure, or (ii) any Claim arises from, is based on, or results from the breach of any of Supplier's obligations under this Agreement, including its representations and warranties, or the Gross Negligence or Willful Misconduct of Supplier, its Affiliates, or their officers, directors, employees and agents.

22.3. **Indemnification Conditions and Procedures.** If either Party is seeking indemnification under Sections 22.1 or 22.2 (the "**Indemnified Party**"), it shall inform the other Party (the "**Indemnifying Party**") of the claim giving rise to the obligation to indemnify pursuant to such section as soon as reasonably practicable after receiving notice of the claim. The Indemnifying Party shall have the right to assume the defense of any such claim for which it is obligated to indemnify the Indemnified Party. The Indemnified Party shall cooperate with the Indemnifying Party and the Indemnifying Party's insurer as the Indemnifying Party may reasonably request, and at the Indemnifying Party's cost and expense. The Indemnified Party shall have the right to participate, at its own expense and with counsel of its choice, in the defense of any claim or suit that has been assumed by the Indemnifying Party. Neither Party shall have the obligation to indemnify the other Party in connection with any settlement made without the Indemnifying Party's written consent, which consent shall not be unreasonably withheld or delayed. The Indemnifying Party may enter into a settlement agreement with a claimant but shall not admit liability to a claimant without the prior written permission of the Indemnified Party. If the Parties cannot agree as to the application of Section 22.1 or 22.2 as to any claim, pending resolution of the dispute pursuant to Article 11, the parties may conduct separate defense of such claims, with each Party retaining the right to claim indemnification from the other Party in accordance with Section 22.1 or 22.2 upon resolution of the underlying claim.

22.4. **Mitigation of Loss.** Each Indemnified Party will take and will procure that its Affiliates take all such reasonable steps and action as are reasonably necessary or as the Indemnifying Party may reasonably require in order to mitigate any Claims (or potential losses or damages) under this Section 24. Nothing in this Agreement shall or shall be deemed to relieve any Party of any common law or other duty to mitigate any losses incurred by it.

22.5. **Limitation of Liability.**

22.5.1. NEITHER PARTY NOR ANY OF ITS AFFILIATES SHALL BE LIABLE IN CONTRACT, TORT, NEGLIGENCE, BREACH OF STATUTORY DUTY OR OTHERWISE FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES OR FOR LOSS OF PROFITS, REVENUES OR DATA SUFFERED BY THE OTHER PARTY, EXCEPT IN THE EVENT OF A PARTY'S BREACH OF ITS OBLIGATIONS UNDER SECTION 19 OR TO THE EXTENT ANY SUCH DAMAGES ARE REQUIRED TO BE PAID TO A THIRD PARTY AS PART OF A CLAIM FOR WHICH A PARTY PROVIDES INDEMNIFICATION UNDER SECTION 22.

22.5.2. SUPPLIER SHALL HAVE NO LIABILITY UNDER THIS AGREEMENT FOR ANY AND ALL CLAIMS FOR LOST, DAMAGED OR DESTROYED PRODUCT, [*] OR OTHER MATERIALS, WHETHER OR NOT SUCH PRODUCT, [*] OR OTHER MATERIALS ARE USED IN THE MANUFACTURE AND SUPPLY OF PRODUCT, EXCEPT IF SUCH LOSS, DAMAGE, OR DESTRUCTION IS THE RESULT OF SUPPLIER'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. IT SHALL BE ASSUMED THAT THE VALUE OF ANY [*] FOR EACH LOT IS EQUAL OR LESS THAN $[*] UNLESS OTHERWISE SPECIFIED BY COMPANY IN WRITING. For the avoidance of doubt, Supplier shall not be liable for any loss of Product, [*] or other Materials which is attributable to the applicable manufacturing process or storage of such items provided that Supplier has complied with Applicable Laws, cGMP, instructions in the applicable Batch Records approved by Company, and storage instructions provided by Company.

