

SECURITIES AND EXCHANGE COMMISSION

FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

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

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2022

Or

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

For the transition period from _____ to _____

Commission File Number 001-36193

Trevena, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of Incorporation or
Organization)

26-1469215

(I.R.S. Employer Identification No.)

955 Chesterbrook Boulevard, Suite 110

Chesterbrook, PA

(Address of Principal Executive Offices)

19087

(Zip Code)

Registrant's telephone number, including area code: **(610) 354-8840**

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

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

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

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

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

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

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

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practical date.

Common Stock, \$0.001 par value

Shares outstanding as of May 9, 2022: 165,520,007

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Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q, or this “Quarterly Report,” contains forward-looking statements that involve substantial risks and uncertainties. The forward-looking statements are contained principally in the section entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” but also are contained elsewhere in this Quarterly Report, as well as in sections such as “Risk Factors” that are incorporated by reference into this Quarterly Report from our most recent [Annual Report on Form 10-K](#), or the “Annual Report.” In particular, we caution you that our forward-looking statements are subject to the ongoing and developing circumstances related to the COVID-19 pandemic, which may have a material adverse effect on our business, operations and future financial results. In some cases, you can identify forward-looking statements by the words “may,” “might,” “will,” “could,” “would,” “should,” “expect,” “intend,” “plan,” “objective,” “anticipate,” “believe,” “estimate,” “predict,” “project,” “potential,” “continue” and “ongoing,” or the negative of these terms, or other comparable terminology intended to identify statements about the future. These statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from the information expressed or implied by these forward-looking statements. Although we believe that we have a reasonable basis for each forward-looking statement contained in this Quarterly Report, we caution you that these statements are based on a combination of facts and factors currently known by us and our expectations of the future, about which we cannot be certain. Forward-looking statements include statements about:

- our ability to successfully commercialize OLINVYK and any other product candidates for which we may obtain regulatory approval;
- our sales, marketing and manufacturing capabilities and strategies;
- any ongoing or planned clinical trials and nonclinical studies for our product candidates;
- the extent of future clinical trials potentially required by the U.S. Food and Drug Administration for our product candidates;
- our ability to fund future operating expenses and capital expenditures with our current cash resources or to secure additional funding in the future;
- the timing and likelihood of obtaining and maintaining regulatory approvals for our product candidates;
- our plan to develop and potentially commercialize our product candidates;
- the clinical utility and potential market acceptance of our product candidates, particularly in light of existing and future competition;
- the size of the markets for our product candidates;
- the performance of third-parties upon which we depend, including contract manufacturing organizations, suppliers, contract research organizations, distributors and logistics providers;
- our ability to identify or acquire additional product candidates with significant commercial potential that are consistent with our commercial objectives;
- the extent to which health epidemics and other outbreaks of communicable diseases, including the ongoing COVID-19 pandemic and the effects to mitigate it, could disrupt our operations and/or materially and adversely affect our business and financial conditions;

- our intellectual property position and our ability to obtain and maintain patent protection and defend our intellectual property rights against third parties; and
- our ability to satisfy all applicable Nasdaq continued listing requirements.

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You should refer to the “Risk Factors” section of this Quarterly Report and our Annual Report for a discussion of important factors that may cause our actual results to differ materially from those expressed or implied by our forward-looking statements. As a result of these factors, we cannot assure you that the forward-looking statements in this Quarterly Report will prove to be accurate. Furthermore, if our forward-looking statements prove to be inaccurate, the inaccuracy may be material. In light of the significant uncertainties in these forward-looking statements, you should not regard these statements as a representation or warranty by us or any other person that we will achieve our objectives and plans in any specified time frame, or at all. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

PART I**ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS****TREVENA, INC.****Consolidated Balance Sheets**
(in thousands, except share and per share data)

	March 31, 2022	December 31, 2021
	(unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	\$ 48,664	\$ 66,923
Inventories	2,745	2,352
Prepaid expenses and other current assets	2,840	1,448
Total current assets	54,249	70,723
Restricted cash	1,311	1,311
Property and equipment, net	1,736	1,841
Right-of-use lease asset	4,592	4,706
Other assets	2,529	1,543
Total assets	\$ 64,417	\$ 80,124
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable, net	\$ 2,408	\$ 4,547
Accrued expenses and other current liabilities	5,703	3,847
Lease liability	815	792
Total current liabilities	8,926	9,186
Leases, net of current portion	6,096	6,309
Total liabilities	15,022	15,495
Commitments and contingencies (Note 9)		
Stockholders' equity:		
Preferred stock—\$0.001 par value; 5,000,000 shares authorized, none issued or outstanding at March 31, 2022 and December 31, 2021	—	—
Common stock—\$0.001 par value; 200,000,000 shares authorized at March 31, 2022 and December 31, 2021; 165,520,007 shares issued and outstanding at March 31, 2022 and December 31, 2021	165	165
Additional paid-in capital	559,721	558,566
Accumulated deficit	(510,491)	(494,102)
Total stockholders' equity	49,395	64,629
Total liabilities and stockholders' equity	\$ 64,417	\$ 80,124

See accompanying notes to consolidated financial statements.



TREVENA, INC.**Consolidated Statements of Operations and Comprehensive Loss (Unaudited)**
(in thousands, except share and per share data)

	Three Months Ended	
	2022	2021
Revenue:		
Product revenue	\$ —	\$ 209
License revenue	20	—
Total revenue	20	209
Operating expenses:		
Cost of goods sold	207	163
Selling, general and administrative	11,014	7,368
Research and development	5,259	2,636
Total operating expenses	16,480	10,167
Loss from operations	(16,460)	(9,958)
Other income (expense):		
Change in fair value of warrant liability	—	3
Other income, net	45	69
Interest income	24	48
Gain (loss) on foreign currency exchange	2	(4)
Total other income, net	71	116
Net loss and comprehensive loss	<u>\$ (16,389)</u>	<u>\$ (9,842)</u>
Per share information:		
Net loss per share of common stock, basic and diluted	<u>\$ (0.10)</u>	<u>\$ (0.06)</u>
Weighted average common shares outstanding, basic and diluted	<u>165,520,007</u>	<u>160,508,373</u>

See accompanying notes to consolidated financial statements.

TREVENA, INC.

Consolidated Statements of Stockholders' Equity (Unaudited)
(in thousands, except share data)

	<u>Stockholders' Equity</u>				
	<u>Common Stock</u>		<u>Additional</u>	<u>Accumulated</u>	<u>Total</u>
	<u>Number</u>	<u>\$0.001</u>			
	<u>of</u>	<u>Par</u>	<u>Paid-in</u>	<u>Deficit</u>	<u>Stockholders'</u>
	<u>Shares</u>	<u>Value</u>	<u>Capital</u>	<u>Equity</u>	<u>Equity</u>
Balance, January 1, 2022	165,520,007	\$ 165	\$ 558,566	\$ (494,102)	\$ 64,629
Stock-based compensation expense	—	—	1,155	—	1,155
Net loss	—	—	—	(16,389)	(16,389)
Balance, March 31, 2022	<u>165,520,007</u>	<u>\$ 165</u>	<u>\$ 559,721</u>	<u>\$ (510,491)</u>	<u>\$ 49,395</u>
Balance, January 1, 2021	159,999,917	\$ 160	\$ 546,422	\$ (442,514)	\$ 104,068
Stock-based compensation expense	—	—	1,111	—	1,111
Exercise of stock options	5,000	—	9	—	9
Issuance of common stock upon vesting of RSUs, net of shares withheld for employee taxes	49,720	—	(69)	—	(69)
Issuance of common stock, net of issuance costs	1,219,023	1	2,791	—	2,792
Net loss	—	—	—	(9,842)	(9,842)
Balance, March 31, 2021	<u>161,273,660</u>	<u>\$ 161</u>	<u>\$ 550,264</u>	<u>\$ (452,356)</u>	<u>\$ 98,069</u>

See accompanying notes to consolidated financial statements.

TREVENA, INC.

Consolidated Statements of Cash Flows (Unaudited)
(in thousands)

	Three Months Ended	
	2022	2021
Operating activities:		
Net loss	\$ (16,389)	\$ (9,842)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	105	108
Stock-based compensation	1,155	1,111
Revaluation of warrant liability	—	(3)
Change in right-of-use asset	114	97
Changes in operating assets and liabilities:		
Prepaid expenses and other assets	(2,378)	(2,645)
Inventories	(393)	—
Operating lease liabilities	(188)	(166)
Accounts payable, accrued expenses and other liabilities	(283)	(3,073)
Net cash used in operating activities	<u>(18,257)</u>	<u>(14,413)</u>
Financing activities:		
Proceeds from exercise of common stock options	—	9
Proceeds from issuance of common stock, net	—	2,792
Payment of employee withholding taxes on vested restricted stock units	—	(69)
Finance lease payments	(2)	(2)
Net cash (used in) provided by financing activities	<u>(2)</u>	<u>2,730</u>
Net decrease in cash, cash equivalents and restricted cash	(18,259)	(11,683)
Cash, cash equivalents and restricted cash—beginning of period	68,234	110,713
Cash, cash equivalents and restricted cash—end of period	<u>\$ 49,975</u>	<u>\$ 99,030</u>

See accompanying notes to consolidated financial statements.

TREVENA, INC.

Notes to Unaudited Consolidated Financial Statements March 31, 2022

1. Organization and Description of the Business

Trevena, Inc., or the Company, was incorporated in Delaware as Parallax Therapeutics, Inc. on November 9, 2007. The Company began operations in December 2007, and its name was changed to Trevena, Inc. on January 3, 2008. The Company is a biopharmaceutical company focused on the development and commercialization of novel medicines for patients affected by central nervous system, or CNS, disorders. The Company operates in one segment and has its principal office in Chesterbrook, Pennsylvania.

Since commencing operations in 2007, the Company has devoted substantially all of its financial resources and efforts to commercializing its lead asset, OLINVYK® (oliceridine) injection, or OLINVYK, and to research and development, including nonclinical studies and clinical trials. The Company has never been profitable. In late 2017, the Company submitted a new drug application, or NDA, for OLINVYK™ (OLINVYK) injection, or OLINVYK, to the United States Food and Drug Administration, or the FDA. In August 2020, the FDA approved the NDA for OLINVYK and the Company initiated commercial launch of OLINVYK in the first quarter of 2021.

Since its inception, the Company has incurred losses and negative cash flows from operations. At March 31, 2022, the Company had an accumulated deficit of \$510.5 million. The Company's net loss was \$16.4 million and \$9.8 million for the three months ended March 31, 2022 and 2021, respectively. The Company follows the provisions of Financial Accounting Standards Board, or FASB, Accounting Standards Codification, or ASC, Topic 205-40, Presentation of Financial Statements—Going Concern, or ASC 205-40, which requires management to assess the Company's ability to continue as a going concern for one year after the date the financial statements are issued. The Company expects that its existing balance of cash and cash equivalents as of March 31, 2022 is sufficient to fund operations into 2023, but not for more than one year after the date of this filing and therefore management has concluded that substantial doubt exists about the Company's ability to continue as a going concern. Management's plans to mitigate this risk include raising additional capital through equity or debt financings, or through strategic transactions. Management's plans may also include the deferral of certain operating expenses unless and until additional capital is received. However, there can be no assurance that the Company will be successful in raising additional capital or that such capital, if available, will be on terms that are acceptable to the Company, or that the Company will be successful in deferring certain operating expenses, or that the COVID-19 pandemic will not have an impact on the Company's ability to raise capital or fund its operations as planned. If the Company is unable to raise sufficient additional capital or defer sufficient operating expenses, the Company may be compelled to reduce the scope of its operations and planned capital expenditures.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, or U.S. GAAP. Any reference in these notes to applicable guidance is meant to refer to the authoritative United States generally accepted accounting principles as found in the ASC and Accounting Standards Updates, or ASUs, of the FASB. The Company's functional currency is the U.S. dollar.

The consolidated financial statements include all normal and recurring adjustments that are considered necessary for the fair presentation of the Company's consolidated balance sheets as of March 31,

2022, its results of operations and its comprehensive loss for the three months ended March 31, 2022 and 2021, its consolidated statements of stockholders' equity for the period from January 1, 2022 to March 31, 2022 and for the period January 1, 2021 to March 31, 2021, and its consolidated statements of cash flows for the three months ended March 31, 2022 and 2021. The information included in this Quarterly Report on Form 10-Q should be read in conjunction with the financial statements and accompanying notes included in the Company's most recent Annual Report on Form 10-K for the year ended December 31, 2021. Since the date of those financial statements, there have been no changes to the Company's significant accounting policies. The financial data and other information disclosed in these notes related to the three

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months ended March 31, 2022 and 2021 are not necessarily indicative of the results to be expected for the year ending December 31, 2022, any other interim periods, or any future year or period.

We have been actively monitoring the novel coronavirus, or COVID-19, situation and its impact globally. Remote working arrangements and travel restrictions imposed by various jurisdictions have had a limited impact on our ability to maintain operations. The full extent to which the COVID-19 pandemic will directly or indirectly impact our business, results of operations and financial condition will depend on future developments that are highly uncertain, including vaccine adoption and effectiveness, the impact of emerging variants of the novel coronavirus, and the actions taken to contain or treat COVID-19.

Principles of Consolidation

In connection with the royalty-based financing agreement disclosed in Note 10, the Company established three wholly owned subsidiaries, Trevena Royalty Corporation, Trevena SPV1 LLC and Trevena SPV2 LLC to facilitate the financing. The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries as of March 31, 2022. All intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of 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 at the date of the consolidated financial statements and the reported amounts of expenses during the reporting period. These estimates and assumptions are based on current facts, historical experience as well as other pertinent industry and regulatory authority information, including the potential future effects of COVID-19, the results of which form the basis for making judgements about the carrying values of assets and liabilities and the recording expenses that are not readily apparent from other sources. Actual results may differ materially and adversely from these estimates. To the extent there are material differences between the estimates and actual results, the Company's future results of operations will be affected.

Fair Value of Financial Instruments

The carrying amount of the Company's financial instruments, which include cash and cash equivalents, restricted cash, accounts payable and accrued expenses approximate their fair values, given their short-term nature.

3. Fair Value of Financial Instruments

ASC 820, *Fair Value Measurement*, establishes a fair value hierarchy for instruments measured at fair value that distinguishes between assumptions based on market data (observable inputs) and the Company's own assumptions (unobservable inputs). Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about the inputs that market participants would use in pricing the asset or liability and are developed based on the best information available in the circumstances.

ASC 820 identifies fair value as the exchange price, or exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As a basis for considering market participant assumptions in fair value measurements, ASC 820 establishes a three-tier fair value hierarchy that distinguishes among the following:

- Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access.

- Level 2 – Valuations based on quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active and models for which all significant inputs are observable, either directly or indirectly.
- Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

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To the extent that the valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised by the Company in determining fair value is greatest for instruments categorized in Level 3. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Cash, Cash Equivalents and Marketable Securities

The following table presents fair value of the Company's cash, cash equivalents, and marketable securities as of March 31, 2022 and December 31, 2021 (in thousands):

	March 31, 2022					
	Adjusted Cost	Unrealized Gains	Unrealized Losses	Fair Value	Cash and Cash Equivalents	Restricted Cash
Cash	\$10,176	\$ —	\$ —	\$10,176	\$ 8,865	\$ 1,311
Level 1 (1):						
Money market funds	39,799	—	—	39,799	39,799	—
Subtotal	39,799	—	—	39,799	39,799	—
Total	<u>\$49,975</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$49,975</u>	<u>\$ 48,664</u>	<u>\$ 1,311</u>
	December 31, 2021					
	Adjusted Cost	Unrealized Gains	Unrealized Losses	Fair Value	Cash and Cash Equivalents	Restricted Cash
Cash	\$ 9,459	\$ —	\$ —	\$ 9,459	\$ 8,148	\$ 1,311
Level 1 (1):						
Money market funds	58,775	—	—	58,775	58,775	—
Subtotal	58,775	—	—	58,775	58,775	—
Total	<u>\$68,234</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$68,234</u>	<u>\$ 66,923</u>	<u>\$ 1,311</u>

(1) The fair value of Level 1 securities is estimated based on quoted prices in active markets for identical assets or liabilities.

The Company maintains \$1.3 million as collateral under a letter of credit for the Company's facility lease obligations in Chesterbrook, Pennsylvania. The Company has recorded this deposit and accumulated interest thereon as restricted cash on its consolidated balance sheet.

The Company recognizes transfers between levels of the fair value hierarchy as of the end of the reporting period. There were no transfers between Level 2 and Level 3 during the three months ended March 31, 2022, or the year ended December 31, 2021.

4. Inventories

Inventories are valued at the lower of cost or net realizable value. Cost is determined using the first-in, first-out method for all inventories. Inventory includes the cost of API, raw materials and third-party contract manufacturing and packaging services. Indirect overhead costs associated with production and distribution are recorded as period costs in the period incurred. OLINVYK was approved by the FDA in August 2020. Prior to FDA approval, all manufacturing costs for OLINVYK were expensed to research and development. Upon FDA approval, manufacturing costs for OLINVYK manufactured for commercial sale have been capitalized as inventory cost. Costs of drug product to be consumed in any current or future clinical trials will continue to be recognized as research and development expense.

The Company periodically evaluates the carrying value of inventory on hand using the same lower of cost or net realizable value approach as that used to initially value the inventory. Valuation adjustments may be required for slow-moving or obsolete inventory or in any situations where market conditions have caused net realizable value to fall below the carrying cost of the inventory.

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Inventory consists of the following (in thousands):

	March 31, 2022	December 31, 2021
Finished goods	\$ 2,880	\$ 2,488

As of March 31, 2022 and December 31, 2021, the Company had an inventory reserve of \$0.1 million.

5. Stockholders' Equity

Equity Offerings

Under its certificate of incorporation, the Company was authorized to issue up to 200,000,000 shares of common stock as of March 31, 2022. The Company also was authorized to issue up to 5,000,000 shares of preferred stock as of March 31, 2022. The Company is required, at all times, to reserve and keep available out of its authorized but unissued shares of common stock sufficient shares to effect the conversion of the shares of the preferred stock and all outstanding stock options and warrants.

ATM Programs

In April 2019, the Company entered into a Common Stock Sales Agreement with H.C. Wainwright & Co., LLC, or Wainwright, pursuant to which the Company may offer and sell through Wainwright, from time to time at the Company's sole discretion, shares of its common stock, having an aggregate offering price of up to \$50.0 million, or the HCW ATM Program. Sales of the shares of common stock are deemed to be "at-the-market offerings," as defined in Rule 415 under the Securities Act. In December 2020, the Company and Wainwright entered into Amendment No. 1 to Common Stock Sales Agreement, or the Amendment, to amend the Common Stock Sales Agreement to, among other things, update the reference to the registration statement pursuant to which the shares of common stock may be sold and to include an additional \$50.0 million of shares of common stock in the HCW ATM Program. There were no sales under the HCW ATM Program during the three months ended March 31, 2022. As of March 31, 2022, there was approximately \$41.9 million remaining available for future issuances under the HCW ATM Program.

Registered Direct Offering and Concurrent Warrant Issuance

In connection with the Company's January 2019 securities purchase agreements, the Company issued warrants to purchase 500,000 shares of common stock to certain designees of H.C. Wainwright & Co., LLC. These warrants have a term of five years, are immediately exercisable and have an exercise price of \$1.25 per share. As of March 31, 2022, 172,500 of these warrants remain outstanding.

Equity Incentive Plans

In 2008, the Company adopted the 2008 Equity Incentive Plan, as amended on February 29, 2008, January 7, 2010, July 8, 2010, December 10, 2010, June 23, 2011 and June 17, 2013, collectively, the 2008 Plan, that authorized the Company to grant restricted stock and stock options to eligible employees, directors and consultants to the Company.

In 2013, the Company adopted the 2013 Equity Incentive Plan, as amended on May 14, 2014, collectively, 2013 Plan. The 2013 Plan became effective upon the Company's entry into the underwriting agreement related to its IPO in January 2014 and, as of such date, no further grants were permitted under the 2008 Plan. The 2013 Plan provides for the grant of incentive stock options, nonqualified stock options, stock appreciation rights, restricted stock awards, restricted stock unit awards, performance-based stock awards and other forms of equity compensation (collectively, stock awards), all of which may be granted to employees, including officers, non-employee directors and consultants of the Company. Additionally, the

2013 Plan provides for the grant of cash and stock-based performance awards. The 2013 Plan contains an “evergreen” provision, pursuant to which the number of shares of common stock available for issuance under the plan automatically increases on January 1 of each year beginning in 2015.

On December 15, 2016, the Company adopted the Trevena, Inc. Inducement Plan, or the Inducement Plan, effective January 1, 2017, pursuant to which the Company reserved 500,000 shares of the Company’s common stock for issuance under the Inducement Plan. The Inducement Plan provides for nonqualified stock options and restricted stock

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unit awards. The only persons eligible to receive grants of awards under the Inducement Plan are individuals who satisfy the standards for inducement grants under Nasdaq Marketplace Rule 5635(c)(4) and the related guidance under Nasdaq IM 5635-1, including individuals who were not previously an employee or director of the Company or are following a bona fide period of non-employment, in each case as an inducement material to such individual's agreement to enter into employment with the Company.

Under all of the Company's equity incentive plans, the amount, terms of grants and exercisability provisions are determined by the board of directors or its designee. The term of the options may be up to 10 years, and options are exercisable in cash or as otherwise determined by the board of directors or its designee. Vesting generally occurs over a period of not greater than four years. For performance-based stock awards, the Company recognizes expense when achievement of the performance condition is probable, over the requisite service period.

The estimated grant date fair value of the Company's share based awards is amortized on a straight-line basis over the awards' service periods. Share based compensation expense recognized was as follows (in thousands):

	Three Months Ended March 31,	
	2022	2021
Research and development	\$ 275	\$ 260
Selling, general and administrative	873	840
Cost of goods sold	7	11
Total stock-based compensation	<u>\$ 1,155</u>	<u>\$ 1,111</u>

Stock Options

A summary of stock option activity and related information through March 31, 2022 follows:

	Options Outstanding		
	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (in years)
Balance, December 31, 2021	12,449,870	\$ 2.67	7.11
Granted	244,950	0.60	
Exercised	—	—	
Forfeited/Cancelled	(435,809)	1.85	
Balance, March 31, 2022	<u>12,259,011</u>	\$ 2.65	6.97
Vested or expected to vest at March 31, 2022	<u>12,259,011</u>	\$ 2.65	6.97
Exercisable at March 31, 2022	<u>7,457,237</u>	\$ 3.30	5.66

The aggregate intrinsic value of options exercisable as of March 31, 2022 was zero, based on the difference between the Company's closing stock price of \$0.55 and the exercise price of each stock option. At March 31, 2022, there was \$5.5 million of total unrecognized compensation expense related to unvested options that will be recognized over the weighted average remaining vesting period of 2.84 years.

The Company uses the Black Scholes option pricing model to estimate the fair value of stock options at the grant date. The Black Scholes model requires the Company to make certain estimates and assumptions, including estimating the fair value of the Company's common stock, assumptions related to the expected price volatility of the Company's common stock, the period during which the options will be

outstanding, the rate of return on risk free investments and the expected dividend yield for the Company's common stock.

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The per-share weighted-average grant date fair value of the options granted to employees and directors during the three months ended March 31, 2022 and 2021 was estimated at \$0.46 and \$1.65 per share, respectively, on the date of grant using the Black-Scholes option pricing model with the following weighted-average assumptions:

	March 31,	
	2022	2021
Expected term of options (in years)	6.3	6.2
Risk-free interest rate	1.5 %	0.8 %
Expected volatility	92.5 %	97.5 %
Dividend yield	— %	— %

Restricted Stock Units

RSU-related expense is recognized on a straight-line basis over the vesting period. Upon vesting, these awards may be settled on a net-exercise basis to cover any required withholding tax with the remaining amount converted into an equivalent number of shares of common stock.

As of March 31, 2022, there were 5,918,496 non-vested RSUs with a weighted average grant date fair value of \$1.08.

For the three months ended March 31, 2022, the Company recorded \$0.5 million in stock-based compensation expense related to RSUs, which is reflected in the consolidated statements of operations and comprehensive loss.

As of March 31, 2022, there was \$5.7 million of total unrecognized compensation expense related to unvested RSUs that will be recognized over the weighted average remaining period of 3.14 years.

Shares Available for Future Grant

At March 31, 2022, the Company has the following shares available to be granted under its equity incentive plans:

	Inducement	
	2013 Plan	Plan
Available at December 31, 2021	4,178,805	252,500
Authorized	6,620,800	—
Granted	(244,950)	—
Shares withheld for taxes not issued	—	—
Forfeited/Cancelled	27,871	—
Available at March 31, 2022	<u>10,582,526</u>	<u>252,500</u>

Shares Reserved for Future Issuance

At March 31, 2022, the Company has reserved the following shares of common stock for issuance:

Stock options outstanding under 2013 Plan	12,011,511
Restricted stock units outstanding under 2013 Plan	5,918,496
Stock options outstanding under Inducement Plan	247,500
Shares reserved for future issuance under Inducement Plan	252,500
Shares reserved for future issuance under 2013 Employee Stock Purchase Plan	225,806

Warrants outstanding	275,430
Total shares of common stock reserved for future issuance	<u>18,931,243</u>

6. Commitments and Contingencies

Leases

The Company leases office space in Chesterbrook, Pennsylvania and equipment. The Company's principal office is located at 955 Chesterbrook Boulevard, Chesterbrook, Pennsylvania, where the Company currently leases approximately 8,231 square feet of developed office space on the first floor and 40,565 square feet of developed office space on the second floor. The lease term for this space extends through May 2028. On October 11, 2018, the Company entered into an agreement with The Vanguard Group, Inc., or Vanguard, whereby Vanguard agreed to sublease the 40,565 square feet of space on the second floor for an initial term of 37 months. On October 2, 2020, Vanguard notified the Company that they exercised the first option to extend the sublease term for three years through November 30, 2024. Vanguard has a second option to extend the sublease term for an additional three years through November 30, 2027. The sublease provides for rent abatement for the first month of the term; thereafter, the rent payable to the Company by Vanguard under the sublease is (i) \$0.50 less during months 2 through 13 of the sublease and (ii) in month 14 and thereafter of the sublease, \$1.00 less than the base rent payable by the Company under its master lease with Chesterbrook Partners, L.P. Vanguard also is responsible for paying to the Company all tenant energy costs, annual operating costs, and annual tax costs attributable to the subleased space during the term of the sublease. Rent expense and associated sublease income are recorded in the Company's consolidated statements of operations and comprehensive loss as other income (expense).

Supplemental balance sheet information related to leases was as follows (in thousands):

	March 31, 2022	December 31, 2021
Operating leases:		
Operating lease right-of-use assets	\$ 4,592	\$ 4,706
Other current lease liabilities	813	788
Operating lease liabilities	6,096	6,309
Total operating lease liabilities	<u>\$ 6,909</u>	<u>\$ 7,097</u>
Finance leases:		
Property and equipment, at cost	\$ 45	\$ 45
Accumulated depreciation	(43)	(41)
Property and equipment, net	2	4
Other current lease liabilities	2	4
Other long-term liabilities	—	—
Total finance lease liabilities	<u>\$ 2</u>	<u>\$ 4</u>

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

	Three Months Ended	
	March 31,	
	2022	2021
Operating lease costs:		
Operating lease rental expense	\$ 327	\$ 293
Other income	(315)	(312)
Total operating lease costs	<u>\$ 12</u>	<u>\$ (19)</u>
Finance lease costs:		
Amortization of right-of-use assets	1	2
Interest on lease liabilities	—	—
Total finance lease costs	<u>\$ 1</u>	<u>\$ 2</u>

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Supplemental cash flow information related to leases was as follows (in thousands):

	Three Months Ended	
	March 31,	
	2022	2021
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases	\$ (70)	\$ (48)
Operating cash flows from finance leases	—	—
Financing cash flows from finance leases	(2)	(2)

Our operating lease liabilities will mature, as follows (in thousands):

	Operating Leases	Financing Leases
2022 (April 1 - December 31)	\$ 1,053	\$ 2
2023	1,425	—
2024	1,450	—
2025	1,474	—
2026	1,498	—
2027 and beyond	2,163	—
Total minimum lease payments	\$ 9,063	\$ 2
Interest Expense	(2,154)	—
Lease liability	\$ 6,909	\$ 2

Per the terms of our sublease, we expect the following inflows (in thousands):

	Sublease
2022 (April 1 - December 31)	\$ 839
2023	1,139
2024	996
Total minimum lease payments	\$ 2,974

Lease term and discount rates are as follows:

	Three Months Ended March 31,	
	2022	2021
Weighted average remaining lease term (years)		
Operating leases	6	7
Finance leases	—	1
Weighted average discount rate		
Operating leases	9.2%	9.2%
Finance leases	6.5%	6.5%

Legal Proceedings

In October and November 2018, the Company and certain current and former officers and directors were sued in three purported class actions filed in the U.S. District Court for the Eastern District of Pennsylvania, or the EDPA, alleging violations of the federal securities laws. In January 2019, the three lawsuits were consolidated into one action. On February 11, 2021, the parties agreed in principle to a settlement of \$8.5 million, all of which was to be paid by the Company's insurance carriers, subject to

approval by the Court. The Court approved the settlement on August 2, 2021. The Company and the individual defendants did not acknowledge any wrongdoing as part of the settlement. The Company recorded the \$8.5 million estimated settlement liability and the \$8.5 million estimated insurance recovery in its

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2020 financial statements. As expected, the \$8.5 million was paid by the Company's insurance carriers, and the litigation is now resolved. The Company continues to believe that the claims were without merit.

In December 2018, a shareholder derivative action was filed on behalf of the Company and against certain current and former officers and directors in the EDPA, and in February 2019, two additional, similar shareholder derivative actions were filed in the U.S. District Court for the District of Delaware. A fourth similar shareholder derivative action was filed in the EDPA in September 2019, and a fifth, similar derivative action was filed in the EDPA in November 2019. A similar sixth derivative action was filed in the EDPA in September 2020. These cases involved facts similar to the consolidated securities lawsuits. The parties agreed to a settlement, which was approved by the Court on August 2, 2021. The individual defendants did not acknowledge any wrongdoing as part of the settlement. The Company agreed to make certain corporate governance changes, and a monetary payment of \$500,000 was made to plaintiffs' counsel, all of which was funded by the Company's insurance carriers. The Company recorded in the fourth quarter of 2020 an estimated liability of \$0.5 million and a corresponding insurance recovery of the same amount. The litigation is now resolved.

7. Product Revenue

Performance Obligation

The Company's performance obligation is the supply of finished pharmaceutical products to its customers. The Company's customers consist of major wholesale distributors. The Company's customer contracts generally consist of both a master agreement, which is signed by the Company and its customer, and a customer submitted purchase order, which is governed by the terms and conditions of the master agreement.

Revenue is recognized when the Company transfers control of its products to the customer, which occurs at a point-in-time, upon delivery.

The Company offers standard payment terms to its customers and has elected the practical expedient to not adjust the promised amount of consideration for the effects of a significant financing, since the period between when the Company transfers the product to the customer and when the customer pays for that product is one year or less. Taxes collected from customers relating to product revenue and remitted to governmental authorities are excluded from revenues. The consideration amounts due from customers as a result of product revenue are subject to variable consideration.

The Company offers standard product warranties which provide assurance that the product will function as expected and in accordance with specifications. Customers cannot purchase warranties separately and these warranties do not give rise to a separate performance obligation. The Company permits the return of product under certain circumstances, mainly upon at or near product expiration, instances of shipping errors or where product is damaged in transit. The Company accrues for the customer's right to return as part of its variable consideration.

Sales-Related Deductions

The following table presents a rollforward of the major categories of sales-related deductions included in trade receivable allowances for the three months ended March 31, 2022 (in thousands):

	Sales Discounts	Chargebacks	Fee for Service
Balance, January 1, 2022	\$ 1	\$ 41	\$ 45
Provision related to current period sales	—	—	—
Adjustment related to prior period sales	—	—	—

Credit or payments made during the period	—	—	—
Balance, March 31, 2022	<u>\$ 1</u>	<u>\$ 41</u>	<u>\$ 45</u>

As of March 31, 2022, the Company does not have any outstanding accounts receivable and, as a result, the sales allowance of \$87,000 has been included with accrued expenses and other current liabilities on the Company's consolidated balance sheets.

8. License Revenue

License and Commercialization Agreement with Pharmbio Korea Inc.

In April 2018, the Company entered into an exclusive license agreement with Pharmbio Korea Inc., or Pharmbio, for the development and commercialization of OLINVYK for the management of moderate to severe acute pain in South Korea. Under the terms of the agreement, the Company received an upfront, non-refundable cash payment of \$3.0 million (less applicable withholding taxes of \$0.5 million) in June 2018, and will receive a cash commercial milestone of up to \$0.5 million if OLINVYK is approved in South Korea and tiered royalties on product sales in South Korea ranging from high single digits to 20%, less applicable withholding taxes. As part of the agreement, the Company also granted Pharmbio an option to manufacture OLINVYK, on a non-exclusive basis, for the development and commercialization of the product in South Korea, subject to a separate arrangement to be entered into if Pharmbio exercises the option. The license agreement is terminable by Pharmbio for any reason upon 180 days written notice.

In accordance with the terms of the agreement, Pharmbio is solely responsible for all development and regulatory activities in South Korea. The parties have formed a Joint Development Committee with equal representation from the Company and Pharmbio to provide overall coordination and oversight of the development of OLINVYK in South Korea. The parties also agreed to form a Joint Manufacturing and Commercialization Committee at least six months prior to the anticipated date of regulatory approval of OLINVYK in South Korea to provide overall coordination and oversight of the manufacture and commercialization of OLINVYK in South Korea.

License Agreement with Jiangsu Nhwa Pharmaceutical Co. Ltd.

In April 2018, the Company also entered into an exclusive license agreement with Jiangsu Nhwa Pharmaceutical Co. Ltd., or Nhwa, for the development and commercialization of OLINVYK for the management of moderate to severe acute pain in China. Under the terms of this agreement, the Company received an upfront, non-refundable cash payment of \$2.5 million (less applicable withholding taxes of \$0.3 million) in July 2018. In August 2020, the Company received a milestone payment of \$3.0 million (less applicable withholding taxes of \$0.3 million), that became payable by Nhwa upon FDA approval of OLINVYK. The Company is also eligible to receive a cash milestone payment of \$3.0 million, subject to Chinese withholding taxes, upon regulatory approval of OLINVYK in China, up to an additional \$6.0 million of commercialization milestone payments based on product sales levels in China, and a ten percent royalty on all net product sales in China, less applicable withholding taxes. As part of the agreement, the Company also granted Nhwa an option to manufacture OLINVYK, on an exclusive basis in China, for the development and commercialization of the product in China. In the second quarter of 2018, Nhwa elected to exercise this manufacturing option. The license agreement is terminable by Nhwa for any reason upon 180 days written notice.

In accordance with the terms of the agreement, Nhwa is solely responsible for all development and regulatory activities in China. The parties have formed a Joint Development Committee with equal representation from the Company and Nhwa to provide overall coordination and oversight of the development of OLINVYK in China. The parties also agreed to form a Joint Manufacturing and Commercialization Committee at least six months prior to the anticipated date of regulatory approval of OLINVYK in China to provide overall coordination and oversight of the manufacture and commercialization of OLINVYK in China.

For the three months ended March 31, 2022 and 2021, license revenue in the accompanying consolidated statements of operations and comprehensive loss is comprised of the following:

	Three Months Ended March 31,	
	2022	2021
Pharmbio Korea Inc.	\$ 20	\$ —

Jiangsu Nhwa Pharmaceutical Co. Ltd.

Total license revenues	\$	20	\$	—
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9. Net Loss Per Common Share

The following table sets forth the computation of basic and diluted net loss per share for the periods indicated (in thousands, except share and per share data):

	Three Months Ended March 31,	
	2022	2021
Basic and diluted net loss per common share calculation:		
Net loss	\$ (16,389)	\$ (9,842)
Weighted average common shares outstanding	<u>165,520,007</u>	<u>160,508,373</u>
Net loss per share of common stock - basic and diluted	<u>\$ (0.10)</u>	<u>\$ (0.06)</u>

The following outstanding securities at March 31, 2022 and 2021 have been excluded from the computation of diluted weighted shares outstanding, as they would have been anti-dilutive:

	March 31,	
	2022	2021
Options outstanding	12,259,011	10,350,543
RSUs outstanding	5,918,496	3,696,342
Warrants	<u>275,430</u>	<u>295,591</u>
Total	<u>18,452,937</u>	<u>14,342,476</u>

10. Subsequent Events

In April 2022, the Company received the first \$15.0 million tranche from its royalty-based loan agreement with an affiliate of R-Bridge Healthcare Fund, or the R-Bridge Financing. The R-Bridge Financing calls for an initial \$15.0 million tranche within 15 days of the closing of the deal. The Company will receive an additional \$10.0 million upon achievement of either a financing or commercial milestone and an additional \$15.0 million upon the first commercial sale of OLINVYK® in China, subject to customary bring down conditions and deliverables. R-Bridge Healthcare Fund is an affiliate of CBC Group, one of Asia's largest and most active healthcare-dedicated investment firms focusing in three core areas: pharmaceutical & biotech, medtech, and healthcare services. The R-Bridge Financing is secured by and repaid with proceeds from (i) royalties from the Company's license agreement with its partner in China, Jiangsu Nhwa Pharmaceutical Co. Ltd. (Nhwa), and (ii) a revenue interest based on the Company's U.S. net sales of OLINVYK in an initial amount of 4% of such net sales. This U.S. revenue interest will be capped at \$10.0 million if Chinese approval of OLINVYK occurs by year-end 2023. In the event Chinese approval does not occur by that time, the U.S. revenue interest will increase to 7% and will continue until certain combined totals of U.S. revenue interest and Chinese royalties are paid. The Company retains all milestones from its partnership with Nhwa, including a \$3.0 million milestone on Chinese approval of OLINVYK.

In connection with the Company's R-Bridge Financing, the Company issued a warrant to purchase 5,000,000 shares of common stock. This warrant has a term of 3 years, is immediately exercisable and has an exercise price of \$0.82 per share. It was issued in April 2022 upon receipt of the first \$15.0 million tranche.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our unaudited consolidated financial statements and related notes that appear in Item 1 of this Quarterly Report on Form 10-Q and with our audited financial statements and related notes for the year ended December 31, 2021, which are included in our [Annual Report on Form 10-K filed with the Securities and Exchange Commission, or SEC, on March 31, 2022](#). Unless the context otherwise requires, we use the terms "Trevena," "Company," "we," "us" and "our" to refer to Trevena, Inc.

Overview

We are a biopharmaceutical company focused on developing and commercializing novel medicines for patients affected by central nervous system, or CNS, disorders. Our lead product, OLINVYK™ (oliceridine) injection, or

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OLINVYK, was approved by the United States Food and Drug Administration, or the FDA, in August 2020. In October 2020, we announced that OLINVYK had received scheduling from the U.S. Drug Enforcement Administration, or DEA, and was classified as a Schedule II controlled substance. OLINVYK is an opioid agonist for use in adults for the management of acute pain severe enough to require an intravenous opioid analgesic and for whom alternative treatments are inadequate.

We initiated commercial launch of OLINVYK in the first quarter of 2021. Our commercial launch strategy is to focus on a subset of core specialties and clinically challenging patient, such as those patients with certain co-morbidities, elderly, obese or renal impairment. We intend to evolve and expand this focus as customers gain experience with OLINVYK. We are also developing a pipeline of product candidates based on our proprietary product platform, including TRV045 for diabetic neuropathic pain and epilepsy; TRV250 for acute migraines; and TRV734 for opioid use disorders.

Since our incorporation in late 2007, our operations have included organizing and staffing our company, business planning, raising capital, discovering and developing our product candidates, establishing our intellectual property portfolio, and commercializing our lead product. We have financed our operations primarily through private placements and public offerings of our equity securities, debt borrowings and royalty-based financing. As of March 31, 2022, we had an accumulated deficit of \$510.5 million. Our net loss was \$16.4 million and \$9.8 million for the three months ended March 31, 2022 and 2021, respectively. Our ability to become and remain profitable depends on our ability to generate revenue or sales. We do not expect to generate significant revenue or sales unless and until we or a collaborator successfully commercialize OLINVYK or obtain marketing approval for and commercialize TRV250, TRV734, or TRV045.

We expect to incur significant expenses and operating losses for the foreseeable future as we continue to commercialize OLINVYK and continue the development and clinical trials of our other product candidates. We will need to obtain substantial additional funding in connection with our continuing operations. We will seek to fund our operations through the sale of equity, debt financings or other sources, including potential collaborations. However, we may be unable to raise additional funds or enter into such other agreements when needed on favorable terms, or at all. If we fail to raise capital or enter into such other arrangements as, and when, needed, we may have to significantly delay, scale back or discontinue our operations, development programs, and/or any future commercialization efforts.

Recent Developments

Receipt of First \$15.0 million Tranche of Financing

In April 2022, we received the first \$15.0 million tranche from our royalty-based financing agreement with an affiliate of R-Bridge Healthcare Fund, or the R-Bridge Financing. The R-Bridge Financing calls for an initial \$15.0 million tranche within 15 days of the closing of the deal. We will receive an additional \$10.0 million upon achievement of either a financing or commercial milestone and an additional \$15.0 million upon the first commercial sale of OLINVYK® in China, subject to customary bring down conditions and deliverables. R-Bridge Healthcare Fund is an affiliate of CBC Group, one of Asia's largest and most active healthcare-dedicated investment firms focusing in three core areas: pharmaceutical & biotech, medtech, and healthcare services. The R-Bridge Financing is secured by, and repaid with proceeds from (i) royalties from the license with our partner in China, Jiangsu Nhwa Pharmaceutical Co. Ltd. (Nhwa) and (ii) a revenue interest based on our U.S. net sales of OLINVYK in an initial amount of 4% of such net sales. This U.S. revenue interest will be capped at \$10.0 million if Chinese approval of OLINVYK occurs by year-end 2023. In the event Chinese approval does not occur by that time, the U.S. revenue interest will increase to 7% and will continue until certain combined totals of U.S. revenue interest and Chinese royalties are paid. We retain all milestones from our partnership with Nhwa, including a \$3.0 million milestone on Chinese approval of OLINVYK.