22.5.3. SUPPLIER'S TOTAL LIABILITY UNDER THIS AGREEMENT SHALL IN NO EVENT EXCEED THE LARGER OF (A) $[*] AND (B) [*].

23. Term and Termination

23.1. **Term.** The initial term of this Agreement shall commence on the Effective Date and continue thereafter until the seventh anniversary of the date of the Minimum Effective Date, unless it earlier terminates as set forth below. This Agreement may be renewed for one additional successive three (3) year term upon mutual written agreement of the Parties. The initial term and any renewal terms are referred to herein as the "**Term**." Each consecutive 12-month period beginning on the date of the Minimum Effective Date is referred to as a "**Contract Year**."

23.2. **Termination by Company.**

23.2.1. Company may terminate this Agreement at any time without cause for its convenience, effective upon [*]' notice to Supplier. Notwithstanding anything to the contrary herein, in the event this Agreement is terminated by Company without cause within the first [*]post Minimum Effective Date, Company shall remain obligated to purchase (i) the amounts of Product set forth in any Orders and Binding Forecasts, and (ii) the remaining [*] Minimum volume for [*] through [*] set forth in this Agreement as applicable, and (iii) Company shall pay Supplier [*]% of the value of the [*] Minimums for [*] and [*]. In the event this Agreement is terminated by Company without cause after the first [*] post Minimum Effective Date, Company shall remain obligated to purchase (i) the amounts of Product set forth in any Orders and Binding Forecasts, and (ii) the minimum volumes during the notice period, and (iii) Company shall pay Supplier [*]% of the value of the remaining [*] Minimums for [*] and [*]. Supplier shall remain obligated to perform during the remainder of the term of the agreement.

23.2.2. Company may terminate this Agreement upon written notice to Supplier for Supplier Delay beyond [*] from the Target Completion Date pursuant to Section 11.2.

23.3. **Termination for Breach.** Either Party may terminate this Agreement, at any time during the Term, by giving written notice to the other Party, in the event that the other Party commits a material breach of its obligations under this Agreement and (i) if such breach is not a payment default, such material breach remains uncured for [*], and (ii) if such breach is a payment default, such material breach remains uncured for [*], in each case measured from the date written notice of such material breach is given to the breaching Party. No such termination hereunder shall be effective if either Party can cure the cause of termination within [*] (or [*], as applicable). If the cause of the termination cannot be fully cured within [*], the termination will be delayed if either Party has commenced actions to cure within [*].

23.4. **Termination for Debarment**. Company and Supplier shall respectively have the right to terminate this Agreement immediately upon written notification to the other Party upon the occurrence of any Debarment Activity. In the event such Debarment Activity is based on the debarment of a Party's personnel, the affected Party shall have the option and right to cure the Debarment Activity issue and prevent termination by taking any and all necessary disciplinary actions, including but not limited to permanently removing the applicable personnel from any further contact or involvement of any kind with the performance of such Party's obligations under this Agreement.

23.5. **Termination for Insolvency**. Either Party may terminate this Agreement immediately in the event the other Party seeks the protection of any Chapter 7 bankruptcy court, becomes insolvent, or makes an assignment for the benefit of creditors.

23.6. **Termination Due to Force Majeure**. Subject to Section 25.8, either Party may terminate this Agreement in the event a Force Majeure event suffered by one Party causes any delay in or interference with the performance of such Party under this Agreement, and such delay or interference continues for more than [*], with such termination effective upon written notice of termination to the non-performing Party.

23.7. **Failure to Supply**. In the event Supplier fails to supply and release at least [*]% of the Batches under accepted Purchase Orders covering any

period of a [*] days, solely and directly as a result of Supplier's: (i) negligence; (ii) failure to adhere to the terms of this Agreement; or (iii) failure to materially comply with cGMP or other Applicable Law, then the Parties will meet and agree on and implement a delivery improvement action plan within [*]. If after implementation of such action plan there is subsequently a failure to supply and release at least [*]% of the Batches under accepted Purchase Orders covering any [*] period solely and directly as a result of Supplier's (i) negligence; (ii) failure to adhere to the terms of this Agreement or (iii) failure to materially comply with cGMP or other Applicable Law, then Company, as its sole and exclusive remedy shall have the right to terminate this Agreement immediately upon written notice, including the right to cancel outstanding purchase orders without a cancellation fee, and in such case will be responsible only for paying for services properly performed and non-cancellable commitments of Supplier up to the date of termination. Company and Supplier acknowledge and agree that all Production timelines and target yields are approximate and subject to risks and uncertainties inherent, for example, in technology transfer and the biopharmaceutical industry generally and in the Production materials and technologies. The Company and Supplier agree to negotiate in good faith an appropriate yield target, tolerances and minimum obligation per Batch following the validation of Company's process and the subsequent Production and release of [*] Batches of Company Product, along with Batch price adjustments (up or down) in the event of a shortfall due to the fault of Supplier or in the event of excess or below minimum yield. All process parameters and uniformity data for the PPQ Batches will be considered in this negotiation. Supplier will be responsible for refunding the full amount of any remaining depreciation on the Equipment and Facilities that Company has funded with the Company Contribution. Additionally, Supplier will be subject to [*]% penalty of the cumulative amount of remaining depreciated values of the Equipment and lost revenues during the failure to supply period. Notwithstanding the foregoing, Company shall not be entitled to terminate this Agreement or any outstanding purchase orders, and Supplier shall not be responsible for any refunds or any of the Batches are not fulfilled to the extent due to Company's actions or inactions, including but not limited to Company's failure to supply [*] or Company supplied Materials, or a Force Majeure event.

23.8. **Change of Control of Supplier or Company.** In the event of the direct or indirect change in ownership or control or corporate reorganization, which results in a new party of group assuming control of Supplier and/or Company, the terms of this Agreement shall continue with both Parties being obligated to continue under the original terms of this Agreement. If modification of the Agreement is desired by either Party after the change of control, they shall negotiate in good faith to come to mutually agreed upon modified terms. If a written amendment is not reached by the Parties, the original terms of the Agreement shall govern.

23.9. **Effects of Termination.** Upon termination or expiration of this Agreement:

23.9.1. If requested by Company, Supplier shall terminate the manufacturing of the Product (as applicable), in an orderly manner as soon as practical and in

accordance with a schedule agreed to by Company, unless Company notifies Supplier that manufacturing in progress should be completed.

23.9.2. Supplier shall deliver to Company all remaining Materials (in whatever stage of development or completion), and Products ordered by Company, at Company's cost and expense.

23.9.3. Termination or expiration of this Agreement shall not affect either Party's rights or obligations accruing prior to such termination or expiration, including liability for any breach of this Agreement it may have committed before such termination or expiration. Notwithstanding anything to the contrary herein, in the event this Agreement is terminated by Supplier for cause, Company shall remain obligated during the notice period to purchase (i) the amounts of Product set forth in any Orders and Binding Forecasts, and (ii) a pro rata portion of any applicable [*] Minimums set forth in this Agreement.

23.9.4. The sections of this Agreement that by their nature are intended to survive its expiration or termination, including but not limited to Sections 14.2, 14.3, 17.4, 17.5, 17.6, 19, 21, 22, 23.9, 24 and 25 shall survive any termination or expiration of this Agreement, together with any provisions of a Product Appendix that would by their nature survive such termination or expiration, subject to any time limitations stated therein.

24. Dispute Resolution

24.1. **Disputes**. The Parties recognize that disputes as to certain matters may occur from time to time that relate to either Party's rights and/or obligations hereunder. It is the objective of the Parties to establish procedures to facilitate the resolution of disputes arising under this Agreement in an expedient manner by mutual cooperation and without resort to litigation. To accomplish this objective, the Parties agree to follow the procedures set forth in this Article 24 if and when a dispute arises under this Agreement. In the event of any disputes, controversies or differences which may arise between the Parties out of or in relation to or in connection with this Agreement, including any alleged failure to perform, or breach, of this Agreement, or any issue relating to the interpretation or application of this Agreement, then upon the request of either Party, the Parties agree to meet and discuss in good faith a possible resolution thereof, which good faith efforts shall include at least one in-person meeting between senior management of each Party; provided that, each Party agrees that any statute of limitation or survival period with respect to such dispute shall be tolled during such discussions. If the matter is not resolved within [*] following the request for discussions, either Party may then invoke the provisions of Section 24.2.