Enrollment in ACTIV-4 Host Tissue Platform Ceased

In April 2022, we announced that we had received notice that enrollment for TRV027 as part of the ACTIV-4 (Accelerating COVID-19 Therapeutic Interventions and Vaccines-4) Host Tissue platform (the “ACTIV-4 Platform”) has ceased. Based upon data at the interim analysis, the ACTIV-4 Platform Data and Safety Monitoring Board has recommended that certain trials in the ACTIV-4 Platform, including the TRV027 vs placebo trial, should cease enrollment due to these study arms having crossed the inferiority/harm boundary and safety concerns, based on an analysis of the primary endpoint, a composite of mortality and oxygen use within the first 28 days. The 90-day follow up

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of participants in the TRV027 trial will proceed as planned. Details about the trial results and conclusions will be disseminated once all data have been fully analyzed.

Other than us supplying drug for the study, the ACTIV-4 Platform is fully funded by the National Heart, Lung, and Blood Institute, a part of the National Institutes of Health.

OLINVYK Results from Respiratory Physiology Study of Head-to-Head Comparison versus IV Morphine in Elderly/Overweight Subjects

In April 2022, we announced that OLINVYK showed a statistically significant reduced impact on respiratory function compared to IV morphine, among elderly/overweight subjects. This data replicated observations previously seen in a comparative study of respiratory physiology in younger subjects with OLINVYK and IV morphine. The results were from a double-blinded, crossover study comparing the analgesic and respiratory effects of two doses of OLINVYK (0.5mg and 2.0mg) and morphine (2.0mg and 8.0mg) administered intravenously in a population of elderly individuals across a range of body weight. Both OLINVYK and IV morphine achieved comparable levels of pain relief. However, a statistically significantly reduced impact on respiratory function was observed in patients treated with OLINVYK compared to IV morphine as measured by the mean respiratory ventilation profiles over time ($P < 0.0001$).

In contrast to the lower dose of IV morphine, very little impact on respiratory function was observed with the lower dose of OLINVYK. At the higher dose of both drugs studied, less respiratory depression over the 6 hour measurement period was observed with OLINVYK. The peak level was also lower for OLINVYK compared to morphine, though this difference was not statistically significant. In addition, in contrast to morphine, respiratory function at the higher dose of OLINVYK rapidly returned toward baseline from 3 hours onward (all time points $P < 0.05$ in pairwise comparison).

COVID-19

The impact of the COVID-19 pandemic on the global economy and on our business continues to be a fluid situation. We responded quickly across our organization to guard the health and safety of our team and participants in our clinical trials, support our partners and vendors and mitigate risk. Thus far, our employees have rapidly adapted to working remotely and we are monitoring the COVID-19 pandemic on a daily basis to ensure we have all necessary plans in place for mitigating disruptions in our operations. Our commercial launch was impacted by the pandemic via a lack of traditional access to our customers and delayed formulary review processes. Many of our customers experienced capacity constraints as a result of COVID-19 and this frequently limited their ability to fully assess the clinical profile of OLINVYK. Like other companies, our clinical trials have experienced some degree of disruption due to access limitations to institutions currently impacted, and we may need to make further adjustments to clinical trials in the future to comply with evolving FDA guidance or otherwise. The extent to which the COVID-19 pandemic will impact our efforts to commercialize OLINVYK and to achieve market acceptance is uncertain and will depend upon future developments.

We continue to proactively assess, monitor and respond to domestic and international developments related to the COVID-19 pandemic, and we will implement risk-mitigation plans as needed to minimize the impact on our clinical trials and business operations, including our commercialization efforts of OLINVYK.

Senior Secured Tranched Term Loan Credit Facility

In September 2014, we entered into a loan and security agreement with Oxford Finance LLC and Pacific Western Bank (formerly Square 1 Bank), pursuant to which the lenders agreed to lend us up to \$35.0 million in a three-tranche series of term loans, or the Term Loans. On March 2, 2020, we made our final payment under the loan and security agreement with the lenders.

In connection with entering into the agreement, we issued to the lenders and the placement agent certain warrants to purchase an aggregate of 7,678 shares of our common stock. As of March 31, 2022, warrants exercisable for 5,728 shares of common stock remain outstanding. These warrants were exercisable upon issuance and have an exercise price of \$5.8610 per share. The warrants may be exercised on a cashless basis and will terminate on the earlier of September 19, 2024 or the closing of a merger or consolidation transaction in which we are not the surviving entity. In connection with our draw of the second term loan tranche, we issued to the lenders and the placement agent additional warrants to purchase an aggregate of 34,961 shares of our common stock. These warrants have substantially the same

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terms as those noted above and have an exercise price of \$10.6190 per share and an expiration date of December 23, 2025. In connection with our draw of the third term loan tranche, we issued to the lenders and placement agent additional warrants to purchase an aggregate of 62,241 shares of our common stock. These warrants have substantially the same terms as those noted above and have an exercise price of \$3.6150 per share and an expiration date of March 31, 2027. These detachable warrant instruments qualified for equity classification and were allocated based upon the relative fair value of the base instrument and the warrants, according to the guidance of ASC 470-20-25-2.

Critical Accounting Policies and Significant Judgments and Estimates

The preparation of our consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of our consolidated financial statements, as well as the reported revenues and expenses during the reported periods. We base our estimates on historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

A summary of our significant accounting policies appears in the notes to our audited consolidated financial statements for the year ended December 31, 2021 included in our Annual Report. However, we believe that the following accounting policies are important to understanding and evaluating our reported financial results, and we have accordingly included them in this discussion.

Stock-Based Compensation

We have applied the fair value recognition provisions of Financial Accounting Standards Board Accounting Standards Codification Topic 718, *Compensation — Stock Compensation*, or ASC 718, to account for stock-based compensation for employees. We recognize compensation costs related to stock options granted to employees based on the estimated fair value of the awards on the date of grant.

We have equity incentive plans under which various types of equity-based awards including, but not limited to, incentive stock options, non-qualified stock options, and restricted stock unit awards, may be granted to employees, non-employee directors, and non-employee consultants. We also have an inducement plan under which various types of equity-based awards, including non-qualified stock options and restricted stock unit awards, may be granted to new employees.

We recognize compensation expense for all stock-based awards based on the estimated grant-date fair values. For restricted stock unit awards to employees, the fair value is based on the closing price of our common stock on the date of grant. The value of the portion of the award that is ultimately expected to vest is recognized as expense on a straight-line basis over the requisite service period. The fair value of stock options is determined using the Black-Scholes option pricing model. We utilize a dividend yield of zero based on the fact that we have never paid cash dividends and have no current intention of paying cash dividends. In connection with the early adoption of ASU 2016-09 in the quarter ended December 31, 2016, we elected an accounting policy to record forfeitures as they occur.

See Note 5, included in Part 1, Item 1 of this Quarterly Report, for a discussion of the assumptions we used in determining the grant date fair value of options granted under the Black-Scholes option pricing model, as well as a summary of the stock option activity under our stock-based compensation plan for all years presented.

Recent Accounting Pronouncements

There are no recent accounting pronouncements to disclose.

[Table of Contents](#)**Results of Operations***Comparison of the three months ended March 31, 2022 and 2021 (in thousands)*

	Three Months Ended		
	2022	2021	Change
Revenue:			
Product revenue	\$ —	\$ 209	\$ (209)
License revenue	20	—	20
Total revenue	20	209	(189)
Operating expenses:			
Cost of goods sold	207	163	44
Selling, general and administrative	11,014	7,368	3,646
Research and development	5,259	2,636	2,623
Total operating expenses	16,480	10,167	6,313
Loss from operations	(16,460)	(9,958)	(6,502)
Other income (expense):			
Change in fair value of warrant liability	—	3	(3)
Other income, net	45	69	(24)
Interest income	24	48	(24)
Loss on foreign currency exchange	2	(4)	6
Total other income, net	71	116	(45)
Net loss attributable to common stockholders	<u>\$(16,389)</u>	<u>\$ (9,842)</u>	<u>\$ (6,547)</u>

Revenue

To date, we have derived revenue mainly from activities pursuant to our licensing agreements related to the development and commercialization of OLINVYK in China and South Korea. For the three months ended March 31, 2022, we recorded no product revenue. For the three months ended March 31, 2021, we recorded \$0.2 million in product revenue from the shipment of drug product to wholesalers.

Cost of goods sold

Cost of goods sold for product revenue includes third party logistics costs, shipping costs, and indirect overhead costs which are recorded as period costs in the period incurred.

We expensed the cost of producing validation batches of OLINVYK that we are using in the commercial launch as research and development expense prior to the regulatory approval and DEA scheduling of OLINVYK. We expect cost of sales to increase as we deplete these inventories.

The following table provides information regarding cost of goods sold during the periods indicated, including percent changes (dollar amounts in thousands):

	Three Months Ended March 31,		
	2022	2021	% Increase (Decrease)
Cost of goods sold	\$ 207	\$ 163	27%

Cost of goods sold increased by less than \$0.1 million for the three months ended March 31, 2022 compared to the same period in 2021, primarily related to distribution and indirect costs following the regulatory approval and DEA scheduling of OLINVYK.

Selling, general and administrative expense

Selling, general and administrative expenses consist principally of salaries and related costs for personnel in our executive, finance, commercial, and other administrative areas, including expenses associated with stock-based

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compensation and travel. Other selling, general and administrative expenses include professional fees for legal, field sales organization, medical affairs, market research, consulting, and accounting services.

Selling, general and administrative expenses for the three months ended March 31, 2022 increased by \$3.6 million or 50% as compared to the same period in 2021. The increase was primarily related to increases in commercialization activities and the launch of our customer-facing sales team.

Research and development expense

Research and development expenses consist primarily of costs incurred for research and the development of our product candidates, including costs associated with the regulatory approval process. In addition, research and development expenses include salaries and related costs for our research and development personnel and stock-based compensation expense and travel expenses for such individuals. Research and development activities are central to our business model. Product candidates in later stages of clinical development generally have higher development costs than those in earlier stages of clinical development, primarily due to the increased size, complexity and duration of later-stage clinical trials.

Research and development costs are expensed as incurred and are tracked by discovery program and subsequently by product candidate once a product candidate has been selected for development. We record costs for some development activities, such as clinical trials, based on an evaluation of the progress to completion of specific tasks using data such as patient enrollment, clinical site activations or information provided to us by our vendors.

Research and development expenses increased by \$2.6 million, or 100%, for the three months ended March 31, 2022, as compared to the same period in 2021. The following table summarizes our research and development expenses (in thousands):

	Three Months Ended	
	2022	2021
Personnel-related costs	\$ 1,671	\$ 1,277
OLINVYK	1,246	185
TRV027	361	109
TRV045	1,044	895
TRV250	428	—
Other research and development	509	170
	<u>\$ 5,259</u>	<u>\$ 2,636</u>

The higher research and development expenses incurred during the three months ended March 31, 2022 compared to the same period in 2021 were the result of increased spend on OLINVYK post-approval clinical studies in respiratory physiology and cognitive function and continued development of TRV045 and TRV027.

Total other income

Total other income, net for the three months ended March 31, 2022 was lower than prior year primarily because of lower interest income.

Liquidity and Capital Resources

We have historically funded substantially all of our operations through the sale and issuance of our equity securities, debt securities and borrowings under debt facilities. We have also received an aggregate of \$8.8 million pursuant to licensing agreements for the development and commercialization of OLINVYK in China and South Korea.

At March 31, 2022, we had an accumulated deficit of \$510.5 million, working capital of \$45.3 million, cash and cash equivalents of \$48.7 million, and restricted cash of \$1.3 million, and no marketable securities. In November 2020, we filed a \$250.0 million shelf registration statement, which includes the HCW ATM Program, of which there was approximately \$41.9 million of available capacity as of March 31, 2022.

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Our primary use of cash is to fund operating expenses, which consist of research and development expenditures, commercialization expenditures, and other selling, general and administrative expenditures. These expenses have increased in the three months ended March 31, 2022 as compared to the same period in 2021 as a result of the commercial launch of OLINVYK. Cash used to fund operating expenses is impacted by the timing of when we pay these expenses, as reflected in the change in accounts payable and accrued expenses. Net cash used in operating activities was \$18.3 million and \$14.4 million for the three months ended March 31, 2022 and 2021, respectively. We incurred net losses of \$16.4 million and \$9.8 million for those same periods.

Cash Flows

The following table summarizes our cash flows for the three months ended March 31, 2022 and 2021 (in thousands):

	<u>March 31,</u>	
	<u>2022</u>	<u>2021</u>
Net cash (used in) provided by:		
Operating activities	\$ (18,257)	\$ (14,413)
Financing activities	<u>(2)</u>	<u>2,730</u>
Net decrease in cash, cash equivalents and restricted cash	<u>\$ (18,259)</u>	<u>\$ (11,683)</u>

Net cash used in operating activities

Net cash used in operating activities was \$18.3 million for the three months ended March 31, 2022 and consisted primarily of a net loss of \$16.4 million and changes in operating assets and liabilities of \$3.2 million, partially offset by stock-based compensation of \$1.2 million and depreciation expense of \$0.1 million. Changes in prepaid expenses and other assets, accounts payable and accrued expenses result from timing differences between the receipt and payment of cash and when the transactions are recognized in our results of operations.

Net cash used in operating activities was \$14.4 million for the three months ended March 31, 2021 and consisted primarily of a net loss of \$9.8 million and changes in operating assets and liabilities of \$5.9 million, partially offset by stock-based compensation of \$1.1 million and depreciation expense of \$0.1 million. Changes in prepaid expenses and other assets, accounts payable and accrued expenses result from timing differences between the receipt and payment of cash and when the transactions are recognized in our results of operations.

Net cash provided by financing activities

Net cash used in financing activities was less than \$0.1 million for the three months ended March 31, 2022, which was due to capital lease payments. Net cash provided by financing activities was \$2.7 million for the three months ended March 31, 2021, which was primarily due to net proceeds of \$2.8 million from the HCW ATM Program.

Operating and Capital Expenditure Requirements

We have not achieved profitability since our inception, and we expect to continue to incur net losses and negative cash flows from operations for the foreseeable future. We expect our cash expenditures to continue to be significant in the near term as we commercialize OLINVYK, and continue to advance TRV045 and TRV250. Over the next twelve months, we anticipate that our total operating expenses will increase compared to the previous twelve months.

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We believe that our cash and cash equivalents as of March 31, 2022, together with interest thereon, will be sufficient to fund our operating expenses and capital expenditure requirements into 2023, but not for more than one year after the date of this filing and as a result, there is substantial doubt about our ability to continue as a going concern through the year from the date of this filing. Our anticipated operating expenses involve significant risks and uncertainties and are dependent on our current assessment of the extent and costs of activities required to commercialize OLINVYK and advance our other product candidates. In the future, we anticipate that we will need to raise substantial additional financing to fund our operations. To meet these requirements, we may seek to sell equity or convertible securities in public or private transactions that may result in significant dilution to our stockholders. We may offer and sell shares of our common stock under the existing registration statement or any registration statement we may file in the future. If we raise additional funds through the issuance of convertible securities, these securities could have rights senior to those of our common stock and could contain covenants that restrict our operations.

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

- our ability to successfully commercialize OLINVYK and our other product candidates;
- our ability to generate sales and other revenues from OLINVYK or any of our other product candidates, once approved, including setting an acceptable price for and obtaining adequate coverage and hospital formulary acceptance of such products;
- the size and growth potential of the markets for OLINVYK and our ability to serve those markets;
- the scope, progress, results and costs of researching and developing our product candidates or any future product candidates, both in the United States and in territories outside the United States;
- the number and development requirements of any other product candidates that we may pursue;
- our ability to enter into collaborative agreements for the development and/or commercialization of our product candidates, including for OLINVYK;
- the costs, timing, and outcome of any regulatory review of OLINVYK and any future product candidates, both in the United States and in territories outside the United States;
- the costs, timing, and extent of future commercialization activities, including product manufacturing, marketing, sales and distribution, for any of our product candidates for which we receive marketing approval;
- the revenue, if any, received from commercial sales of our product candidates for which we receive marketing approval;
- any product liability or other lawsuits, including the recently filed class action complaints, related to our products or us;
- the expenses needed to attract and retain skilled personnel; and
- the costs involved in preparing, filing and prosecuting patent applications, maintaining and enforcing our intellectual property rights and defending our intellectual property-related claims, both in the United States and in territories outside the United States.

Please see “Risk Factors” section of this Quarterly Report and our Annual Report for additional risks associated with our substantial capital requirements.

Other Commitments

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In the course of normal business operations, we have agreements with contract service providers to assist in the performance of our research and development and manufacturing activities. We can elect to discontinue the work under these agreements at any time. We also could enter into additional collaborative research, contract research, manufacturing and supplier agreements in the future, which may require upfront payments and even long-term commitments of cash.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements, as defined by applicable SEC regulations.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not required.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer, or CEO, and our Chief Financial Officer, or CFO, evaluated the effectiveness of our disclosure controls and procedures as of March 31, 2022, the end of the period covered by this Quarterly Report.

Based on our evaluation, our CEO and CFO concluded that our “disclosure controls and procedures” (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, or the Exchange Act) as of the date of our Quarterly Report have been designed and are functioning effectively to provide reasonable assurance that the information required to be disclosed by us in reports filed under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms. We believe that a controls system, no matter how well designed and operated, cannot provide absolute assurance that the objectives of the controls system are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting during our most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II

ITEM 1. LEGAL PROCEEDINGS

None..

ITEM 1A. RISK FACTORS

Our business is subject to numerous risks. You should carefully consider the following risks and all other information contained in this Quarterly Report, as well as general economic and business risks, together with any other documents we file with the SEC. If any of the following events actually occur or risks actually materialize, it could have a material adverse effect on our business, operating results and financial condition and cause the trading price of our common stock to decline.

There have been no material changes to our risk factors disclosed in our [Annual Report for the year ended December 31, 2021](#), with the exception of the following risk factors. The risk factors disclosed in our Annual Report are incorporated herein by reference.

We may not have cash available to us in an amount sufficient to enable us to make interest or principal payments on our indebtedness when due.

Through an indirect subsidiary, we entered into a royalty-based loan agreement, or the Loan Agreement, with R-Bridge Healthcare Investment Advisory, Ltd., or R-Bridge, pursuant to which we may incur up to \$40.0 million of indebtedness. Our ability to make scheduled payments of the principal of, to pay interest on or to refinance our indebtedness under the Loan Agreement depends on our future performance, which is subject to regulatory, economic, financial, competitive and other factors beyond our control. We are a biopharmaceutical company that has not yet generated profit from product sales. We expect to continue to incur losses as we add infrastructure and personnel to support our commercialization and product development efforts and operations. Accordingly, our business may not generate cash flow from operations in the future sufficient to service our indebtedness under the Loan Agreement 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. Any of this could result in a failure of our ability to satisfy our debt obligations under the Loan Agreement. In turn, such failure could result in an event of default and, as a result, R-Bridge could accelerate all of the amounts due under the Loan Agreement. In the event of any such acceleration of amounts due as a result of an event of default, we may not have sufficient funds or may be unable to arrange for additional financing to repay our indebtedness. In addition, R-Bridge could seek to enforce its respective security interests in certain assets.

We are subject to certain restrictive covenants which, if breached, could have a material adverse effect on our business and prospects.

The Loan Agreement contains certain customary affirmative covenants, including those relating to: use of proceeds; maintenance of books and records; financial reporting and notification; compliance with laws; and protection of our intellectual property. The Loan Agreement also contains certain customary negative covenants, barring our subsidiary that is party to the Loan Agreement from: certain fundamental transactions; issuing dividends and distributions (other than certain exceptions, including distributing the loan proceeds to us); incurring additional indebtedness outside of the ordinary course of business; engaging in any business activity other than related to our license agreement relating to OLINVYK with our partner in China, Jiangsu Nhwa Pharmaceutical Co. Ltd.; and permitting any additional liens on the collateral

provided to R-Bridge under the Loan Agreement. Our failure to observe or breach of these covenants could result in an event of default and, as a result, R-Bridge could accelerate all of the amounts then due under the Loan Agreement or otherwise give R-Bridge certain rights over us which would have an adverse effect on our business.

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

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

None.

ITEM 5. OTHER INFORMATION

None.

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ITEM 6. EXHIBITS

The following is a list of exhibits filed as part of this Quarterly Report on Form 10-Q.

Exhibit Number	Description
10.1#	Loan Agreement, dated March 30, 2022, by and among R-Bridge Investment Four Pte. Ltd., as lender, and Trevena SPV2 LLC, as borrower.
10.2#	Revenue Interest Purchase Agreement, dated March 30, 2022, by and among Trevena, Inc., as seller, and Trevena SPV2 LLC, as Company.
10.3#	Contribution and Servicing Agreement, dated March 30, 2022, by and among Trevena, Inc., as contributor, and Trevena SPV2 LLC, as Company.
31.1#	Certification of the Principal Executive Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934.
31.2#	Certification of the Principal Financial Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934.
32.1*#	Certification of the Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
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.
101#	The following financial information from this Quarterly Report on Form 10-Q for the three months ended March 31, 2022, formatted in Inline XBRL (eXtensible Business Reporting Language): (i) Consolidated Balance Sheets as of March 31, 2022 and December 31, 2021, (ii) Consolidated Statements of Operations and Comprehensive Income (Loss) for the three months ended March 31, 2022 and 2021, (iii) Consolidated Statements of Stockholders' Equity for the period from January 1, 2022 to March 31, 2022, (iv) Consolidated Statements of Cash Flows for the three months ended March 31, 2022 and 2021 and (v) Notes to Unaudited Consolidated Financial Statements, tagged as blocks of text.
104#	Cover Page Interactive Data File – The cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.

* These certifications are being furnished solely to accompany this quarterly report pursuant to 18 U.S.C. Section 1350, and are not being filed for purposes of Section 18 of the Exchange Act and are not to be incorporated by reference into any filing of the registrant, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Filed herewith.

CERTAIN CONFIDENTIAL INFORMATION IN THIS DOCUMENT, MARKED BY [*], HAS BEEN OMITTED BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) WOULD BE COMPETITIVELY HARMFUL IF PUBLICLY DISCLOSED.**

LOAN AGREEMENT

dated as of March 30, 2022

by and between

R-BRIDGE INVESTMENT FOUR PTE. LTD.,

as Lender,

and

TREVENA SPV2 LLC,

as Borrower

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Exhibits to the Disclosure Letter

Exhibit A	Form of Assignment and Acceptance
Exhibit B	Form of Fully Blocked Account Control Agreement
Exhibit C	Form of Springing Blocked Account Control Agreement
Exhibit D	Form of Contribution Agreement
Exhibit E	Form of Intercompany License Agreement
Exhibit F	Form of Revenue Interest Purchase Agreement
Exhibit G-1	Form of Parent Guarantee
Exhibit G-2	Form of TRVN SPV1 Guarantee
Exhibit H-1	Form of Form of Parent Equity Contribution Agreement
Exhibit H-2	Form of TRVN RC Equity Contribution Agreement
Exhibit I	[Reserved]
Exhibit J	Form of Security Agreement
Exhibit K	Form of Stock Pledge Agreement
Exhibit L-1	Form of Officer's Certificate
Exhibit L-2	Form of Second and Third Tranche Loan Officer's Certificate
Exhibit M	Form of Solvency Certificate
Exhibit N	Form of Licensee Consent
Exhibit O	Form of Licensee Instruction Letter
Exhibit P	Form of Perfection Certificate
Exhibit Q	License Agreement
Exhibit R	Form of Payment Date Distribution Report
Exhibit S	Form of Warrant

Schedules to the Disclosure Letter

Schedule 7.01(a)	Jurisdictions
Schedule 7.01(n)(i)	Applicable Patents (Patents in the United States or the Territory owned or controlled by Parent, Borrower or Subsidiary including the Licensed Patents)
Schedule 7.01(n)(xxiv) Party of issued	Party infringement of issued Patents; notice to Third Patents.
Schedule 7.01(n)(xxvi) material to	Copyrights, trademarks, trade secrets or net names
Schedule 7.01(r)(ii)	Exploitation of Licensed Product
Schedule 7.02(n)	Amendments to License Agreement
Schedule 7.02(z)	Material Contracts
Schedule 7.02(o)(vii) Parent and	Indebtedness
	Contracts (other than the License Agreement) between Licensee; Other Agreements

This **LOAN AGREEMENT** (this “**Agreement**”) dated as of March 30, 2022, is entered into by and between R-Bridge Investment Four Pte. Ltd., a Singapore private company limited by shares, as lender (“**Lender**”), and Trevena SPV2 LLC, a Delaware limited liability company, as borrower (“**Borrower**”). Capitalized terms not otherwise defined herein shall have the meanings set forth in, or by reference in, Article I below.

RECITALS

WHEREAS, Borrower intends to acquire all of Parent’s right, title and interest in, to and under the Transferred Assets pursuant to that certain Contribution and Servicing Agreement, dated as of the Closing Date (the “**Contribution Agreement**”), by and between Parent and Borrower, in the form attached as Exhibit D to the Disclosure Letter, and, in connection therewith, to acquire a royalty-free, fully-paid license under certain intellectual property related to the Transferred Assets pursuant to that certain Intercompany License Agreement, dated as of the Closing Date (the “**Intercompany License Agreement**”), by and between Parent and Borrower, in the form attached as Exhibit E to the Disclosure Letter;

WHEREAS, pursuant to that certain Revenue Interest Purchase Agreement, dated as of the Closing Date (the “**Revenue Interest Purchase Agreement**”), by and between Parent and Borrower, in the form attached as Exhibit F to the Disclosure Letter, Borrower intends to acquire all of Parent’s right, title and interest in, to and under the Purchased Revenue Interest and the Purchased Additional Revenue Interest;

WHEREAS, in connection with the transactions contemplated by the Contribution Agreement and the Revenue Interest Purchase Agreement, Borrower has requested that Lender make term loans to Borrower in an aggregate principal amount of up to Forty Million Dollars (\$40,000,000), the proceeds of which will be used by Borrower in accordance with Section 8.02; and

WHEREAS, in partial consideration therefor, Borrower shall issue the Warrant to Lender and provide the Lender with the Additional Royalty Right;

WHEREAS, Lender is willing to extend such credit to Borrower on the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual promises of the Parties, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed by the Parties as follows:

ARTICLE I CERTAIN DEFINITIONS

Section 1.01 Definitions. As used herein:

“**Account Bank**” means Pacific Western Bank or such other bank or financial institution approved by each of Lender and Borrower.

“**Accreted Principal**” has the meaning set forth in Section 3.01(c).



“**Additional Royalty Right**” means the right to receive the amounts payable pursuant to clause (iii) of Section 4.04(a).

“**Additional Royalty Right Payments**” has the meaning set forth in Section 4.04(a)(iii)(2).

“**Affiliate**” means any Person that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with another Person.

“**Agreement**” has the meaning set forth in the preamble hereto.

“**Anti-Corruption Laws**” all laws, rules, and regulations concerning or relating to bribery or corruption, including, without limitation, the U.S. Foreign Corrupt Practices Act of 1977, as amended.

“**Applicable Law**” means, with respect to any Person, all Laws, rules, regulations and orders of Governmental Authorities applicable to such Person or any of its properties or assets.

“**Assignee**” means any other Person to which a Lender has assigned or is assigning its rights and obligations hereunder, whether in whole or in part.

“**Assignment and Acceptance**” means a written instrument of assignment in the form attached as Exhibit A to the Disclosure Letter, executed by and between the parties to an assignment under Section 12.01 hereof.

“**Assignment Relating to the Purchased Revenue Interest**” means the Assignment and Assumption Agreement, dated as of the Closing Date, delivered by Parent to Borrower under the Revenue Interest Purchase Agreement with respect to the Purchased Revenue Interest and the Purchased Additional Revenue Interest.

“**Assignment Relating to the Transferred Assets**” means the Assignment and Assumption Agreement, dated as of the Closing Date, delivered by Parent to Borrower under the Contribution Agreement with respect to the Transferred Assets.

“**Bankruptcy Law**” means Title 11 of the United States Code entitled “Bankruptcy” and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions (domestic or foreign) from time to time in effect and affecting the rights of creditors generally.

“**Blocked Account**” means, collectively, any segregated deposit account established and maintained at the Account Bank pursuant to a Blocked Account Control Agreement, the Security Agreement and this Agreement.

“**Blocked Account Control Agreement**” means, collectively, any Fully Blocked Account Control Agreement and any Springing Blocked Account Control Agreement.

“Borrower” has the meaning set forth in the preamble hereto.

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“Borrower Account” that certain deposit account with account number ending in [***] established by Borrower at Account Bank, which shall be subject to the control of Lender pursuant to the Springing Blocked Account Control Agreement, and any successor Borrower Account entered into in accordance with Section 4.03.

“Borrower’s Organizational Documents” means the certificate of formation and limited liability company agreement (or similar documents) of Borrower or the functional equivalent of the foregoing.

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

“Calendar Quarter” means, for the first calendar quarter, the period beginning on the Closing Date and ending on the last day of the calendar quarter in which the Closing Date falls, and thereafter each successive period of three (3) consecutive calendar months ending on March 31, June 30, September 30 or December 31.

“Capital Stock” of any Person means any and all shares, interests, memberships, ownership interest units, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) equity of such Person, including any preferred stock, and including, if such Person is a partnership, partnership interests (whether general or limited) and any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of property of, such partnership, and including, if such Person is a limited liability company, membership interests and any other interest or participation that confers on a Person the right to receive an interest in the profits and losses of, or distributions of property of, such limited liability company, in each case whether outstanding on the date hereof or issued after the date hereof, but excluding any Indebtedness convertible into or exchangeable for such equity.

“Change of Control” means (a) any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act, but excluding any employee benefit plan of such person or its subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) becoming the “beneficial owner” (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of (i) more [***] of the equity interests of Borrower or Parent entitled to vote for members of its board of directors on a fully diluted basis (and taking into account all such securities that such person or group has the right to acquire pursuant to any option right) or (ii) [***] of the equity interests of Borrower or Parent entitled to vote for members of its board of directors on a fully diluted basis (and taking into account all such securities that such person or group has the right to acquire pursuant to any option right), or (b) that consummation of any transaction or series of related transactions that results in the sale, disposition or other transfer of all or substantially all of Parent’s business or assets.

“Change of Control Payment Date” has the meaning set forth in Section 3.03.

“**Change-Over Date**” means the first Quarterly Payment Date to occur following the end of the first calendar quarter to commence after the date the Principal Amount of the Loan, together with any accrued interest, has been repaid in full, and Lender has no further obligations to extend either the Second Tranche Loan or the Third Tranche Loan.

“**Chinese Regulatory Approval**” means any and all approvals, licenses, registrations or authorizations of any Regulatory Agency (including NMPA) necessary for commercially distributing, selling, promoting, marketing and otherwise Commercializing the Licensed Product in the People’s Republic of China, including pricing and reimbursement approvals where reasonably necessary for the sale of Licensed Product.

“**Closing Date**” means the date hereof.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Collateral**” means all of Borrower’s right, title and interest in, to and under, the following property, whether now owned or hereafter acquired and wherever located:

(a) the Transferred Assets (including, without limitation, the License Agreement (including the right to all payments in respect of the Royalty Interest from time to time)), the Contribution Agreement, and the Assignment Relating to the Transferred Assets;

(b) the Intercompany License Agreement;

(c) the Purchased Revenue Interest, the Revenue Interest Purchase Agreement and the Assignment Relating to the Purchased Revenue Interest;

(d) the Collection Account and all money and other property deposited or maintained in the Collection Account;

(e) all accounts, chattel paper, deposit accounts (and all money and other property deposited or maintained therein), documents, equipment, fixtures, general intangibles, goods, instruments (including intercompany promissory notes), inventory, investment property, letter-of-credit rights, letters of credit, commercial tort claims, money, and supporting obligations;

(f) all rights (contractual and otherwise and whether constituting accounts, contract rights, financial assets, cash, investment property or general intangibles) arising under, connected with or in any way related to the assets described in the foregoing clauses (a), (b), (c), (d) or (e) (including, without limitation, (i) the right to receive the Royalty Reports, (ii) the right to audit the records of the Licensee as described in Section 8.9 of the License Agreement and (iii) the right to make claims against the Licensee for breach of the License Agreement);

(g) all accessions, substitutions and replacements for, and all rents, profits and products of, any assets described in the foregoing clauses (a), (b), (c), (d), (e) or (f);

(h) all proceeds of any assets described in the foregoing clauses (a), (b), (c), (d), (e), (f) or (g);

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(i) all books and records related to any assets described in the foregoing clauses (a), (b), (c), (d), (e), (f), (g) or (h);

provided that in no event shall Collateral include any of the following: (i) any governmental licenses or state or local franchises, charters and authorizations to the extent and for so long as a security interest in any such license, franchise, charter or authorization is prohibited or restricted thereby (other than to the extent that such restriction or prohibition would be rendered ineffective pursuant to the anti-non assignment provisions of the UCC or other Applicable Law), (ii) any license or agreement (or rights thereunder) to the extent that and for so long as a grant of a security interest therein would violate or invalidate such license or agreement, result in a breach thereof or create a right of termination in favor of any other Person (other than an Affiliate of Borrower) party thereto (other than to the extent that such restriction or prohibition would be rendered ineffective pursuant to the anti-non assignment provisions of the UCC or other Applicable Law), or (iii) any intent to use trademarks; provided, further, that, for the avoidance of doubt, in no event shall the Collateral include any Excluded Asset (as defined in the Contribution Agreement) or rights related thereto; provided, further, that the term “Collateral” shall include all proceeds and products of any assets described in clauses (i), (ii) or (iii) of the immediately preceding proviso.

“**Collection Account**” that certain deposit account with account number ending in [***] established by Borrower at Account Bank, which shall be subject to the sole dominion and control of Lender pursuant to the Fully Blocked Account Control Agreement, and any successor Collection Account entered into in accordance with Section 4.03.

“**Collection Amount**” means, with respect to any Calendar Quarter, (a) all amounts in respect of the Royalty Interest received by Parent or Borrower during such Calendar Quarter and (b) the Purchased Revenue Interest Amount (as defined in the Revenue Interest Purchase Agreement) paid or payable by Parent to Borrower in respect of such Calendar Quarter in accordance with Section 4.01(n) of the Revenue Interest Purchase Agreement and any amounts paid or payable by Parent to Borrower in accordance with Section 4.10(p) of the Revenue Interest Purchase Agreement during such Calendar Quarter.

“**Commercialization**” means, on a country-by-country basis, any and all activities with respect to the distribution, marketing, detailing, promotion, selling and securing of reimbursement of a Licensed Product in such country, which shall include, as applicable, post-marketing approval studies, post-launch marketing, promoting, detailing, marketing research, distributing, customer service, selling a Licensed Product, importing, exporting or transporting a Licensed Product for sale, and regulatory compliance with respect to the foregoing. When used as a verb, “**Commercialize**” means to engage in Commercialization.

“**Common Stock**” has the meaning set forth in the Warrant.

“**Confidential Information**” means any and all technical and non-technical non-public information provided by either Party to the other (including, without

limitation, any notices or other information provided pursuant to Section 8.08 and all information previously provided or made available in accordance with the Confidentiality Agreement), either directly or indirectly, whether in graphic, written, electronic or oral form, and marked or identified at the time of

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disclosure as confidential, or which by its context would reasonably be deemed to be confidential whether or not such information is marked as confidential, including without limitation information relating to a Party's revenues, net sales, costs, technology, products and services, and any business, financial or customer information relating to a Party. Confidential Information shall not include any information that a Party can demonstrate was: (i) known to the general public at the time of its disclosure to such Party or its Affiliates, or thereafter became generally known to the general public, other than as a result of actions or omissions of the receiving Party or its Affiliates in violation of such Party's obligations under Section 12.17; (ii) known by the receiving Party or its Affiliates prior to the date of disclosure by the disclosing Party; (iii) disclosed to the receiving Party or its Affiliates on an unrestricted basis from a source unrelated to the disclosing Party and not known by the receiving Party or its Affiliates to be under a duty of confidentiality to the disclosing Party; or (iv) independently developed by the receiving Party or its Affiliates by personnel that did not use the Confidential Information of the disclosing Party in connection with such development.

"Confidentiality Agreement" means that certain Mutual Nondisclosure Agreement by and between Parent and R-Bridge Healthcare Investment Advisory, Ltd., dated August 17, 2021.

"Contract" means any agreement, contract, lease, commitment, license and other arrangement that is legally binding.

"Contribution" means the sale, assignment, transfer, contribution and conveyance of the Transferred Assets pursuant to the Contribution Agreement.

"Contribution Agreement" has the meaning set forth in the recitals hereto.

"Contributor Event of Default" has the meaning set forth in the Contribution Agreement.

"Controlled Affiliate" with respect to any Person means any other Person directly or indirectly controlling, controlled by or under common control with, such Person. For the purposes of this Agreement, **"control"** (including, with correlative meaning, the terms **"controlling"** and **"controlled"**) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"Cut-Off Date" means, with respect to any Quarterly Payment Date, the fifth (5th) Business Day preceding such Quarterly Payment Date.

"Default" means any condition or event which constitutes an Event of Default or which, with the giving of notice or the lapse of time or both (in each case to the extent described in the relevant subclauses of the definition of "Event of Default") would, unless cured or waived, become an Event of Default.

"Default Rate" means, for any period for which an amount is overdue, a rate per annum equal for each day in such period to the lesser of (i) three percent (3.0%)

plus the rate of interest otherwise applicable to the Loan as provided in Section 4.01 and the definition of “Fixed Interest” and (ii) the maximum rate of interest permitted under Applicable Law.

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“**Deficiency Amount**” has the meaning set forth in Section 3.01(c).

“**Disclosure Letter**” means the Confidential Disclosure Letter, dated as of the Closing Date, and delivered by Borrower and the Parent to the Lender.

“**Dispute(s)**” means any opposition, interference, reexamination, injunction, claim, suit, action, citation, summons, subpoena, hearing, inquiry, investigation (by the International Trade Commission or otherwise), complaint, arbitration, mediation, demand, decree or other dispute, disagreement, proceeding, claim or *inter partes* review (other than standard patent prosecution before a Patent Office).

“**Disqualified Capital Stock**” of any Person means any class of Capital Stock of such Person that, by its terms, or by the terms of any related agreement or of any security into which it is convertible, puttable or exchangeable, is, or upon the happening of any event (other than a Change of Control) or the passage of time would be, required to be redeemed by such Person, whether or not at the option of the holder thereof, or matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, in whole or in part, on or prior to the date which is ninety-one (91) days after the Loan Maturity Date; provided, however, that any class of Capital Stock of such Person that, by its terms, authorizes such Person to satisfy in full its obligations with respect to the payment of dividends or upon maturity, redemption (pursuant to a sinking fund or otherwise) or repurchase thereof or otherwise by the delivery of Capital Stock that is not Disqualified Capital Stock, and that is not convertible, puttable or exchangeable for Disqualified Capital Stock or Indebtedness, will not be deemed to be Disqualified Capital Stock so long as such Person satisfies its obligations with respect thereto solely by the delivery of Capital Stock that is not Disqualified Capital Stock.

“**Dollars**” or “**\$**” means lawful money of the United States of America.

“**Equity Contribution Agreement**” means, collectively, the Parent Equity Contribution Agreement and the TRVN RC Equity Contribution Agreement.

“**ERISA**” means the Employee Retirement Income Security Act of 1974, as amended, and the regulations promulgated thereunder.

“**Event of Default**” means the occurrence of one or more of the following:

(a) Borrower fails to pay any principal of the Loan within three (3) Business Days after the same becomes due and payable, whether on the Loan Maturity Date or otherwise (excluding any prepayment of principal of the Loan pursuant to Section 3.02(b)).

(b) Except as permitted by Section 4.01, Borrower fails to pay any interest on the Loan (including, without limitation, Fixed Interest) or make payment of any other amounts payable under this Agreement (other than payments of principal, which are covered under clause (a) above) within five (5) Business Days after the same becomes due and payable.

(c) Any representation or warranty of Borrower in any Loan Document to which it is party or in any certificate or other document delivered by Borrower in connection with the Loan Documents to Lender proves to have been incorrect in any material respect at the

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time it was made or deemed made (except that any representation or warranty that is qualified as to “materiality” or “Material Adverse Effect”, or by reference to an objective standard (e.g., a specified Dollar amount), shall be true and correct in all respects) and, solely if the consequences of the failure of such representation or warranty to be true and correct can be cured, such failure continues for a period of thirty (30) days without such cure after the earlier of the date Borrower becomes aware of such failure or the date Lender provides notice of such failure to Borrower.

(d) Borrower fails to perform or observe any covenant or agreement contained in Sections 4.02, 8.01, 8.02, 8.06, 8.08, 8.09, 8.17 or Article IX (other than Section 9.03, which is covered under clause (e) below).

(e) Borrower fails to perform or observe any other covenant or agreement contained in the Loan Documents to which it is a party (other than those referred to in the preceding clauses of this definition) and, solely if the consequences of the failure to perform or observe such covenant or agreement can be cured, such failure continues for a period of thirty (30) days without such cure after the earlier of the date Borrower becomes aware of such failure or the date Lender provides notice of such failure to Borrower.

(f) A Parent Event of Default occurs and is continuing.

(g) Borrower (i) fails to pay when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) any Indebtedness (other than the Obligations hereunder) of \$50,000 or more or (ii) fails to perform or observe any covenant or agreement to be performed or observed by it contained in any agreement or in any instrument evidencing any of its Indebtedness (other than the Obligations hereunder) of \$50,000 or more and, as a result of such failure, any other party to that agreement or instrument is entitled to exercise the right to accelerate the maturity of any Indebtedness thereunder.