24.2. **Arbitration.** Any dispute, controversy or claim arising out of or relating to the validity, construction, interpretation, enforceability, breach, performance, application or termination of this Agreement that is not resolved pursuant to Section 24.1, shall be settled by binding arbitration administered by JAMS pursuant to its Comprehensive Arbitration Rules and Procedures of JAMS then in effect (the "**JAMS Rules**"), except as otherwise provided herein. The arbitration shall be governed by the

United States Federal Arbitration Act, 9 U.S.C. §§ 1-16 (the "**Federal Arbitration Act**"), to the exclusion of any inconsistent state laws. The United States Federal Rules of Civil Procedure shall govern discovery and the Federal Rules of Evidence shall govern the rules of evidence for the arbitration. The arbitration will be conducted in New York, New York. Any situation not expressly covered by this Agreement shall be decided in accordance with the JAMS Rules.

24.3. **Arbitrator.** The arbitrator shall be one (1) neutral, independent and impartial arbitrator selected from a pool of retired federal judges or magistrates to be presented to the Parties by JAMS. Failing the agreement of the Parties as to the selection of the arbitrator within [*], the arbitrator shall be appointed by JAMS in accordance with the JAMS Rules.

24.4. **Decision.** A written decision shall be rendered by the arbitrator following a full comprehensive hearing, no later than [*] following the selection of the arbitrator as provided for in Section 24.3. Reasons for the arbitrator's decisions shall be set forth in accordance with the JAMS Rules. The arbitrator shall not have the authority to fashion remedies which would not be available to a federal judge hearing the same dispute.

24.5. **Award.** Any award shall be promptly paid in United States dollars free of any tax, deduction or offset; and any costs, fees or taxes incident to enforcing the award shall, to the maximum extent permitted by Applicable Law, be charged against the Party resisting enforcement. Each Party agrees to abide by the award rendered in any arbitration conducted pursuant to this Article 24, and agrees that, subject to the Federal Arbitration Act, judgment may be entered upon the final award in any court of competent jurisdiction and that other courts may award full faith and credit to such judgment in order to enforce such award. The award shall include interest from the date of the award until paid in full, at a rate fixed by the arbitrator and the arbitrator may, in his or her discretion, award pre-judgment interest. With respect to money damages, nothing contained herein shall be construed to permit the arbitrator or any court or any other forum to award punitive, consequential, special or exemplary damages. By entering into this agreement to arbitrate, the Parties expressly waive any claim for punitive, consequential, special or exemplary damages, subject to the exceptions set forth in Section 22.5.

24.6. **Costs.** The arbitrator shall assess his or her costs, fees and expenses against the Party losing the arbitration and shall require such losing Party to reimburse the other Party for all of its reasonable attorneys' fees, costs, and disbursements arising out of the arbitration (including, for example, expert witness fees and expenses, photocopy charges, travel expenses, and so on), provided that any such reimbursement shall not exceed a total of [*]. Notwithstanding the foregoing, if the arbitrator believes that neither Party is the clear loser, the arbitrator shall divide his or her costs, fees, and expenses according to his or her sole discretion, and each Party shall bear its own attorney's fees, costs, and disbursements arising out of the arbitration.

24.7. **Injunctive Relief.** Provided a Party has made a sufficient showing under the rules and standards set forth in the Federal Rules of Civil Procedure and applicable case law, the arbitrator shall have the freedom to invoke, and the Parties agree to abide by, injunctive measures after either Party submits in writing for arbitration claims

requiring immediate relief. Additionally, nothing in this Section 24 will preclude either Party from seeking equitable relief or interim or provisional relief from a court of competent jurisdiction, including a temporary restraining order, preliminary injunction or other interim equitable relief, concerning a dispute either prior to or during any arbitration if necessary to protect the interests of such Party or to preserve the status quo pending the arbitration proceeding.

24.8. **Confidentiality.** The arbitration proceeding shall be confidential and the arbitrator shall issue appropriate protective orders to safeguard each Party's Confidential Information. Except as required to comply with Applicable Laws, including rules and regulations promulgated by the SEC, the NASDAQ Stock Market or any other securities exchanges, no Party shall make (or instruct the arbitrator to make) any public announcement with respect to the proceedings or decision of the arbitrator without prior written consent of the other Party. The existence of any dispute submitted to arbitration, and the award, shall be kept in confidence by the Parties and the arbitrator, except as required in connection with the enforcement of such award or as otherwise required by Applicable Law.