(h) Any uninsured judgment, decree or order in an amount in excess of \$50,000 shall be rendered against Borrower and either (i) enforcement proceedings shall have been commenced upon such judgment, decree or order or (ii) such judgment, decree or order shall not have been stayed or bonded pending appeal, vacated or discharged, within thirty (30) days from entry.

(i) An Insolvency Event occurs.

(j) (i) Any of the Loan Documents ceases to be in full force and effect (other than the Parent Guarantee after the earlier of Chinese Regulatory Approval and the Change-Over Date), (ii) the validity or enforceability of any Loan Document is disaffirmed or challenged in writing by any Transaction Party or any of their respective Affiliates, or by any Person (other than Lender) asserting an interest in any portion of the Collateral and such written disaffirmation or challenge is not withdrawn or disavowed by such Person within thirty (30) days after its communication or Borrower has not brought appropriate proceedings for declaratory or other relief negating such disaffirmation or challenge within thirty (30) days after such communication and has not obtained an order granting such relief within one

hundred and twenty (120) days after commencement of such proceedings, or (iii) this Agreement, the Security Agreement, the Stock Pledge Agreement, the TRVN SPV1 Guarantee, or, prior to the earlier of Chinese

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Regulatory Approval and the Change-Over Date, the Parent Guarantee, ceases to give Lender the rights purported to be created hereby or thereby (including a first priority perfected Lien on the assets of Borrower that constitute Collateral (except as otherwise expressly provided herein and therein)) other than as a direct result of any action by Lender or failure of Lender to perform an obligation of Lender hereunder.

(k) Borrower fails to perform or observe any covenant or agreement contained in any Material Contract to which it is a party or any of Borrower's Organizational Documents, and such failure is not cured or waived within any applicable grace period, and in the case of any provision in Borrower's Organizational Documents, if not cured, is not waived by Lender, or any Material Contract shall cease to be in full force and effect, and in the case of any provision in a Material Contract, such failure to perform or observe results in a termination of such Material Contract and any such failure, cessation or termination could reasonably be expected to have a Material Adverse Effect.

(l) The License Agreement is terminated or cancelled and is not replaced in accordance with Section 8.17(b) within one hundred and eighty (180) days after the effective date of termination or cancellation; provided that a failure to replace the License Agreement within such one hundred and eighty- (180-) day period shall not constitute an Event of Default for so long as Lender, Borrower and Parent are engaged in discussions with one or more Third Parties with respect to a New Arrangement in compliance with Section 8.17, and Lender has a good faith reasonable belief that such discussions will result in the entry into a New Arrangement within a reasonable period of time thereafter.

(m) Any security interest purported to be created by the Security Agreement or the Stock Pledge Agreement shall cease to be in full force and effect, or shall cease to give the rights, powers and privileges purported to be created and granted hereunder or thereunder (including a perfected first priority security interest in and Lien on substantially all of the Collateral (except as otherwise expressly provided herein and therein)) in favor of Lender pursuant hereto or thereto (other than as a result of the failure by Lender of taking any action required to maintain the perfection of such security interests), or shall be asserted by TRVN SPV1 or Borrower not to be a valid, perfected, first priority (except as otherwise expressly provided in this Agreement or such Security Agreement) security interest in the Collateral and/or TRVN SPV1 or Borrower takes any action that could reasonably be expected to impair Lender's security interest in any of the Collateral (other than granting Permitted Liens or permitting such Permitted Liens to exist).

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the regulations promulgated thereunder.

"Excluded Taxes" shall mean, any of the following Taxes imposed on or with respect to, or required to be withheld or deducted from a payment by Licensee of the Royalty Interest: (i) Taxes imposed on or measured by net income or branch profits (however denominated, and including (for the avoidance of doubt) any backup withholding in respect thereof under Section 3406 of the Code or any similar provision of state, local or foreign law), and franchise (and similar) Taxes imposed, in each case,

by a jurisdiction (including any political subdivision thereof) as a result of being organized in, having its principal office in, or, having permanent

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establishment or trade or business in, such jurisdiction, or as a result of any other present or former connection with such jurisdiction, (ii) any Taxes withheld or deducted under Section 8.8(b) of the License Agreement pursuant to laws not in force at the date of this Agreement, (iii) any Taxes withheld or deducted under Section 8.8(b) of the License Agreement that are attributable to a failure by Borrower, TRVN SPV1 or Parent to provide appropriate tax forms to the payor under the License Agreement (including pursuant to Section 8.8(d) of the License Agreement) or gross negligence or willful misconduct (which, for avoidance of doubt, would include a failure to exercise the rights of Parent and Borrower under Section 8.8(c) of the License Agreement) and (iv) Tax imposed under FATCA.

“**Exploit**” means, with respect to the Licensed Product, the manufacture, use, sale, offer for sale (including marketing and promotion), importation, distribution or other Commercialization; and “**Exploitation**” shall have the correlative meaning.

“**FATCA**” shall mean Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future treasury regulations promulgated thereunder or official administrative interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or official practices adopted pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities entered into in connection with the implementation of the foregoing.

“**FCPA**” means the United States Foreign Corrupt Practices Act of 1977.

“**FDA**” means the United States Food and Drug Administration, or any successor agency thereto.

“**Fee Letter**” means that certain Fee Letter, dated as of the Closing Date, by and between Lender and Borrower.

“**Financial Statements**” means, the consolidated balance sheets of Parent, audited at December 31, 2020, December 31, 2019 and December 31, 2018 and the related consolidated statements of operations and comprehensive loss, cash flows and changes in stockholders’ equity of Parent audited for the years ended December 31, 2020, December 31, 2019 and December 31, 2018, and the accompanying notes thereto, in each case, as filed within Forms 10-K and 10-Q with the SEC.

“**First Tranche Loan**” has the meaning set forth in Section 2.01(a).

“**First Tranche Loan Commitment**” means the amount of Fifteen Million Dollars (\$15,000,000).

“**Fixed Interest**” means interest with respect to the Loan, accruing with respect to the outstanding principal balance thereof at a rate *per annum* equal to seven percent (7.0%).

“**Fixed Interest Amount**” has the meaning set forth in Section 4.04(b)(i).

“**Fixed Interest Payment**” has the meaning set forth in Section 4.04(b)(i).

“**Fully Blocked Account Control Agreement**” means any agreement entered into by the Account Bank, Borrower and Lender in the form attached as Exhibit B to the Disclosure Letter or otherwise in form and substance reasonably satisfactory to Lender, pursuant to which, among other things, Lender shall have sole dominion and control over the Blocked Account within the meaning of Section 9-104 of the UCC.

“**GAAP**” means the generally accepted accounting principles in the United States of America in effect from time to time; provided that if there occurs after the Closing Date any change in GAAP that affects in any respect the calculation of any payment or other amount described or referenced herein or in any other Loan Document (including, without limitation, the Royalty Interest and the Purchased Revenue Interest), Borrower and Lender shall negotiate in good faith to amend the provisions hereof or thereof that relate to the calculation of such payment or other amount with the intent of having the respective positions of Parent, TRVN SPV1, Borrower and Lender after such change in GAAP conform as nearly as possible to their respective positions as of the Closing Date, and, until any such amendments have been agreed upon, such payments and other amounts shall be calculated as if no such change in GAAP has occurred.

“**Governmental Authority**” means any nation or government, any state or other political subdivision thereof, and any entity exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, government.

“**Guarantee**” means, as to any Person: (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation payable or performable by another Person (the “**Primary Obligor**”) in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other obligation of the payment or performance of such Indebtedness or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the Primary Obligor so as to enable the Primary Obligor to pay such Indebtedness or other obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part); or (b) any Lien on any assets of such Person securing any Indebtedness or other obligation of any other Person, whether or not such Indebtedness or other obligation is assumed by such Person.

“**Guarantee Agreement**” means, collectively, the Parent Guarantee and the TRVN SPV1 Guarantee.

“**Indebtedness**” with respect to any Person means (i) all indebtedness pursuant to an agreement or instrument involving or evidencing money borrowed, the advance of credit, a conditional sale or a transfer with recourse or with an obligation to

repurchase (but excluding trade credit and accounts payable in the ordinary course of business), (ii) all obligations of such

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Person evidenced by notes, bonds, debentures or other similar instruments (iii) all capitalized lease obligations, (iv) all obligations with respect to Disqualified Capital Stock, (v) all indebtedness of a third party secured by (or for which the holder of such indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on assets owned or acquired by such Person, whether or not the indebtedness secured thereby has been assumed (but only to the extent of such Lien), (vi) net amounts owing pursuant to an interest rate protection agreement, foreign currency exchange agreement or other hedging arrangement, (vii) all reimbursement obligations under letters of credit issued for the account of such Person, and (viii) all Guarantees with respect to Indebtedness of the types specified in clauses (i) through (vii) above of another Person. For the avoidance of doubt, the Indebtedness of any Person shall include the Indebtedness of any other entity to the extent such Person is directly liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness provide that such Person is not liable therefor.

“Indemnified Liabilities” means, collectively, any and all liabilities, obligations, losses, damages, penalties, claims, costs, expenses and disbursements of any kind or nature whatsoever (including the reasonable fees and disbursements of counsel for Indemnitees in connection with any investigative, administrative or judicial proceeding commenced or threatened (in writing) by any Person whether or not any such Indemnatee shall be designated as a party or a potential party thereto, and whether or not such Indemnatee is required by Applicable Law to be involved therein, and any fees or expenses actually incurred by Indemnitees in enforcing the indemnity provided herein), whether direct, indirect or consequential, whether based on any federal, state or foreign laws, statutes, rules or regulations (including securities and commercial laws, statutes, rules or regulations), on common law or equitable cause or on contract or otherwise, imposed on, incurred by, or asserted against any such Indemnatee, in any manner relating to or arising out of this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby (including any enforcement of any of the Loan Documents (including any sale of, collection from, or other realization upon any of the Collateral)).

“Indemnatee” means each Lender and its Affiliates and their respective officers, partners, directors, trustees, employees, agents and controlling Persons.

“Independent Manager” means the Person identified as such in the Independent Manager Engagement Letter.

“Independent Manager Engagement Letter” means that certain engagement letter, dated the Closing Date, by and between Corporation Service Company and Borrower.

“Insolvency Event” means the occurrence of any of the following with respect to any Transaction Party:

- (i) (A) an involuntary proceeding shall be commenced or an involuntary petition shall be filed in a court of competent jurisdiction seeking (x) relief in respect of such Transaction Party, or of a substantial part of the

property of such Transaction Party, under any Bankruptcy Law now or hereafter in effect, (y) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for such Transaction Party for a substantial part of the property of such Transaction Party

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or (z) the winding-up or liquidation of such Transaction Party, which proceeding or petition shall continue undismissed for sixty (60) calendar days or (B) an order of a court of competent jurisdiction approving or ordering any of the foregoing shall be entered;

(ii) such Transaction Party shall (A) voluntarily commence any proceeding or file any petition seeking relief under any Bankruptcy Law now or hereafter in effect, (B) apply for the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official itself or for a substantial part of its property, (C) fail to contest in a timely and appropriate manner any proceeding or the filing of any petition described in clause (i) of this definition, (D) file an answer admitting the material allegations of a petition filed against it in any proceeding described in clause (i) of this definition, (E) make a general assignment for the benefit of creditors or (F) wind up or liquidate (except as permitted under this Agreement);

(iii) such Transaction Party shall take any action in furtherance of or for the purpose of effecting, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i) or (ii) of this definition; or

(iv) such Transaction Party shall become unable, admit in writing its inability, or fail generally, to pay its debts as they become due.

“Intellectual Property” means all intellectual property covering the sale, manufacture, use, importation or marketing of the Products in the Territory or the United States, including but not limited to patents, patent applications, trademarks, trademark applications and know-how, necessary for the sale, manufacture, use, importation or marketing of the Products that are owned or controlled (and if controlled, only to the extent of control) by Parent or by Borrower (after giving effect to the Contribution under the Contribution Agreement) as of the Closing Date and during term of this Agreement, including, but not limited to the Licensed Technology.

“Intercompany License” has the meaning set forth in the Intercompany License Agreement.

“Intercompany License Agreement” has the meaning set forth in the recitals hereto.

“Interest Reserve Account” means [***].

“Interest Reserve Amount” means [***].

“Interest Reserve Release Date” means the [***].

“Knowledge” means, with respect to any Transaction Party, the actual knowledge, after due inquiry, of the Chief Executive Officer, Chief Financial Officer, Chief Commercial Officer, Chief Medical Officer, Chief Commercial Officer, Chief Business Officer, Chief Compliance Officer, and VP, Head of Legal of any Transaction Party, or to the extent such officer does not exist, the actual knowledge of another

person with similar responsibility, regardless of title, of any Transaction Party, respectively, relating to a particular matter; provided, however, that a person charged with responsibility for the aspect of the business relevant or related to the matter at issue shall be deemed to have knowledge of a particular matter if, in the prudent exercise of

his or her duties and responsibilities in the ordinary course of business, such person should have known of such matter.

“**Law**” means any federal, state, local or foreign law, including common law, and any regulation, rule, requirement, policy, judgment, order, writ, decree, ruling, award, approval, authorization, consent, license, waiver, variance, guideline or permit of, or any agreement with, any Governmental Authority.

“**Lender**” means Lender (as defined in the preamble hereto) and any Assignee under Section 12.01(b).

“**Lender Account**” means such account of Lender maintained at such banking institution as Lender may specify in its discretion from time to time in writing to Borrower at least five (5) Business Days prior to any Quarterly Payment Date or other date on which payments are to be made to Lender pursuant to the Loan Documents.

“**Letter of Direction**” means that certain Letter of Direction, by and between Lender and Borrower.

“**License Agreement**” means that certain License Agreement by and between Parent and Licensee, dated as of April 27, 2018, as amended by Amendment #1 to License Agreement dated as of November 6, 2020 and Amendment #2 to License Agreement dated as of March 29, 2022, and as may be further amended in accordance with this Agreement.

“**Licensed Compound**” has the meaning ascribed thereto in Section 1.48 of the License Agreement.

“**Licensed Patents**” has the meaning ascribed to “Trevena Patents” in Section 1.88 of the License Agreement.

“**Licensed Product**” has the meaning ascribed thereto in Section 1.49 of the License Agreement.

“**Licensed Product FCS**” means [***].

“**Licensed Technology**” has the meaning ascribed to “Trevena Technology” in Section 1.89 of the License Agreement.

“**Licensee**” means Jiangsu Nhwa Pharmaceutical Co. Ltd., or any successor thereof, as permitted pursuant to the terms of this Agreement and the License Agreement.

“**Licensee Consent**” means that certain consent letter in the form attached as Exhibit N to the Disclosure Letter.

“**Licensee Instruction Letter**” means that certain direction letter to Licensee in the form attached as Exhibit O to the Disclosure Letter.



“**Lien**” means any mortgage or deed of trust, pledge, hypothecation, lien, charge, attachment, set-off, encumbrance or other security interest in the nature thereof (including any conditional sale agreement, equipment trust agreement or other title retention agreement, a lease with substantially the same economic effect as any such agreement or a transfer or other restriction) or other encumbrance, right or claim of any nature whatsoever.

“**Loan**” means the First Tranche Loan, the Second Tranche Loan, if made pursuant to Section 2.01(b), and the Third Tranche Loan, if made pursuant to Section 2.01(c).

“**Loan Agreement Termination Date**” means the date on which the Term (as defined in Section 1.79 of the License Agreement) expires; provided, that, in the event the License Agreement is terminated or cancelled by the Licensee and is replaced, or in the process of being replaced, by a New Arrangement in accordance with Section 8.17(b), then the Loan Agreement Termination Date shall mean the later of (i) the date that is one hundred eighty (180) days after the effective date of such termination or cancellation of the License Agreement (or such longer period as agreed to by the Lender), and (ii) date on which the counterparty to a New Arrangement is no longer obligated to pay royalties on sales of the Licensed Product in the Field (as defined in the License Agreement) in the Territory.

“**Loan Commitment**” means the First Tranche Loan Commitment, the Second Tranche Loan Commitment and the Third Tranche Loan Commitment.

“**Loan Maturity Date**” means the earlier of (1) fifteen (15) years from the Closing Date, or (2) the Loan Agreement Termination Date.

“**Loan Documents**” means this Agreement, any Note, the Fee Letter, the Warrant, the TRVN SPV1 Gaurantee, the Parent Guarantee (prior to the earlier of the Chinese Regulatory Approval and the Change-Over Date), the Security Agreement, the Stock Pledge Agreement, the Contribution Agreement, the Intercompany License Agreement, the Revenue Interest Purchase Agreement, the Letter of Direction, the Assignment Relating to the Transferred Assets, the Assignment Relating to the Purchased Revenue Interest, each Blocked Account Control Agreement, the Licensee Consent, the Licensee Instruction Letter, and, in each case, all other documents delivered in connection therewith.

“**Manufacturing Option**” has the meaning ascribed thereto in Section 1.54 of the License Agreement.

“**Material Adverse Effect**” means (a) an Insolvency Event, (b) a material adverse change in the business, operations, properties, results of operations or financial condition of Borrower, (c) a material adverse effect on the validity or enforceability of any Loan Document taken as a whole or of any material provision hereof or thereof, (d) a material adverse effect on any Transaction Party to consummate the transactions contemplated by the Loan Documents, or on the ability of a Transaction Party to perform its obligations under the Loan Documents to which it is a party, (e) a material adverse effect on the rights or remedies of Lender under any

of the Loan Documents, (f) a material adverse effect on the rights of Borrower under, or the right or ability of Borrower to perform its obligations under, the License Agreement, with respect to the Royalty Interest, (g) a material adverse effect on the validity or enforceability of any of the

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Licensed Patents, (h) an adverse effect in any respect on the timing, amount or duration, taken as a whole, of the Royalty Interest or the right of Lender to receive payments based on the Royalty Interest, other than any *de minimis* effect, or (g) an adverse effect in any respect on the timing, amount or duration, taken as a whole, of the Purchased Revenue Interest or the right of Lender to receive payments based on the Purchased Revenue Interest, other than any *de minimis* effect.

“**Material Contract**” means, collectively: (a) any Specified Material Contract; (b) the License Agreement; (c) each of the Transferred Contracts (as defined in the Contribution Agreement); (d) any Contract to any Transaction Party or any of its Subsidiaries is a party or any of the respective assets or properties of such Transaction Party or any of its Subsidiaries are bound or committed (other than the Loan Documents) and for which any breach, violation, nonperformance or early cancellation of which could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect; and (e) until the termination of the Parent Guarantee, any Contract to which any Transaction Party or any of its Subsidiaries (other than Borrower) is a party or any of the respective assets or properties of Borrower, Parent or such Subsidiary are bound or committed (other than the Loan Documents) and, as of the date of determination as to whether such Contract is a Material Contract, required to be filed as an exhibit to any report, schedule, registration statement or definitive proxy statement filed or required to be filed by the Parent with the SEC (other than, without limiting clause (d), any document required to be filed pursuant to Item 601(b)(10)(iii) of Regulation S-K). The Material Contracts as of the date hereof are identified on Schedule 7.02(n) to the Disclosure Letter.

“**Material Contract Counterparty**” means a counterparty to any Material Contract.

“**Maximum Lawful Rate**” means the highest rate of interest permissible under Applicable Law.

“**Net Sales**” has the meaning set forth in Section 1.55 of the License Agreement.

“**New Arrangement**” has the meaning set forth in Section 8.17(b).

“**NMPA**” means the National Medicines Products Administration of China (formerly known as the China Food and Drug Administration), or any successor agency thereto.

“**Non-U.S. Lender**” means any Lender that is not a “United States person” within the meaning of Section 7701(a)(30) of the Code.

“**Note**” has the meaning set forth in Section 12.09.

“**Notices**” means, collectively, notices, consents, approvals, reports, designations, requests, waivers, elections and other communications.

“Obligations” means all advances to, and debts, liabilities, obligations, covenants and duties of, Borrower arising under any Loan Document or otherwise (other than with respect to the Warrant) with respect to the Loan and the Additional Royalty Right, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against Borrower or any Affiliate thereof of any proceeding under any

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Bankruptcy Law naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding. Without limiting the foregoing, the Obligations include (a) the obligation to pay principal, interest, Additional Royalty Right Payments, charges, expenses, fees, indemnities and other amounts payable by Borrower under any Loan Document (other than the Warrant) and (b) the obligation of Borrower to reimburse any amount in respect of any of the foregoing that Lender, in its sole discretion, may elect to pay or advance on behalf of Borrower.

“Organizational Document” means, with respect to any Person, (i) in the case of any corporation, the certificate of incorporation and by-laws (or similar documents) of such Person, (ii) in the case of any limited liability company, the certificate of formation and operating agreement (or similar documents) of such Person, (iii) in the case of any limited partnership, the certificate of formation and limited partnership agreement (or similar documents) of such Person, (iv) in the case of any general partnership, the partnership agreement (or similar document) of such Person, and (v) in any other case, the functional equivalent of the foregoing.

“Out-License” has the meaning set forth in the Revenue Interest Purchase Agreement.

“Parent” means Trevena, Inc., a Delaware corporation.

“Parent Equity Contribution Agreement” means that certain contribution agreement, by and among Parent, TRVN RC and TRVN SPV1, in the form attached as Exhibit H-1 hereto.

“Parent Event of Default” means a Contributor Event of Default or a Seller Event of Default.

“Parent Guarantee” means that certain Guarantee by and between Parent and Lender, in the form attached as Exhibit G-1 to the Disclosure Letter.

“Party” and **“Parties”** means Lender and Borrower, individually and collectively.

“Patent” means any and all issued patents and pending patent applications, including without limitation, all provisional applications, substitutions, continuations, continuations-in-part, divisions, and renewals, all letters patent granted thereon, and all patents-of-addition, reissues, reexaminations and extensions or restorations by existing or future extension or restoration mechanisms (including regulatory extensions), claiming or covering a Product, or composition of matter, formulation, or methods of manufacture or use thereof.

“Patent Office” means the respective patent office (foreign or domestic) for any patent.

“Patent Rights” means, collectively, with respect to a Person, all patents issued or assigned to, and all patent applications and registrations made by, such Person, together with any and all (i) rights and privileges arising under Applicable

Law with respect to such Person's use of any patents, (ii) inventions and improvements described and claimed therein, (iii) reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof and amendments thereto, (iv) income, fees, royalties, damages, claims and payments now or hereafter due and/or payable thereunder and with respect thereto including damages and payments for past, present or

future infringements thereof, and (v) rights to sue for past, present or future infringements thereof.

“**Patriot Act**” means the USA Patriot Act, Public Law No. 107-56.

“**Payment Date Distribution Amount**” has the meaning set forth in Section 4.04(a).

“**Perfection Certificate**” shall mean a certificate in the form of Exhibit P to the Disclosure Letter or any other form approved by Lender.

“**Permitted Financing**” means any licensing or financing transaction that occurs prior to [***] in which Parent obtains financing which neither Parent nor any of its Subsidiaries (whether direct or indirect) needs to repay, including an issuance by Parent of its equity securities (or securities or rights convertible into, or exercisable or exchangeable for (in each case, directly or indirectly) equity securities of Parent, including, but not limited to, options and warrants). For the avoidance of doubt, the entry by Parent or any of its Subsidiaries, including Borrower, into any licensing transaction that constitutes a Permitted Financing shall be subject to the limitations, terms and conditions, if any, applicable to such licensing transaction that are contained in this Agreement and the other Loan Documents.

“**Permitted Licensee**” has the meaning set forth in the Revenue Interest Purchase Agreement.

“**Permitted Licenses**” has the meaning set forth in the Revenue Interest Purchase Agreement.

“**Permitted Liens**” means:

- (a) Liens created pursuant to any Loan Document;
- (b) Liens in favor of a banking or other financial institution arising as a matter of law or under customary contractual provisions encumbering deposits or other funds maintained with such banking or other financial institution (including the right of set off and grants of security interests in deposits and/or securities held by such banking or other financial institution) and that are within the general parameters customary in the banking industry;
- (c) Liens securing Taxes, assessments, fees or other governmental charges or levies which are not yet delinquent or which are being contested in good faith and by appropriate proceedings diligently conducted and in respect of which adequate reserves with respect thereto are maintained by Borrower in accordance with GAAP, Liens securing the claims of materialmen, mechanics, carriers, landlords, warehousemen and similar Persons, and attachment, judgment and other similar Liens arising in connection with court proceedings so long as the enforcement of such Liens is effectively stayed and the judgment claims secured thereby do not otherwise constitute an Event of Default under clause (i) of the definition of “Event of Default”;

(d) any right, title or interest of a licensor under a license or sublicense to which Borrower is a party as licensee or sublicensee, and any restrictions under a license to which Borrower is a party as licensee or sublicensee;

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(e) (i) leases, subleases, licenses, or sublicenses of the assets or properties of Borrower thereof, in each case entered into in the ordinary course of business and not interfering in any material respect with the business of Borrower and (ii) the License Agreement and any New Arrangement or other license replacing the License Agreement in accordance with Section 8.17(b);

(f) inchoate Liens for ad valorem property Taxes not yet delinquent;

(g) Liens in respect of property of Borrower imposed by Applicable Law which were incurred in the ordinary course of business and do not secure Indebtedness for borrowed money, such as carriers', warehousemen's, distributors', wholesalers', materialmen's and mechanics' liens and other similar Liens arising in the ordinary course of business; and

(h) banker's liens for collection or rights of set off or similar rights and remedies as to deposit accounts or other funds maintained with depository institutions; provided that such deposit accounts or funds are not established or deposited for the purpose of providing collateral for any Indebtedness and are not subject to restrictions on access by Borrower in excess of those required by applicable banking regulations.

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

“Plan Assets” means assets of any (i) employee benefit plan (as defined in Section 3(3) of ERISA) subject to the fiduciary responsibility provisions of Title I of ERISA, (ii) plan (as defined in Section 4975(e)(1) of the Code) subject to Section 4975 of the Code or (iii) entity whose underlying assets include assets of any such employee benefit plan or plan by reason of the investment by an employee benefit plan or plan in such entity.

“Primary Obligor” is defined in the definition of Guarantee.

“Principal Amortization Amount” has the meaning set forth in Section 4.04(b)(iv).

“Principal Amortization Payment” has the meaning set forth in Section 4.04(b)(iv).

“Principal Amount” means, as of any date of determination, and without duplication, the amount equal to the sum of: (i) the original amount of the Loans, plus (ii) any Accreted Principal accrued as of such date, minus (iii) any payment in respect of principal as provided for in Section 3.01, 3.02 or 4.04.

“Proceeding” means an action or proceeding brought against a Party as a defendant, for purposes of all legal proceedings arising out of or relating to this Agreement or the transactions contemplated hereby.

“Products” means, collectively, the Licensed Product and the Revenue Interest Product.

“Purchased Additional Revenue Interest” has the meaning set forth in the Revenue Interest Purchase Agreement.

“Purchased Revenue Interest” has the meaning set forth in the Revenue Interest Purchase Agreement.

“Qualified Change of Control” means a Change of Control of Parent that occurs following Licensed Product FCS in which the acquiring entity is a Person that (a) is not affiliated with Parent or any of Parent’s Affiliates, (b) operates in the biopharmaceutical industry, (c) has at least one class of its securities traded on a U.S. national securities exchange, and (d) has a market capitalization, calculated as of the close of business on the trading day immediately prior to public announcement of entry by Parent into a definitive agreement for such Change of Control on a pro forma basis after giving effect to such Change of Control, of at least [***].

“Quarterly Fixed Interest Shortfall” has the meaning set forth in Section 4.04(a)(i).

“Quarterly Payment Date” means (a) with respect to the Calendar Quarters ending March 31, June 30 and September 30, the earlier of (i) the date that is five (5) Business Days following the filing of Parent’s quarterly report on Form 10-Q with the SEC for such Calendar Quarter and (ii) the date that is five (5) Business Days after the forty-fifth (45th) calendar day following the end of such Calendar Quarter and (b) with respect to the Calendar Quarter ending December 31, the earlier of (i) the date that is five (5) Business Days following the filing of Parent’s annual report on Form 10-K with the SEC for the calendar year ending with such Calendar Quarter and (ii) the date that is five (5) Business Days after the seventy-fifth (75th) calendar day following the end of such Calendar Quarter.

“Quarterly Report” has the meaning set forth in the Revenue Interest Purchase Agreement.

“Regulatory Agency” means a Governmental Authority with responsibility for the regulation of the research, development, marketing or sale of drugs or pharmaceuticals in any jurisdiction, including the FDA and the European Medicines Agency.

“Regulatory Change” means (i) the adoption after the date hereof of any Applicable Law, rule or regulation or any change therein after the date hereof, or (ii) any change after the date hereof in the interpretation or administration thereof by any Governmental Authority, central bank or comparable agency charged with the interpretation or administration thereof, either generally or as effected through compliance with any request or directive (whether or not having the force of law) of any such authority, central bank or comparable agency.

“Representative” means, with respect to any Person, directors, officers, employees, agents, co-investors, advisors, potential investors, underwriters, rating agencies, permitted assignees, sources of financing and trustees of such Person.

“Revenue Interest Net Sales” has the meaning ascribed to the term “Net Sales” in the Revenue Interest Purchase Agreement.

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“**Revenue Interest Product**” has the meaning set forth in the Revenue Interest Purchase Agreement.

“**Revenue Interest Purchase Agreement**” has the meaning set forth in the recitals hereto.

“**Royalty Interest**” means, collectively, (i) all payments (together with the right to receive such payments) payable to Parent (or, following the Closing Date, Borrower) under Section 8.4 of the License Agreement net of all Taxes actually withheld or deducted under Section 8.8(b) of the License Agreement other than Excluded Taxes, (ii) all payments payable to Parent (or, following the Closing Date, Borrower) under Section 8.10 of the License Agreement in respect of the payments set forth in clause (i) net of all Taxes actually withheld or deducted under Section 8.8(b) of the License Agreement other than Excluded Taxes, (iii) any payments, judgments, securities, consideration or any other remuneration of any kind payable to or received by Parent in respect of, or in substitution or compensation for, or otherwise in lieu of the payments set forth in clause (i) net of all Taxes actually withheld or deducted under Section 8.8(b) of the License Agreement, (iv) all proceeds resulting from any enforcement of Licensee’s obligations under the License Agreement other than Excluded Taxes related to the Royalty Interest, (v) the amount of any refund of Tax (other than an Excluded Tax) or a credit against Tax received or utilized by Borrower, TRVN SPV1 and/or Parent and attributable to any Taxes deducted from any payment pursuant to clauses (i)-(iv) of this definition; (vi) following any termination of the License Agreement and the entry by Borrower and/or Parent into any New Arrangement pursuant to Section 8.17, all royalty payments due, or otherwise receivable, pursuant to such New Arrangement in respect of sales of the Licensed Product in the Field (as defined in the License Agreement) in the Territory, as if the License Agreement were still in effect, and (vii) any amounts paid or payable to Parent, any Transaction Party and/or any other Subsidiaries of Parent in respect of the payments set forth in clauses (i), (ii), (iii) and (vi) pursuant to Section 365(n) of the United States Bankruptcy Code.

“**Royalty Report**” means, with respect to the relevant Calendar Quarter, the quarterly reports provided for under Section 8.5 of the License Agreement for the period thereunder corresponding to such quarter, together with relevant supporting documentation, to the extent prepared by Borrower or Parent or delivered to Borrower or Parent by Licensee.

“**Sale**” means the sale, assignment, transfer, contribution and conveyance of the Purchased Revenue Interest and the Purchased Additional Revenue Interest pursuant to the Revenue Interest Purchase Agreement.

“**SEC**” means the United States Securities and Exchange Commission.

“**Second Tranche Loan Commitment**” means the amount of Ten Million Dollars (\$10,000,000).

“**Security Agreement**” means the Security Agreement, substantially in the form attached to the Disclosure Letter as Exhibit J to the Disclosure Letter, between

Lender and Borrower, securing the Obligations of Borrower hereunder and the other Loan Documents, as supplemented by any amendments or supplements thereto.

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“**Seller**” has the meaning set forth in the Revenue Interest Purchase Agreement.

“**Seller Event of Default**” has the meaning set forth in the Revenue Interest Purchase Agreement.

“**Senior Officer**” means (i) in the case of Borrower, the President, Treasurer or Secretary of Borrower and (ii) in the case of Parent, the Chief Executive Officer or Chief Financial Officer.

“**Servicing Fee**” has the meaning set forth in the Contribution Agreement.

“**Set-Off**” means any right of set off, rescission, counterclaim, reduction, deduction or defense.

“**Specified Material Contract**” means the Contribution Agreement, the Equity Contribution Agreement, the Intercompany License Agreement, the Guarantee Agreement and the Revenue Interest Purchase Agreement.

“**Springing Blocked Account Control Agreement**” means any agreement entered into by the Account Bank, Borrower and Lender in the form attached to the Disclosure Letter as Exhibit C to the Disclosure Letter or otherwise in form and substance reasonably satisfactory to Lender, pursuant to which, among other things, Lender shall have control over the Blocked Account within the meaning of Section 9-104 of the UCC.

“**Stock Pledge Agreement**” means the Pledge and Security Agreement, dated as of the Closing Date, between TRVN SPV1 and Lender, in the form attached to the Disclosure Letter as Exhibit K to the Disclosure Letter, pursuant to which TRVN SPV1 has pledged the Capital Stock of Borrower to Lender.

“**Subsidiary**” means, with respect to any Person, at any time, any entity of which more than fifty percent (50%) of the outstanding voting stock or other equity interest entitled ordinarily to vote in the election of the directors or other governing body (however designated) is at the time beneficially owned or controlled directly or indirectly by such Person, by one or more such entities or by such Person and one or more such entities.

“**Surviving Person**” means, with respect to any Person involved in or that makes any disposition, the Person formed by or surviving such disposition or the Person to which such disposition is made.

“**Tax Return**” means any report, return, form (including elections, declarations, statements, amendments, claims for refund, schedules, information returns or attachments thereto) or other information supplied or required to be supplied to a Governmental Authority with respect to Taxes.

“**Taxes**” means all present and future taxes, levies, duties, imposts, deductions, charges, fees or withholdings (including backup withholdings), and all interest,

penalties and additions to tax with respect thereto, that are imposed by any Governmental Authority.

“**Territory**” has the meaning set forth in Section 1.81 of the License Agreement.

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“**Third Party**” means any Person other than Borrower or its Affiliates.

“**Third Tranche Loan**” has the meaning set forth in Section 2.01(c).

“**Third Tranche Loan Commitment**” means the amount of Fifteen Million Dollars (\$15,000,000).

“**Tranche 2 Trigger**” means [***].

“**Tranche 3 Trigger**” means the achievement of Licensed Product FCS.

“**Transaction Documents**” means the Loan Documents, TRVN RC’s Organizational Documents, TRVN SPV1’s Organizational Documents and Borrower’s Organizational Documents.

“**Transaction Parties**” means, collectively, Parent, TRVN RC, TRVN SPV1, and Borrower.

“**Transactions**” means, collectively, (a) the borrowing of the Loan hereunder on the Closing Date, (b) the purchase and sale of the Transferred Assets in accordance with the Contribution Agreement, (c) the purchase and sale of the exclusive license in accordance with the Intercompany License Agreement, (d) the purchase and sale of the Purchased Revenue Interest in accordance with the Revenue Interest Purchase Agreement, (e) the transactions contemplated by the Equity Contribution Agreement, (f) the transactions contemplated by the Guarantee Agreement, and (g) the payment of fees, costs and expenses incurred by Borrower in connection with the foregoing.

“**Transferred Assets**” has the meaning set forth in the Contribution Agreement.

“**TRVN RC**” means Trevena Royalty Corporation, a Delaware corporation.

“**TRVN RC Equity Contribution Agreement**” that certain contribution agreement, by and among TRVN RC and TRVN SPV1, in the form attached as Exhibit H-2 hereto.

“**TRVN SPV1**” means Trevena SPV1 LLC, a Delaware limited liability company.

“**TRVN SPV1 Guarantee**” means that certain Guarantee by and between TRVN SPV1 and Lender, in the form attached as Exhibit G-2 to the Disclosure Letter.

“**TRVN SPV1’s Organizational Documents**” means the certificate of formation and limited liability company agreement (or similar documents) of TRVN SPV1 or the functional equivalent of the foregoing.

“**U.S.**” means the United States of America.

“**U.S. Lender**” means any Lender which is a “United States person” within the meaning of Section 7701(a)(30) of the Code.

“**UCC**” means the Uniform Commercial Code as in effect from time to time in New York; provided, that, if, with respect to any financing statement or by reason of any provisions of Applicable Law, the perfection or the effect of perfection or non-perfection of the security interest or any portion thereof granted pursuant to the Loan Documents is governed by the Uniform Commercial Code as in effect in a jurisdiction of the United States other than New York, then “**UCC**” means the Uniform Commercial Code as in effect from time to time in such other jurisdiction for purposes of the provisions of this Agreement and any financing statement relating to such perfection or effect of perfection or non-perfection.

“**Valid Claim**” means (a) a claim of an issued and unexpired patent included within the Licensed Patents with regard to the Licensed Product in the Territory that has not been permanently revoked or held unenforceable or invalid by a decision of a court or other governmental agency of competent jurisdiction, which decision is not appealable or is not appealed within the time allowed for appeal, and has not been abandoned, disclaimed or admitted to be invalid or unenforceable through reissue, disclaimer or otherwise or (b) a bona fide claim of a pending patent application included within the Licensed Patents in the Territory that has not been (i) cancelled, withdrawn or abandoned without being refiled in another application in the applicable jurisdiction or (ii) finally rejected by an administrative agency action from which no appeal can be taken or that has not been appealed within the time allowed for appeal.

“**Warrant**” means the warrant, in substantially the form attached to the Disclosure Letter as Exhibit S to the Disclosure Letter, to be issued and sold by Parent to Lender, to acquire up to Five Million (5,000,000) shares of Parent Common Stock at an exercise price of \$0.82 per share.

“**Warrant Shares**” means the shares of Parent Common Stock issuable upon exercise of, or otherwise pursuant to, the Warrant.

Section 1.02 Rules of Construction. For purposes of this Agreement except as otherwise expressly provided or unless the context otherwise requires:

(a) the terms defined in this Agreement have the meanings assigned to them in this Agreement and include the plural as well as the singular, and the use of any gender herein shall be deemed to include the other gender;

(b) accounting terms not otherwise defined herein have the meanings assigned to them in accordance with GAAP;

(c) references herein to “Articles”, “Sections”, “Subsections”, “paragraphs”, and other subdivisions without reference to a document are to designated Articles, Sections, Subsections, paragraphs and other subdivisions of this Agreement;

(d) a reference to a Subsection without further reference to a Section is a reference to such Subsection as contained in the same Section in which the reference appears, and this rule shall also apply to paragraphs and other subdivisions;

(e) unless otherwise specified, references to an agreement or other document include references to such agreement or document as from time to time amended, restated, amended and restated, extended, supplemented or otherwise modified in accordance with the

terms thereof (subject to any restrictions on such amendments, restatements, reformations, supplements or modifications set forth herein or in any of the other Loan Documents) and including any annexes, exhibits and schedules attached thereto;

(f) the words “herein”, “hereof”, “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular provision;

(g) the words “include”, “including” and other words of similar import shall mean without limitation by reason of enumeration;

(h) the word “will” shall be construed to have the same meaning and effect as the word “shall”;

(i) the word “or” shall be interpreted in the inclusive sense commonly associated with the term “and/or”;

(j) references to any Applicable Law shall include such Applicable Law as from time to time in effect, including any amendment, modification, codification, replacement or reenactment thereof or any substitution therefor;

(k) references to any Person shall be construed to include such Person’s successors and permitted assigns (subject to any restrictions on assignment, transfer or delegation set forth herein or in any of the other Loan Documents), and any reference to a Person in a particular capacity excludes such Person in other capacities;

(l) in the computation of a period of time from a specified date to a later specified date, the word “from” means “from and including” and each of the words “to” and “until” means “to but excluding”; and

(m) where any payment is to be made, any funds are to be applied or any calculation is to be made under this Agreement on a day that is not a Business Day, unless this Agreement otherwise provides, such payment shall be made, such funds shall be applied and such calculation shall be made on the succeeding Business Day, and payments shall be adjusted accordingly.

ARTICLE II THE LOAN; DISBURSEMENT; CERTAIN FEES

Section 2.01 The Loan.

(a) On the terms and subject to the conditions set forth herein (including the conditions set forth in Section 6.01 hereof), within fifteen (15) days following the Closing Date, Lender shall make a loan hereunder to Borrower in a principal amount equal to the First Tranche Loan Commitment (together with any Accreted Principal thereon, the “**First Tranche Loan**”) and Borrower shall accept and borrow such loan from Lender.

(b) Following achievement of the Tranche 2 Trigger, Borrower shall deliver written notice of such achievement to Lender (such notice, the “**Tranche 2 Trigger Notice**”). On

the terms and subject to the conditions set forth herein (including the conditions set forth in Section 6.03 hereof), Lender shall make a loan hereunder to Borrower within fifteen (15) days following receipt by Lender of the Tranche 2 Trigger Notice in a principal amount equal to the Second Tranche Loan Commitment (together with any Accreted Principal thereon, the “**Second Tranche Loan**”) and Borrower shall accept and borrow such loan from Lender.

(c) Following achievement of the Tranche 3 Trigger, Borrower shall deliver written notice of such achievement to Lender (such notice, the “**Tranche 3 Trigger Notice**”). On the terms and subject to the conditions set forth herein (including the conditions set forth in Section 6.03 hereof), Lender shall make a loan hereunder to Borrower within fifteen (15) days following receipt by Lender of the Tranche 3 Trigger Notice in a principal amount equal to the Third Tranche Loan Commitment (together with any Accreted Principal thereon, the “**Third Tranche Loan**”) and Borrower shall accept and borrow such loan from Lender.

Section 2.02 Disbursement and Borrowing. On the terms and subject to the conditions set forth herein (including the conditions set forth in Section 6.02 hereof), on the funding date of the First Tranche Term Loan, Lender shall wire transfer to the account of Borrower that Borrower has designated for such purpose or to Borrower’s order an amount equal to the First Tranche Loan Commitment pursuant to the terms of the Letter of Direction. On the terms and subject to the conditions set forth herein (including the conditions set forth in Section 6.03 hereof), on the funding date of any Second Tranche Loan or Third Tranche Loan, Lender shall wire transfer to the account of Borrower that Borrower has designated for such purpose or to Borrower’s order an amount equal to the Second Tranche Loan Commitment or Third Tranche Loan Commitment, as applicable.

Section 2.03 Loan Not Revolving. The Loan is not revolving in nature, and any amount of the Loan repaid or prepaid may not be reborrowed.

ARTICLE III REPAYMENT

Section 3.01 Amortization; Maturity Date.

(a) If not earlier repaid in full, the unpaid balance of the outstanding Principal Amount of the Loan, together with any accrued and unpaid interest, shall be due and payable in cash to the Lender Account on the Loan Maturity Date. If not earlier repaid in full, all other Obligations shall be repaid on the Loan Agreement Termination Date.

(b) Unless otherwise agreed by Lender and Parent, the outstanding principal balance of the Loan and any interest or premium due with respect thereto shall be repayable solely from the Collection Amount and the Interest Reserve Account except to the extent provided in the Guarantee Agreement or in connection with any prepayment pursuant to Section 3.02, Section 3.03, Section 3.04 or as a result of any acceleration (or deemed acceleration) of the Obligations by Lender.

(c) If the amount in the Interest Reserve Account on any applicable Cut-Off Date is insufficient to satisfy the Quarterly Fixed Interest Shortfall (the difference between the Quarterly Fixed Interest Shortfall and the amount in the Interest Reserve Account, the

“**Deficiency Amount**”), then such Deficiency Amount shall be capitalized and added to and increase the outstanding Principal Amount of the Loan by an amount equal to such Deficiency Amount on the Quarterly Payment Date immediately following such Cut-Off Date (rounded up to the nearest whole Dollar) and Lender shall be deemed to have made an additional term loan in a Principal Amount equal to the aggregate amount of such Deficiency Amount on such Quarterly Payment Date (such additional term loan, “**Accreted Principal**”). Accreted Principal shall be deemed to be part of the Loan made to Borrower for all purposes under this Agreement, and the Loan shall bear interest on such increased Principal Amount from and after the applicable Quarterly Payment Date in accordance with Section 4.01. In the event of any repayment or prepayment of the Loan (including, without limitation, principal payments due under Section 4.04(a)(i)), accrued and unpaid Fixed Interest on the Principal Amount repaid or prepaid shall be payable on the date of such repayment or prepayment.

Section 3.02 Prepayment.

(a) Mandatory Prepayment. If any Event of Default occurs, then Lender may, in its sole discretion, declare the Principal Amount and accrued and unpaid Fixed Interest as of the date of the occurrence of such Event of Default to be immediately due and payable hereunder, in whole or in part, to the extent permitted by law. Notwithstanding anything to the contrary in this Agreement or any other Loan Document, it is understood and agreed that if any Obligations are accelerated (whether as a result of the occurrence and continuance of any Event of Default, by operation of law or otherwise), the Principal Amount and accrued and unpaid Fixed Interest, determined as of the date of acceleration, shall be due and payable and shall constitute part of the Obligations for all purposes herein. Borrower expressly waives the provisions of any present or future statute or law that prohibits or may prohibit the collection of the Principal Amount and accrued and unpaid Fixed Interest in connection with any such acceleration. No prepayment pursuant to this Section 3.02(a)(i) shall result in the termination of this Agreement or modify Borrower’s obligation to make Additional Royalty Right Payments or any other payments that do not constitute a payment of the Principal Amount or accrued and unpaid Fixed Interest.

(b) Voluntary Prepayment. Borrower may, upon five (5) Business Days’ prior notice to Lender (which notice shall be in a form reasonably acceptable to Lender) (i) at any time following Licensed Product FCS, prepay in whole, but not in part, the outstanding Principal Amount, together with all accrued and unpaid Fixed Interest thereon, or (ii) indicating that Borrower shall pay to Lender an amount equal to the Applicable Change of Control Payment (whether or not a Change of Control has occurred, but to be calculated as if a Change of Control occurred within the thirty (30) days immediately prior to the receipt of such notice), prepay in whole, but not in part, the outstanding Principal Amount, together with all accrued and unpaid Fixed Interest thereon by paying to Lender an amount equal to the Applicable Change of Control Payment. No prepayment pursuant to this Section 3.02(b) shall result in the termination of this Agreement or modify Borrower’s obligation to make Additional Royalty Right Payments or any other payments that do not constitute a payment of the Principal Amount or accrued and unpaid Fixed Interest.

Section 3.03 Change of Control.

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(a) If Parent consummates a Change of Control that is not a Qualified Change of Control, then, within thirty (30) days following the consummation of such Change of Control, Borrower shall deliver written notice to Lender of such Change of Control setting forth a reasonably detailed calculation, together with supporting information, of the Applicable Change of Control Payment (such notice, a “**Change of Control Payment Notice**”). The Change of Control Payment Notice shall constitute Borrower’s irrevocable offer to pay Applicable Change of Control Payment as calculated in accordance with Section 3.03(b) on the date that is ten (10) calendar days following the date the Change of Control Payment Notice is delivered. Within seven (7) calendar days following its receipt of the Change of Control Payment Notice, Lender shall provide written notice to Borrower of its acceptance or rejection of such offer, provided that if Lender does not provide any such notice to Borrower, Lender shall be deemed to have accepted such offer. If Borrower’s offer is accepted by Lender, then Borrower shall make the Applicable Change of Control Payment on the date that is ten (10) calendar days following the date the Change of Control Payment Notice is delivered. If Borrower’s offer is rejected, then the Applicable Change of Control Payment shall not be made and the terms of this Agreement and the other Loan Documents shall continue, unmodified, following the occurrence of such Change of Control.

(b) As used in this Section 3.03, “**Applicable Change of Control Payment**” means an amount equal to the following:

(i) if the Change of Control is consummated by Parent prior to December 31, 2023 and Chinese Regulatory Approval has not previously occurred, [***] of the Principal Amount, *plus* any accrued and unpaid Fixed Interest thereon, calculated as of the date that is ten (10) calendar days following the date the Change of Control Payment Notice is delivered by Borrower to Lender, *minus* any payment of Principal previously made to Lender pursuant to Section 3.01, 3.02 or 4.04;

(ii) if the Change of Control is consummated by Parent prior to December 31, 2023 and Chinese Regulatory Approval has previously occurred, the greater of [***], *minus*, in the case of either (1) or (2) any payment of Principal previously made to Lender pursuant to Section 3.01, 3.02 or 4.04;

(iii) if the Change of Control is consummated by Parent on or after December 31, 2023 and Chinese Regulatory Approval has not previously occurred, [***] of the Principal Amount, *plus* any accrued and unpaid Fixed Interest thereon, calculated as of the date that is ten (10) calendar days following the date the Change of Control Payment Notice is delivered by Borrower to Lender, *minus* any payment of Principal previously made to Lender pursuant to Section 3.01, 3.02 or 4.04; and

(iv) if the Change of Control is consummated by Parent on or after December 31, 2023 and Chinese Regulatory Approval has occurred prior to December 31, 2023, the greater of [***], *minus*, in the case of either (1) or (2) any payment of Principal previously made to Lender pursuant to Section 3.01, 3.02 or 4.04.

(c) If the payment required, in each case, by Section 3.03(b)(i), (ii), (iii) or (iv), is less than the Minimum Payment Amount, as defined in this Section 3.03(c), Borrower

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shall instead pay the Minimum Payment Amount to Lender. The “**Minimum Payment Amount**” is equal to (i) the aggregate amount allocated, pursuant to Section 5.04 to the each of the First Tranche Loan, Second Tranche Loan and Third Tranche Loan to that extent that each such tranche of the Loan had been issued at the time of the Applicable Change of Control Payment, reduced by (ii) all payments made since the Closing Date pursuant to Section 4.04(a)(iii) and Section 4.04(a)(iv) with respect to the Loan.

(d) If the Applicable Change of Control Payment is calculated in accordance with Section 3.03(b)(i) or Section 3.03(b)(iii), Lender shall have the right to terminate this Agreement. The written notice to be provided to Borrower by Lender in accordance with the third sentence of Section 3.03(a) shall specify whether Lender has exercised its right to terminate this Agreement. Any termination of this Agreement pursuant to this Section 3.03(c) shall become effective immediately upon receipt by Lender of the Applicable Change of Control Payment. If Lender does not provide any such notice to Borrower, Lender shall be deemed not to have exercised its right to terminate this Agreement pursuant to this Section 3.03(c).

(e) If Lender accepts the offer to pay the Applicable Change of Control Payment set forth in the Change of Control Payment Notice, then (1) the security interest of Lender in the Purchased Revenue Interest, the Revenue Interest Purchase Agreement and the Assignment Relating to the Purchased Revenue Interest shall automatically terminate, (2) the Collection Amount shall no longer include the Purchased Revenue Interest, (3) notwithstanding anything to the contrary in the Revenue Interest Purchase Agreement, Borrower and Parent may terminate the Revenue Interest Purchase Agreement, and (4) all covenants and obligations of Borrower and Parent in Article VIII and Article IX with respect to the Revenue Interest Product and any Permitted Licenses shall automatically terminate. Unless this Agreement is terminated by Lender pursuant to Section 3.03(c), no payment of an Applicable Change of Control Payment calculated in accordance with Section 3.03(b) shall result in the termination of this Agreement, modify Lender’s obligations to fund any unfunded Loan tranches, if the funding conditions have been satisfied, or modify Borrower’s obligation to make payments of the Principal Amount, accrued and unpaid Fixed Interest thereof, or Additional Royalty Right Payments, provided that the portion of an Applicable Change of Control Payment that is paid to Lender (following any set off of any payment of Principal previously made to Lender as set forth in Section 3.03(b)(i), (ii), (iii) or (iv), as applicable) shall reduce the outstanding Principal Amount and accrued and unpaid Fixed Interest thereof by an equal amount.

Section 3.04 Increased Cost.

(a) If any Regulatory Change occurs that has or would have the effect of:

(i) imposing, modifying or deeming applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, Lender; or

(ii) imposing on Lender any other condition, cost or expense (other than Taxes) affecting this Agreement or Loan made by Lender;

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and the result of any of the foregoing shall be to reduce the rate of return on the capital of Lender as a consequence of its obligations hereunder or arising in connection herewith to a level below that which Lender could have achieved but for such introduction, change or compliance (taking into consideration the policies of Lender with respect to capital adequacy) by an amount deemed by Lender to be material, then from time to time, on the first Quarterly Payment Date occurring at least thirty (30) days after demand by Lender (which demand shall be accompanied by a statement setting forth the basis for such demand and a description of the computation of such demand), Borrower shall pay directly to Lender such additional amount or amounts as will compensate Lender for such reduction. Lender will take such actions reasonably requested by Borrower, at the expense of Borrower, if such actions will avoid the need for, or reduce the amount of, such compensation and will not, in the judgment of Lender, be otherwise disadvantageous to it or inconsistent with its internal policies and procedures. In no event will Lender be expected or required to monitor the occurrence of any of the events or contingencies described in this Section 3.04(a). Notwithstanding the foregoing, in no event shall Borrower be required to compensate Lender pursuant to this Section 3.04 for any amounts under this Section 3.04 incurred more than one hundred and eighty (180) days prior to the date that Lender notifies Borrower of such amount and of Lender's intention to claim compensation therefor. No payment made in accordance with this Section 3.04 shall result in the termination of this Agreement or modify Borrower's obligation to make payments of the Principal Amount, accrued and unpaid Fixed Interest thereof, or Additional Royalty Right Payments.

(b) In determining any amount provided for in this Section 3.04, Lender shall use commercially reasonable averaging and attribution methods. If Lender makes a claim under this Section, it shall submit to Borrower a certificate setting forth the basis for such demand and a description of the computation of such demand as to such additional or increased cost or reduction, which certificate shall be conclusive absent manifest error.

ARTICLE IV INTEREST; EXPENSES; MAKING OF PAYMENTS

Section 4.01 Interest Rate.

(a) The outstanding Principal Amount of the Loan shall bear interest consisting of Fixed Interest. All interest hereunder in respect of Fixed Interest on the Loan shall accrue from the Closing Date and be payable quarterly in arrears in cash on each Quarterly Payment Date, as provided in this Section 4.01 and except as otherwise provided in Section 3.01(c).

(b) All interest hereunder in respect of Fixed Interest shall be computed on the basis of a 360-day year of twelve (12) thirty- (30-) day months.

(c) Fixed Interest on the Loan shall be payable solely from the Collection Amount and the Interest Reserve Account, except (i) in connection with any prepayment of the Loan pursuant to Section 3.02, Section 3.03 or Section 3.04, or (ii) following the occurrence of an Event of Default, to the extent of capital

contributions made by Parent in its sole discretion to fund full prepayment of the Loan or as otherwise required pursuant to the Guarantee Agreement.

Section 4.02 Interest Reserve Account; Collection Account.

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(a) On or before the Closing Date, (i) Borrower shall establish with the Account Bank the Interest Reserve Account and the Parties shall enter into a Fully Blocked Account Control Agreement with Account Bank with respect to the Interest Reserve Account, which shall provide that such Fully Blocked Account Control Agreement shall terminate on the Interest Reserve Release Date; (ii) Borrower shall establish with Account Bank the Collection Account and the Parties shall enter into a Fully Blocked Account Control Agreement with Account Bank with respect to the Collection Account; and (iii) Borrower shall establish with Account Bank Borrower Account and the Parties shall enter into a Springing Blocked Account Control Agreement with Account Bank with respect to Borrower Account. Pursuant to the Letter of Direction, Borrower shall direct Lender to deposit a portion of the proceeds of the Loan equal to the Interest Reserve Amount into the Interest Reserve Account on the Closing Date simultaneous with the funding of the Loan.

(b) Borrower shall pay for all fees, expenses and charges of the Account Bank pursuant to the terms of each Blocked Account Control Agreement by depositing sufficient funds into the applicable Blocked Account when such fees, expenses and charges are due.

(c) Prior to the Loan Agreement Termination Date, Borrower shall have no right to terminate the Interest Reserve Account without Lender's prior written consent unless the Interest Reserve Release Date has occurred. On the Interest Reserve Release Date, Lender shall instruct the Account Bank to release all amounts in the Interest Reserve Account at Borrower's direction.

(d) Prior to the Loan Agreement Termination Date, Borrower shall have no right to terminate the Collection Account or Borrower Account without Lender's prior written consent.

(e) On or before the date on which the First Tranche Loan is made, Borrower shall deliver the Licensee Instruction Letter to the Licensee specifying the assignment of the License Agreement to Borrower and instructions for payment thereafter with respect to all payments that are due and payable to Borrower in respect of or derived from the Royalty Interest (which notice and instructions shall be in the form attached to the Contribution Agreement or otherwise reasonably satisfactory to Lender) and shall provide that Licensee is to remit all amounts payable to Borrower in respect thereof to the Collection Account.

(f) To the extent any portion of the Royalty Interest is paid to Borrower other than by wire transfer to the Collection Account, Borrower shall (i) remit to the Collection Account all such amounts within five (5) Business Days of receipt of any such funds, (ii) promptly instruct the payor of such amounts to remit any future payments to the Collection Account (or other applicable account) and (iii) promptly provide to Lender a copy of such notice.

Section 4.03 Payment Date Distribution Reports.

(a) Borrower will make an accounting as of each Cut-Off Date and will deliver to Lender a payment date distribution report, substantially in the form

attached to the Disclosure Letter as Exhibit R to the Disclosure Letter (the “**Payment Date Distribution Report**”), no later than one (1) Business Day after each Cut-Off Date.

(b) On each Quarterly Payment Date, Lender shall direct Account Bank to disburse amounts on deposit in the Collection Account in an amount equal to the Payment Date Distribution Amount in accordance with the Payment Date Distribution Report delivered by Borrower in respect of such Quarterly Payment Date in accordance with Section 4.03(a); provided that if Lender disagrees in good faith with any amount or calculation set forth in such Payment Date Distribution Report, Lender shall deliver written notice thereof to Borrower no later than three (3) Business Days after receipt of such Payment Date Distribution Report (such notice, an “**Objection Notice**”), specifying the basis for such disagreement, the amount at issue (such amount, the “**Disputed Amount**”) and reasonably detailed supporting calculations, and may, in its sole discretion, direct Account Bank not to disburse such Disputed Amount on the applicable Quarterly Payment Date. In the event that Lender delivers an Objection Notice to Borrower, Borrower and Lender shall seek in good faith to resolve any disagreement that they may have with respect to the Disputed Amount, and upon such resolution, Lender shall provide a disbursement direction to Account Bank in respect of the Disputed Amount.

Section 4.04 Application of Payments.

(a) On each Quarterly Payment Date prior to the Change-Over Date, the Collection Amount on deposit in the Collection Account as of 5:00 p.m. (New York City time) on the Cut-Off Date (the “**Payment Date Distribution Amount**”) shall be applied by Account Bank on the Quarterly Payment Date in the following order of priority:

(i) **FIRST**, to Borrower, in an amount equal to the lesser of (x) an amount necessary to pay such fees and expenses and (y) an amount that, when taken together with the aggregate amount of all other distributions made to Borrower pursuant to this clause (i) for all other Quarterly Payment Dates occurring during the calendar year in which the current Quarterly Payment Date occurs and prior to the current Quarterly Payment Date, equals [***], to pay (1) to Independent Manager any portion of the annual fee that is due and payable on such Cut-Off Date in accordance with the Independent Manager Engagement Letter and (2) any franchise taxes and other fees and expenses required to maintain the legal existence of Borrower, in each case, to the extent due and payable on such Cut-Off Date;

(ii) **SECOND**, solely if a Servicer Termination Event (as defined in the Contribution Agreement) has occurred and a new Servicer (as defined in the Contribution Agreement) that is not an Affiliate of Borrower has been appointed in accordance with Section 5.05 of the Contribution Agreement, to the extent that the Payment Date Distribution Amount exceeds the amount paid in cash on the current Quarterly Payment Date in accordance with the foregoing clause (i), to pay to Servicer the applicable Servicer Fee (as defined in the Contribution Agreement);

(iii) **THIRD**, to Lender to pay all accrued and unpaid Fixed Interest on the Loan, if any, for the period from and including the Cut-Off Date applicable to the prior Quarterly Payment Date (or, in the case of the first Cut-

Off Date to occur after the Closing Date, from and including the Closing Date) to and including the day that immediately precedes the Cut-Off Date applicable to the current Quarterly Payment Date (the “**Fixed Interest Payment**” and all Fixed Interest Payments paid hereunder,

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collectively, the “**Fixed Interest Amount**”); provided, however, that if the Payment Date Distribution Amount is insufficient to pay the Fixed Interest Payment (the amount of such shortfall, the “**Quarterly Fixed Interest Shortfall**”), Lender shall instruct Account Bank with respect to the Interest Reserve Account to release to Lender an amount equal to the Quarterly Fixed Interest Shortfall or, if the amount remaining in the Interest Reserve Account is less than the Quarterly Fixed Interest Shortfall, the remaining amount in the Interest Reserve Account, which amount, in either case, shall be applied by Lender to pay the Fixed Interest Payment; provided, further, that any Deficiency Amount shall be capitalized and added to and increase the outstanding Principal Amount of the Loan in accordance with Section 3.01(c) and accrue Fixed Interest in accordance with Sections 4.01 and 4.05;

(iv) *FOURTH*, to the extent that the Payment Date Distribution Amount exceeds the sum of all amounts paid in cash on the current Quarterly Payment Date in accordance with the foregoing clauses (i) through (iii), to Lender to repay the outstanding Principal Amount of the Loan, if any, at par, until the outstanding Principal Amount of the Loan has been reduced to zero (the amount paid pursuant to this clause (iv) the “**Principal Amortization Payment**” and all Principal Amortization Payments paid hereunder, collectively, the “**Principal Amortization Amount**”); and

(v) *FIFTH*, solely for so long as Parent or any other Affiliate of Borrower is Servicer, to the extent that the Payment Date Distribution Amount exceeds the sum of all amounts paid in cash on the current Quarterly Payment Date in accordance with the foregoing clauses (i) through (iv), to pay to Servicer the Servicing Fee payable in respect of the most recent Calendar Quarter ended prior to the Quarterly Payment Date.

(b) On each Quarterly Payment Date following the occurrence of the Change-Over Date, the Payment Date Distribution Amount shall be applied by Account Bank on the Quarterly Payment Date in the following order of priority:

(i) *FIRST*, to Borrower, in an amount equal to the lesser of (x) an amount necessary to pay such fees and expenses and (y) an amount that, when taken together with the aggregate amount of all other distributions made to Borrower pursuant to this clause (i) for all other Quarterly Payment Dates occurring during the calendar year in which the current Quarterly Payment Date occurs and prior to the current Quarterly Payment Date, equals [***], to pay (i) to Independent Manager any portion of the annual fee that is due and payable on such Cut-Off Date in accordance with the Independent Manager Engagement Letter and (ii) any franchise taxes and other fees and expenses required to maintain the legal existence of Borrower, in each case, to the extent due and payable on such Cut-Off Date;

(ii) *SECOND*, solely if a Servicer Termination Event has occurred and a new Servicer (as defined in the Contribution Agreement) that is not an Affiliate of Borrower has been appointed in accordance with Section 5.05 of the Contribution Agreement, to the extent that the Payment Date

Distribution Amount exceeds the amount paid in cash on the current Quarterly Payment Date in accordance with the foregoing clause (i), to pay to Servicer the applicable Servicer Fee;

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(iii) *THIRD*, to the extent that the Payment Date Distribution Amount exceeds the sum of all amounts paid in cash on the current Quarterly Payment Date in accordance with the foregoing clauses (i) and (ii), to Lender an additional payment in an amount equal to such excess amount; provided that any additional payments made pursuant to this clause (iii) (each, a “**Additional Royalty Right Payment**” and all Additional Royalty Right Payments paid hereunder, collectively, the “**Additional Royalty Right**”) shall be earned, due and payable on the applicable Quarterly Payment Date; and

(iv) *FOURTH*, solely for so long as Parent or any other Affiliate of Borrower is Servicer, to the extent that the Payment Date Distribution Amount exceeds the sum of all amounts paid in cash on the current Quarterly Payment Date in accordance with the foregoing clauses (i) through (iii), to pay to Servicer the Servicing Fee payable in respect of the most recent Calendar Quarter ended prior to the Quarterly Payment Date.

Section 4.05 Interest on Late Payments. If any amount payable by Borrower to Lender hereunder is not paid when due (whether at stated maturity, by acceleration or otherwise), interest shall accrue on any such unpaid amounts, both before and after judgment during the period from and including the applicable due date, to but excluding the day the overdue amount is paid in full, at a rate per annum equal to the Default Rate. Interest accruing under this Section 4.05 shall be payable on demand of Lender. For the avoidance of doubt, Fixed Interest that is not paid in cash on the date due but that is added to the Principal Amount of the Loan as Accreted Principal in accordance with Section 3.01(c) shall accrue Fixed Interest from the Cut-Off Date immediately preceding the date at which it is incorporated as Accreted Principal and shall thereafter accrue interest at the Default Rate in the event that the Principal Amount of the Loan generally bears interest at the Default Rate.

Section 4.06 Administration and Enforcement Expenses. Borrower shall promptly reimburse Lender on demand for all reasonable costs and expenses incurred by Lender (including the reasonable fees and expenses of one primary outside counsel to Lender and one additional local counsel to Lender in each material jurisdiction) as a consequence of or in connection with any Default, Event of Default or prepayment of the Loan.

Section 4.07 Making of Payments. Notwithstanding anything to the contrary contained herein, any payment stated to be due hereunder or under any Note on a given day in a specified month shall be made or shall end (as the case may be), (i) if there is no such given day or corresponding day, on the last Business Day of such month or (ii) if such given day or corresponding day is not a Business Day, on the next succeeding Business Day.

Section 4.08 Setoff or Counterclaim. Each payment by Borrower under this Agreement or under any Note shall be made without Set-Off. Lender shall have the right to Set-Off any and all amounts owed by Borrower and/or any of its Subsidiaries under this Agreement as provided in Section 10.03. If the Licensee exercises any right of Set-Off against any payment of the Royalty Interest, such Set-Off shall not reduce any payment of otherwise payable to Lender hereunder, and if such Set-Off reduces

any payment of the Royalty Interest into the Collection Account to less than the full amount of such payment, then Borrower shall promptly (and in any

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event within ten (10) Business Days following the payment affected by such Set-Off) make a true-up payment to the Collection Account such that the full amount of the Royalty Interest payment that would have been payable had such Set-Off not occurred has been paid into the Collection Account.

ARTICLE V

TAXES

Section 5.01 Tax Treatment. The Parties agree that, for U.S. federal and applicable state income tax purposes, (i) the Loan constitutes a debt instrument, (ii) the Fixed Interest Amount constitutes interest paid by Borrower as compensation for the use, forbearance, or detention of the Principal Amount, (iii) the Fixed Interest Amount, as well as original issue discount created as a result of the investment unit treatment in Section 5.04, is contingent only with respect to the timing of such payments and not upon the cash flow, income, profits, or any appreciation in value of any property of Borrower or Parent within the meaning of Section 871(h)(4)(A) of the Code, (iv) Borrower is a wholly-owned, disregarded subsidiary of TRVN SPV1, which is treated as a domestic partnership, (v) Borrower is not expected to be, at any time, engaged in a trade or business in the United States, (vi) the issuance of the Loan, Warrant and Additional Royalty Right constitute an investment unit within the meaning of Section 1273(c)(2) of the Code, (vii) the Additional Royalty Right is a separate property right from each of the Loan and Warrant and can be transferred or assigned by Lender separately from Lender's rights and obligation under the Loan, (ix) with respect to the Additional Royalty Right Payments received by Borrower, Borrower is not economically entitled to Additional Royalty Right Payment and receives them as a collection agent on behalf of Lender and (x) the Additional Royalty Right Payments are foreign source income. This Agreement is not intended to create a and shall never be construed as creating a partnership, association, trust, joint venture or other similar relationship between or among Lender and/or Parent, Borrower or any Subsidiary. Each party agrees not to take any position that is inconsistent with the foregoing sentences on any Tax Return or in any audit or other administrative or judicial proceeding, except as otherwise required pursuant to a "determination" under Section 1313(a) of the Code.

Section 5.02 Withholding. Borrower covenants that all amounts payable under the Loan (including, for the avoidance of doubt, payments of the Fixed Interest Amount, Principal Amortization Amount, and the Additional Royalty Right Payments) shall be paid without deduction or withholding for any Taxes imposed pursuant to a Law in effect on the date hereof (other than, for the avoidance of doubt, any deductions or withholding for any Taxes pursuant to Section 8 of the License), provided, that, the Lender provides to Borrower, (i) in the case of a U.S. Lender, an executed IRS Form W-9 certifying that such U.S. Lender is exempt from U.S. federal backup withholding tax, (ii) in the case of a Non-U.S. Lender claiming the benefits of (a) an income tax treaty to which the United States is a party, an executed IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from U.S. federal withholding Tax pursuant to the "interest" (or other applicable) article of such tax treaty, (b) the exemption under Section 892 of the Code, an executed IRS Form W-8EXP, or (c) the exemption for portfolio interest under Section 881(c) of the Code,

both (x) a certification that such Non-U.S. Lender is not receiving the interest in its capacity as a bank on an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section

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881(c)(3)(A) of the Code, not a “10 percent shareholder” of Borrower within the meaning of Section 881(c)(3)(B) of the Code, and not a “controlled foreign corporation” related to Borrower as described in Section 881(c)(3)(C) of the Code (such certificate, a “**PIE Certificate**”) and (y) an executed IRS Form W-8BEN or IRS Form W-8BEN-E. To the extent a Non-U.S. Lender is not the beneficial owner, the Lender will provide executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN or W-8BEN-E, IRS Form W-8EXP, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Non-U.S. Lender is a partnership and one or more direct or indirect partners of such Non-U.S. Lender are claiming the portfolio interest exemption, such Non-U.S. Lender may provide a PIE Certificate on behalf of each such direct and indirect partner. Lender agrees that they will provide the tax documentation set forth in this Section 5.02 to the Borrower on or prior to the date on which Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower). Further, Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower in writing of its legal inability to do so. If Borrower is required to deduct or withhold Taxes on any payment under the Loan, such payment will be grossed up by Borrower for the amount deducted such that the Lender receives an amount equal to the amount it would have received had no withholding or deduction been made.

Section 5.03 Other Taxes. Borrower shall promptly pay any registration, transfer, stamp or documentary, recording or similar Taxes or any other excise or property Taxes arising from any payment made under any Loan Document, or from the execution, delivery, performance, enforcement or registration of, the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document.

Section 5.04 Investment Unit. The Loan, the Additional Royalty Right and the Warrants issued in connection with such Loan will be treated as an “investment unit” within the meaning of Section 1273 of the Code and Treasury Regulation §1.1273-2(h). The parties agree that for U.S. federal income tax purposes, the fair market value of the Additional Royalty Right is [***], and the fair market value of the Warrant is [***]. The Parties agree that the foregoing determinations will be binding on the Parties and their Affiliates for all United States federal income tax reporting purposes.

Section 5.05 Cooperation. Upon request, Borrower shall provide the Lender, and the Lender shall provide the Borrower, as applicable, any reasonable assistance such party may seek in obtaining an exemption or reduced rate from, or refund of, any withholding tax, if applicable. In addition, the Lender and Borrower shall use commercially reasonable efforts to cooperate, as and to the extent reasonably requested by the other Parties, in connection with the filing of Tax Returns, any Tax audits, Tax proceedings or other Tax-related claims in connection with the matters covered by this Article V.

ARTICLE VI FUNDING CONDITIONS

Section 6.01 Closing Actions. Prior to or contemporaneously with the execution of this Agreement:

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(a) This Agreement and the other Loan Documents, other than the Warrant, and the Direction Letter, have been executed and delivered to Lender by each party thereto (other than Lender), and Borrower has delivered, or caused to be delivered, such other documents as Lender has reasonably requested, in each case, in form and substance satisfactory to Lender;

(a) Lender has received from Borrower an executed copy of:

(i) a certificate of each of Borrower and Parent, executed respectively by a Senior Officer thereof, dated as of the Closing Date, substantially in the form attached to the Disclosure Letter as Exhibit L-1 to the Disclosure Letter;

(ii) a solvency certificate of each of Borrower and Parent, executed respectively by a Senior Officer thereof, dated as of the Closing Date, substantially in the form attached to the Disclosure Letter as Exhibit M to the Disclosure Letter;

(iii) a certificate of the Secretary of each of Borrower and Parent, dated as of the Closing Date: (i) attaching copies, certified by such officer as true and complete, of each Transaction Party's certificate of incorporation or other Organizational Documents (together with any and all amendments thereto) certified by the appropriate Governmental Authority as being true, correct and complete copies; (ii) attaching copies, certified by such officer as true and complete, of resolutions of the Board of Directors (or similar governing body) of Transaction Party authorizing and approving the execution, delivery and performance by such party of the Loan Documents to which it is a party and the transactions contemplated herein and therein; (iii) setting forth the incumbency of the officers of each such Transaction Party who executed and delivered such Loan Documents, including therein a signature specimen of each such officer; and (iv) attaching copies, certified by such officer as true and complete, of certificates of the appropriate Governmental Authority of the jurisdiction of formation, stating that such party was in good standing under the laws of such jurisdiction as of a date no earlier than ten (10) calendar days prior to the Closing Date;

(iv) an opinion of Troutman Pepper Hamilton Sanders LLP, counsel to Borrower and Parent, dated as of the Closing Date and in form and substance reasonably satisfactory to Lender; and

(v) a duly executed copy of the Licensee Consent.

(b) Borrower and Parent shall have delivered to Licensee the Licensee Instruction Letter.

(c) Lender shall have received all documentation and other information required by bank regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including without limitation, the Patriot Act, including and the information described in Section 12.18.

(d) Lender shall have received such other approvals, opinions, documents or materials as Lender may reasonably request.

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(e) Borrower shall have paid all fees, costs and expenses (including legal fees and expenses) agreed in writing to be paid by it to Lender in connection herewith (including pursuant to the Fee Letter) to the extent due.

Section 6.02 Conditions Precedent to the First Tranche Loan. The obligation of Lender to make the First Tranche Loan shall be subject to the fulfillment, to the sole satisfaction of Lender, of all of the following conditions precedent in addition to the conditions specified in Section 2.01 and Section 2.02:

(a) The Warrant and the Direction Letter shall have been executed and delivered to Lender by each party thereto (other than Lender), and Borrower shall have delivered, or caused to be delivered, such other documents as Lender reasonably requested, in each case, in form and substance satisfactory to Lender;

(b) Lender shall have received from Borrower an executed copy of:

(i) a certificate of each of Borrower and Parent, executed respectively by a Senior Officer thereof, dated as of the date on which the First Tranche Loan is made, substantially in the form attached to the Disclosure Letter as Exhibit L-1 to the Disclosure Letter; and

(ii) a solvency certificate of each of Borrower and Parent, executed respectively by a Senior Officer thereof, dated as of the date on which the First Tranche Loan is made, substantially in the form attached to the Disclosure Letter as Exhibit M to the Disclosure Letter.

(c) (i) The Transaction Documents shall be in full force and effect.

(d) No event shall have occurred and be continuing that (i) constitutes a Default or an Event of Default or (ii) could reasonably be expected to constitute a Material Adverse Effect (without giving effect to the cure period, if any, applicable to an Event of Default based thereon), in each case both at the time of, and immediately after giving effect to, the making of the First Tranche Loan.

(e) The representations and warranties made by Borrower, TRVN SPV1, TRVN RC and Parent in Article VII hereof and in the other Loan Documents shall be true and correct in all material respects as of the date on which the First Tranche Loan is made, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date, before and after giving effect to the Loan (except that any representation or warranty that is qualified as to “materiality” or “Material Adverse Effect” shall be true and correct in all respects).

(f) All necessary governmental and third-party approvals, consents and filings in connection with the transactions contemplated by the Loan Documents shall have been obtained or made and shall remain in full force and effect.

(g) Borrower shall have delivered to Lender the Perfection Certificate and certified copies of UCC, United States Patent and Trademark Office and United States Copyright

Office, tax and judgment lien searches, or equivalent reports or searches, each of a recent date listing all effective financing statements, lien notices or comparable documents that name Borrower as debtor and that are filed in those state and county jurisdictions in which Borrower is organized or maintains its principal place of business and such other searches that are required by the Perfection Certificate or that Lender deems necessary or appropriate, none of which encumber the Collateral covered or intended to be covered by the Loan Documents (other than any Permitted Liens and other Liens acceptable to Lender).

(h) Lender shall have received all UCC financing statements in appropriate form for filing under the UCC, and all other certificates, agreements, instruments, filings, recordings and other actions, including recordations in the United States Patent and Trademark Office and the United States Copyright Office that are necessary or reasonably requested by Lender in order to establish, protect, preserve and perfect the security interest in the assets of Borrower constituting Collateral as provided in the Security Agreement as a valid and perfected first priority security interest with respect to such assets shall have been duly effected (or arrangements therefor satisfactory to Lender shall have been made).

(i) Lender shall have received such other approvals, opinions, documents or materials as Lender may reasonably request.

(j) Borrower shall have paid all fees, costs and expenses (including legal fees and expenses) agreed in writing to be paid by it to Lender in connection herewith (including pursuant to the Fee Letter) to the extent due.

(k) The Borrower shall have received from the Lender the tax documentation set forth in Section 5.02.

Section 6.03 Conditions Precedent to Additional Loans. The obligation of Lender to make the Second Tranche Loan and/or the Third Tranche Loan shall be subject to the fulfillment, to the reasonable satisfaction of Lender, of all of the following conditions precedent in addition to the conditions specified in Section 2.01 and Section 2.02:

(a) Receipt by Lender of a Tranche 2 Trigger Notice or Tranche 3 Trigger Notice, as applicable, in accordance with Section 2.01;

(b) Immediately before and after the making of the Second Tranche Loan or the Third Tranche Loan, as applicable, no Default or Event of Default shall have occurred and be continuing;

(c) The representations and warranties made by Borrower, TRVN SPV1 and Parent in Article VII hereof and in the other Loan Documents shall be true and correct in all material respects on and as of the making of the Second Tranche Loan or the Third Tranche Loan, as applicable, as if made at such time, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date, before and after giving effect to the Loan (except that any representation or warranty that is

qualified as to “materiality” or “Material Adverse Effect” shall be true and correct in all respects);

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(d) a certificate of each of Borrower and Parent, executed respectively by a Senior Officer thereof, dated as of the making of the Second Tranche Loan or the Third Tranche Loan (as applicable), substantially in the form attached as Exhibit L-2 to the Disclosure Letter; and

(e) No Material Adverse Effect shall have occurred.

ARTICLE VII

REPRESENTATIONS AND WARRANTIES

Section 7.01 Representations and Warranties of Borrower. Except as otherwise disclosed in the Disclosure Letter, Borrower hereby represents and warrants to Lender as of the date of this Agreement (except for any representations and warranties which speak as to a specific date, which representations and warranties shall be made as of the date specified) as follows:

(a) Borrower is a limited liability company duly formed, validly existing and in good standing under the laws of the State of Delaware and has all powers and authority, and all licenses, permits, franchises, authorizations, consents and approvals of all Governmental Authorities, required to own its property and conduct its business as presently conducted or proposed to be conducted. Borrower is duly qualified to transact business and is in good standing in every jurisdiction in which such qualification or good standing is required by Applicable Law, which jurisdictions as of the Closing Date are specified on Schedule 7.01(a) to the Disclosure Letter, except where the failure to be so qualified or in good standing has not resulted in, and could not reasonably be expected to result in, a Material Adverse Effect.

(b) None of the execution and delivery by Borrower of any of the Loan Documents to which Borrower is party, the performance by Borrower of the obligations contemplated hereby or thereby or the consummation of the transactions contemplated hereby or thereby will: (i) contravene, conflict with, result in a breach, violation, cancellation or termination of, constitute a default (with or without notice or lapse of time, or both) under, require prepayment under, give any Person the right to exercise any remedy (including termination, cancellation or acceleration) or obtain any additional rights under, or accelerate the maturity or performance of or payment under, in any material respect, (A) any Applicable Law or any judgment, order, writ, decree, permit or license of any Governmental Authority to which Borrower or any of its Subsidiaries or any of their respective assets or properties may be subject or bound, (B) any term or provision of any contract, agreement, indenture, lease, license, deed, commitment, obligation or instrument to which Borrower or any of its Subsidiaries is a party or by which Borrower or any of its Subsidiaries or any of their respective assets or properties is bound or committed or (C) any term or provision of any of the organizational documents of Borrower or any of its Subsidiaries, except in the case of clause (A) or (B) where any such event would not result in a Material Adverse Effect; or (ii), except as provided in or contemplated by any of the Loan Documents, result in or require the creation or imposition of any Lien on any of the Transferred Assets, the Licensed Product or the Revenue Interest Product.

(c) Except pursuant to, or as contemplated by, the Loan Documents, Parent has not granted, nor does there exist, any Lien (other than Permitted Liens) on the Loan Documents, any of the Transferred Assets, the Licensed Product or the Revenue Interest Product.

(d) Borrower has all powers and authority to execute and deliver, and perform its obligations under, the Loan Documents to which it is party and to consummate the transactions contemplated hereby and thereby. The execution and delivery of each of the Loan Documents to which Borrower is party and the performance by Borrower of its obligations hereunder and thereunder have been duly authorized by Borrower. This Agreement and, when executed and delivered in accordance with the terms hereof, each of the other Loan Documents to which Borrower is party, has been duly executed and delivered by Borrower. Each of the Loan Documents to which Borrower is party constitutes, or upon execution and delivery thereof, will constitute, the legal, valid and binding obligation of Borrower, enforceable against Borrower in accordance with its respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or similar Applicable Laws affecting creditors' rights generally, general equitable principles and principles of public policy.

(e) Upon giving effect to the Contribution and the Sale (and subject to the terms and conditions thereof), Borrower shall be the exclusive owner of the entire right, title (legal and equitable) and interest in, to and under the Collateral, free and clear of all Liens, other than Permitted Liens and Borrower shall be entitled to be the sole recipient of all payments in respect of the Royalty Interest. None of the Collateral granted to Lender on the Closing Date has been pledged, sold, assigned, transferred, conveyed or granted by Borrower to any other Person. Upon granting by Borrower of the security interests in the Collateral to Lender, Lender shall acquire a first priority security interest in the Collateral free and clear of all Liens, other than Permitted Liens. Borrower has not caused, and to the Knowledge of Borrower no other Person has caused, the claims and rights of Lender created by any Loan Document in and to the Collateral, to be subordinated to any creditor or any other Person.

(f) The execution and delivery by Borrower of the Loan Documents to which Borrower is party, the performance by Borrower of its obligations hereunder and thereunder and the consummation of any of the transactions contemplated hereunder and thereunder (including the granting of security interests in the Collateral to Lender) do not require any consent, approval, license, order, authorization or declaration from, notice to, action or registration by or filing with any Governmental Authority or any other Person, except for (i) the filing of any applicable notices under securities laws, (ii) the filings necessary to perfect Liens created by the Loan Documents, (iii) those previously obtained and in full force and effect, and (iv) consents, filings and registrations in connection with the Contribution as contemplated by the Contribution Agreement.

(g) There is no action, suit, arbitration proceeding, claim, citation, summons, subpoena, investigation or other proceeding (whether civil, criminal, administrative, regulatory, investigative or informal, and including by or before a

Governmental Authority) pending or, to the Knowledge of Borrower, threatened in writing (or, in the case of a threat by a Governmental Authority, threatened orally or in writing) by or against Borrower or any of its Subsidiaries, at law or in equity, that (i) if adversely determined, would result in a Material Adverse Effect or

(ii) challenges or seeks to prevent or delay the consummation of any of the transactions contemplated by any of the Loan Documents to which Borrower is party.