24.9. **Survivability.** Any duty to arbitrate under this Agreement shall remain in effect and be enforceable after termination or expiration of this Agreement for any reason.

25. General Provisions

25.1. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of New York without reference to any rules of conflict of laws. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement.

25.2. **Severability.** If any one or more of the provisions contained in this Agreement is held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby, unless the absence of the invalidated provision(s) adversely affects the substantive rights of the Parties. The Parties shall in such an instance use commercially reasonable efforts to replace the invalid, illegal or unenforceable provision(s) with valid, legal and enforceable provision(s) which, insofar as practical, implement the purposes of this Agreement.

25.3. **Assignment and Delegation; Successors and Assigns.** This Agreement may not be assigned, nor may any right or obligation hereunder be assigned or delegated, by either Party except as set forth herein or without the prior written consent of the other Party. Notwithstanding the foregoing, either Party may, without consent of the other Party, assign this Agreement and assign or delegate its rights and obligations hereunder: (a) in whole or in part to an Affiliate of such Party provided that such Party remains responsible for such Affiliate's performance and such Party remains, and such Affiliate agrees to be, subject to the confidentiality obligations set forth in Section 19, or (b) in whole (but not in part) to its successor in interest in connection with the sale of all or substantially all of its stock or its assets, or in connection with a merger, acquisition, by

operation of law or otherwise, provided that if such Party remains in existence following such assignment then such Party shall remain subject to the confidentiality obligations set forth in Section 19. Subject to the foregoing, the terms and conditions of this Agreement shall be binding upon, and shall inure to the benefit of, the Parties and their respective successors and permitted assigns.

25.4. **Notices.** All notices which are required or permitted hereunder shall be in writing and shall be deemed given when received if delivered personally, sent by facsimile (receipt verified and promptly confirmed by personal delivery, registered or certified mail or overnight courier), or sent by nationally-recognized overnight courier, or when received or refused if sent by registered or certified mail, postage prepaid, return receipt requested, addressed as follows (or at such other address for a Party as shall be specified by like notice, *provided* that notices of a change of address shall be effective only upon receipt thereof):

If to Supplier:

Lyophilization Services of New England, Inc.
[*][*]
[*]

If to Company:

Revance Therapeutics, Inc. [*]
[*]
[*]
[*]

With CC to General Counsel
[*]

25.5. **Independent Contractors**. It is expressly agreed that Supplier and Company shall be independent contractors and that the relationship between the two Parties shall not constitute a partnership, joint venture or agency. Neither Supplier nor Company shall have the authority to make any statements, representations or commitments of any kind, or to take any action, which shall be binding on the other Party, without the prior written consent of the other Party.

25.6. **Construction.** Section headings are included in this Agreement merely for convenience of reference; they are not to be considered part of this Agreement or used in the interpretation of this Agreement. No rule of strict construction will be applied in the interpretation or construction of this Agreement.

25.7. **Waiver.** All waivers must be in writing and signed by the Party to be charged. Any waiver or failure to enforce any provision of this Agreement on one occasion will not be deemed a waiver of any other provision or of such provision on any other occasion.

25.8. **Force Majeure.** The Parties shall use commercially reasonable efforts to perform their obligations under this Agreement in accordance with this Agreement and

any timelines set forth in the Product Appendices. Notwithstanding the foregoing, either Party shall be excused from performing its obligations under this Agreement, except for payment obligations, if its performance is delayed or prevented by any event of Force Majeure provided that such performance shall be excused only to the extent of and during such disability. The Party affected by any Force Majeure shall give to the other Party prompt written notice of the Force Majeure event and a good faith estimate of the continuing effect of the Force Majeure condition and the duration of the affected Party's nonperformance. Any time specified for completion of performance under this Agreement falling due during or subsequent to the occurrence of any such disability shall be automatically extended for a period of time equal to the period of such disability.