(h) Upon consummation of the transactions contemplated by the Loan Documents and the application of the proceeds therefrom, (a) the present fair saleable value of the properties and assets of Borrower will be greater than the sum of its debts, liabilities and other obligations, including contingent liabilities, (b) the present fair saleable value of the properties and assets of Borrower and its Subsidiaries, taken as a whole, on a going concern basis will not be less than the amount that would be required to pay its probable liabilities on its existing debts, liabilities and other obligations, including contingent liabilities, as they become absolute and matured, (c) Borrower will generally be able to realize upon its assets and pay its debts, liabilities and other obligations, including contingent obligations, as they become absolute and matured, (d) Borrower will not have unreasonably small capital with which to engage in its business as now conducted, (e) Borrower has not incurred, will not incur and does not have any present plans or intentions to incur debts or other obligations or liabilities beyond its ability to pay such debts or other obligations or liabilities as they become absolute and matured, (f) Borrower will not have become subject to any Insolvency Event and (g) Borrower will not have been rendered insolvent within the meaning of any Applicable Law. No step has been taken by Borrower or, to its Knowledge, any other Person to make Borrower subject to an Insolvency Event.

(i) No Default or Event of Default has occurred and is continuing, and no such event will occur upon the making of any Loan.

(j) Borrower has timely filed (or caused to be filed) all Tax Returns required by Applicable Law to have been filed by it and has paid all Taxes required to be paid by it (including in its capacity as a withholding agent), except any such Taxes that are being contested in good faith by appropriate proceedings and for which adequate reserves in accordance with GAAP have been set aside on its books or where any such failure to file or pay would not result, individually or in the aggregate, in a Material Adverse Effect.

(k) Borrower has not taken any action that would entitle any Person to any commission or broker's fee in connection with the transactions contemplated by this Agreement.

(l) Borrower (a) has not violated and is not in violation of, and to its Knowledge, is not under investigation with respect to, and has not been threatened to be charged with or been given notice of any violation of, any Applicable Law or any judgment, order, writ, decree, injunction, stipulation, consent order, permit or license granted, issued or entered by any Governmental Authority and (b) is not subject to any judgment, order, writ, decree, injunction, stipulation, consent order, permit or license granted, issued or entered by any Governmental Authority, in each case, that would result in a Material Adverse Effect. Borrower is in compliance with the requirements of all Applicable Laws, a breach of any of which would result in a Material Adverse Effect.

(m) To Borrower's Knowledge, other than the Patent Rights licensed pursuant to the License Agreement (with respect to the Licensed Product only), no Third Party Patent Right has been, or is, or will be, infringed by Exploitation of the Products. To Borrower's

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Knowledge, other than the Patent Rights licensed pursuant to the License Agreement (with respect to the Licensed Product only), no Patent Rights other than the Patents with respect to the Products would limit or prohibit in any material respect Exploitation of the Products. Neither Borrower nor Parent has received any notice of any claim by any Third Party asserting that Exploitation of the Products infringes such Third Party's Patent Rights. Neither Borrower nor Parent has received any written opinion of counsel regarding infringement or non-infringement of any Third Party's Patent Rights by Exploitation of the Products. To Borrower's Knowledge, there has been no commercially significant infringement or interference by any Person, any claims of invalidity or unenforceability or any prosecution or litigation action relating to any Patents relating to the Products.

(n) Intellectual Property.

(i) Schedule 7.01(n)(i) to the Disclosure Letter sets forth a complete and accurate list of the Patents in the United States or the Territory owned or controlled by Parent, Borrower or Subsidiary (collectively "**Applicable Patents**"), including the following: Schedule 7.01(n)(i) to the Disclosure Letter sets forth a complete and accurate list of the Licensed Patents. For each Patent set forth on Schedule 7.01(n)(i) to the Disclosure Letter, Borrower has indicated: (1) the jurisdictions by or in which each such Patent has issued as a patent or been filed, including the respective patent numbers and application numbers and issue and filing dates, (2) solely with respect to the Licensed Patents for which Parent controls prosecution and maintenance, the record owner of each such Patent, (3) whether such Patent is a Product Patent and (4) whether such Patent is a Licensed Patent.

(ii) Parent is the sole and exclusive owner of, and has the sole interest in, the entire right, title and interest in each of the Applicable Patents. To the Borrowers Knowledge, no event has occurred which, upon notice or passage of time or both, gives rise or may give rise to the revocation, cancellation, withdrawal, abandonment or rejection of any material right, title and interest in any Applicable Patent.

(iii) After giving effect to the transactions contemplated by the Contribution Agreement, Borrower will be the sole and exclusive owner of, and have the sole interest in, the entire right, title and interest in each of the Licensed Patents.

(iv) The Applicable Patents are not subject to any encumbrance, Lien or claim of ownership by any Third Party, and there are no facts that would preclude Parent from having unencumbered title to the Applicable Patents, or, after giving effect to the transactions contemplated by the Contribution Agreement, Borrower, from having unencumbered title to the Licensed Patents. Neither Parent nor Borrower has received any notice of any claim by any Third Party challenging the ownership of the rights of Parent or Borrower in and to the Applicable Patents.

(v) There has not been, nor are there any pending or threatened (in writing, or to the Knowledge of Borrower, oral), disputes relating to Parent's or Borrower's right to use any Applicable Patent.

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(vi) There are no Contracts between Parent and a Third Party or between Borrower and a Third Party related to the Patents for the United States and the Territory other than the License Agreement.

(vii) Each Person who has or has had any rights in or to the Applicable Patents, including each inventor named on the Applicable Patents, has executed a Contract assigning their entire right, title and interest in and to such Patents and the inventions embodied, described and/or claimed therein, to the owner thereof, and each such Contract has been duly recorded at the United States Patent and Trademark Office or the patent office in the Territory.

(viii) No issued Applicable Patent or Patent application has lapsed, expired or otherwise been terminated, other than by operation of law.

(ix) There are no unpaid maintenance fees, annuities or other like payments with respect to the Applicable Patents.

(x) Each of the Applicable Patents correctly identifies each and every inventor of the claims thereof in accordance with Applicable Law. To the Knowledge of Borrower, there is not any Person who is or claims to be an inventor of any of the Applicable Patents who is not a named inventor thereof. Neither Borrower nor Parent has received any notice from any Person who is or claims to be an inventor of any of the Applicable Patents who is not a named inventor thereof.

(xi) Each of the Applicable Patents is valid, enforceable and subsisting. Neither Borrower nor Parent has received any opinion of counsel that any of the Applicable Patents is invalid or unenforceable. Neither Borrower nor Parent has received any written notice of any claim by any Third Party challenging the validity or enforceability of any of the Applicable Patents.

(xii) To the Knowledge of Borrower, each individual associated with the filing and prosecution of the Applicable Patents has complied, in all material respects with all applicable duties of candor and good faith in dealing with any Patent Office, including any duty to disclose to any Patent Office all information known by such individual to be material to patentability of each such Patent, in those jurisdictions where such duties exist.

(xiii) There is at least one Valid Claim in the Licensed Patents that would be infringed by Exploitation of the Licensed Product and there is at least one Valid Claim in the Applicable Patents that would be infringed by Exploitation of the Revenue Interest Product.

(xiv) Except for information disclosed to the applicable Patent Office during prosecution of the Applicable Patents, to Borrower's Knowledge, there are no Applicable Patents, published patent applications, articles, abstracts or other prior art deemed material to patentability of any of the inventions claimed in such Patents, or that would otherwise reasonably be

expected to materially adversely affect the validity or enforceability of any of the claims of such Patents.

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(xv) There are no pending or threatened (in writing or, to the Knowledge of Borrower, oral) proceedings before a Governmental Authority (other than normal course patent examinations, if any) that could (i) impact the validity and/or enforceability of any of the claims of the Applicable Patents, or (ii) otherwise impact whether any claim within the Applicable Patents is a Valid Claim.

(xvi) There is no pending, decided or settled Dispute, including without limitation any International Trade Commission investigations, and, to the Knowledge of Borrower, no such Dispute been threatened (in writing or, to the Knowledge of Borrower, oral), in each case challenging the legality, validity, enforceability, scope or ownership of any Applicable Patent, or adjudicating whether any Applicable Patent is or would be infringed by the Exploitation of a Product by a Third Party.

(xvii) To the Knowledge of Borrower there have not been nor are there any pending Disputes or like procedures involving any of the Applicable Patents.

(xviii) To the Knowledge of Borrower, none of the conception, development and reduction to practice of the inventions claimed in the Applicable Patents has constituted or involved the misappropriation of trade secrets or other rights or property of any Third Party.

(xix) Neither Borrower nor Parent has filed any disclaimer, other than a terminal disclaimer, or made or permitted any other voluntary reduction in the scope of any Applicable Patent.

(xx) Neither Borrower nor Parent nor, to Borrower's Knowledge, any other Person has undertaken or omitted to undertake any acts, and no circumstances or grounds exist, that would void, invalidate, reduce or eliminate, in whole or in part, the enforceability or scope of any of the Applicable Patents.

(xxi) To Borrower's Knowledge, no Third Party Patent Right has been, or is, or will be, infringed by Borrower's, Licensee's, or Parent's Exploitation of the Products. To Borrower's Knowledge, no Patent Right other than the Patents would limit or prohibit in any material respect Borrower's, Licensee's, or Parent's Exploitation of any Product. Neither Borrower nor Parent, nor, to the Knowledge of Borrower, Licensee, has received any notice of any claim by any Third Party asserting that by Borrower's, Licensee's, or Parent's Exploitation of any Product infringes such Third Party's Patents Rights. Neither Parent nor Borrower has received any opinion of counsel regarding infringement or non-infringement of any Third Party Patent Rights by Borrower's, Licensee's, or Parent's Exploitation of any Product.

(xxii) To Borrower's Knowledge, there are no pending, published patent applications owned by any Third Party, which Borrower does

not have the right to use, which if issued, would limit or prohibit in any material respect Borrower's, Licensee's, or Parent's Exploitation of any Product.

(xxiii) There are no Disputes between Borrower or Parent and a Third Party relating to Borrower's or Parent's Exploitation of any Product. Neither Parent nor

Borrower has received or given notice of any such Dispute, and to Borrower's Knowledge, there exists no circumstances or grounds upon which any such claims could be asserted. The Patents are not subject to any outstanding injunction, judgment or other decree, ruling, charge settlement or other disposition of any Dispute.

(xxiv) Except as set forth in Schedule 7.01(n)(xxiv) to the Disclosure Letter, to Borrower's Knowledge, no Third Party is infringing any of the issued Patents. Except as set forth in Schedule 7.01(n)(xxiv) to the Disclosure Letter, neither Parent nor Borrower has put any Third Party on notice of any of the issued Patents.

(xxv) Oliceridine is the active pharmaceutical ingredient of each Product.

(xxvi) Except as set forth in Schedule 7.01(n)(xxvi) to the Disclosure Letter, there are no copyrights, trademarks, trade secrets or net names material to Licensee's, Parent's or Borrower's Exploitation of any Product.

(o) Borrower is not engaged in the business of extending credit for the purpose of buying or carrying margin stock, and no portion of the Loan shall be used by Borrower for a purpose that violates Regulation T, U or X promulgated by the Board of Governors of the Federal Reserve System from time to time.

(p) Compliance.

(i) All applications, submissions, information and data related to any Licensed Product submitted or utilized as the basis for any request to any Regulatory Agency by or on behalf of Borrower or, to the Knowledge of Borrower, by or on behalf of Licensee, were true and correct in all material respects as of the date of such submission or request, and any material updates, changes, corrections or modification to such applications, submissions, information or data required under Applicable Law or regulations have been submitted to the necessary Regulatory Agencies.

(ii) Neither Borrower nor any of its Affiliates has, and to Borrower's Knowledge, Licensee has not, committed any act, made any statement or failed to make any statement that would reasonably be expected to provide a basis for the FDA to invoke its policy with respect to "Fraud, Untrue Statements of Material Facts, Bribery, and Illegal Gratuities", or for the NMPA, or any other Regulatory Agency to invoke similar policies, set forth in any Applicable Laws or regulations.

(iii) To the Knowledge of Borrower, there has been no indication that the FDA, NMPA, or any other Regulatory Agency has any material concerns with any Product or may not approve or may withdraw approval of any Product, nor has any Product, to the Knowledge of Borrower, suffered any material adverse events in any clinical trial.

(iv) Borrower, to the Knowledge of Borrower, Licensee and all of Borrower's directors, officers, employees, Affiliates or agents, have not taken any action, directly or indirectly, that would result in a violation by such Persons of the Anti-Corruption Laws, including making use of the mails or any means or instrumentality of

interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any “foreign official” (as such term is defined in the applicable Anti-Corruption Laws) or any foreign political party or official thereof or any candidate for foreign political office, in contravention of the applicable Anti-Corruption Laws. Borrower, and, to the Knowledge of Borrower, its Affiliates have conducted their respective businesses in compliance with the Anti-Corruption Laws and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

(q) Material Contracts.

(i) As of the Closing Date, Borrower is not a party to any Material Contract (other than, after giving effect to the Contribution thereof under the Contribution Agreement, the License Agreement). The consummation of the transactions contemplated by the Loan Documents will not give rise to a right of termination in favor of any party to any Material Contract.

(ii) Upon the Contribution thereof to, and assumption thereof by, Borrower, each Material Contract shall be a valid and binding obligation of Borrower and, to the Knowledge of Borrower, of the applicable Material Contract Counterparty, enforceable against each of Borrower and, to the Knowledge of Borrower, each applicable Material Contract Counterparty in accordance with its terms, except as may be limited by general principles of equity (regardless of whether considered in a proceeding at law or in equity) and by applicable bankruptcy, insolvency, moratorium and other similar laws of general application relating to or affecting creditors’ rights generally. Borrower has not received any notice from any Material Contract Counterparty or any other Person challenging the validity or enforceability of any Material Contract. Neither Borrower, nor to the Knowledge of Borrower, any other Person, has delivered or intends to deliver any written notice to Borrower or a Material Contract Counterparty challenging the validity or enforceability of any Material Contract.

(iii) Neither Borrower nor to the Knowledge of Borrower, any Material Contract Counterparty, is contemplating to commence any case, proceeding or other action relating to Material Contract Counterparty’s bankruptcy, insolvency, liquidation or dissolution or reorganization by any of the foregoing means.

(r) License Agreement.

(i) A true, correct and complete copy of the License Agreement is attached as Exhibit Q hereto.

(ii) The License Agreement is in full force and effect and has not been waived, amended, altered or modified in any respect, whether by consent or otherwise except as set forth on Schedule 7.01(r)(ii). Neither Borrower nor Parent has proposed or received any proposal to waive, amend, alter or modify any provision of the License Agreement. No obligation of Licensee under the License Agreement has been released or

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waived. The License Agreement has not been satisfied in full, discharged, canceled, terminated, subordinated or rescinded, in whole or in part. The License Agreement is the entire and only agreement between Licensee and any Party relating to the subject matter thereof.

(iii) Neither Parent nor Borrower nor, to the Knowledge of Borrower, the Licensee, as applicable, has taken any action or omitted to take any action that would adversely impact the right of Lender to take a security interest, or, following the Closing Date, the validity of the security interest of the Lender, in the License Agreement, the Royalty Interest or the Licensed Technology.

(iv) The execution, delivery and performance of the License Agreement was and is within the corporate powers or other organizational power of Parent and, to the Knowledge of Borrower, the Licensee. The License Agreement was duly authorized by all necessary action on the part of, and validly executed and delivered by, Parent and, to the Knowledge of Borrower, the Licensee. No breach or default, or event which upon notice or the passage of time, or both, could give rise to any breach or default, in the performance of the License Agreement by Borrower, Parent or, to the Knowledge of Borrower, the Licensee, or that could reasonably be expected to have a Material Adverse Effect, has occurred or is continuing.

(v) All payments required to be made under the License Agreement have been made. The Licensee has no right of Set-Off against the Royalty Interest or any other amounts payable thereunder. The Licensee has not exercised any Set-Off against any amount payable to Parent under the License Agreement. No event or condition exists that, upon notice or passage of time or both, would reasonably be expected to permit Licensee to claim, or have the right to claim, a Set-Off.

(vi) Neither Borrower nor Parent has (A) given written or, to the Knowledge of Borrower, oral notice to Licensee of the termination of the License Agreement (whether in whole or in part) or expressing any intention or desire to terminate the License Agreement or (B) received from Licensee any written notice of termination of the License Agreement (whether in whole or in part) or expressing any intention or desire to terminate the License Agreement.

(vii) Following the Closing Date, the License Agreement will be the only Contract between Parent (or any predecessor or Affiliate thereof), on the one hand, and Licensee (or any predecessor or Affiliate thereof), on the other hand, relating to the subject matter thereof. There are, and following the Closing Date, will be no Contracts between Borrower (or any predecessor or any Affiliate thereof), on the one hand, and Licensee (or any predecessor or Affiliate thereof).

(viii) Borrower has not received any written notice from, nor delivered any written notice to, Licensee or any other Person challenging the validity or enforceability of the License Agreement. Borrower has not received

any written or, to the Knowledge of Borrower, oral notice from, nor delivered
any written or, to the Knowledge of Borrower, oral notice to, Licensee or any
other Person threatening or commencing any

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case, proceeding or other action relating to Borrower's or Licensee's bankruptcy, insolvency, liquidation or dissolution or reorganization by any of the foregoing means.

(ix) Neither Borrower nor Parent has received any notice or other written or oral communication requesting any amendment, supplement, alteration or modification to the License Agreement.

(x) To the Knowledge of Borrower, nothing has occurred and no condition exists that would adversely impact the right of Borrower to receive any payments payable to Borrower under the License Agreement. Neither Borrower nor, to the Knowledge of Borrower, the Licensee, has taken any action or omitted to take any action that would adversely impact the right of Lender to take a security interest in the License Agreement, the Royalty Interest or the Licensed Technology.

(xi) Neither Borrower nor Licensee has assigned, sold or transferred the License Agreement or any of its rights, interests or obligations thereunder to any Person, and Parent has not consented to, or been provided notice of, any such assignment by Licensee. Except as contemplated by the Loan Documents, Borrower has not assigned, sold or transferred, in whole or in part, any of Borrower's right, title or interest in or to the Royalty Interest, the License Agreement, or the Licensed Technology.

(xii) Neither Borrower nor Licensee has exercised its rights to conduct an audit under Section 8.9 of the License Agreement.

(xiii) Neither Borrower nor Licensee has made any claim of indemnification under the License Agreement.

(xiv) Parent assigned the Chinese Regulatory Approvals of the Licensed Product in the Territory following exercise by the Licensee of the Manufacturing Option and receipt by Licensee of regulatory approval of its manufacturing facility for manufacturing the Licensed Product in the Territory. Licensee owns the Chinese Regulatory Approvals of the Licensed Product in the Territory.

(s) No Capital Stock has been issued by Borrower other than the Capital Stock issued to TRVN SPV1 that is subject to the pledge to Lender under the Stock Pledge Agreement.

(t) The chief place of business, the chief executive office and each office where Borrower keeps its records regarding the Collateral are, as of the date hereof, each located at 955 Chesterbrook Blvd., Suite 110, Chesterbrook, PA 19087.

(u) Borrower (or any predecessor by merger or otherwise) has not, within the five (5) year period preceding the date hereof, had a name that differs from its name as of the date hereof.

(v) All written information heretofore or herein supplied by or on behalf of Borrower or Parent to Lender is accurate and complete in all material respects; provided that all written information heretofore or herein supplied by or on behalf of Borrower to Lender and

produced by any Third Party is accurate and complete in all material respects to the Knowledge of Borrower. There is no fact or circumstance known to Borrower that could reasonably be expected to have a Material Adverse Effect, individually or in the aggregate, and with or without the passage of time, that has not been expressly disclosed to Lender.

Section 7.02 Representations and Warranties as to Parent and Subsidiaries. Except as otherwise disclosed in the Disclosure Letter, Borrower hereby represents and warrants to Lender as of the date of this Agreement (except for any representations and warranties which speak as to a specific date, which representations and warranties shall be made as of the date specified), with respect to Parent and other Transaction Parties, as follows:

(a)

(i) Parent is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has all powers and authority, and all licenses, permits, franchises, authorizations, consents and approvals of all Governmental Authorities, required to own its property and conduct its business as now conducted. Parent is duly qualified to transact business and is in good standing in every jurisdiction in which such qualification or good standing is required by Applicable Law, except where the failure to be so qualified or in good standing has not resulted in, and could not reasonably be expected to result in, a Material Adverse Effect.

(ii) TRVN RC is a corporation duly formed, validly existing and in good standing under the laws of the State of Delaware and has all powers and authority, and all licenses, permits, franchises, authorizations, consents and approvals of all Governmental Authorities, required to own its property and conduct its business as now conducted. TRVN RC is duly qualified to transact business and is in good standing in every jurisdiction in which such qualification or good standing is required by Applicable Law, except where the failure to be so qualified or in good standing has not resulted in, and could not reasonably be expected to result in, a Material Adverse Effect.

(iii) TRVN SPV1 is a limited liability company duly formed, validly existing and in good standing under the laws of the State of Delaware and has all powers and authority, and all licenses, permits, franchises, authorizations, consents and approvals of all Governmental Authorities, required to own its property and conduct its business as now conducted. TRVN SPV1 is duly qualified to transact business and is in good standing in every jurisdiction in which such qualification or good standing is required by Applicable Law, except where the failure to be so qualified or in good standing has not resulted in, and could not reasonably be expected to result in, a Material Adverse Effect.

(b) None of the execution and delivery by Parent, TRVN RC or TRVN SPV1 of any of the Loan Documents to which Parent, TRVN RC or TRVN

SPV1, respectively, is party, the performance by Parent, TRVN RC or TRVN SPV1, respectively, of the obligations contemplated hereby or thereby or the consummation of the transactions contemplated hereby or thereby: (i) has contravened, conflicted with, resulted in a breach, violation, cancellation or termination of, constituted a default (with or without notice or lapse of time, or both) under, require prepayment under, given any Person the right to exercise any remedy (including

termination, cancellation or acceleration) or obtain any additional rights under, or accelerated the maturity or performance of or payment under, in any respect, or will contravene, conflict with, result in a breach, violation, cancellation or termination of, constitute a default (with or without notice or lapse of time, or both) under, require prepayment under, give any Person the right to exercise any remedy (including termination, cancellation or acceleration) or obtain any additional rights under, or accelerate the maturity or performance of or payment under, in any respect, (A) any Applicable Law or any judgment, order, writ, decree, permit or license of any Governmental Authority to which Parent or any of its Subsidiaries, TRVN SPV1, or any of their respective assets or properties may be subject or bound, (B) any term or provision of any contract, agreement, indenture, lease, license, deed, commitment, obligation or instrument to which Parent or any of its Subsidiaries or TRVN SPV1 is a party or by which Parent or any of its Subsidiaries or TRVN SPV1 or any of their respective assets or properties is bound or committed or (C) any term or provision of any of the organizational documents of Parent or any of its Subsidiaries or TRVN SPV1, except in the case of clause (A) or (B) where any such event would not result in a Material Adverse Effect; or (ii) except as provided in or contemplated by any of the Loan Documents, has resulted in or required, or will result in or require the creation or imposition of any Lien on any of the Transferred Assets or the Licensed Product.

(c) Except pursuant to, or as contemplated by, the Loan Documents, Parent has not granted, nor does there exist, any Lien (other than Permitted Liens) on the Loan Documents, any of the Transferred Assets or the Licensed Product.

(d) Each of Parent, TRVN RC and TRVN SPV1 has all powers and authority to execute and deliver, and perform its obligations under, the Loan Documents to which it is party and to consummate the transactions contemplated hereby and thereby. The execution and delivery of each of the Loan Documents to which Parent, TRVN RC or TRVN SPV1 is party or will be party following the Closing Date and the performance by Parent, TRVN RC or TRVN SPV1, respectively, of its obligations hereunder and thereunder have been duly authorized by Parent or TRVN SPV1, respectively. This Agreement and, when executed and delivered in accordance with the terms hereof, each other Loan Document to which Parent, TRVN RC or TRVN SPV1 is party, has been duly executed and delivered by Parent, TRVN RC or TRVN SPV1, respectively. Each of the Loan Documents to which Parent, TRVN RC or TRVN SPV1 is party or will be party following the Closing Date constitutes the legal, valid and binding obligation of Parent, TRVN RC or TRVN SPV1, respectively, enforceable against Parent, TRVN RC or TRVN SPV1, respectively, in accordance with its respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or similar Applicable Laws affecting creditors' rights generally, general equitable principles and principles of public policy.

(e) The execution and delivery by Parent, TRVN RC or TRVN SPV1 of the Loan Documents to which Parent, TRVN RC or TRVN SPV1, respectively, is party, the performance by Parent, TRVN RC or TRVN SPV1, respectively, of its obligations hereunder and thereunder and the consummation of any of the transactions contemplated hereunder and thereunder (including the granting of security interests in the Collateral to Lender) do not require any consent, approval, license, order, authorization or declaration from, notice to, action or registration by or

filing with any Governmental Authority or any other Person, except for (i) the filing of any applicable notices under securities laws, (ii) the filings necessary to perfect Liens created by the Loan Documents, (iii) those previously obtained and in full force and effect, and

(iv) consents, filings and registrations in connection with the Contribution as contemplated by the Contribution Agreement.

(f) There is no action, suit, arbitration proceeding, claim, citation, summons, subpoena, investigation or other proceeding (whether civil, criminal, administrative, regulatory, investigative or informal, and including by or before a Governmental Authority) pending or, to the Knowledge of Parent, threatened in writing (or, in the case of a threat by a Governmental Authority, threatened orally or in writing) by or against Parent or any of its Subsidiaries, at law or in equity, that (i) if adversely determined, would result in a Material Adverse Effect or (ii) challenges or seeks to prevent or delay the consummation of any of the transactions contemplated by any of the Loan Documents to which Parent is party.

(g) Upon consummation of the transactions contemplated by the Loan Documents and the application of the proceeds therefrom, (a) the present fair saleable value of the properties and assets of Parent will be greater than the sum of its debts, liabilities and other obligations, including contingent liabilities, (b) the present fair saleable value of the properties and assets of Parent and its Subsidiaries, taken as a whole, on a going concern basis will not be less than the amount that would be required to pay its probable liabilities on its existing debts, liabilities and other obligations, including contingent liabilities, as they become absolute and matured, (c) Parent will generally be able to realize upon its assets and pay its debts, liabilities and other obligations, including contingent obligations, as they become absolute and matured, (d) Parent will not have unreasonably small capital with which to engage in its business as now conducted, (e) Parent has not incurred, will not incur and does not have any present plans or intentions to incur debts or other obligations or liabilities beyond its ability to pay such debts or other obligations or liabilities as they become absolute and matured, (f) Parent will not have become subject to any Insolvency Event and (g) Parent will not have been rendered insolvent within the meaning of any Applicable Law. No step has been taken by Parent or, to its Knowledge, any other Person to make Parent subject to an Insolvency Event.

(h) Parent has authorized and reserved, free of preemptive rights and other similar contractual rights of stockholders, a sufficient number of shares of Parent Common Stock for issuance to Lender in accordance with Parent's obligations under the Warrant. The issuance of the Warrant and the Warrant Shares has been duly authorized by all requisite corporate action. When the Warrant Shares are issued, sold and delivered in accordance with the Warrant for the consideration expressed herein and therein, the Warrant Shares will be duly and validly issued and outstanding, fully paid, and nonassessable, and will be free of all liens and restrictions on transfer other than under applicable state and federal securities laws and Lender shall be entitled to all rights accorded to a holder of shares of Parent Common Stock.

(i) No Default or Event of Default has occurred and is continuing, and no such event will occur upon the making of the Loan.

(j) Parent has timely filed (or caused to be filed) all Tax Returns required by Applicable Law to have been filed by it and has paid all Taxes required to be paid by it (including in its capacity as a withholding agent), except any such Taxes

that are being contested in good faith by appropriate proceedings and for which adequate reserves in accordance with GAAP have been set aside on its books or where any such failure to file or pay would not result,

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individually or in the aggregate, in a Material Adverse Effect. None of the payments received (or to be received) by Parent or Borrower in respect of the Royalty Interest has been, or under current Law will be, subject to any deduction or withholding of any Tax, except for the applicable ten percent (10%) Chinese withholding Tax imposed as of the Closing Date.

(k) Parent has not taken any action that would entitle any Person to any commission or broker's fee in connection with the transactions contemplated by this Agreement.

(l) None of Parent or any of its Subsidiaries (a) has violated or is in violation of, is under investigation with respect to or has been threatened (in writing or, to the Knowledge of Borrower, orally) to be charged with or been given notice of any violation of, any Applicable Law or any judgment, order, writ, decree, injunction, stipulation, consent order, permit or license granted, issued or entered by any Governmental Authority or (b) is subject to any judgment, order, writ, decree, injunction, stipulation, consent order, permit or license granted, issued or entered by any Governmental Authority, in each case, that would result in a Material Adverse Effect. Each of Parent and any Subsidiary of Parent is in compliance with the requirements of all Applicable Laws, a breach of any of which would result in a Material Adverse Effect.

(m) Parent is not engaged in the business of extending credit for the purpose of buying or carrying margin stock, and no portion of the Loan shall be used by Parent for a purpose that violates Regulation T, U or X promulgated by the Board of Governors of the Federal Reserve System from time to time.

(n) Material Contracts.

(i) Schedule 7.02(n) to the Disclosure Letter contains a list of each Material Contract to which Parent is a party, which list indicates which Material Contracts relate to the research and development, manufacture, supply or Commercialization of the Products. As of the Closing Date, there has been provided a true and complete copy of each of the Material Contracts to Lender in the electronic data room.

(ii) Neither Parent nor any of its Subsidiaries nor, to Parent's Knowledge, any Material Contract Counterparty is in breach or default of any Material Contract and no circumstances or grounds exist that would, upon the giving of notice, the passage of time or both, give rise (i) to a claim by Parent or any of its Subsidiaries or any Material Contract Counterparty of a breach or default of any Material Contract, or (ii) to a right of rescission, termination, revision, setoff, or any other rights, by any Person, in, to or under any Material Contract. Parent has not received from, nor delivered to, any Material Contract Counterparty, any notice alleging a breach or default under any Material Contract, which breach or default has not been cured as of the date hereof.

(iii) Each Material Contract is a valid and binding obligation of Parent and of the applicable Material Contract Counterparty, enforceable against each of Parent and each applicable Material Contract Counterparty in accordance with its terms, except as may be limited by general principles of equity (regardless of whether considered in a proceeding at law or in equity) and by applicable bankruptcy, insolvency, moratorium

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and other similar laws of general application relating to or affecting creditors' rights generally. Parent has not received any written notice from, nor delivered any written notice to, any Material Contract Counterparty or any other Person challenging the validity or enforceability of any Material Contract.

(iv) Parent has not received any notice from, nor delivered any notice to, any Material Contract Counterparty or any other Person threatening (in writing or, to the Knowledge of Borrower, orally) or commencing any case, proceeding or other action relating to Material Contract Counterparty's bankruptcy, insolvency, liquidation or dissolution or reorganization by any of the foregoing means.

(v) Parent has not (A) given written or, to the Knowledge of Borrower, oral notice to a counterparty of the termination of any Material Contract (whether in whole or in part) or any notice to a counterparty expressing any intention or desire to terminate such Material Contract or alleging breach of such Material Contract or (B) received from a counterparty thereto any written notice of termination of any Material Contract (whether in whole or in part) or any written notice from a counterparty expressing any intention or desire to terminate any Material Contract or alleging breach of such Material Contract.

(o) License Agreement.

(i) A true, correct and complete copy of the License Agreement is attached to the Disclosure Letter as Exhibit Q to the Disclosure Letter.

(ii) The License Agreement is in full force and effect and has not been waived, amended, altered or modified in any respect, whether by consent or otherwise except as set forth on Schedule 7.01(r)(ii). Parent has not proposed or received any proposal to waive, amend, alter or modify any provision of the License Agreement. The Licensee has not been released, in whole or in part, from any of its obligations under the License Agreement. The License Agreement has not been satisfied in full, discharged, canceled, terminated, subordinated or rescinded, in whole or in part. The License Agreement is the entire agreement among the parties thereto relating to the subject matter thereof.

(iii) Neither Parent nor, to the Knowledge of Parent, the Licensee, as applicable, has taken any action or omitted to take any action that would adversely impact the right of Lender to take a security interest in the License Agreement, the Royalty Interest or the Licensed Technology.

(iv) The execution, delivery and performance of the License Agreement was and is within the corporate powers or other organizational power of Parent and, to the Knowledge of Parent, the Licensee. The License Agreement was duly authorized by all necessary action on the part of, and

validly executed and delivered by, Parent and, to the Knowledge of Parent, the Licensee. There is no breach or default, or event which upon notice or the passage of time, or both, could give rise to any breach or default, in the performance of the License Agreement by Borrower, Parent or, to the

Knowledge of Parent, the Licensee, that could reasonably be expected to have a Material Adverse Effect, has occurred or is continuing.

(v) All payments required to be made under the License Agreement have been made. The Licensee has no right of Set-Off against the Royalty Interest or any other amounts payable thereunder. The Licensee has not exercised any Set-Off against any amount payable to Parent under the License Agreement. No event or condition exists that, upon notice or passage of time or both, would reasonably be expected to permit Licensee to claim, or have the right to claim, a Set-Off.

(vi) Parent has not (A) given written or, to the Knowledge of Parent, oral notice to Licensee of the termination of the License Agreement (whether in whole or in part) or expressing any intention or desire to terminate the License Agreement or (B) received from Licensee any written notice of termination of the License Agreement (whether in whole or in part) or expressing any intention or desire to terminate the License Agreement.

(vii) The License Agreement is the only Contract between Parent (or any predecessor or Affiliate thereof), on the one hand, and Licensee (or any predecessor or Affiliate thereof), on the other hand, relating to the subject matter thereof. Except as set forth on Schedule 7.02(o)(vii) to the Disclosure Letter, there are no other Contracts between Parent (or any predecessor or any Affiliate thereof), on the one hand, and Licensee (or any predecessor or Affiliate thereof).

(viii) Parent has made available to Lender in the data room all material Notices delivered by Licensee to Parent or its Affiliates, or by Parent or its Affiliates to Licensee, since January 1, 2018, whether pursuant to the terms of the License Agreement or otherwise.

(ix) Oliceridine is a Licensed Product. Absent the License Agreement, the manufacture, marketing, use, sale or distribution of the Licensed Product in the Territory would infringe a Valid Claim of one or more Licensed Patents.

(x) Parent has not received any written or, to the Knowledge of Parent, oral notice from, nor delivered any such notice to, Licensee or any other Person challenging the validity or enforceability of the License Agreement. Parent has not received any written notice from, nor delivered any written or, to the Knowledge of Parent, oral notice to, Licensee or any other Person threatening or commencing any case, proceeding or other action relating to Parent's or Licensee's bankruptcy, insolvency, liquidation or dissolution or reorganization by any of the foregoing means.

(xi) Parent has not received any notice or other written or oral communication requesting any amendment, supplement, alteration or modification to the License Agreement.

(xii) To the Knowledge of Parent, nothing has occurred and no condition exists that would adversely impact the right of Borrower to receive any payments payable to Borrower under the License Agreement. Neither Parent nor, to the

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Knowledge of Parent, the Licensee, has taken any action or omitted to take any action that would adversely impact the right of Lender to take a security interest in the License Agreement, the Royalty Interest or the Licensed Technology.

(xiii) Neither Parent nor, Licensee has assigned, sold or transferred the License Agreement or any of its rights, interests or obligations thereunder to any Person, and Parent has not consented to, or been provided notice of, any such assignment by Licensee. Except as contemplated by the Loan Documents, Parent has not assigned, sold or transferred, in whole or in part, any of Parent's right, title or interest in or to the Royalty Interest, the License Agreement, or the Licensed Technology.

(xiv) Neither Parent nor Licensee has exercised its rights to conduct an audit under Section 8.9 of the License Agreement.

(xv) Neither Parent nor Licensee has made any claim of indemnification under the License Agreement.

(xvi) Parent assigned the Chinese Regulatory Approvals of the Licensed Product in the Territory following exercise by the Licensee of the Manufacturing Option and receipt by Licensee of regulatory approval of its manufacturing facility for manufacturing the Licensed Product in the Territory. Licensee owns the Chinese Regulatory Approvals of the Licensed Product in the Territory.

(p) Compliance.

(i) All applications, submissions, information and data related to the Products submitted or utilized as the basis for any request to any Regulatory Agency by or on behalf of Parent or, to the Knowledge of Parent, by or on behalf of Licensee, were true and correct in all material respects as of the date of such submission or request, and any material updates, changes, corrections or modification to such applications, submissions, information or data required under Applicable Law or regulations have been submitted to the necessary Regulatory Agencies.

(ii) Neither Parent nor any of its Affiliates has, and to Parent's Knowledge, Licensee has not, committed any act, made any statement or failed to make any statement that would reasonably be expected to provide a basis for the FDA to invoke its policy with respect to "Fraud, Untrue Statements of Material Facts, Bribery, and Illegal Gratuities", or for the NMPA, or any other Regulatory Agency to invoke similar policies, set forth in any Applicable Laws or regulations.

(iii) To the Knowledge of Parent, there has been no indication that the FDA, NMPA, or any other Regulatory Agency has any material concerns with any Product or may not approve or may withdraw approval of any Product, nor has any Product, to the Knowledge of Parent, suffered any material adverse events in any clinical trial.

(iv) Neither Parent nor, to the Knowledge of Parent, Licensee or any of Parent's directors, officers, employees, Affiliates or agents, has taken any action, directly

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or indirectly, that would result in a violation by such Persons of the Anti-Corruption Laws, including making use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any “foreign official” (as such term is defined in the applicable Anti-Corruption Laws) or any foreign political party or official thereof or any candidate for foreign political office, in contravention of the applicable Anti-Corruption Laws. Parent, and, to the Knowledge of Parent, its Affiliates have conducted their respective businesses in compliance with the Anti-Corruption Laws and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

(q) Parent (or any predecessor by merger or otherwise) has not, within the five (5) year period preceding the date hereof, had a name that differs from its name as of the date hereof.

(r) Financial Statements.

(i) Parent maintains a system of accounting controls that is sufficient, in the opinion of the management of Parent, to provide reasonable assurances that (i) transactions are executed in accordance with management’s general or specific authorization; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain accountability for assets; (iii) access to assets is permitted only in accordance with management’s general or specific authorization; and (iv) the recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(ii) The Financial Statements of Parent are complete and accurate in all material respects, were prepared in conformity with GAAP applied on a consistent basis during the periods involved (except as may be indicated in the notes thereto and, in the case of the quarterly Financial Statements, subject to the absence of footnotes and to normal year-end adjustments) and present fairly in all material respects, in accordance with applicable requirements of GAAP, the consolidated financial position and the consolidated financial results of the operations of Parent and its Subsidiaries as of the dates and for the periods covered thereby and the consolidated statements of cash flows of Parent and its Subsidiaries for the periods presented therein. Since September 30, 2021, there has been no Material Adverse Effect. Parent and its Subsidiaries have no Indebtedness (or other liabilities) other than (i) identified in the Financial Statements, (ii) incurred by Parent or its Subsidiaries in the ordinary course of business since September 30, 2021 or (iii) otherwise listed and described on Schedule 7.02(z) to the Disclosure Letter.

(s) Stock Pledge.

(i) The Stock Pledge Agreement, when executed and delivered by the parties thereto, is effective to create in favor of Lender, legal, valid and enforceable

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(subject to bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally or general equitable principles (regardless of whether enforcement is sought in equity or at law)) Liens on, and security interests in, the Capital Stock of Borrower, and, when (x) financing statements and other filings in appropriate form are filed in the offices of the Secretary of State of the State of Delaware and (y) upon the taking of possession or control by Lender of the Capital Stock certificates (if certificated) with duly executed instruments of transfer in blank, the Liens created by the Stock Pledge Agreement shall constitute fully perfected first priority Liens on, and security interests in, all right, title and interest of Parent in the Capital Stock of Borrower, free and clear of all Liens other than Permitted Liens described in clause (a) of the definition thereof.

(ii) The claims and rights of Lender created by the Stock Pledge Agreement in and to the Capital Stock of Borrower and by the Security Agreement in the Collateral, will be senior to any Indebtedness or other obligation of TRVN SPV1, with respect to such Collateral.

(t) Parent is not an "investment company", or a company "controlled" by an "investment company", within the meaning of the Investment Company Act of 1940.

(u) As of the Closing Date, Parent does not beneficially own or control more than 10% of the outstanding voting stock or any other equity interest entitled ordinarily to vote in the election of the directors or other governing body (however designated) of any Person, other than TRVN SPV1, that is not a wholly-owned Subsidiary.

Section 7.03 Survival of Representations and Warranties. All representations and warranties by Borrower, whether with respect to Borrower, Parent, any respective Affiliate or any asset or property, contained in this Agreement shall survive the execution, delivery and acceptance thereof by the Parties and the closing of the transactions described in this Agreement and continue in effect until payment of all amounts due to Lender under the Loan Documents.

ARTICLE VIII AFFIRMATIVE COVENANTS

Borrower covenants and agrees with Lender that, until the Loan Agreement Termination Date:

Section 8.01 Maintenance of Existence. Borrower shall at all times (a) preserve, renew and maintain in full force and effect its legal existence (except as otherwise permitted pursuant to Section 9.02(a) hereof) and good standing as a corporation under the Laws of the jurisdiction of its organization; (b) not change its name or its chief executive office as set forth herein without having given Lender the notice thereof required under Section 8.16; and (c) take all reasonable action to maintain all rights, privileges, permits, licenses and franchises necessary or desirable

in the normal conduct of its business, except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

Section 8.02 Use of Proceeds. Borrower shall use the proceeds of the Loan received by it (a) to purchase and acquire the Transferred Assets, free and clear of all Liens, from Parent,

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pursuant to the Contribution Agreement, (b) to purchase and acquire the Intercompany License, free and clear of all Liens, from Parent, pursuant to the Intercompany License Agreement, (c) to purchase and acquire the Purchased Revenue Interest and the Purchased Additional Revenue Interest, free and clear of all Liens, from Parent, pursuant to the Revenue Interest Purchase Agreement, and (d) to pay any fees, costs and expenses incurred in connection with the Transactions to the extent due and payable on the Closing Date.