25.9. **Entire Agreement; Amendments.** This Agreement, including the Product Appendices hereunder and together with the Quality Agreement, if applicable, is the final, complete, and exclusive agreement of the Parties with respect to the subject matter hereof and supersedes and merges all prior or contemporaneous written or oral communications and understandings between the Parties with respect to the subject matter hereof. No modification of or amendment to this Agreement or any Product Appendix hereunder will be effective unless in writing and signed by the Party to be charged.

25.10. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which shall constitute together the same instrument. This Agreement may be executed by facsimile, PDF, or other electronic signature. Any photocopy, facsimile or electronic reproduction of the executed Agreement shall constitute an original.

Signature Page to Follow

In Witness Whereof, the Parties have executed this Commercial Supply Agreement as of the Effective Date.

REVANCE THERAPEUTICS, INC.	**LYOPHILIZATION SERVICES OF NEW ENGLAND, INC.**
By: /s/ Mark J. Foley	By: /s/ Matthew Halvorsen
Name: Mark J. Foley	Name: Matthew Halvorsen
Title: President and Chief Executive Officer	Title: President
Date: 4/6/21	Date: 4/6/21

Exhibit A
Product Appendix

This Product Appendix is incorporated into the Commercial Supply Agreement dated [_____] by and between Company and Supplier (for the purposes of this Product Appendix, the **"Agreement"**). This Product Appendix describes Process, Product Specifications, and other requirements with respect to the Product set forth below. In the event of any conflict between the Agreement and any provision of this Product Appendix, the Agreement will control unless the Parties' intent to alter the terms of the Agreement is expressly set forth in this Product Appendix, and such alteration shall only apply to this Product Appendix and shall not be construed as an amendment to the terms of the Agreement with respect to any other Product Appendix. All capitalized terms used and not expressly defined in this Product Appendix will have the meanings given to them in the Agreement.

Product: [*]

Product Specifications
The specification for [*] is included below.
The specification for [*] is being developed, and will be provided in the Quality Agreement.

Release Specification for [*]. [*]

Attribute/Test	Method	Acceptance Criteria
[*]	[*]	[*]
[*]		[*]
[*]	[*]	[*]
[*]	[*]	[*]
[*]	[*]	[*]
[*]	[*]	[*]
[*]	[*]	[*]
[*]	[*]	[*]
[*]	[*]	[*]
[*]	[*]	[*]
[*]	[*]	[*]
[*]		[*]
[*]		[*]
[*]		[*]
[*]	[*]	[*]
[*]	[*]	[*]
[*]	[*]	[*]
[*]	[*]	[*]

Batch Size:

- Batch size [*] ([*]) Approximately [*]
- Batch size [*] ([*]) Approximately [*]*
- Batch size [*] ([*]) Approximately [*]
- Batch size [*] ([*]) Approximately [*]

*Final batch size may be limited by [*]

Process
cGMP Drug Product Manufacturing process to be used for- [*]:
[*]

Lead Time for Ordering and Delivery
[Lead time between order date and first delivery date]

Rolling Forecast
[*]

Binding Forecast
[*]

Inspection Period for Product
[Period for Company to inspect Product and notify of Defective Product]

Required Product Shelf Life
[Minimum shelf life upon delivery]

Maintaining Safety Stocks
[To include provision for maintenance of safety stocks of finished or in-process Product and materials]

Territory
[*]
Company will notify supplier prior to any Regulatory Submission(s)

Labeling
Company has requested to have [*].

Exhibit B
Product Appendix

This Product Appendix is incorporated into the Commercial Supply Agreement dated [_____] by and between Company and Supplier (for the purposes of this Product Appendix, the **"Agreement"**). This Product Appendix describes Process, Product Specifications, and other requirements with respect to the Product set forth below. In the event of any conflict between the Agreement and any provision of this Product Appendix, the Agreement will control unless the Parties' intent to alter the terms of the Agreement is expressly set forth in this Product Appendix, and such alteration shall only apply to this Product Appendix and shall not be construed as an amendment to the terms of the Agreement with respect to any other Product Appendix. All capitalized terms used and not expressly defined in this Product Appendix will have the meanings given to them in the Agreement.

Product: [*]

Product Specifications
Both Specifications and Final Process for [*] are being developed. The Specification for [*] will be provided in the Quality Agreement.