Section 8.03 Financial Statements and Information.

(a) In the event that any such information need not be filed with the SEC pursuant to Section 13 or 15(d) of the Exchange Act, Borrower shall furnish to Lender, on or before the forty-fifth (45th) day after the close of each of the first three quarters of each fiscal year, the unaudited consolidated balance sheet of Parent as at the close of such quarter and unaudited consolidated statement of operations and comprehensive loss and cash flows of Parent for such quarter, duly certified by the chief financial officer of Parent as having been prepared in accordance with GAAP. In the event that such quarterly financial statement is required to be filed with the SEC pursuant to Section 13 or 15(d) of the Exchange Act, Borrower shall furnish such statement to Lender concurrently with such filing (which requirement may be satisfied by Borrower sending Lender a hyperlink to the EDGAR website where such information is available). Concurrently with the delivery or filing of the statements described in the preceding two sentences, Borrower shall furnish to Lender a certificate of the chief financial officer of Parent, which certificate shall include a statement that such officer has no knowledge, except as specifically stated, of any condition, event or act which constitutes a Default or Event of Default.

(b) Borrower shall furnish to Lender, on or before the seventy-fifth (75th) day after the close of each fiscal year (or, if Parent has received an extension in accordance with Rule 12b-25(b) of the Exchange Act, on the date that Parent's audited financial statements are filed with the SEC, *provided* that on or before the seventy-fifth (75th) day after the close of such fiscal year, [***], Parent's audited financial statements as at the close of such fiscal year, including the consolidated balance sheet as at the end of such fiscal year and consolidated statement of operations and cash flows of Parent for such fiscal year, in each case accompanied by the report thereon of independent registered public accountant of nationally recognized standing reasonably satisfactory to Lender (which requirement may be satisfied by Borrower sending Lender a hyperlink to the EDGAR website where such information is available). Concurrently with the delivery or filing of the documents described in the preceding sentence, Borrower shall furnish to Lender a certificate of the chief financial officer of Parent, which certificate shall include a statement that such officer has no knowledge, except as specifically stated, of any condition, event or act which constitutes a Default or Event of Default.

(c) Borrower shall promptly (and in any event within five (5) Business Days) forward or cause to be forwarded to Lender copies of all material Notices, reports, updates and other data or information, whether received by Borrower or Parent from a Third Party or delivered by Borrower or Parent to a Third Party, (i) pertaining to the Collateral, including the Royalty Interest, (ii) pertaining to the

Licensed Product or development, manufacture or Commercialization thereof, (iii) pertaining to the Revenue Interest Product or development, manufacture, or Commercialization thereof, (iv) relating to events or circumstances that could reasonably be expected to have a Material Adverse Effect, (v) relating to the Intellectual

Property and that could reasonably be expected to have a Material Adverse Effect, or (vi) that Lender reasonably requests. Neither Borrower nor Parent shall deliver any material Notice to Licensee relating, directly or indirectly, to the Licensed Product, the Licensed Technology, the Royalty Interest, or the License Agreement without the prior written consent of Lender. Borrower shall send to Licensee such Notices as Lender reasonably requests.

(d) For each Calendar Quarter ending after the Closing Date, Borrower shall, within five (5) Business Days following receipt thereof, deliver or cause to be delivered to Lender a true copy of the Royalty Report for such Calendar Quarter, together with a certificate of a Senior Officer of Borrower, certifying that to the Knowledge of Borrower such Royalty Report is a true, correct and accurate copy of the Royalty Report as provided to Borrower by the Licensee, and such additional information as is reasonably requested by Lender.

(e) For each Calendar Quarter ending after the Closing Date, Borrower shall, prior to Cut-Off Date immediately following the last day of such Calendar Quarter, deliver a Quarterly Report in respect of such Calendar Quarter to Lender, together with a certificate of a Senior Officer of Borrower, certifying that to the Knowledge of Borrower such Quarterly Report is true, correct and accurate, and such additional information as is reasonably requested by Lender.

(f) Upon Lender's request, or after receiving Lender's written consent (not to be unreasonably withheld), Borrower shall cause an inspection or audit of Licensee to be made under Section 8.9 of the License Agreement (subject to all restrictions and limitations thereon contained in the License Agreement). With respect to any such inspection or audit requested by Lender, Lender shall pay the costs of such inspection or audit and shall be entitled to any reimbursement of the costs thereof by Licensee as provided under Section 8.9(a) of the License Agreement with respect to such requested inspection or audit. Any additional payments of the Royalty Interest due from Licensee, together with interest thereon as provided under the License Agreement, shall be paid by Licensee to the Collection Account, and any refund due to Licensee from any overpayment in respect of the Royalty Interest determined in any such audit shall be promptly refunded by Lender to Borrower, to the extent such overpayment was actually received by Lender, and paid by Borrower to Licensee in accordance with the License Agreement. Following the date that is three months following payment by Licensee to Borrower or Parent of the Excluded Assets, Borrower shall cause an inspection or audit of Licensee to be made under Section 8.9 of the License Agreement only if Borrower is requested to do so by Lender pursuant to this Section 8.03(f).

(g) Upon Lender's request, Borrower shall exercise any rights it may have under the Revenue Interest Purchase Agreement to cause an inspection and/or audit by an independent public accounting firm to be made of the books and records of Parent pursuant to Section 4.01(p) thereof and shall promptly provide to Lender a true, correct and complete copy of the report(s) of such independent public accounting firm related to such inspection and/or audit.

(h) Lender and its Representatives shall have the right, from time to time, not more than once per Calendar Quarter, during normal business hours and upon at least ten (10) Business Days' prior written notice to Borrower (provided that, after the occurrence and during

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the continuance of an Event of Default, Lender shall have the right, as often, at such times and with such prior notice, as Lender determines in its reasonable discretion), (i) to visit the offices and properties of Borrower and Parent where books and records relating or pertaining to the Collateral, the Products and the development, manufacture and Commercialization thereof, any Permitted Licenses, and Revenue Interest Net Sales of the Revenue Interest Product are kept and maintained (or, at Lender's option, to conduct a meeting by telecommunications), to discuss, with officers of Borrower and Parent (A) the business, operations, properties and financial and other condition of Borrower and Parent, (B) the Collateral, the Licensed Products, and the development, manufacture and Commercialization thereof, (C) at any time prior to termination of the Revenue Interest Purchase Agreement, the Revenue Interest Product and the development, manufacture and Commercialization thereof and any Permitted Licenses, and (D) in each case, any topics related thereto, (ii) to verify compliance with the provisions of the Loan Documents regarding receipt, calculation and application of the Collection Amount and (iii) upon physical visits, to inspect and make extracts from and copies of the books and records of Borrower and Parent relating or pertaining to (A) the Collateral, the Licensed Products and the development, manufacture and Commercialization thereof, (B) prior to termination of the Revenue Interest Purchase Agreement, Revenue Interest Net Sales of the Revenue Interest Product, the Revenue Interest Product, the development, manufacture and Commercialization thereof and any Permitted Licenses and (C) in each case, any topics related thereto.

(i) All written information supplied by or on behalf of Borrower to Lender pursuant to this Section 8.03 (other than Sections 8.03(a) and 8.03(b)) shall be accurate and complete in all material respects as of its date or the date so supplied and the financial statements provided pursuant to Sections 8.03(a) and 8.03(b) fairly present in all material respects the financial positions and results of operations as of the dates indicated therein. For the avoidance of doubt, Borrower makes no representations or warranties regarding the accuracy or completeness of any information it receives from a Third Party that it is required to furnish to Lender pursuant to this Section 8.03, unless to the Knowledge of Borrower or Parent such information is inaccurate or incomplete, in which case Borrower or Parent shall specify such inaccuracy or incompleteness.

Section 8.04 Books and Records. Borrower shall keep proper books, records and accounts in which entries in conformity with sound business practices and all requirements of Law applicable to it shall be made of all dealings and transactions in relation to its business, assets and activities and as shall permit the preparation of the consolidated financial statements of Borrower in accordance with GAAP.

Section 8.05 Governmental Authorizations. Borrower shall obtain, make and keep in full force and effect all authorizations from and registrations with Governmental Authorities that may be required for the validity or enforceability against Borrower of this Agreement and the other Loan Documents to which it is a party.

Section 8.06 Compliance with Laws and Contracts; Maintenance of Contracts.

(a) Borrower and Parent shall each comply in all material respects with all Applicable Laws and comply in all material respects with their respective obligations under each Material Contract to which it is a party, except, in the case of any Material Contract other than

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the License Agreement, where the failure to comply could not reasonably be expected to result in a Material Adverse Effect.

(b) Promptly, and in any event within two (2) Business Days, after receipt of any notice from Licensee of an alleged breach or default by Borrower or Parent under a Material Contract, Borrower shall give notice thereof to Lender, including delivering to Lender a copy of any such written notice. Borrower and Parent shall use their respective reasonable best efforts to cure any breach or default by Borrower or Parent under the License Agreement, and their respective commercially reasonable efforts to cure any breach or default by Borrower or Parent under any other Material Contract, and shall give written notice to Lender upon curing any such breach or default. Borrower and Parent shall consult with Lender as to any action Borrower and Parent propose to take to dispute or cure any alleged breach or default under the License Agreement and in connection with any such dispute related to the Royalty Interest shall employ such counsel, reasonably acceptable to Parent, as Lender may select.

(c) Neither Borrower nor Parent shall, without the prior written consent of Lender (such consent not to be unreasonably withheld) amend, modify, supplement or restate (or consent to any amendment, modification, supplement or restatement of) (1) any provision of the License Agreement that relates, directly or indirectly, to the Royalty Interest, the Licensed Product(s), or the Licensed Technology, (2) the Licensee Consent or (3) the Licensee Instruction Letter. Subject to the foregoing, promptly, and in any event within five (5) Business Days, following receipt by Borrower and/or Parent of any final amendment, modification, waiver, supplement or restatement of the License Agreement, the Licensee Consent or the Licensee Instruction Letter, Borrower shall furnish a copy of the same to Lender. Neither Borrower nor Parent shall deliver any further directions to Licensee regarding the payment of the Royalty Interest without the prior written consent of Lender.

(d) Neither Borrower nor Parent shall, without the prior written consent of Lender, grant or withhold any consent, exercise or waive any right or option or fail to exercise any right or option in respect of, affecting or relating to the Royalty Interest, the Licensed Product, the Licensed Technology or the License Agreement in any manner that would (i) reasonably be expected to have a Material Adverse Effect or (ii) conflict with, or that would reasonably be expected to give rise to a breach, violation, termination or default under the License Agreement.

(e) Neither Borrower nor Parent shall cancel or terminate (or consent to any cancellation or termination of), in whole or in part, any provision of or right under the License Agreement without the prior consent of Lender. If instructed by Lender, Borrower shall terminate the License Agreement pursuant to Section 12.8(a)(ii) or Section 12.8(a)(iii) (if the conditions to such termination have been met).

(f) Neither Borrower nor Parent shall forgive, release or compromise any amount owed to or becoming owed by Licensee under the License Agreement in respect of the Royalty Interest without the prior written consent of Lender.

Section 8.07 Enforcement of Material Contracts.

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(a) Promptly (and in any event within two (2) Business Days) after Borrower or Parent becomes aware of, or comes to believe in good faith that there has been, a breach of a Material Contract by the counterparty(ies) to such Material Contract, Borrower shall provide notice of such breach to Lender. Promptly (and in any event within (2) Business Days) following delivery of any written notice of breach or alleged breach of such Material Contract delivered by Borrower or Parent to the counterparty(ies) to such Material Contract, Borrower shall provide Lender with a copy of such written notice.

(b) In the case of any breach by Licensee of the License Agreement, the Parent and Borrower shall consult with Lender regarding the timing, manner and conduct of enforcement of Licensee's obligations under the License Agreement. Borrower may after such consultation, and Borrower shall if requested in writing by Lender, exercise such rights and remedies relating to any breach by Licensee of the License Agreement related directly or indirectly to the Licensed Product(s), the Licensed Technology or the Royalty Interest as are available to Borrower and Parent including the remedies reasonably requested by Lender.

(c) In the case of a breach of any Material Contract other than the License Agreement by the counterparty(ies) thereto, Borrower and Parent shall use commercially reasonable efforts to enforce such counterparty's(ies') obligations thereunder.

Section 8.08 Enforcement of Specified Material Contracts.

(a) Borrower, on its own behalf and on behalf of Lender, shall (i) promptly enforce (and, in the event Borrower receives a request from Lender to enforce, within one (1) Business Day following such request, enforce) each covenant and obligation of Parent contained in any Specified Material Contract and (ii) deliver true, correct and complete copies of any notice, correspondence, or other communication delivered to Borrower by Parent or by Borrower to Parent under any Specified Material Contract promptly (and in any event within two (2) Business Days) following receipt by Borrower thereof.

(b) Borrower shall not, without prior written consent of the Lender, give any consent (including, for the avoidance of doubt, its consent to Parent entering into an Out-License with a Third Party pursuant to Section 4.01(q)(ii)(A) of the Revenue Interest Purchase Agreement), approval, direction, notice, waiver or otherwise take any other similar action under any Specified Material Contract or cancel, terminate, amend, modify, or supplement any Specified Material Contract, or waive any provision thereof.

Section 8.09 Regulation T, U, X. Borrower shall at all times comply with the margin requirements set forth in Section 7 of the Exchange Act and any regulations issued pursuant thereto, including, without limitation, Regulations T, U and X of the Board of Governors of the Federal Reserve System, 12 C.F.R., Chapter II.

Section 8.10 Plan Assets. Borrower shall not take any action that causes its assets to be deemed to be Plan Assets at any time.

Section 8.11 Notices.

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(a) Borrower shall promptly (and in any event within four (4) Business Days) after an officer becomes aware thereof, give written Notice to Lender of each Default, Event of Default or Servicer Termination Event and each other event that has or could reasonably be expected to have a Material Adverse Effect; provided that in any of the foregoing situations where Borrower knows a press release or other public disclosure is to be made, Borrower shall use all commercially reasonable efforts to provide such information to Lender as early as possible but in no event later than simultaneously with such release or other public disclosure.

(b) Borrower shall promptly (and in any event within four (4) Business Days) after an officer becomes aware thereof, give written Notice to Lender of any default or event of default or any material breach under any Material Contracts, together with a summary of Borrower's or Parent's, as applicable, intended response to the counterparty to such Material Contract, in the case of a breach or default by such counterparty, or Borrower's or Lender's, as applicable, intended actions to cure such breach, in the case of a breach or default by Borrower or Lender, as applicable. In the case of any breach or default by Borrower or Licensee under the License Agreement, Borrower shall consult with Lender regarding such breach or default and shall act as reasonably instructed by Lender to cure any breaches or defaults by it under the License Agreement and shall give written notice to Lender upon curing any such breach or default.

(c) Borrower shall, promptly (and in any event within four (4) Business Days) after an officer becomes aware thereof, give written Notice to Lender of any litigation or proceedings (i) challenging the validity of the License Agreement or otherwise related to the License Agreement, any Permitted License, the Loan Documents or any of the transactions contemplated therein, (ii) to which Borrower is a party, (iii) which could reasonably be expected to have a Material Adverse Effect or (iv) challenging the validity of the Intellectual Property, the Loan Documents or any of the transactions contemplated therein.

(d) Borrower shall, promptly (and in any event within four (4) Business Days) after an officer becomes aware thereof, give written Notice to Lender of any representation or warranty made or deemed made by Borrower in any of the Loan Documents or in any certificate delivered to Lender pursuant hereto shall prove to be untrue, inaccurate or incomplete in any material respect on the date as of which made or deemed made.

(e) Borrower shall promptly (and in any event within four (4) Business Days) after an officer becomes aware thereof give written Notice to Lender of the occurrence of any Material Adverse Effect.

(f) Borrower shall, promptly (and in any event, within four (4) Business Days) after receipt of any Royalty Report or other material notice or correspondence relating to the Licensed Product, the development, manufacture or Commercialization thereof, the Royalty Interest, or any event which has had, or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, provide a copy of such notice to Lender together with a summary of Borrower's intended response thereto.

(g) Borrower shall promptly (and in any event, within four (4) Business Days) after receipt thereof deliver to Lender a copy of any information or documents provided to Borrower by Parent pursuant to Section 4.01(q) of the Revenue Interest Purchase Agreement.

Section 8.12 Payment of Taxes. Borrower and Parent shall timely file (taking into account all extensions of due dates) all income and other material Tax Returns required to be filed. Borrower or Parent, as applicable, shall pay all Taxes imposed on or in respect of Borrower's income or assets that are due and payable and in any event before any Lien on any of its assets exists as a result of nonpayment except as provided in Section 9.03 hereof and except for Taxes contested in good faith by appropriate proceedings and for which adequate reserves are maintained in accordance with GAAP. Borrower and Parent shall promptly notify Lender if any of the payments received (or to be received) by Borrower or Parent in respect of the Royalty Interest has been, or are likely to be, subject to any deduction or withholding of any Tax other than the applicable ten percent (10%) Chinese withholding Tax imposed as of the Closing Date.

Section 8.13 Waiver of Stay, Extension or Usury Laws. Notwithstanding any other provision of this Agreement or the other Loan Documents, if at any time the rate of interest payable by any Person under the Loan Documents exceeds the Maximum Lawful Rate, then, so long as the Maximum Lawful Rate would be exceeded, such rate of interest shall be equal to the Maximum Lawful Rate. If at any time thereafter the rate of interest so payable is less than the Maximum Lawful Rate, such Person shall continue to pay interest at the Maximum Lawful Rate until such time as the total interest received from such Person is equal to the total interest that would have been received had Applicable Law not limited the interest rate so payable. In no event shall the total interest received by Lender under this Agreement and the other Loan Documents exceed the amount which such Lender could lawfully have received, had the interest due been calculated from the Closing Date at the Maximum Lawful Rate. Without limiting the foregoing, Borrower will not at any time, to the extent that it may lawfully not do so, insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law or other law that would prohibit or forgive Borrower from paying all or any portion of the principal of or premium, if any, or interest on the Loan as contemplated herein, wherever enacted, now or at any time hereafter in force, or that may affect the covenants or the performance of this Agreement; and, to the extent that it may lawfully do so, Borrower hereby expressly waives all benefit or advantage of any such law and expressly agrees that it will not hinder, delay or impede the execution of any power herein granted to Lender, but will suffer and permit the execution of every such power as though no such law had been enacted.

Section 8.14 Intellectual Property.

(a) Borrower shall, at its sole expense, (i) exercise its rights under the License Agreement and (ii) exercise its rights under the Contribution Agreement to prepare, execute, deliver and file (or cause Parent to prepare, execute, deliver and file) any and all agreements, documents or instruments which are necessary and/or desirable to (1) prosecute and maintain the Intellectual Property (including Patents

therein) and (2) defend or assert such Intellectual Property against infringement or interference by any other Persons, and against any claims of invalidity or unenforceability (including by bringing any legal action for infringement or defending any counterclaim of invalidity or action of a Third Party for declaratory judgment of non-infringement or non-interference) to the extent Parent has the right to do so. Borrower shall

keep Lender informed of all of such actions and Lender shall have the opportunity to participate and meaningfully consult with Borrower and Parent with respect to the direction thereof and Borrower shall, and shall cause Parent to, consider all of Lender's comments in good faith. For clarity, this subsection (a) shall apply only to the extent of Borrower's or any Affiliate's rights (including rights to review and comment) to prosecute, maintain and/or enforce the Intellectual Property.

(b) To the extent permitted under the License Agreement, Borrower shall not, and shall not permit or suffer Parent or any of its Affiliates to, consent to any judgment or settlement in any action, suit or proceeding referred to in Section 9.4 of the License Agreement, without the prior written consent of Lender.

(c) Borrower and Parent shall use commercially reasonable efforts to prosecute all pending Patent applications within the Patent Rights for which Parent or its Affiliates has rights to prosecute such Patents consistent with standards in the biotechnology industry (as applicable) for similarly situated entities.

(d) Borrower and Parent and its Affiliates shall:

(i) take reasonable measures to protect the proprietary nature of material Intellectual Property and to maintain in confidence all trade secrets and Confidential Information comprising a part thereof;

(ii) not disclose and use commercially reasonable efforts to prevent any distribution or disclosure by others (including their employees and contractors) of any item that contains or embodies material Intellectual Property; and

(iii) take reasonable physical and electronic security measures to prevent disclosure of any item that contains or embodies material Intellectual Property.

(e) Borrower shall cause Parent to use commercially reasonable efforts to cause each individual associated with the filing and prosecution of the Patents material to the conduct of the business of Borrower and its Subsidiaries to comply in all material respects with all applicable duties of candor and good faith in dealing with any Patent Office, including any duty to disclose to any Patent Office all information known by such individual to be material to patentability of each such Patent, in those jurisdictions where such duties exist.

(f) Borrower shall furnish Lender from time to time upon Lender's reasonable written request therefor, but in any event not more than once in any six (6)-month period so long as no Event of Default is continuing, reasonably detailed statements and schedules further identifying and describing the Intellectual Property and such other materials evidencing or reports pertaining to any Intellectual Property as Lender may reasonably request.

(g) Borrower shall, promptly upon obtaining Knowledge thereof, give written notice to Lender of any infringement or interference by any Person, any

claims of invalidity or unenforceability or any prosecution or litigation action relating to the Patents.

Section 8.15 Security Documents; Further Assurances.

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(a) Subject to Section 8.15(b), Borrower shall promptly, upon the reasonable request of Lender, at Borrower's sole cost and expense, (a) execute, acknowledge and deliver, or cause the execution, acknowledgment and delivery of, and thereafter register, file or record, or cause to be registered, filed or recorded, in an appropriate governmental office, any document or instrument supplemental to or confirmatory of the Loan Documents or otherwise deemed by Lender reasonably necessary or desirable for the continued validity, perfection and priority of the Liens on the Collateral covered thereby subject to no other Liens except as permitted by the applicable Loan Document, or obtain any consents or waivers as may be necessary or appropriate in connection therewith; (b) deliver or cause to be delivered to Lender from time to time such other documentation, consents, authorizations, approvals and orders in form and substance reasonably satisfactory to Lender and Lender shall reasonably deem necessary to perfect or maintain the Liens on the Collateral pursuant to the Loan Documents; and (c) upon the exercise by Lender of any power, right, privilege or remedy pursuant to any Loan Document which requires any consent, approval, registration, qualification or authorization of any Governmental Authority execute and deliver all applications, certifications, instruments and other documents and papers that Lender may require. In addition, subject to Section 8.15(b), Borrower shall promptly, at its sole cost and expense, execute and deliver to Lender such further instruments and documents, and take such further action, as Lender may, at any time and from time to time, reasonably request in order to carry out the intent and purpose of this Agreement and the other Loan Documents to which it is a party and to establish and protect the rights, interests and remedies created, or intended to be created, in favor of Lender hereby and thereby.

(b) Notwithstanding anything to the contrary herein or in any other Loan Document, Borrower shall not have any obligation to (i) perfect or record any security interest or lien in any intellectual property included in the Collateral in any jurisdiction other than the United States or the Territory (or to enter into any foreign law governed charges, debentures, pledges or other security agreements in respect thereof in any jurisdiction other than the Territory), or (ii) obtain any landlord waivers, estoppels or collateral access letters.

Section 8.16 Information Regarding Collateral. Borrower shall not effect any change (i) in its legal name, (ii) in the location of its chief executive office, (iii) in its identity or organizational structure, (iv) in its federal taxpayer identification number or organizational identification number, if any, or (v) in its jurisdiction of organization (in each case, including by merging with or into any other entity, reorganizing, dissolving, liquidating, reorganizing or organizing in any other jurisdiction), until (A) it shall have given Lender not less than ten (10) days' prior written notice (in the form of an certificate of a duly authorized officer of Borrower), or such lesser notice period agreed to by Lender, of its intention so to do, clearly describing such change and providing such other information in connection therewith as Lender may reasonably request and (B) it shall have taken all action reasonably satisfactory to Lender to maintain the perfection and priority of the security interest of Lender in the Collateral, if applicable (subject to the limitations set forth in Section 8.15(b)). Borrower agrees to provide promptly Lender with certified Borrower's Organizational Documents reflecting any of the changes described in the preceding sentence. Borrower also agrees to notify promptly Lender of any change in the

location of any office in which it maintains books or records relating to Collateral owned by it or any office or facility at which any portion of Collateral is located (including the establishment of any such new office or facility), other than (a) changes in location to a mortgaged property,

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(b) Collateral which is in-transit or in the possession of employees, and (c) Collateral which is out for repair or processing.

Section 8.17 Additional Collateral; New License Arrangement.

(a) With respect to any Collateral acquired after the Closing Date by Borrower that is not already subject to the Lien created by any of the Loan Documents or specifically excluded from the requirement to be subject to such Lien in the Loan Documents, Borrower shall promptly (and in any event within thirty (30) days after the acquisition thereof) (i) execute and deliver to Lender such amendments or supplements to the relevant Loan Documents or such other documents as Lender shall deem necessary or advisable to grant for its benefit, a Lien on such property subject to no Liens other than Permitted Liens, and (ii) take all actions necessary to cause such Lien to be duly perfected in accordance with all applicable requirements of Law, including the filing of financing statements in such jurisdictions as may be reasonably requested by Lender. Subject to Section 8.15(b), Borrower shall otherwise take such actions and execute and/or deliver to Lender such documents as Lender shall reasonably require to confirm the validity, perfection and priority of the Lien of the Security Agreement on such after-acquired properties.

(b)

(i) Without limiting any other rights or remedies Lender may have under this Agreement, the Security Agreement or the Stock Pledge Agreement, if the License Agreement is terminated in part or in whole by Licensee or by Borrower, then Borrower and Parent shall act as reasonably instructed by Lender in pursuing and exercising its rights pursuant to Section 12.9 of the License Agreement (such rights, the “Reversionary Rights”). Lender shall have the right, in consultation with Parent if Licensee has not previously paid the Excluded Assets to Parent and/or Borrower, to negotiate one or more licenses or sublicenses to manufacture and/or Commercialize the Licensed Product(s) with one or more Third Parties (each, a “New Licensee”) under the Licensed Technology and the Reversionary Rights (each such license or sublicense, a “New Arrangement”). Borrower and Parent shall reasonably cooperate with Lender, at Lender’s direction, cost, and expense, in connection with the negotiation, execution and delivery of any New Arrangement.

(ii) In addition, if Licensee terminates the License Agreement such that Lender’s rights pursuant to this Section 8.17(b) are triggered, and Lender does not initiate efforts to identify a potential New Licensee within sixty (60) days thereafter, then Borrower, in consultation with Lender, may identify one or more New Licensees and negotiate one or more New Arrangements that are reasonably acceptable to Lender, provided that Borrower and Parent shall not execute and deliver any agreement effecting a New Arrangement negotiated by Borrower unless requested to do so by Lender pursuant to clause (iv).

(iii) Any New Arrangement (1) shall not become effective earlier than the effective date of the termination of the License Agreement and (2) shall not include

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terms, conditions and limitations that are, in the aggregate, not materially more burdensome to Borrower and Parent than those contained in the License Agreement.

(iv) Promptly upon the written request of Lender, Borrower and Parent shall execute and deliver one or more agreements effecting a New Arrangement that satisfies the foregoing requirements. Lender's rights, and Borrower and Parent's rights and obligations, under this Agreement in respect of the License Agreement shall apply to any New Arrangement *mutatis mutandi*. As soon as practicable following the execution of any New Arrangement, Lender, Borrower and Parent shall cooperate to enter into new agreements, or make amendments to existing agreements, to effect the foregoing sentence. Lender shall reimburse Borrower and Parent for any reasonable and documented third party expenses incurred by Borrower and Parent in connection with the negotiation, execution and delivery of any New Arrangement.

Section 8.18 Additional Licensee Consent. Following the Closing, Borrower and Parent shall use reasonable best efforts to obtain from Licensee a consent letter, in a form to be agreed between Lender and Parent (the "**Additional Licensee Consent**"), pursuant to which Licensee will consent to Parent and Borrower providing to Lender copies of all notices, correspondences, and other confidential information that are provided to, or delivered by, Parent under that certain Safety Data Exchange Agreement, dated April 27, 2018, by and between Parent and Licensee (the "**SDEA**"). Prior to execution of the Additional Licensee Consent, or if the Additional Licensee Consent is not entered into by Licensee in spite of Parent and Borrower's compliance with the foregoing sentence, and a notice, correspondence or other confidential information provided to, or delivered by, Parent under the SDEA is required to be delivered to Lender hereunder, Parent and Borrower shall deliver to Lender a written summary, certified by a senior employee of Parent and to the extent providing such summary is not itself a breach of confidentiality obligations owed by Parent to Licensee pursuant to the SDEA, of all information contained in such communication that Parent and Borrower reasonably believe is material.

ARTICLE IX NEGATIVE COVENANTS

Borrower covenants and agrees with Lender that, until the Loan Agreement Termination Date:

Section 9.01 Activities of Borrower.

(a) Borrower shall not amend, modify, supplement, restate, waive, cancel or terminate (other than expiration in accordance with its terms) any provision of, or permit or agree to the amendment, modification, supplementation, restatement, waiver, cancellation or termination (other than expiration in accordance with its terms) of any provision of any of the Loan Documents without the prior written consent of Lender in its sole discretion.

(b) Borrower shall not:

(i) fail to hold itself out to the public and all other Persons as a legal entity separate from the owners of its Capital Stock and from any other Person;

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- (ii) commingle its assets with assets of any other Person except in connection with, and for the limited purposes of, operation of the Collection Account or any Blocked Account;
- (iii) fail to conduct its business only in its own name, nor fail to comply with all organizational formalities necessary to maintain its separate existence;
- (iv) fail to maintain separate financial statements, showing its assets and liabilities separate and apart from those of any other Person nor have its assets listed on any financial statement of any other Person; provided, however, that Borrower's assets may be included in a consolidated financial statement of its Affiliates in conformity with applicable provisions of GAAP (provided that such assets shall also be listed on Borrower's own separate balance sheet);
- (v) fail to pay its own liabilities and expenses only out of its own funds; provided that the foregoing shall not prohibit the payment of any liabilities and expenses by Parent on behalf of Borrower so long as such payments are subject to reimbursement or are otherwise recorded as capital contributions or intercompany loans;
- (vi) enter into any transaction with an Affiliate except transactions that are at prices and on terms and conditions that could be obtained on an arm's-length basis from unrelated Third Parties;
- (vii) issue any securities of any kind except as contemplated by this Agreement and the other Loan Documents;
- (viii) fail to correct any known misunderstanding regarding its separate identity and not identify itself as a department or division of any other Person;
- (ix) fail to maintain adequate capital in light of its contemplated business purpose, transactions and liabilities; provided, however, that the foregoing shall not require the holders of its Capital Stock to make additional capital contributions to Borrower;
- (x) fail to cause the representatives of Borrower to act at all times with respect to Borrower consistently and in furtherance of the foregoing and in the best interests of Borrower;
- (xi) make any payment or distribution of assets with respect to any obligation of any other Person other than as required under trade or commercial agreements entered into in the ordinary course of business;
- (xii) engage in any business activity other than Exploitation of the License Agreement, any New Arrangement that is implemented hereunder and the borrowing, payment and repayment of amounts provided for

hereunder and under the other Loan Documents and any activities ancillary or related thereto;

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(xiii) fail to file any Tax Returns and pay any Taxes as may be required under Law (except for Taxes contested in good faith by appropriate proceedings and for which adequate reserves are maintained in accordance with GAAP); or

(xiv) issue any Capital Stock in certificated form.

Section 9.02 Merger; Sale of Assets.

(a) Borrower shall not merge or consolidate with or into (whether or not Borrower is the Surviving Person) any other Person and Borrower will not sell, convey, assign, transfer, lease, sublease, license, sublicense or otherwise dispose of all or substantially all of Borrower's assets to any Person in a single transaction or series of related transactions; provided that nothing in this Section 9.02(a) shall prohibit a Change of Control.

(b) Borrower shall not sell, assign, convey, transfer, lease, sublease, license, sublicense or otherwise dispose of (including by way of merger or consolidation) any right, title or interest in or to, any of the Collateral (other than licenses of Intellectual Property pursuant to Permitted Licenses), other than pursuant to Permitted Liens, or pursuant to a Change of Control.

Section 9.03 Liens. Borrower shall not create or suffer to exist any Lien on or with respect to Collateral, except for Permitted Liens.

Section 9.04 Investment Company Act. Neither Borrower nor any of its Subsidiaries shall be or become an investment company subject to registration under the Investment Company Act of 1940.

Section 9.05 Limitation on Additional Indebtedness. Borrower shall not, directly or indirectly, incur or suffer to exist any Indebtedness; provided that Borrower may incur:

(a) Indebtedness under this Agreement;

(b) Indebtedness representing obligations for the payment of money incurred in the ordinary course of business for goods or services rendered, so long as such Indebtedness is unsecured, not overdue (except to the extent contested by Borrower in good faith by appropriate proceedings and for which adequate reserves in accordance with GAAP have been set aside on its books) and not in an aggregate amount outstanding at any time not in excess of \$5,000;

(c) Indebtedness secured by Liens of any of the types described under clause (d) of the definition of Permitted Liens;

(d) Indebtedness consisting of the financing of insurance premiums with the providers of such insurance or their affiliates in the ordinary course of business; and

(e) Indebtedness in the form of unsecured intercompany notes, payable by Borrower to Parent or a Subsidiary of Parent in such amounts as necessary for Borrower to maintain its legal existence and to pay actual reasonable out-of-pocket general administrative costs and expenses (which may include out-of-pocket legal, accounting and filing costs, other

reasonable and customary corporate overhead expenses incurred in the ordinary course of business (including, for the avoidance of doubt, the Servicing Fee)).

Section 9.06 Limitation on Transactions with Controlled Affiliates.

Borrower shall not, directly or indirectly, enter into any transaction or series of related transactions or participate in any arrangement (including any purchase, sale, lease or exchange of assets or the rendering of any service) with any Controlled Affiliate other than the Loan Documents or in the ordinary course of business of Borrower upon fair and reasonable terms no less favorable to Borrower than it would obtain in a comparable arm's-length transaction with a non-Controlled Affiliate.

Section 9.07 ERISA.

(a) Borrower shall not sponsor, maintain or contribute to, or agree to sponsor, maintain or contribute to, any employee benefit plan (as defined in Section 3(3) of ERISA) whether or not subject to ERISA, that could, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(b) Borrower shall not engage in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or in any transaction that, assuming that no assets of Lender are or are deemed to be Plan Assets, would cause any obligation or action taken or to be taken hereunder (or the exercise by Lender of any of its rights under the Notes, this Agreement or the other Loan Documents) to be a non-exempt prohibited transaction under such provisions.

(c) Borrower shall not incur any liability with respect to any obligation to provide medical benefits with respect to any Person beyond their retirement or other termination of service, other than coverage mandated by law, that could, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 9.08 Dividends and Distributions. Borrower will not, directly or indirectly, make any dividends or other distributions to holders of its Capital Stock (i) except as permitted under this Agreement, Borrower's Organizational Documents and the Stock Pledge Agreement, (ii) except for dividends or other distributions to holders of its Capital Stock following the funding of the Second Tranche Loan, the Third Tranche Loan and/or the Purchased Additional Revenue Interest, as applicable, of the proceeds to Borrower of the Second Tranche Loan, the Third Tranche Loan, and/or the Purchased Additional Revenue Interest, as applicable, or (iii) while an Event of Default has occurred and is continuing.

ARTICLE X EVENTS OF DEFAULT

Section 10.01 Events of Default. If one or more of Events of Default occurs and is continuing, Lender shall be entitled to the remedies set forth in Section 10.02.

Section 10.02 Default Remedies. If any Event of Default shall occur and be continuing, Lender may, by Notice to Borrower, (a) exercise all rights and remedies available to Lender hereunder and under the other Loan Documents and Applicable

Law (which exercise may be determined in its sole discretion and which such exercise shall not constitute an election of

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remedies), including enforcement of the security interests created thereby, (b) declare the Loan, all interest thereon and all other Obligations to be immediately due and payable, whereupon the Obligations shall become immediately due and payable, all without diligence, presentment, demand of payment, protest or further notice of any kind, which are expressly waived by Borrower, and (c) declare the obligations of Lender hereunder to be terminated, whereupon such obligations shall terminate; provided, however, that if any event of any kind referred to in clause (i) of the definition of “Event of Default” herein occurs, the obligations of Lender hereunder shall automatically and immediately terminate, all amounts payable hereunder by Borrower shall automatically and immediately become due and payable and Lender shall be entitled to exercise rights and remedies under the Loan Documents and Applicable Law without diligence, presentment, demand of payment, protest or notice of any kind (including any notice by Lender of a declaration requiring prepayment of the Loan under Section 3.02(a), should Lender so elect), all of which are hereby expressly waived by Borrower. Each Notice delivered pursuant to this Section 10.02 shall be effective when sent.

Section 10.03 Right of Set-Off; Sharing of Set-Off.

(a) If any amount payable hereunder is not paid as and when due, Borrower irrevocably authorizes Lender (i) to proceed, to the fullest extent permitted by Applicable Law, without prior notice, by right of set-off, bankers’ lien, counterclaim or otherwise, against any assets of Borrower in any currency that may at any time be in the possession of Lender or any Affiliate of Lender, to the full extent of all amounts payable to Lender hereunder or (ii) to charge to Borrower’s account with Lender or any Affiliate of Lender the full extent of all amounts payable by Borrower to Lender hereunder; provided, however, that Lender shall notify Borrower of the exercise of such right promptly following such exercise.

(b) If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on the Loan or other obligations owed to such Lender resulting in such Lender’s receiving payment of a proportion of the aggregate amount of the Loan and accrued interest thereon or other obligations owed to such Lender greater than its pro rata share thereof as provided herein, then Lender receiving such greater proportion shall (a) notify the other Lenders of such fact, and (b) purchase (for cash at face value) participations in the Loan and such other obligations of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loan and other amounts owing them; provided that the provisions of this Section 10.03(b) shall (x) not be construed to apply to (A) any payment made by Borrower pursuant to and in accordance with the express terms of this Agreement or (B) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in the Loan to any assignee and (y) only be applicable if there is more than one Lender.

Section 10.04 Rights Not Exclusive. The rights provided for herein are cumulative and are not exclusive of any other rights, powers, privileges or remedies provided by Law.

ARTICLE XI INDEMNIFICATION

Section 11.01 Losses.

(a) Borrower agrees to defend (subject to Indemnitees' selection of counsel), indemnify, pay and hold harmless, each Indemnitee from and against any and all Indemnified Liabilities, in all cases, arising, in whole or in part, out of or relating to any claim, notice, suit or proceeding commenced or threatened in writing (including, without limitation, by electronic means) by any Person (including any Governmental Authority) other than Borrower, TRVN SPV1, Parent, any of Parent's Subsidiaries or any of Lender's Affiliates; provided Borrower shall not have any obligation to any Indemnitee hereunder with respect to any Indemnified Liabilities to the extent such Indemnified Liabilities arise from the gross negligence or willful misconduct of such Indemnitee or the breach by Lender of its obligations to make the Loan. To the extent that the undertakings to defend, indemnify, pay and hold harmless set forth in this Section 11.01 may be unenforceable in whole or in part because they violate of any Law or public policy, Borrower shall contribute the maximum portion that it is permitted to pay and satisfy under Applicable Law to the payment and satisfaction of all Indemnified Liabilities incurred by Indemnitees or any of them. This Section 11.01 shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(b) To the extent permitted by Applicable Law, no Party shall assert, and each Party hereby waives, any claim against each other Party and such Party's Affiliates, directors, employees, attorneys or agents, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) (whether or not the claim therefor is based on contract, tort or duty imposed by any applicable legal requirement) arising out of, in connection with, as a result of, or in any way related to, this Agreement or any Loan Document or any agreement or instrument contemplated hereby or thereby or referred to herein or therein, the transactions contemplated hereby or thereby, the Loan or the use of the proceeds thereof or any act or omission or event occurring in connection therewith, and each Party hereby waives, releases and agrees not to sue upon any such claim or any such damages, whether or not accrued and whether or not known or suspected to exist in its favor.

Section 11.02 Assumption of Defense; Settlements. If Lender is entitled to indemnification under this Article XI with respect to any action or proceeding brought by a third party that is also brought against Borrower, Borrower shall be entitled to assume the defense of any such action or proceeding with counsel reasonably satisfactory to Lender. Upon assumption by Borrower of the defense of any such action or proceeding, Lender shall have the right to participate in such action or proceeding and to retain its own counsel but Borrower shall not be liable for any legal expenses of other counsel subsequently incurred by Lender in connection with the defense thereof unless (i) Borrower has otherwise agreed to pay such fees and expenses, (ii) Borrower shall have failed to employ counsel reasonably satisfactory to Lender in a timely manner or (iii) Lender shall have been advised by counsel that there are actual or potential conflicting interests between Borrower and Lender,

including situations in which there are one or more legal defenses available to Lender that are different from or additional to those available to Borrower; provided, however, that Borrower shall not, in connection with any one such action or

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proceeding or separate but substantially similar actions or proceedings arising out of the same general allegations, be liable for the fees and expenses of more than one separate firm of attorneys at any time for Lender, except to the extent that local counsel, in addition to its regular counsel, is required in order to effectively defend against such action or proceeding. Borrower shall not consent to the terms of any compromise or settlement of any action defended by Borrower in accordance with the foregoing without the prior written consent of Lender unless such compromise or settlement (x) includes an unconditional release of Lender from all liability arising out of such action and (y) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of Lender. Borrower shall not be required to indemnify Lender for any amount paid or payable by Lender in the settlement of any action, proceeding or investigation without the written consent of Borrower, which consent shall not be unreasonably withheld, conditioned or delayed.

ARTICLE XII MISCELLANEOUS

Section 12.01 Assignments.

(a) Borrower shall not be permitted to assign this Agreement without the prior written consent of Lender, which may be withheld by Lender in its sole discretion, and any purported assignment in violation of this Section 12.01 shall be null and void; provided, however, that deemed assignments resulting from a change in the beneficial ownership of Parent shall not require consent of Lender.

(b) Lender may at any time assign its rights and obligations hereunder, in whole or in part, to an Assignee and Lender may at any time pledge its rights and obligations hereunder to an Assignee. The Lender may, for the avoidance of doubt, separately assign or transfer the Additional Royalty Right. If the Lender intends to transfer or assign the Additional Royalty Right, it shall communicate that intent to Borrower, and Borrower, TRVN SPV 1 and Parent, and any applicable Affiliates, shall use commercially reasonable efforts to cooperate with Lender to effect such transfer or assignment.

(c) The parties to each assignment shall execute and deliver to Borrower an Assignment and Acceptance. Upon the effectiveness of a permitted assignment pursuant to Section 12.01(a) or an assignment pursuant to Section 12.01(b) hereunder, (i) each reference in this Agreement to “Lender” shall be deemed to be a reference to the assignor and the assignee to the extent of their respective interests, (ii) such assignee shall be a Lender party to this Agreement and shall have all the rights and obligations of a Lender and (iii) the assignor shall be released from its obligations hereunder to a corresponding extent of the assignment, and no further consent or action by any party shall be required.

(d) In the event there are multiple Lenders, all payments of principal, interest, fees and any other amounts payable pursuant to the Loan Documents shall be allocated on a *pro rata* basis among Lenders according to their proportionate interests in the Loan.

(e) Borrower and Lender shall, from time to time at the request of the other party hereto, execute and deliver any documents that are necessary to give full force and effect to

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an assignment permitted hereunder, including a new Note in exchange for any Note held by Lender.

Section 12.02 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. Borrower shall maintain a register for the recordation of the names and addresses of, and the Loan Commitments of, and principal amounts (and stated interest) under the Loan owing to, the Lender and each Assignee (the "Register"). Notwithstanding anything to the contrary contained in this Agreement or elsewhere, the Loan (including any Note evidencing such Loan) are registered obligations, the right, title and interest of Lender and its Assignees in and to the Loan shall be transferable only upon notation of such transfer in the Register and no assignment thereof shall be effective until recorded therein. The parties hereto intend that the Loan will be at all times maintained in "registered form" within the meaning of Section 5f.103-1(c) of the U.S. Treasury Regulations, Sections 163(f), 871(h)(2) and 881(c)(2) of the Code and any related regulations (and any successor provisions).

Section 12.03 Notices. All Notices authorized or required to be given pursuant to this Agreement shall be given in writing and either personally delivered to the Party to whom it is given or delivered by an established delivery service by which receipts are given or mailed by registered or certified mail, postage prepaid, or sent by electronic mail with a copy sent on the following Business Day by one of the other methods of giving notice described herein, addressed to the Party at its address listed below:

(a) If to Borrower:

Trevena SPV2 LLC
955 Chesterbrook Blvd
Suite 110
Chesterbrook, PA 19087
Attention: Barry Shin; Joel Solomon
Email: bshin@trevena.com; jsolomon@trevena.com

with a copy (which shall not constitute notice) to:

Troutman Pepper Hamilton Sanders LLP
Two Logan Square,
Eighteenth and Arch Streets,
Philadelphia, PA 19103
Attention: Brian Katz; Charles Charpentier; Timothy Atkins
Email: Brian.Katz@troutman.com;
Charles.Charpentier@troutman.com;
Timothy.Atkins@Troutman.com

(b) If to Lender:

R-Bridge Investment Four Pte. Ltd.
[***]

Attention: Peng Fu; Oak Ma
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Email: [***]

with a copy (which shall not constitute notice) to:

Goodwin Procter LLP

100 Northern Avenue

Boston, MA 02210

Attention: Arthur McGivern; Wendy Pan; Chris Steinroeder

E-mail: amcgivern@goodwinlaw.com;

wpan@goodwinlaw.com; csteinroeder@goodwinlaw.com

Any Party may change its address for the receipt of Notices at any time by giving Notice thereof to the other Party. Except as otherwise provided herein, any Notice authorized or required to be given by this Agreement shall be effective when received.

Section 12.04 Entire Agreement. This Agreement, together with the Exhibits and Schedules hereto (which are incorporated herein by reference), and the other Loan Documents constitute the entire agreement between the Parties with respect to the subject matter hereof and supersede all prior agreements (including the Confidentiality Agreement), understandings and negotiations, both written and oral, between the Parties with respect to the subject matter of this Agreement.

Section 12.05 Modification. No Loan Document or provision thereof may be waived, amended or modified except, in the case of this Agreement, by an agreement or agreements in writing executed by Borrower and Lender or, in the case of any other Loan Document, by an agreement or agreements in writing entered into by the parties thereto with the prior written consent of Lender.

Section 12.06 No Delay; Waivers; etc. No delay on the part of Lender in exercising any power or right hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any power or right hereunder preclude other or further exercise thereof or the exercise of any other power or right. Lender shall not be deemed to have waived any rights hereunder unless such waiver shall be in writing and signed by Lender.

Section 12.07 Severability. If any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions shall nevertheless be given full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree by a court of competent jurisdiction shall remain in full force and effect to the extent not held invalid or unenforceable.

Section 12.08 Determinations. Each determination or calculation by Lender hereunder shall, in the absence of manifest error, be conclusive and binding on the Parties.

Section 12.09 Notes; Replacement of Note. The portion of the Loans made by the Lender shall be evidenced, if so requested by Lender, by one or more promissory notes (each, a “**Note**”) executed by Borrower in a form reasonably acceptable to Lender. Upon the loss, theft, destruction, or mutilation of any Note and (a) in the case of loss, theft or destruction, upon receipt by Borrower of indemnity or

security reasonably satisfactory to it (except that if the holder of such Note is Lender or any other financial institution of recognized responsibility, the

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holder's own agreement of indemnity shall be deemed to be satisfactory) or (b) in the case of mutilation, upon surrender to Borrower of any mutilated Note, Borrower shall execute and deliver in lieu thereof a new Note, dated the Closing Date, in the same Principal Amount.

Section 12.10 Governing Law. **THIS AGREEMENT AND EACH NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, INCLUDING GENERAL OBLIGATIONS LAW SECTIONS 5-1401 AND 5-1402 BUT OTHERWISE WITHOUT GIVING EFFECT TO LAWS CONCERNING CONFLICT OF LAWS OR CHOICE OF FORUM THAT WOULD REQUIRE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION.**

Section 12.11 Jurisdiction. Each of Borrower and Lender irrevocably submits to the jurisdiction of the courts of the State of New York and of the United States sitting in the State of New York, and of the courts of its own corporate domicile with respect to any and all Proceedings. Each of Borrower and Lender irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of venue of any Proceeding and any claim that any Proceeding has been brought in an inconvenient forum. Any process or summons for purposes of any Proceeding may be served on Borrower by mailing a copy thereof by registered mail, or a form of mail substantially equivalent thereto, addressed to it at its address as provided for Notices hereunder.

Section 12.12 Waiver of Jury Trial. **EACH PARTY HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING, CLAIM OR COUNTERCLAIM ARISING OUT OF OR RELATING TO ANY TRANSACTION DOCUMENT OR THE TRANSACTIONS CONTEMPLATED UNDER ANY TRANSACTION DOCUMENT (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO ANY TRANSACTION DOCUMENT. EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE OTHER PARTY HERETO HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE OTHER PARTY HERETO WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTY HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 12.12.**

Section 12.13 Waiver of Immunity. To the extent that Borrower has or hereafter may be entitled to claim or may acquire, for itself or any of its assets, any immunity from suit, jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution, or otherwise) with respect to itself or any of its property, Borrower hereby

irrevocably waives such immunity in respect of its obligations hereunder and under the Notes to the fullest extent permitted by law.

Section 12.14 Counterparts; Delivery. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one

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and the same instrument. Delivery of an executed counterpart of a signature page of this Agreement in portable document format (PDF) shall be effective as delivery of a manually executed original counterpart of this Agreement. The words “execute”, “execution”, “signed”, “signature” and words of like import in this Agreement or in any related document to be signed in connection with this Agreement shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any Applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act or any other similar state laws based on the Uniform Electronic Transactions Act.

Section 12.15 Limitation on Rights of Others. Except for the Indemnitees referred to in Section 11.01, no Person other than a Party shall have any legal or equitable right, remedy or claim under or in respect of this Agreement.

Section 12.16 Survival; Termination. The obligations of Borrower contained in Sections 4.05, 4.06, Article V, Article XI and Article XII shall survive the repayment of the Loan and the cancellation of the Note and the occurrence of the Loan Agreement Termination Date and any termination of this Agreement. Notwithstanding the foregoing, if, after the Closing Date, Lender fails to fund the First Tranche Loan for any reason, at Borrower’s option, upon written notice to Lender, this Agreement and all other Loan Documents shall immediately and automatically terminate and be of no further force or effect, and no provisions, including the foregoing referenced Sections 4.05, 4.06, Article V, Article XI and Article XII shall survive such termination for Lender’s failure to fund the First Tranche Loan.

Section 12.17 Confidentiality.

(a) Until the payment of all amounts required pursuant to Section 3.01, and for a period of three (3) years thereafter, each Party shall maintain in strict confidence all Confidential Information and materials disclosed or provided to it by the other Party, except as approved in writing in advance by the disclosing Party, and shall not use or reproduce the disclosing Party’s Confidential Information for any purpose other than as required to carry out its obligations and exercise its rights pursuant to this Agreement. Notwithstanding the foregoing, the obligations of confidentiality and non-use set forth in this Section 12.17 shall not apply to the extent that the receiving Party or its Affiliates: (a) discloses such Confidential Information solely on a “need to know basis” to its employees, consultants and Affiliates as well as any actual or potential acquirers, merger partners, licensees, permitted assignees, collaborators (including licensees), subcontractors, investment bankers, investors, limited partners, partners, lenders, or other financial partners, and its and their respective directors, employees, contractors and agents, on a confidential basis to the extent requested by an authorized representative of a U.S. or foreign tax authority, or (b) discloses Confidential Information in response to a routine audit or examination by, or a blanket document request from, a Governmental Authority. A Party receiving

any such Confidential Information hereunder agrees to institute measures to protect the Confidential Information in a manner consistent with the measures it uses to protect its own most sensitive proprietary and confidential information, which in any event must not be

less than a reasonable standard of care. Each Party shall be responsible for the breach of this Section 12.17 by its employees, consultants or Third Parties to whom such disclosure is made pursuant to this Section 12.17. Each Party shall immediately notify the other Party upon discovery of any loss or unauthorized disclosure of the other Party's Confidential Information.

(b) The obligations of confidentiality and non-use set forth in Section 12.17(a) shall not apply to the extent that the receiving Party or its Affiliates is required to disclose Confidential Information pursuant to: (i) an order of a court of competent jurisdiction; (ii) Applicable Laws; (iii) regulations or rules of a securities exchange; or (iv) requirement of a Governmental Authority.

(c) This Agreement supersedes the Confidentiality Agreement and the Confidentiality Agreement shall cease to be of any force and effect as of the Closing Date; provided, however, that all information falling within the definition of "Confidential Information" set forth in the Confidentiality Agreement shall also be deemed Confidential Information disclosed pursuant to this Agreement and subject to the provisions of this Section 12.17.

Section 12.18 Patriot Act Notification. Lender hereby notifies Borrower that, consistent with the Patriot Act, regulations promulgated thereunder and under other Applicable Law, Lender's procedures and customer due diligence standards may require it to obtain, verify and record information that identifies Borrower, including among other things name, address, information regarding Persons with authority or control over Borrower, and other information regarding Borrower, its operations and transactions with Lender. Borrower agrees to provide such information and take such actions as are reasonably requested by Lender in order to assist Lender in maintaining compliance with its procedures, the Patriot Act and any other Applicable Laws.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the day and year first above written.

**R-BRIDGE INVESTMENT FOUR
PTE. LTD.**, as Lender

By: /s/ Wei Fu

Name: Wei Fu

Title: Director

TREVENA SPV2 LLC, as Borrower

By: /s/ Barry Shin

Name: Barry Shin

Title: Treasurer

[Signature Page to Loan Agreement]

CERTAIN CONFIDENTIAL INFORMATION IN THIS DOCUMENT, MARKED BY [*], HAS BEEN OMITTED BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) WOULD BE COMPETITIVELY HARMFUL IF PUBLICLY DISCLOSED.**

REVENUE INTEREST PURCHASE AGREEMENT

dated as of March 30, 2022

by and between

TREVENA, INC.,

as Seller,

and

TREVENA SPV2 LLC,

as Company

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REVENUE INTEREST PURCHASE AGREEMENT

This **REVENUE INTEREST PURCHASE AGREEMENT** (this “**Agreement**”), dated as of March 30, 2022, is entered into between TREVENA, INC., a Delaware corporation (together with its permitted successors and assigns, “**Seller**”), and TREVENA SPV2 LLC, a Delaware limited liability company (together with its permitted successors and assigns, “**Company**”).

RECITALS

WHEREAS, Seller owns 100% of the equity interests of Company;

WHEREAS, Seller desires to sell, contribute, assign, transfer, convey and grant to Company all its right, title and interest in, to and under the Purchased Revenue Interest and the Purchased Additional Revenue Interest;

WHEREAS, in consideration for such sale, contribution, assignment, transfer, conveyance and grant to Company, Company shall pay to Seller the Purchase Price on the Initial Funding Date;

WHEREAS, Company desires to purchase, acquire, receive and accept from Seller all of Seller’s right, title and interest in, to and under the Purchased Revenue Interest and the Purchased Additional Revenue Interest pursuant to this Agreement and in consideration, commits to pay the Purchase Price on the Initial Funding Date to Seller and reflect the excess value of the aggregate amount of the Purchased Revenue Interest and the Purchased Additional Revenue Interest over the Purchase Price as a capital contribution to Company from Seller, under and subject to the terms of this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01 Definitions. Unless otherwise defined herein, capitalized terms used herein shall have the meanings set forth in the Loan Agreement.

As used herein, the following terms have the following respective meanings:

“**Additional Applicable Rate**” means initially zero percent (0.0%); provided that if this Agreement is terminated with respect to the Purchased Revenue Interest, as set forth in Section 5.01 of this Agreement, such rate shall be increased to four percent (4.0%), such that the sum of the Additional Applicable Rate and the Applicable Rate shall never be less than four percent (4%).

“**Agreement**” has the meaning set forth in the Preamble.



“**Applicable Rate**” means four percent (4.0%); provided that if the first Chinese Regulatory Approval has not occurred on or prior to [***], such rate shall be increased to seven percent (7.0%) for the period beginning on [***] and ending on the date (if any) on which the Applicable Rate Step-Up Termination Trigger occurs.

“**Applicable Rate Step-Up Termination Trigger**” means such time as the Lender has received payments under the Loan Agreement pursuant to Section 4.04 thereof equal to, in the aggregate, the product of (a) [***] *multiplied by* (b) the sum of the First Tranche Loan Commitment, the Second Tranche Loan Commitment (if the Second Tranche Loan has been extended under the Loan Agreement) and the Third Tranche Loan Commitment (if the Third Tranche Loan has been extended under the Loan Agreement) (collectively, the “**Facility Amount**”); provided that if the first Chinese Regulatory Approval occurs on or prior to [***], such product shall be decreased as of the date of the first Chinese Regulatory Approval to the product of (a) [***] *multiplied by* (b) the Facility Amount.

“**Chinese Regulatory Approval**” means any and all approvals, licenses, registrations or authorizations of any Regulatory Agency (including NMPA) necessary for commercially distributing, selling, promoting, marketing or otherwise Commercializing the Licensed Product in the People’s Republic of China, including pricing and reimbursement approvals where reasonably necessary for the sale of the Licensed Product.

“**Combination Product**” means a product that includes Compound and at least one additional active ingredient and is either co-formulated, co-administered or sold at a single price point or otherwise sold to be administered together, sequentially or as part of a course of treatment. Drug delivery vehicles, adjuvants, solubilizers and excipients shall not be deemed to be “active ingredients”, except in the case where such delivery vehicle, adjuvant, solubilizers, or excipient is recognized as an active ingredient in accordance with applicable FDA regulations.

“**Commercialization**” means any and all activities directed to the distribution, marketing, detailing, promotion, selling and securing of reimbursement of the Revenue Interest Product (including the selling and offering for sale of the Revenue Interest Product), and shall include post-approval studies to the extent required by a Regulatory Agency, promoting, detailing, distributing, selling the Revenue Interest Product, importing, exporting or transporting the Revenue Interest Product for sale, and regulatory compliance with respect to the foregoing.

“**Company**” has the meaning set forth in the Preamble.

“**Compound**” means (i) oliceridine having the chemical structure set forth on Schedule 1.01(a) hereto, (ii) a prodrug or metabolite of the compound specified in (i), and (iii) any salt, polymorph, solvate, hydrate, anhydride, stereoisomer, racemate, acid, base or ester forms of the compound specified in (i).

“**Default**” means any condition or event which constitutes a Seller Event of Default or which, with the giving of notice or the lapse of time or both (in each case to

the extent described in the relevant subclauses of the definition of “Seller Event of Default”) would, unless cured or waived, become a Seller Event of Default.

“**Effective Date**” means the date hereof.

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“GAAP” means the generally accepted accounting principles in the United States of America in effect from time to time.

“Indemnified Party” has the meaning set forth in Section 6.01(a).

“Initial Funding Date” means the date the First Tranche Loan is made by Lender to Borrower pursuant to Section 2.01(a) of the Loan Agreement.

“Lender” means R-Bridge Investment Four Pte. Ltd., a Singapore private company limited.

“Licensed Product” has the meaning assigned to such term in Section 1.49 of the License Agreement.

“Loan Agreement” means that certain Loan Agreement dated as of March 30, 2022 by and between Lender and Company.

“Net Sales” means [***].

“NMPA” means National Medicine Products Administration of China (formerly known as the China Food and Drug Administration), or its successor.

“Out-License” means any license or other agreement between Seller (or any of its Affiliates) and any Third Party (including any Permitted License with a Third Party) pursuant to which Seller (or any of its Affiliates) grants to such Third Party a license or sublicense under, or other rights to, any portion of the Intellectual Property to promote, market, sell, offer for sale or import the Revenue Interest Product in the United States; provided, however, that “Out-License” shall not include agreements granting non-exclusive rights under the Intellectual Property entered into in the ordinary course of business, including distribution agreements, manufacturing agreements, material transfer agreements and consulting agreements, that, in all cases, do not grant any rights to promote, market, sell, offer for sale or otherwise Commercialize any Revenue Interest Product.

“Permitted License” is defined in Section 4.01(q)(ii)(A).

“Permitted Licensee” is defined in Section 4.01(q)(ii)(A).

“Purchase Price” [***].

“Purchased Additional Revenue Interest” means, with respect to any Calendar Quarter commencing on or after the Closing Date and ending on the earlier to occur of (i) the occurrence of an Event of Default pursuant to the Loan Agreement and (ii) the written termination of this Agreement by Seller and Company, an undivided ownership interest of Net Sales, in an amount equal to the product of (a) the aggregate Net Sales in such Calendar Quarter of the Revenue Interest Product *and* (b) the Additional Applicable Rate for such Calendar Quarter.

“Purchased Revenue Interest” means, with respect to any Calendar Quarter commencing on or after the Closing Date and ending on the Termination Date, an undivided

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ownership interest of Net Sales, in an amount equal to the product of (a) the aggregate Net Sales in such Calendar Quarter of the Revenue Interest Product *and* (b) the Applicable Rate for such Calendar Quarter.

“**Purchased Revenue Interest Cap**” means Ten Million Dollars (\$10,000,000) *minus* any amounts paid to Lender from the Interest Reserve Account pursuant to Section 4.04 of the Loan Agreement in respect of Fixed Interest Payments payable to Lender.

“**Quarterly Report**” means, with respect to each Calendar Quarter, a written report setting forth in reasonable detail (i) the calculation of the Purchased Revenue Interest and the Purchased Additional Revenue Interest for such Calendar Quarter, identifying the number of units of the Revenue Interest Product sold by Seller and its Affiliates and Permitted Licensees during such Calendar Quarter and setting forth a detailed break-down of all permitted deductions from gross sales used to determine Net Sales, (ii) Net Sales for such Calendar Quarter, and (iii) the cumulative year-to-date aggregate Net Sales of the Revenue Interest Product through the end of such Calendar Quarter.

“**Recharacterization**” has the meaning set forth in Section 2.04(b).

“**Revenue Interest Product**” means, collectively (a) the product known as OLINVYK® (oliceridine) and (b) any other product that contains the Compound as an active ingredient, alone or in combination with another active component, in each case of (a) and (b), in any strengths, forms, formulations, administrations or delivery routes.

“**Seller**” has the meaning set forth in the Preamble.

“**Seller Event of Default**” means the occurrence of one or more of the following:

(a) Any representation or warranty of Seller in any Loan Document to which it is party or in any certificate or other document delivered by Seller in connection with the Loan Documents proves to have not been true and correct in all material respects at the time it was made or deemed made (except that any representation or warranty that is qualified as to “materiality” or “Material Adverse Effect” shall be true and correct in all respects) and, solely if the consequences of the failure of such representation or warranty to be true and correct can be cured, such failure continues for a period of thirty (30) days without such cure after the earlier of (x) the date Seller becomes aware of such failure and (y) the date Company, or Lender on behalf of Company, provides Notice of such failure to Seller.

(b) Seller fails to perform or observe any covenant or agreement contained in Sections 4.01(e), (f), (g)(i), or (h)(i).

(c) Seller fails to perform or observe (i) any covenant or agreement contained in the Loan Documents to which it is a party (other than those referred to in preceding subclause (b)) and, solely if the consequences of the failure to perform or observe such covenant or agreement can be cured, such failure continues for a period of thirty (30) days without such cure after the earlier of (x) the date Seller becomes

aware of such failure and (y) the date Company, or Lender on behalf of Company, provides Notice of such failure to Seller or (ii) any covenant or agreement contained in Section 4.01(m) and, in the case of this clause (ii), solely if the

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consequences of the failure to perform or observe such covenant or agreement can be cured, such failure continues for a period of ten (10) days without such cure after the earlier of (x) the date Seller becomes aware of such failure and (y) the date Company, or Lender on behalf of Company, provides Notice of such failure to Seller.

(d) (i) Any of the Loan Documents to which Seller is a party shall cease to be in full force and effect, (ii) the validity or enforceability of any of the Loan Documents to which Seller is a party is disaffirmed or challenged in writing by Seller or any of its Affiliates or any Person (other than Lender) asserting an interest in any of the Collateral and such written disaffirmation or challenge is not withdrawn or disavowed by such Person within thirty (30) days after its communication or Seller has not brought appropriate proceedings for declaratory or other relief negating such disaffirmation or challenge within thirty (30) days after such communication and has not obtained an order granting such relief within ninety (90) days after commencement of such proceedings, or (iii) this Agreement, the Contribution Agreement, the Intercompany License Agreement, the Security Agreement or the Stock Pledge Agreement shall cease to be in full force and effect or shall cease to give Lender (directly or as assignee of Company) the rights purported to be created hereby or thereby (including a first priority perfected Lien on all of the Collateral in the event of a Recharacterization or on the Capital Stock of Company) other than as a result of any action by Lender or failure of Lender to perform an obligation of Lender under the Loan Agreement.

(e) Any security interest purported to be created by this Agreement, the Contribution Agreement, the Intercompany License Agreement, the Security Agreement or the Stock Pledge Agreement shall cease to be in full force and effect, or shall cease to give the rights, powers and privileges purported to be created and granted hereunder or thereunder (including a perfected first priority security interest in and Lien on the substantially all of the Collateral in the event of a Recharacterization (except as otherwise expressly provided herein and therein)) in favor of Company or Lender pursuant hereto or thereto, or shall be asserted by Seller not to be a valid, perfected, first priority (except as otherwise expressly provided in this Agreement, the Contribution Agreement, the Intercompany License Agreement, the Security Agreement or the Stock Pledge Agreement) security interest in the Collateral, and/or Seller takes any action which could reasonably be expected to impair Lender's security interest in any of the Capital Stock of Company or any of the Collateral.

(f) Prior to the earlier of the Chinese Regulatory Approval and the Change-Over Date, (i) the Parent Guarantee shall cease to be in full force and effect or shall cease to give the rights, powers and privileges purported to be created and granted thereunder in favor of Lender or (ii) Seller asserts that the Parent Guarantee is not in full force and effect (except as otherwise expressly provided in the Parent Guarantee) or takes any action which could reasonably be expected to impair the guarantee provided to Lender under the Parent Guarantee except as otherwise permitted in the Loan Documents.

(g) An Insolvency Event with respect to Seller shall occur.

“Termination Date” means the earlier of (a) the date that payments received by Company in respect of the Purchased Revenue Interest (excluding payments received by Company in accordance with Section 4.01(n)) equal the Purchased Revenue Interest Cap and (b)

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the date on which the Company has paid to Lender, in accordance with Section 3.03 of the Loan Agreement, an Applicable Change of Control Payment calculated in accordance with Section 3.03(b) of the Loan Agreement.

Section 1.02 Rules of Construction. For purposes of this Agreement except as otherwise expressly provided or unless the context otherwise requires:

(a) the terms defined in this Agreement have the meanings assigned to them in this Agreement and include the plural as well as the singular, and the use of any gender herein shall be deemed to include the other gender;

(b) accounting terms not otherwise defined herein have the meanings assigned to them in accordance with GAAP;

(c) references herein to “Articles”, “Sections”, “Subsections”, “paragraphs”, and other subdivisions without reference to a document are to designated Articles, Sections, Subsections, paragraphs and other subdivisions of this Agreement;

(d) a reference to a Subsection without further reference to a Section is a reference to such Subsection as contained in the same Section in which the reference appears, and this rule shall also apply to paragraphs and other subdivisions;

(e) unless otherwise specified, references to an agreement or other document include references to such agreement or document as from time to time amended, restated, amended and restated, extended, supplemented or otherwise modified in accordance with the terms thereof (subject to any restrictions on such amendments, restatements, reformations, supplements or modifications set forth herein or in any of the other Loan Documents) and include any annexes, exhibits and schedules attached thereto;

(f) the words “herein”, “hereof”, “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular provision;

(g) the words “include”, “including” and other words of similar import shall mean without limitation by reason of enumeration;

(h) the word “will” shall be construed to have the same meaning and effect as the word “shall”;

(i) the word “or” shall be interpreted in the inclusive sense commonly associated with the term “and/or”;

(j) references to any Applicable Law shall include such Applicable Law as from time to time in effect, including any amendment, modification, codification, replacement or reenactment thereof or any substitution therefor;

(k) references to any Person shall be construed to include such Person’s successors and permitted assigns (subject to any restrictions on assignment,

transfer or delegation set forth herein or in any of the other Loan Documents), and any reference to a Person

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in a particular capacity excludes such Person in other capacities; and

(l) in the computation of a period of time from a specified date to a later specified date, the word “from” means “from and including” and each of the words “to” and “until” means “to but excluding”.

ARTICLE II

PURCHASE AND SALE OF THE PURCHASED REVENUE INTEREST

Section 2.01 Purchase and Sale.

(a) On the Closing Date, and subject to Section 2.01(b), Seller shall sell, assign, transfer, convey and grant to Company, and Company shall purchase, acquire and accept from Seller, all of Seller’s right, title and interest in and to the Purchased Revenue Interest and the Purchased Additional Revenue Interest, free and clear of any and all Liens, other than Liens in favor of Lender. Seller and Company intend and agree that the sale, assignment, transfer, conveyance and grant of the Purchased Revenue Interest and the Purchased Additional Revenue Interest under this Agreement shall be, and is, a true, complete, absolute and irrevocable sale, assignment, transfer, conveyance and grant of the Purchased Revenue Interest and the Purchased Additional Revenue Interest by Seller to Company, and that such sale, assignment, transfer, conveyance and grant shall provide Company with all of Seller’s rights, title and interest in and to the Purchased Revenue Interest and the Purchased Additional Revenue Interest.

(b) In full consideration of the sale, assignment, transfer, conveyance and grant to Company of the Purchased Revenue Interest and the Purchased Additional Revenue Interest as of the Effective Date, Company shall pay (or cause to be paid) the Purchase Price to Seller on the Initial Funding Date, by transferring (or causing to be transferred) the cash portion of the Purchase Price to Seller to the account of Seller specified by it in writing and accepting and reflecting in its financial accounts a capital contribution from Seller of the additional value of the Purchased Revenue Interest and the Purchased Additional Revenue Interest in excess of the cash portion of the Purchase Price. Seller, concurrently with execution and delivery of this Agreement, hereby sells, contributes, assigns, transfers, conveys and grants to Company all of the value of the Purchased Revenue Interest and the Purchased Additional Revenue Interest in excess of the cash portion of the Purchase Price, as a contribution to the capital of Company. Company acknowledges receipt of such capital contribution and its entry in the financial records of Company as a capital contribution.

Section 2.02 Required Financing Statements; Marking of Records.

(a) Seller shall treat the sale, transfer, assignment and conveyance of the Purchased Revenue Interest and the Purchased Additional Revenue Interest as a sale of “accounts” or “payment intangibles” (as appropriate) in accordance with the UCC. In connection with the transfers made by Seller to Company under this Article II on the Closing Date, Seller will file (or cause to be filed), at its own expense, all UCC

financing statements in appropriate form for filing under the UCC, and all other certificates, agreements, instruments, filings, recordings and other actions that are necessary or reasonably requested by or on behalf of Company in order to establish, protect, preserve and perfect the transfer of the Purchased

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Revenue Interest and the Purchased Additional Revenue Interest to Company.

(b) All financing statements (or documents of similar import) shall meet the requirements of Applicable Law. Seller irrevocably authorizes Company and its assigns at any time and from time to time in the sole discretion of Company or its assigns, and appoints Company and its assigns as its attorney-in-fact, to act on behalf of Seller (i) to execute on behalf of Seller as debtor and to file financing statements necessary or appropriate in Company or its assign's sole discretion to perfect and to maintain the perfection and priority of the interest of Company in the Purchased Revenue Interest and the Purchased Additional Revenue Interest and (ii) to file a carbon, photographic or other reproduction of this Agreement or any financing statement with respect to the Purchased Revenue Interest and the Purchased Additional Revenue Interest as a financing statement in such offices as Company or its assigns in their sole discretion deem necessary or appropriate to perfect and to maintain the perfection and priority of Company's interests in such Purchased Revenue Interest and the Purchased Additional Revenue Interest. Company shall provide Seller with copies of any such filings. This appointment is coupled with an interest and is irrevocable.

(c) In view of the intention of the parties hereto that the assignment and transfer of the Purchased Revenue Interest and the Purchased Additional Revenue Interest made hereunder shall constitute an outright sale of the Purchased Revenue Interest and the Purchased Additional Revenue Interest rather than a loan secured thereby, in connection with the transfer and conveyance of the Purchased Revenue Interest and the Purchased Additional Revenue Interest Seller has, at its own expense caused its records to be marked on the Closing Date to show that the Purchased Revenue Interest and the Purchased Additional Revenue Interest has been transferred to Company in accordance with this Agreement.

Section 2.03 [Reserved].

Section 2.04 Intent.

(a) Seller and Company intend that the transfer by Seller to Company of the Purchased Revenue Interest and the Purchased Additional Revenue Interest pursuant to Section 2.01 hereof shall be true, absolute and irrevocable, shall constitute a valid transfer and conveyance by Seller of the Purchased Revenue Interest and the Purchased Additional Revenue Interest and shall provide Company with the full benefits of ownership of the Purchased Revenue Interest and the Purchased Additional Revenue Interest, and that the Purchased Revenue Interest and the Purchased Additional Revenue Interest shall not be part of Seller's estate in the event of the insolvency or bankruptcy of Seller.

(b) Without limiting the provisions of Section 2.04(a), as a precaution to address the possibility that, notwithstanding that Seller and Company expressly intend and expect that the sale, assignment, transfer, conveyance and grant of the Purchased Revenue Interest and the Purchased Additional Revenue Interest hereunder shall be a true, absolute and irrevocable sale and assignment and a true, absolute and irrevocable contribution for all purposes, to protect the interest of

Company in the event that such sale and assignment is recharacterized as other than a true sale or such contribution is recharacterized as other than a true contribution, or such sale and assignment or contribution, as applicable, will for any reason

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be ineffective or unenforceable as such, as determined in a judicial, administrative or other proceeding (any of the foregoing being a “**Recharacterization**”), Seller does hereby grant to Company a continuing security interest (which shall be of first priority) in all of Seller’s right, title and interest in, to and under the Purchased Revenue Interest and the Purchased Additional Revenue Interest, whether now or hereafter existing, and any and all “proceeds” thereof (as such term is defined in the UCC), in each case, for the benefit of Company as security for the prompt and complete payment of a loan deemed to have been made in an amount equal to the Purchase Price (plus a market rate of return thereon) together with the performance when due of all of Company’s obligations now or hereafter existing under this Agreement and the other Loan Documents, which security interest will, upon the filing of a duly prepared financing statement in the appropriate filing office, be perfected and prior to all other Liens on the rights of Seller to the Purchased Revenue Interest and the Purchased Additional Revenue Interest. In the event of a Recharacterization, Company will have, in addition to the rights and remedies which it may have under this Agreement, all other rights and remedies provided to a secured creditor after default under the UCC and other Applicable Law, which rights and remedies will be cumulative. This Agreement shall constitute a security agreement in respect of such security interest.

(c) Seller and Company intend that their operations and business would not be substantively consolidated in the event of an Insolvency Event with respect to Seller and that the separate existence of Seller and Company would not be disregarded in the event of an Insolvency Event with respect to Seller. Company and Seller acknowledge that the Organizational Documents of Company contain provisions intended to maintain the separate existence and identity of Company, and the parties agree that they will duly observe such provisions and Applicable Law in support of such separate existence and identity.

ARTICLE III

REPRESENTATIONS AND WARRANTIES

Section 3.01 Representations and Warranties of Seller. Seller represents and warrants that the representations and warranties set forth under Sections 7.01(m), 7.01(n), 7.01(p), 7.01(q), 7.01(r) and 7.02 of the Loan Agreement are true and correct, and such representations and warranties are hereby made herein by Seller as though set forth in full herein. Company has relied upon such representations and warranties in purchasing and accepting the conveyance of the Purchased Revenue Interest and the other parties to the transactions contemplated hereby have relied upon such representations and warranties in executing each of the Loan Documents to which it is a party. Such representations and warranties shall survive until the Termination Date.

Section 3.02 Survival of Representations and Warranties. All representations and warranties by Seller contained in this Agreement shall survive the execution, delivery and acceptance thereof by the Parties and the closing of the transactions contemplated in this Agreement.



ARTICLE IV

COVENANTS OF SELLER AND COMPANY; SELLER EVENT OF DEFAULT

Section 4.01 Seller Covenants. Seller hereby covenants and agrees with Company, in connection with the sale and assignment of the Purchased Revenue Interest and the Purchased Additional Revenue Interest, as applicable, as follows:

(a) Financial Statements and Information. Seller will comply with and facilitate Company undertakings regarding financial statements and other information relating to Seller set forth in Section 8.03 and 8.11 of the Loan Agreement.

(b) All written information supplied by or on behalf of Seller to Company pursuant to this Section 4.01 (other than pursuant to Sections 8.03(a) and 8.03(b) of the Loan Agreement) shall be accurate and complete in all material respects as of its date or the date so supplied and the financial statements provided pursuant to Sections 8.03(a) and 8.03(b) of the Loan Agreement fairly present in all material respects the financial positions and results of operations as of the dates indicated therein. For the avoidance of doubt, Seller makes no representations or warranties regarding the accuracy or completeness of any information it receives from a Third Party that it is required to furnish to Company pursuant to this Section 4.01, unless to the actual Knowledge of Seller such information is inaccurate or incomplete, in which case Seller shall specify such inaccuracy or incompleteness.

(c) Books and Records. Seller shall keep proper books, records and accounts in which entries in conformity with sound business practices and all requirements of Law applicable to it shall be made of all dealings and transactions in relation to its business, assets and activities and as shall permit the preparation of the consolidated financial statements of Seller in accordance with GAAP.

(d) Maintenance of Insurance. Seller shall maintain coverage under its general liability and property damage insurance policies naming Company and its assigns (including Lender) as additional insured (in the case of liability insurance) and loss payee (in the case of property insurance). Seller shall furnish to Company from time to time upon written request full information as to the insurance carried.

(e) Governmental Authorizations. Seller shall obtain, make and keep in full force and effect all authorizations from and registrations with Governmental Authorities that may be required for the validity or enforceability against Seller of this Agreement and the other Loan Documents to which it is a party.

(f) Compliance with Laws and Contracts.

(i) Seller shall comply, and cause its Affiliates to comply, with all Applicable Laws applicable to the Purchased Revenue Interest and the research, development, manufacture and Commercialization of the Revenue Interest Product, and perform its obligations under all Material Contracts, if any, entered into after the Closing Date relative to the conduct of its business,

except where the failure to comply could not reasonably be expected to result in a Material Adverse Effect.

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(ii) Seller will comply, in all material respects, with all acts, rules, regulations, orders, decrees and directions of any Governmental Authority applicable to the Purchased Revenue Interest and the research, development, manufacture and Commercialization of the Revenue Interest Product.

(g) Conveyance of Purchased Revenue Interest; Security Interests. Except for the transfers and conveyances hereunder and any Permitted Lien and the Liens in favor of Lender, (i) Seller will not (and will not purport to) pledge, assign or transfer to any other Person, or grant, create, incur, assume or suffer to exist any Lien on the Purchased Revenue Interest or the Revenue Interest Product or any interest therein and (ii) Seller shall defend the right, title, and interest of Company and its successors and assigns in, to, and under the Purchased Revenue Interest, against all claims of third parties claiming through or under Seller.

(h) Notices.

(i) Seller shall promptly (and in any event within four (4) Business Days) after obtaining Knowledge of the same give written Notice to Company and its assigns (including Lender) of each Default or Event of Default and each other event that has or could reasonably be expected to have a Material Adverse Effect; provided that in any of the foregoing situations where Seller knows a press release or other public disclosure is to be made by Seller or any of its Affiliates, Seller shall use all commercially reasonable efforts to provide such information to Company and its assigns (including Lender) as early as possible but in no event later than simultaneously with such release or other public disclosure.

(ii) Seller shall, promptly (and in any event within four (4) Business Days) after obtaining Knowledge thereof, give written Notice to Company and its assigns (including Lender) of any litigation or proceedings (i) related to any Permitted License, the Loan Documents or any of the transactions contemplated therein, (ii) which could reasonably be expected to have a Material Adverse Effect or (iii) challenging the validity of the Intellectual Property.

(iii) Seller shall, promptly (and in any event within four (4) Business Days) after receipt of any material notice or correspondence relating to the Revenue Interest Product, the development, manufacture or Commercialization thereof, or any event which has had, or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, provide a copy of such notice to Company together with a summary of Seller's intended response thereto.

(iv) Seller shall, promptly after obtaining Knowledge thereof (and in any event within four (4) Business Days), give written Notice to Company and its assigns (including Lender) of any representation or warranty made or deemed made by Seller in any of the Loan Documents or in any certificate delivered pursuant thereto shall prove to be untrue, inaccurate or

incomplete in any material respect on the date as of which made or deemed made.

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(v) Seller shall, promptly after obtaining Knowledge thereof, give written Notice to Company and its assigns (including Lender) of the occurrence of any Material Adverse Effect.

(i) Taxes. Seller shall file all tax returns required to be filed by it and pay, discharge or otherwise satisfy all material taxes of any kind imposed on or in respect of its income or assets as the same shall become due and payable and in any event before any Lien on any of the Purchased Revenue Interest exists as a result of nonpayment except for Permitted Liens.

(j) Intellectual Property. Seller (A) shall prosecute and maintain the material Intellectual Property (including Patents included therein); (B) shall not, without the prior consent of Company, grant or withhold any consent, exercise or waive any right or option or fail to exercise any right or option in respect of, affecting or relating to the Revenue Interest Product or the Intellectual Property in any manner that would reasonably be expected to have a Material Adverse Effect; (D) shall defend or assert such material Intellectual Property against commercially significant infringement or interference by any other Persons, and against any claims of invalidity or unenforceability, in the United States (including by bringing any legal action for infringement or defending any counterclaim of invalidity or action of a Third Party for declaratory judgment of non-infringement or non-interference).

(k) Security Documents; Further Assurances. Seller shall promptly, upon the reasonable request of Company or its assigns (including Lender), at Seller's sole cost and expense, (a) execute, acknowledge and deliver, or cause the execution, acknowledgment and delivery of, and thereafter register, file or record, or cause to be registered, filed or recorded, in an appropriate governmental office, any document or instrument supplemental to or confirmatory of the Loan Documents or otherwise deemed by Company or its assigns (including Lender) reasonably necessary or desirable for the continued validity, perfection and priority of the assignment of the Purchased Revenue Interest or the Liens thereon secured pursuant to Section 2.04 subject to no other Liens except as permitted by the applicable Loan Document, or obtain any consents or waivers as may be necessary or appropriate in connection therewith; (b) deliver or cause to be delivered to Company and its assigns (including Lender) from time to time such other documentation, consents, authorizations, approvals and orders in form and substance reasonably satisfactory to Company and such assigns as Company or such assigns shall reasonably deem necessary to perfect or maintain the assignment of the Purchased Revenue Interest or the Liens thereon secured pursuant to Section 2.04; and (c) upon the exercise by Company or any of its assigns (including Lender) of any power, right, privilege or remedy pursuant to any Loan Document which requires any consent, approval, registration, qualification or authorization of any Governmental Authority execute and deliver all applications, certifications, instruments and other documents and papers that Company or such assigns may require. In addition, Seller shall promptly, at its sole cost and expense, execute and deliver to Company and its assigns (including Lender) such further instruments and documents, and take such further action, as Company or such assigns may, at any time and from time to time, reasonably request in order to carry out the intent and purpose of this Agreement and the other Loan Documents to which it is a party and to establish and protect the rights, interests and remedies created, or

intended to be created, in favor of Company and its assigns (including Lender) hereby and thereby.