Batch Size:
- Batch size [*] ([*]) Approximately [*]
- Batch size [*] ([*]) Approximately [*]

*Final batch size may be limited by [*]

Process
Draft cGMP Drug Product Manufacturing process to be used for [*] ([*]). The process is still being developed; a rough estimate of the process is provided below:

a. [*]

Lead Time for Ordering and Delivery
[Lead time between order date and first delivery date]

Rolling Forecast
[*]**Binding Forecast**
[*]**Inspection Period for Product**
[Period for Company to inspect Product and notify of Defective Product]

Required Product Shelf Life
[Minimum shelf life upon delivery]

Maintaining Safety Stocks
[To include provision for maintenance of safety stocks of finished or in-process Product and materials]

Territory
[*];
Company will notify supplier prior to any Regulatory Submission(s)

Labeling
Company has requested to have [*].

Exhibit C
Critical Components in [*]

Critical Components for [*]

Component Name	**Manufacturer / Part No.**
[*]	[*]
[*]	[*]
[*]	[*]
[*]	[*]
[*]	[*]
[*]	[*]

Critical Components for [*]-

Component	**Manufacturer/ Part No.**
[*]	[*]
[*]	[*]
[*]	[*]
[*]	[*]

[*]
[*] Information for [*]

Component	**Manufacturer**	**Manufacturer Part#**
[*]	[*]	[*]
[*]	[*]	[*]
[*]	[*]	[*]

[*] Information for [*]

Component	**Manufacturer**	**Manufacturer Part#**
[*]	[*]	[*]
[*]	[*]	[*]
[*]	[*]	[*]

Exhibit D
Work Order Template

Work Order – Number X The Scope of Work covered in this Work Order is governed by the terms of the Commercial Supply Agreement executed on _____.			
Date:			
From:	Ship To:		
Method of Transportation:	Payment Information:		
PO Number/Reference Number	Requested Delivery Date: Shipping Terms:		
Scope of Work	Unit Price	Quantity	Total
	Total:		
Company Signature: Date:	Supplier Signature: Date:		
Attachments:			

Exhibit 31.1

CERTIFICATIONS

I, Mark J. Foley, certify that:

1. I have reviewed this Form 10-Q of Revance Therapeutics, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) 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 5, 2021

/s/ Mark J. Foley

Mark J. Foley
President and Chief Executive Officer
(Duly Authorized Principal Executive Officer)

Exhibit 31.2

CERTIFICATIONS

I, Tobin C. Schilke, certify that:

1. I have reviewed this Form 10-Q of Revance Therapeutics, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) 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 5, 2021

/s/ Tobin C. Schilke

Tobin C. Schilke
Chief Financial Officer
(Duly Authorized Principal Financial Officer and Principal Accounting Officer)

Exhibit 32.1

CERTIFICATION

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended, (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), Mark J. Foley, President and Chief Executive Officer of Revance Therapeutics, Inc. (the "Company"), hereby certifies that, to the best of his knowledge:

1. The Company's Quarterly Report on Form 10-Q for the period ended June 30, 2021 (the "Periodic Report"), to which this Certification is attached as Exhibit 32.1, fully complies with the requirements of Section 13(a) or Section 15(d) of the Exchange Act; and
2. The information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 5, 2021

In Witness Whereof, the undersigned has set his hands hereto as of the 5th day of August, 2021.

/s/ Mark J. Foley
Mark J. Foley
President and Chief Executive Officer
(Duly Authorized Principal Executive Officer)

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

Exhibit 32.2

CERTIFICATION

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended, (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), Tobin C. Schilke, Chief Financial Officer of Revance Therapeutics, Inc. (the "Company"), hereby certifies that, to the best of his knowledge:

1. The Company's Quarterly Report on Form 10-Q for the period ended June 30, 2021 (the "Periodic Report"), to which this Certification is attached as Exhibit 32.2, fully complies with the requirements of Section 13(a) or Section 15(d) of the Exchange Act; and
2. The information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 5, 2021

In Witness Whereof, the undersigned has set his hands hereto as of the 5th day of August, 2021.

/s/ Tobin C. Schilke
Tobin C. Schilke
Chief Financial Officer
(Duly Authorized Principal Financial Officer and Principal Accounting Officer)

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