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(l) Certain Information Regarding Seller, Etc. Seller shall provide information that Company or its assigns (including Lender) requires or may reasonably request from Seller with respect to the Purchased Revenue Interest relating to any period prior to the Effective Date, including information that may be reasonably requested under the Loan Agreement. Seller agrees to maintain all books and records relevant to the calculation of Net Sales of the Revenue Interest Product and the Purchased Revenue Interest.

(m) Quarterly Meetings. Company and Lender shall have the right, from time to time, not more than once per Calendar Quarter, during normal business hours and upon at least five (5) Business Days' prior written notice to Seller (provided that, after the occurrence and during the continuance of a Seller Event of Default, Company and Lender shall have the right, as often, at such times and with such prior notice, as Lender determines in its reasonable discretion), to visit the offices and properties of Seller where books and records relating or pertaining to the Revenue Interest Product, any Permitted Licenses, and Net Sales of the Revenue Interest Product are kept and maintained (or, at Lender's option, to conduct a meeting by telecommunications), to discuss, with officers of Seller, the business, operations, properties and financial and other condition of Seller, the Revenue Interest Product, any Permitted Licenses, and Net Sales of the Revenue Interest Product and any topics related thereto, to verify compliance with this Agreement and the calculation of Net Sales of the Revenue Interest Product and the Purchased Revenue Interest, and, upon physical visits, to inspect and make extracts from and copies of the books and records of Company and Seller relating or pertaining to the Revenue Interest Product, any Permitted Licenses, and Net Sales of the Revenue Interest Product.

(n) Quarterly Reports; Payment of Purchased Revenue Interest to Company. Prior to each Quarterly Payment Date, Seller shall (i) deliver to Company the Quarterly Report for the Calendar Quarter most recently ended prior to the applicable Cut-Off, (ii) pay, by wire transfer in immediately available funds in U.S. dollars to the Collection Account, the Purchased Revenue Interest in respect of such Calendar Quarter, which payments shall be made free and clear of and without withholding or deduction for, or on account of, any Taxes, and (iii) pay, by wire transfer in immediately available funds in U.S. dollars to the Borrower Account, the Purchased Additional Revenue Interest in respect of such Calendar Quarter, which payments shall be made free and clear of and without withholding or deduction for, or on account of, any Taxes. Seller shall prepare and maintain and cause its Affiliates and use commercially reasonable efforts to cause Permitted Licensees to prepare and maintain reasonably complete and accurate records of the information to be disclosed in each Quarterly Report. If Seller is unable to obtain any of the foregoing information from any Permitted Licensee (provided that Seller notifies Company promptly (and in any event prior to the applicable Quarterly Payment Date) of such inability to obtain such information), then Seller will not be obligated to provide such information unless and until Seller is in possession and control of such information and any payment in respect of Net Sales for such Permitted Licensee for the applicable Quarterly Period shall be based on Sellers' good faith estimate of such Net Sales (which estimate shall be made in consultation with the Lender) with any underpayment or overpayment to be credited or debited to the Purchased Revenue Interest for the subsequent Calendar Quarter.

(o) Certain Company Covenants and Organizational Documents.

Seller shall cause Company to be managed and operated in a manner consistent with the covenants contained in Article VIII and Article IX of the Loan Agreement and the Organizational Documents of

Company.

(p) Audit Rights.

(i) Subject to reasonable advance written notice from Company, Seller shall permit an independent public accounting firm chosen by Lender to have access during normal business hours to the books and records of Seller as may be reasonably necessary to audit the calculation of Net Sales of the Revenue Interest Product and the Purchased Revenue Interest (or reasons for the lack of any calculation therefor). In the event that any such audit reveals an underpayment of the Purchased Revenue Interest to Company, then the underpayment amount shall be paid within five (5) Business Days by Seller, plus interest thereon, calculated from the date such amount was due until the date such amount is actually paid, at the rate of [***] over the prime rate of interest as published in *The Wall Street Journal, Eastern Edition* (or, if such publication is no longer available or relevant, a publication reasonably selected in good faith by Company), in effect on the date such amount was due. In the event that any such audit reveals an overpayment of the Purchased Revenue Interest to Company, then the overpayment amount shall be deducted from the Purchased Revenue Interest on the next Quarterly Payment Date, but solely to the extent such Purchased Revenue Interest is greater than zero.

(ii) In the event any audit of the books and records of Seller relating to the Revenue Interest Product reveals that the amounts paid to the Company hereunder for the period of such audit have been underpaid by more than five percent (5%) of the amounts determined to be due for the period subject to such audit (excluding any underpayment as a result of Seller's good faith estimate of Net Sales by a Permitted Licensee, solely to the extent permitted under Section 4.01(q), and solely to the extent such underpaid amount is credited to the payments due for the subsequent Calendar Quarter and such credited payment is not yet due), then the reasonable out-of-pocket costs and expenses in respect of such audit shall be borne by Seller, which shall reimburse Lender for any reasonable out-of-pocket costs and expenses incurred by Lender in connection with such audit; and in all other cases, such costs and expenses shall be borne by Lender.

(q) Dispositions; Permitted Licenses.

(i) Except as set forth in clause (ii) below, Seller shall not contribute, license, sell, assign, transfer, convey or otherwise dispose of any portion of its right, title or interest in, to and under, any assets related to the Revenue Interest Product, including the Intellectual Property, whether now owned or hereafter acquired; provided that, without limiting any obligations of the Seller pursuant to the Parent Guarantee, Seller may, on commercially reasonable terms, contribute, license, sell, assign, transfer, convey or otherwise dispose of any portion of its right, title or interest in, to and under, any assets related to the Revenue Interest Product, including the Intellectual Property, whether now owned or hereafter acquired, so as to grant a Third Party the right

to promote, market, sell, offer for sale or import the Revenue Interest Product outside the United States and the Territory.

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(ii)

(A) Seller may not enter into any Out-License with a Third Party without receiving Company's prior written consent (any Out-License entered into in compliance with the foregoing, a "**Permitted License**", and any counterparty to a Permitted License, a "**Permitted Licensee**").

(B) Seller shall as soon as reasonably practicable provide Company with a draft of any Permitted License and, in any event, shall provide Company with the final draft of any Permitted License at least two (2) Business Days prior to its execution. Seller shall promptly (and in any event within five (5) Business Days) provide Company with (1) copies of each executed Permitted License, (2) copies of each executed amendment, supplement, modification or written waiver of any provision of a Permitted License and (3) copies of all material reports and communications provided by Seller or any of its Affiliates to the counterparty to each Permitted License or provided in by the counterparty to any Permitted License to Seller or any of its Affiliates.

(C) Seller shall provide Company with written notice promptly (and in any event within five (5) Business Days) following the termination of any Permitted License.

(D) Upon Company's request, Seller shall exercise any rights it may have under any Permitted License to cause an inspection and/or audit by an independent public accounting firm to be made of the books and records of any Permitted Licensee for the purpose of determining the correctness of the calculation of Net Sales and the Purchased Revenue Interest hereunder and shall promptly provide to the Company a true, correct and complete copy of the report(s) of such independent public accounting firm related to such inspection and/or audit.

(r) Compliance with Law. Seller shall comply, in all material respects, with all acts, rules, regulations, orders, decrees and directions of any Governmental Authority applicable to (i) the Purchased Revenue Interest or any part thereof of (ii) the development, manufacture, and Commercialization of the Revenue Interest Product; provided, however, that Seller may contest any act, regulation, order, decree or direction of any Governmental Authority in any reasonable manner which shall not have a Material Adverse Effect.

Section 4.02 Consequences of Seller Event of Default. If a Seller Event of Default has occurred and is continuing, in addition to any other action that Lender may be entitled to take in connection with a Seller Event of Default, the parties acknowledge that damages may be difficult to establish and accordingly Lender, at any time prior to the Termination Date, shall be entitled to take such legal action and exercise such legal or equitable remedies, including seeking injunctive or other equitable relief without being required to prove actual damages or post any bond, as Lender may determine in its sole discretion in order to correct or prevent the continuation of such Seller Event of Default.

ARTICLE V TERMINATION; SURVIVAL

Section 5.01 Termination. The respective obligations and responsibilities of Seller and Company with respect to the Purchased Revenue Interest created by this Agreement shall terminate upon, but not prior to, the occurrence of the Termination Date. The respective obligations and responsibilities of Seller and Company with respect to the Purchased Additional Revenue Interest created by this Agreement shall terminate upon the earlier to occur of (i) the occurrence of an Event of Default pursuant to the Loan Agreement and (ii) the written termination of this Agreement by Seller and Company.

Section 5.02 Effect of Termination. No termination or rejection or failure to assume the executory obligations of this Agreement in the bankruptcy of Seller or Company shall be deemed to impair or affect the obligations pertaining to any executed conveyance or executed obligations, including without limitation breaches of representations and warranties by Seller or Company occurring prior to the date of such termination.

Section 5.03 Survival. Notwithstanding Section 5.01 hereof, the obligations of Seller contained in Sections 4.01(f) and 4.01(i), Article VI, Section 7.13, Section 7.14 and this Section 5.03 shall survive the termination of this Agreement and the occurrence of the Termination Date.

ARTICLE VI INDEMNIFICATION PAYMENTS

Section 6.01 Indemnification.

(a) Seller agrees to indemnify and hold harmless Company, Lender and their respective officers, directors, members, partners, employees and agents (each, an “**Indemnified Party**”) against any and all liabilities, obligations, losses, damages, penalties, claims, costs, expenses and disbursements of any kind or nature whatsoever (including the reasonable fees and disbursements of counsel for such Indemnified Party in connection with any investigative, administrative or judicial proceeding commenced or threatened by any Person whether or not any such Indemnified Party shall be designated as a party or a potential party thereto, and whether or not such Indemnified Party is required by Applicable Law to be involved therein, and any fees or expenses actually incurred by Indemnified Parties in enforcing the indemnity provided herein), whether direct, indirect or consequential, whether based on any federal, state or foreign laws, statutes, rules or regulations (including securities and commercial laws, statutes, rules or regulations), on common law or equitable cause or on contract or otherwise, which may be incurred or suffered by such Indemnified Party (except to the extent caused by the gross negligence or willful misconduct of the Indemnified Party) awarded against, or incurred or suffered by, such Indemnified Party, whether or not involving a third party claim, demand, action, suit or proceeding, arising out of (i) the failure of any representation, warranty or certification of Seller in the Loan Documents or any certificate given by Seller pursuant to any of

the Loan Documents, to be true when made; (ii) a breach of any covenant by Seller set forth in, or failure by Seller to perform its duties under or otherwise comply with, the Loan Documents (whether or not a Seller Event of Default or Servicer Termination Event, as defined in the

Contribution Agreement), or Seller's engaging in intentional misconduct, bad faith or negligence in the performance of such duties; or (iii) other than as permitted under Section 4.01(g), the transfer by Seller of any interest in the Purchased Revenue Interest to any Person other than Company, or any attempt by any Person to void the transfer of the Purchased Revenue Interest to Company. It is the intention of the parties hereto that the above indemnities shall not be interpreted to provide indemnification for any damages, losses or costs that have the effect of recourse for non-payment or insufficient payment under the Purchased Revenue Interest and factors affecting the performance of the Purchased Revenue Interest and payments generated thereby that are not specifically represented, warranted or agreed to in the Loan Documents which may include but are not limited to product obsolescence, competition, changes in government healthcare policies or other healthcare provider reimbursement, patent invalidity (other than to the extent that Seller had Knowledge of such patent invalidity as of the date of any related representation or warranty), and withholding taxes related to the Purchased Revenue Interest. This Section 6.01(a) shall not apply to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim. The provisions of this indemnity shall run directly to, and be enforceable by, an injured party and shall survive the termination of this Agreement. Without limiting the foregoing or Section 7.14 hereof, Company's rights under this Section 6.01 shall be assignable by Company to Lender pursuant to the terms of the Loan Agreement and the Security Agreement.

(b) If any claim, demand, action or proceeding (including any investigation by any Governmental Authority) shall be brought or alleged against an Indemnified Party in respect of which indemnity is to be sought pursuant to this Section 6.01, the Indemnified Party shall, promptly after receipt of notice of the commencement of any such claim, demand, action or proceeding, notify Seller in writing of the commencement of such claim, demand, action or proceeding, enclosing a copy of all papers served, if any; provided that the omission to so notify Seller will not relieve Seller from any liability that it may have to any Indemnified Party under this Section unless, and only to the extent that, Seller is actually materially prejudiced by such omission. In case any such action is brought against an Indemnified Party and it notifies Seller of the commencement thereof, Seller will be entitled, at Seller's sole cost and expense, to participate therein and, to the extent that it may wish, to assume the defense thereof, with counsel reasonably satisfactory to such Indemnified Party (who shall not, except with the consent of the Indemnified Party, be counsel to Seller), and, after notice from Seller to such Indemnified Party of its election so to assume the defense thereof, Seller will not be liable to such Indemnified Party under this Section for any legal or other expenses subsequently incurred by such Indemnified Party in connection with the defense thereof other than reasonable costs of investigation. In any such proceeding, an Indemnified Party shall have the right to retain its own counsel, but the reasonable fees and expenses of such counsel shall be at the expense of such Indemnified Party unless (a) Seller and the Indemnified Party shall have mutually agreed to the retention of such counsel, (b) Seller has assumed the defense of such proceeding and has failed within a reasonable time to retain counsel or (c) the named parties to any such proceeding (including any impleaded parties) include both Seller and the Indemnified Party and representation of both parties by the same counsel would be inappropriate due to actual or potential conflicts of interests between them. It is agreed that Seller shall not, in connection with any proceeding or

related proceedings in the same jurisdiction, be liable for the reasonable fees and expenses of more than one separate law firm (in addition to local counsel where necessary) for all such Indemnified Parties. Seller shall not be liable for any settlement of any proceeding

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effected without its written consent, but, if settled with such consent or if there be a final judgment for the plaintiff, Seller agrees to indemnify the Indemnified Party from and against any Indemnified Liabilities by reason of such settlement or judgment. Seller shall not, without the prior written consent of the Indemnified Party, effect any settlement, compromise or discharge of any claim or pending or threatened proceeding in respect of which any Indemnified Party is or could have been a party and indemnity could have been sought hereunder by such Indemnified Party, unless such settlement, compromise or discharge, as the case may be, (i) includes an unconditional written release of such Indemnified Party from all liability on claims that are the subject matter of such claim or proceeding, (ii) does not include any statement as to an admission of fault, culpability or failure to act by or on behalf of any Indemnified Party and (iii) does not impose any continuing material obligation or restrictions on any Indemnified Party. Notwithstanding anything to the contrary herein, Indemnified Liabilities shall not include any consequential, punitive, special or incidental damages.

ARTICLE VII

MISCELLANEOUS PROVISIONS

Section 7.01 Amendment. This Agreement may be amended, supplemented or otherwise modified from time to time only by the written agreement of Seller, Company and, prior to the Termination Date, Lender.

Section 7.02 Governing Law; Waiver of Trial by Jury; Jurisdiction.

(a) THIS AGREEMENT AND ANY AMENDMENTS HEREOF SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, INCLUDING GENERAL OBLIGATIONS LAW SECTIONS 5-1401 AND 5-1402 BUT OTHERWISE WITHOUT GIVING EFFECT TO LAWS CONCERNING CONFLICT OF LAWS OR CHOICE OF FORUM THAT WOULD REQUIRE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION.

(b) **EACH PARTY HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING, CLAIM OR COUNTERCLAIM ARISING OUT OF OR RELATING TO ANY LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED UNDER ANY LOAN DOCUMENT (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO ANY LOAN DOCUMENT. EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE OTHER PARTY HERETO HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE OTHER PARTY HERETO WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTY HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG**

OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 7.02(b).

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(c) Each of Company and Seller irrevocably submits to the jurisdiction of the courts of the State of New York and of the United States sitting in the State of New York, and of the courts of its own corporate domicile with respect to any and all Proceedings. Each of Company and Seller irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of venue of any Proceeding and any claim that any Proceeding has been brought in an inconvenient forum. Any process or summons for purposes of any Proceeding may be served on Company or Seller by mailing a copy thereof by registered mail, or a form of mail substantially equivalent thereto, addressed to it at its address as provided for Notices hereunder.

Section 7.03 Notices. All demands, notices, and communications under this Agreement shall be in writing personally delivered, or sent by facsimile (with subsequent telephone confirmation of receipt thereof) or sent by internationally recognized overnight courier service, at the following address:

Seller:

Trevena, Inc.
955 Chesterbrook Blvd
Suite 110
Chesterbrook, PA 19087
Attention: Barry Shin; Joel Solomon
Email: bshin@trevena.com; jsolomon@trevena.com

With a copy (which shall not constitute notice) to:

Troutman Pepper Hamilton Sanders LLP
Two Logan Square,
Eighteenth and Arch Streets,
Philadelphia, PA 19103
Attention: Brian Katz; Charles Charpentier; Timothy Atkins
Email: Brian.Katz@troutman.com; Charles.Charpentier@troutman.com;
Timothy.Atkins@Troutman.com

Company:

Trevena SPV2 LLC
955 Chesterbrook Blvd
Suite 110
Chesterbrook, PA 19087
Attention: Barry Shin; Joel Solomon
Email: bshin@trevena.com; jsolomon@trevena.com

With a copy (which shall not constitute notice) to:

Troutman Pepper Hamilton Sanders LLP
Two Logan Square,



Eighteenth and Arch Streets,
Philadelphia, PA 19103
Attention: Brian Katz; Charles Charpentier; Timothy Atkins
Email: Brian.Katz@troutman.com; Charles.Charpentier@troutman.com;
Timothy.Atkins@Troutman.com

Lender:

R-Bridge Investment Four Pte. Ltd.
[***]Attention: Peng Fu; Oak Ma
Email: [***]

With a copy (which shall not constitute notice) to:

Goodwin Procter LLP
100 Northern Avenue
Boston, MA 02210
Attention: Arthur McGivern; Wendy Pan; Christopher W. Steinroeder
E-mail: amcgivern@goodwinlaw.com; wpan@goodwinlaw.com;
CSteinroeder@goodwinlaw.com

or at other such address as shall be designated by such party in a written notice to the other parties. Notice shall be effective and deemed received (a) two (2) days after being delivered to the courier service, if sent by courier, (b) upon receipt of confirmation of transmission, if sent by telecopy, or (c) when delivered, if delivered by hand.

Wherever notice or a report is required to be given or delivered to Company, a copy of such notice or report shall also be given or delivered concurrently to Lender.

Section 7.04 Severability of Provisions. If any one or more of the covenants, agreements, provisions, or terms of this Agreement shall be for any reason whatsoever held invalid, then such covenants, agreements, provisions, or terms shall be deemed severable from the remaining covenants, agreements, provisions, or terms of this Agreement and shall in no way affect the validity or enforceability of the other provisions of this Agreement.

Section 7.05 Assignment. Notwithstanding anything to the contrary contained in this Agreement, (a) except in connection with a Change of Control, this Agreement may not be assigned by Seller without the prior written consent of Company and, prior to the Termination Date, Lender (provided that, following Licensed Product FCS, Seller may assign this Agreement without the prior written consent of Lender to any third party that acquires all or substantially all of Seller's business, whether by merger, sale of assets or otherwise, as long as such assignee agrees in a writing satisfactory to Lender in its sole discretion to be bound by all the provisions of this Agreement as if such assignee were the "Seller" under this Agreement and such assignee is liable for the Seller's obligations hereunder), and (b) this Agreement may not be assigned by Company without the prior written

consent of (i) prior to the Termination Date so long as no Seller Event of Default has occurred and is continuing, Seller, and (ii) prior to the Termination

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Date, Lender (provided that, deemed assignments resulting from a change in the beneficial ownership of Seller shall not require consent of Lender).

Section 7.06 Further Assurances. Each of Seller and Company agrees to do such further acts and things and to execute and deliver such additional assignments, agreements, powers and instruments as are reasonably required to carry into effect the purposes of this Agreement.

Section 7.07 Waiver; Cumulative Remedies; Waiver of Immunities. No failure to exercise and no delay in exercising, on the part of Company or Seller, any right, remedy, power or privilege hereunder, shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise hereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exhaustive of any rights, remedies, powers and privilege provided by law. To the extent that Seller has or hereafter may be entitled to claim or may acquire, for itself or any of its assets, any immunity from suit, jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution, or otherwise) with respect to itself or any of its property, Seller hereby irrevocably waives such immunity in respect of its obligations hereunder to the fullest extent permitted by law.

Section 7.08 Counterparts. This Agreement may be executed in two or more counterparts (and by different parties on separate counterparts), each of which shall be an original, but all of which shall constitute one and the same instrument.

Section 7.09 Binding. This Agreement will inure to the benefit of and be binding upon the parties hereto, subject to Section 7.14.

Section 7.10 Merger and Integration. Except as specifically stated otherwise herein, this Agreement sets forth the entire understanding of the parties relating to the subject matter hereof, and all prior understandings, written or oral, are superseded by this Agreement. This Agreement may not be modified, amended, waived or supplemented except as provided herein.

Section 7.11 Schedules and Exhibits. The schedules and exhibits (if any) attached hereto and referred to herein shall constitute a part of this Agreement and are incorporated into this Agreement for all purposes.

Section 7.12 Headings. The headings herein are for purposes of reference only and shall not otherwise affect the meaning or interpretation of any provision hereof.

Section 7.13 Non-Petition. Each of the parties hereto covenants and agrees that, prior to the date that is one year and one day after the Loan Agreement Termination Date, no party hereto shall institute against, or join any other Person in instituting against, either of Company or Seller any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings or other similar proceedings under any federal, state or foreign bankruptcy or similar law.

Section 7.14 Intended Third Party Beneficiaries. Lender is a third party beneficiary of this Agreement and, as such, prior to the Termination Date shall have full power and authority to

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enforce the provisions of this Agreement against the parties hereto. In addition, the parties hereto acknowledge that Lender is entitled under the Loan Documents to make claims directly to Seller for indemnities in favor of Company, without prejudice to its rights as an Indemnified Party hereunder, and that nothing herein limits the rights of Lender under the Security Agreement, the Parent Guarantee or Stock Pledge Agreement, which rights may, in each case, be exercised in Lender's sole discretion from time to time whether or not it has exercised or is then exercising its rights as a third party beneficiary or its rights and remedies under Applicable Law.

Section 7.15 Counterparts; Delivery. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Agreement in portable document format (PDF) shall be effective as delivery of a manually executed original counterpart of this Agreement. The words "execute", "execution", "signed", "signature" and words of like import in this Agreement or in any related document to be signed in connection with this Agreement shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act or any other similar state laws based on the Uniform Electronic Transactions Act.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, Seller and Company have caused this Agreement to be duly executed by their respective officers as of the day and year first above written.

TREVENA, INC.,
as Seller

By: /s/ Barry Shin

Name: Barry Shin
Title: Senior Vice President and
Chief
Financial Officer

TREVENA SPV2 LLC,
as Company

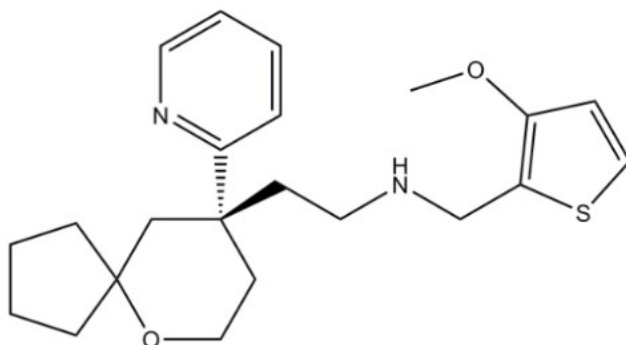
By: /s/ Barry Shin

Name: Barry Shin
Title: Treasurer

[Signature Page to Revenue Interest Purchase Agreement]

Schedule 1.01(a)

Chemical Structure



CERTAIN CONFIDENTIAL INFORMATION IN THIS DOCUMENT, MARKED BY [*], HAS BEEN OMITTED BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) WOULD BE COMPETITIVELY HARMFUL IF PUBLICLY DISCLOSED.**

CONTRIBUTION AND SERVICING AGREEMENT

dated as of March 30, 2022

by and between

TREVENA, INC.,

as Contributor,

and

TREVENA SPV2 LLC,

as Company

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CONTRIBUTION AND SERVICING AGREEMENT

This **CONTRIBUTION AND SERVICING AGREEMENT** (this “**Agreement**”), dated as of March 30, 2022, is entered into between TREVENA, INC., a Delaware corporation (together with its permitted successors and assigns, “**Contributor**”), and TREVENA SPV2 LLC, a Delaware limited liability company (together with its permitted successors and assigns, “**Company**”).

RECITALS

WHEREAS, Contributor owns 100% of the equity interests of Company;

WHEREAS, Contributor desires to sell, contribute, assign, transfer, convey and grant to Company all of Contributor’s right, title and interest in, to and under the Transferred Assets;

WHEREAS, in consideration for such sale, contribution, assignment, transfer, conveyance and grant to Company, Company shall pay to Seller the Purchase Price on the Initial Funding Date;

WHEREAS, Company desires to purchase, acquire, receive and accept from Contributor all of Contributor’s right, title and interest in, to and under the Transferred Assets pursuant to this Agreement and in consideration, commits to pay the Purchase Price to Contributor on the Initial Funding Date and accept and reflect the excess value of the aggregate amount of the Transferred Assets over the Purchase Price as a capital contribution to Company from Contributor, under and subject to the terms of this Agreement;

WHEREAS, Company desires Contributor to manage, on behalf of Company, Company’s relationship with the Licensee under the License Agreement, to administer, on Company’s behalf, Company’s performance under, compliance with and enforcement of the License Agreement (including the collection and enforcement of all payments due to Company under the License Agreement from time to time) and to take all such actions on behalf of Company as are necessary or desirable to Commercialize and Exploit the Licensed Product, and Contributor desires to perform such services on Company’s behalf.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01 Definitions. Unless otherwise defined herein, capitalized terms used herein shall have the meanings set forth in the Loan Agreement.

As used herein, the following terms have the following respective meanings:

“Agreement” has the meaning set forth in the Preamble.

“**Assumed Obligations**” means all of Contributor’s liabilities and obligations under the Transferred Contracts from and after the Effective Date.

“**Company**” has the meaning set forth in the Preamble.

“**Contribute**” has the meaning set forth in Section 2.01(a).

“**Contributor**” has the meaning set forth in the Preamble.

“**Contributor Event of Default**” means the occurrence of one or more of the following:

(a) Any representation or warranty of Contributor in any Loan Document to which it is party or in any certificate or other document delivered by Contributor in connection with the Loan Documents proves to have not been true and correct in all material respects at the time it was made or deemed made (except that any representation or warranty that is qualified as to “materiality” or “Material Adverse Effect” shall be true and correct in all respects) and, solely if the consequences of the failure of such representation or warranty to be true and correct can be cured, such failure continues for a period of thirty (30) days without such cure after the earlier of (x) the date Contributor becomes aware of such failure and (y) the date Company, or Lender on behalf of Company, provides Notice of such failure to Contributor.

(b) Contributor fails to perform or observe any covenant or agreement contained in Sections 4.01(e), (f), (g)(i), or (h)(i).

(c) Contributor fails to perform or observe (i) any covenant or agreement contained in the Loan Documents to which it is a party (other than those referred to in preceding subclause (b)) and, solely if the consequences of the failure to perform or observe such covenant or agreement can be cured, such failure continues for a period of thirty (30) days without such cure after the earlier of (x) the date Contributor becomes aware of such failure and (y) the date Company, or Lender on behalf of Company, provides Notice of such failure to Contributor or (ii) any covenant or agreement contained in Section 4.01(m) and, in the case of this clause (ii), solely if the consequences of the failure to perform or observe such covenant or agreement can be cured, such failure continues for a period of ten (10) days without such cure after the earlier of (x) the date Contributor becomes aware of such failure and (y) the date Company, or Lender on behalf of Company, provides Notice of such failure to Contributor.

(d) (i) Any of the Loan Documents to which Contributor is a party shall cease to be in full force and effect, (ii) the validity or enforceability of any of the Loan Documents to which Contributor is a party is disaffirmed or challenged in writing by Contributor or any of its Affiliates or any Person (other than Lender) asserting an interest in any of the Collateral and such written disaffirmation or challenge is not withdrawn or disavowed by such Person within thirty (30) days after its communication or Contributor has not brought appropriate proceedings for declaratory or other relief negating such disaffirmation or challenge within thirty (30) days after such communication and has not obtained an order granting such relief

within ninety (90) days after commencement of such proceedings, or (iii) this Agreement, the Revenue Interest Purchase Agreement, the Intercompany License Agreement, the Security Agreement, or the Stock Pledge Agreement shall cease to give Lender (directly or as assignee of Company) the rights purported to be created hereby or thereby (including a first priority perfected Lien on all of the Collateral in

the event of a Recharacterization or on the Capital Stock of Company) other than as a direct result of any action by Lender or failure of Lender to perform an obligation of Lender under the Loan Agreement.

(e) Any security interest purported to be created by this Agreement, the Revenue Interest Purchase Agreement, the Intercompany License Agreement, the Security Agreement or the Stock Pledge Agreement shall cease to be in full force and effect, or shall cease to give the rights, powers and privileges purported to be created and granted hereunder or thereunder (including a perfected first priority security interest in and Lien on the substantially all of the Collateral in the event of a Recharacterization (except as otherwise expressly provided herein and therein)) in favor of Company or Lender pursuant hereto or thereto, or shall be asserted by Contributor not to be a valid, perfected, first priority (except as otherwise expressly provided in this Agreement, the Revenue Interest Purchase Agreement, the Intercompany License Agreement, the Security Agreement or the Stock Pledge Agreement) security interest in the Collateral, and/or Contributor takes any action which could reasonably be expected to impair Lender's security interest in any of the Capital Stock of Company or any of the Collateral.

(f) Prior to the earlier of the Chinese Regulatory Approval and the Change-Over Date, (i) the Parent Guarantee shall cease to be in full force and effect or shall cease to give the rights, powers and privileges purported to be created and granted thereunder in favor of Lender or (ii) Contributor asserts that the Parent Guarantee is not in full force and effect (except as otherwise expressly provided in the Parent Guarantee) or takes any action which could reasonably be expected to impair the guarantee provided to Lender under the Parent Guarantee except as otherwise permitted in the Loan Documents.

(g) An Insolvency Event with respect to Contributor shall occur.

“Default” means any condition or event which constitutes a Contributor Event of Default or which, with the giving of notice or the lapse of time or both (in each case to the extent described in the relevant subclauses of the definition of “Contributor Event of Default”) would, unless cured or waived, become a Contributor Event of Default.

“Development Plan” has the meaning set forth in Section 1.19 of the License Agreement.

“Effective Date” means the date hereof.

“Excluded Assets” means all of Contributor's right, title and interest in, to and under License Agreement to receive Event Milestone and Commercialization Milestone (each as defined in the License Agreement) payments pursuant to Sections 8.2 and 8.3, respectively, of the License Agreement.

“Field” has the meaning set forth in Section 1.25 of the License Agreement.

“Indemnified Party” has the meaning set forth in Section 7.01(a).

“JDC” has the meaning set forth in Section 1.44 of the License Agreement.

“**JMCC**” has the meaning set forth in Section 1.45 of the License Agreement

“**Initial Funding Date**” means the date the First Tranche Loan is made by Lender to Borrower pursuant to Section 2.01(a) of the Loan Agreement.

“**Lender**” means R-Bridge Investment Four Pte. Ltd., a Singapore private company limited.

“**Loan Agreement**” means that certain Loan Agreement dated as of March 30, 2022 by and between Lender and Company.

“**Permitted Contribution Liens**” means Liens created in favor of Lender under the Loan Documents.

“**Purchase Price**” means [***].

“**Recharacterization**” has the meaning set forth in Section 2.04(b).

“**Servicer**” has the meaning set forth in Section 5.01.

“**Servicer Termination Event**” has the meaning set forth in Section 5.05.

“**Servicing Fee**” means [***].

“**Servicing Standard**” has the meaning set forth in Section 5.01(c).

“**Transferred Assets**” has the meaning set forth in Section 2.01(a).

“**Transferred Contracts**” has the meaning set forth in Section 2.01(a)(iv).

Section 1.02 Rules of Construction. For purposes of this Agreement except as otherwise expressly provided or unless the context otherwise requires:

(a) the terms defined in this Agreement have the meanings assigned to them in this Agreement and include the plural as well as the singular, and the use of any gender herein shall be deemed to include the other gender;

(b) accounting terms not otherwise defined herein have the meanings assigned to them in accordance with GAAP;

(c) references herein to “Articles”, “Sections”, “Subsections”, “paragraphs”, and other subdivisions without reference to a document are to designated Articles, Sections, Subsections, paragraphs and other subdivisions of this Agreement;

(d) a reference to a Subsection without further reference to a Section is a reference to such Subsection as contained in the same Section in which the reference appears, and this rule shall also apply to paragraphs and other subdivisions;

(e) unless otherwise specified, references to an agreement or other document

include references to such agreement or document as from time to time amended, restated, amended and restated, extended, supplemented or otherwise modified in accordance with the terms thereof (subject to any restrictions on such amendments, restatements, reformations, supplements or modifications set forth herein or in any of the other Loan Documents) and include any annexes, exhibits and schedules attached thereto;

(f) the words “herein”, “hereof”, “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular provision;

(g) the words “include”, “including” and other words of similar import shall mean without limitation by reason of enumeration;

(h) the word “will” shall be construed to have the same meaning and effect as the word “shall”;

(i) the word “or” shall be interpreted in the inclusive sense commonly associated with the term “and/or”;

(j) references to any Applicable Law shall include such Applicable Law as from time to time in effect, including any amendment, modification, codification, replacement or reenactment thereof or any substitution therefor;

(k) references to any Person shall be construed to include such Person’s successors and permitted assigns (subject to any restrictions on assignment, transfer or delegation set forth herein or in any of the other Loan Documents), and any reference to a Person in a particular capacity excludes such Person in other capacities; and

(l) in the computation of a period of time from a specified date to a later specified date, the word “from” means “from and including” and each of the words “to” and “until” means “to but excluding”.

ARTICLE II

ASSIGNMENT OF THE TRANSFERRED ASSETS

Section 2.01 Assignment of Transferred Assets on the Effective Date.

(a) On the Effective Date, and subject to Section 2.01(b) and Section 2.01(c), Contributor shall sell, contribute, assign, transfer, convey and grant (collectively, “**Contribute**”) to Company, and Company shall purchase, acquire and accept from Contributor, without recourse except to the extent provided in this Agreement, all of Contributor’s rights, title and interest in and to, and obligations under, the following assets, in each case, solely with respect to the Territory:

(i) the License Agreement (including Contributor’s right to all payments in respect of the Royalty Interest, and provided that the Excluded Assets shall be paid to Contributor as set forth in the Licensee Instruction Letter);

(ii) the Intellectual Property and the regulatory approvals set forth on Schedule 2.01(a)(ii) (including all rights of Contributor to Commercialize and Exploit the Licensed Product in the Field in the Territory);

(iii) a royalty-free exclusive sublicense to Company to Know-How (as defined in the License Agreement) to Exploit the Licensed Product in the Field in the Territory, including the right to grant sublicenses (subject to Section 3.3 of the License Agreement), pursuant to, and subject to, the terms of the Intercompany License Agreement;

(iv) a royalty-free exclusive sublicense to Company to Licensed Patents to Exploit the Licensed Product in the Field in the Territory, including the right to grant sublicenses (subject to Section 3.3 of the License Agreement) from the Effective Date until the assignments of the Licensed Patents become effective; and

(v) the contracts, agreements and instruments set forth on Schedule 2.01(a)(iii) and all contracts, agreement and instruments entered into by Contributor on behalf of Company pursuant to Section 5.01(d) (together with the License Agreement, the “**Transferred Contracts**”);

in each case free and clear of any and all Liens except Permitted Contribution Liens (such rights, title and interest, together with all proceeds thereof, and such obligations, collectively, the “**Transferred Assets**”).

Contributor and Company intend and agree that the sale, contribution, assignment, transfer, conveyance and grant of the Transferred Assets under this Agreement shall be, and is, a true, complete, absolute and irrevocable sale, contribution, assignment, transfer, conveyance and grant of the Transferred Assets by Contributor to Company, and that such sale, contribution, assignment, transfer, conveyance and grant shall provide Company with all of Contributor’s rights, title and interest in and to the Transferred Assets. To the extent applicable, Contributor shall hold the Transferred Assets in trust, subject to the security interests of Lender and the Permitted Contribution Liens, until they are transferred to Company.

(b) In full consideration of Contributor’s sale, contribution, assignment, transfer, conveyance and grant to Company of the Transferred Assets as of the Effective Date and pursuant to this Agreement, Company shall (A) assume the Assumed Obligations, (B) pay (or cause to be paid) the Purchase Price to Contributor on the Initial Funding Date, by transferring (or causing to be transferred) the Purchase Price to Contributor to the account of Contributor specified by it in writing and (C) accept a capital contribution in the amount of all of the excess value of the aggregate amount of the Transferred Assets over the Purchase Price. In accordance herewith, Contributor, concurrently with execution and delivery of this Agreement, hereby contributes to Company all of the excess value of the aggregate amount of the Transferred Assets over the Purchase Price to the Company, as a capital contribution. Company acknowledges receipt of such capital contribution and its entry in the financial records of Company as a capital contribution.



(c) Company hereby acknowledges and confirms that from and after the Effective Date, Company shall be bound by the License Agreement as if it were a party to it as and to the identical extent applicable to Contributor prior to the date hereof.

Section 2.02 Required Financing Statements; Marking of Records; Licensee Notice and Instruction.

(a) In connection with the transfers made by Contributor to Company under this Article II on the Effective Date, Contributor will file (or cause to be filed), at its own expense, all UCC financing statements in appropriate form for filing under the UCC, and all other certificates, agreements, instruments, filings, recordings and other actions that are necessary or reasonably requested by or on behalf of Company in order to establish, protect, preserve and perfect the transfer of the Transferred Assets to Company.

(b) All financing statements (or documents of similar import) shall meet the requirements of Applicable Law. Contributor irrevocably authorizes Company and its assigns at any time and from time to time in the sole discretion of Company or its assigns, and appoints Company and its assigns as its attorney-in-fact, to act on behalf of Contributor (i) to execute on behalf of Contributor as debtor and to file financing statements necessary or appropriate in Company or its assign's sole discretion to perfect and to maintain the perfection and priority of the interest of Company in the Transferred Assets and (ii) to file a carbon, photographic or other reproduction of this Agreement or any financing statement with respect to the Transferred Assets as a financing statement in such offices as Company or its assigns in their sole discretion deem necessary or appropriate to perfect and to maintain the perfection and priority of Company's interests in such Transferred Assets. Company shall provide Contributor with copies of any such filings. This appointment is coupled with an interest and is irrevocable.

(c) In view of the intention of the parties hereto that the assignment and transfer of the Transferred Assets made hereunder shall constitute outright sales or contributions of the Transferred Assets rather than loans secured thereby, in connection with the transfer and conveyance of the Transferred Assets Contributor has, at its own expense caused its records to be marked on the Effective Date to show that the Transferred Assets have been transferred to Company in accordance with this Agreement.

(d) On the Effective Date, Contributor and Company shall jointly deliver the Licensee Instruction Letter to Licensee. Contributor and Company represent and agree that delivery of the Licensee Instruction Letter to the Licensee shall be in compliance with the notice provisions provided for under the License Agreement.

Section 2.03 General Provisions Regarding the Transfer of the Transferred Assets. The assignment of the Transferred Assets pursuant to this Agreement shall be without recourse to Contributor (it being understood that Contributor shall be liable to

Company for all representations, warranties, covenants and indemnities made by Contributor pursuant to the terms of this Agreement).

Section 2.04 Intent.

(a) Contributor and Company intend that the transfer by Contributor to Company of the Transferred Assets pursuant to Section 2.01 hereof shall be true, absolute and irrevocable, shall constitute a valid transfer and conveyance by Contributor of the Transferred Assets and shall provide Company with the full benefits of ownership of the Transferred Assets, and that the Transferred Assets shall not be part of Contributor's estate in the event of the insolvency or bankruptcy of Contributor.

(b) Without limiting the provisions of Section 2.04(a), as a precaution to address the possibility that, notwithstanding that Contributor and Company expressly intend and expect that the sale, contribution, assignment, transfer, conveyance and grant of the Transferred Assets hereunder shall be a true, absolute and irrevocable sale and assignment and a true, absolute and irrevocable contribution for all purposes, to protect the interest of Company in the event that such sale and assignment is recharacterized as other than a true sale or such contribution is recharacterized as other than a true contribution, or such sale and assignment or contribution, as applicable, will for any reason be ineffective or unenforceable as such, as determined in a judicial, administrative or other proceeding (any of the foregoing being a "**Recharacterization**"), Contributor does hereby grant to Company a continuing security interest (which shall be of first priority) in all of Contributor's right, title and interest in, to and under the Transferred Assets, whether now or hereafter existing, and any and all "proceeds" thereof (as such term is defined in the UCC), in each case, for the benefit of Company as security for the prompt and complete payment of a loan deemed to have been made in an amount equal to the Purchase Price (plus a market rate of return thereon) together with the performance when due of all of Company's obligations now or hereafter existing under this Agreement and the other Loan Documents, which security interest will, upon the filing of a duly prepared financing statement in the appropriate filing office, be perfected and prior to all other Liens on the rights of Contributor under the License Agreement to the extent of the Transferred Assets. In the event of a Recharacterization, Company will have, in addition to the rights and remedies which it may have under this Agreement, all other rights and remedies provided to a secured creditor after default under the UCC and other Applicable Law, which rights and remedies will be cumulative. This Agreement shall constitute a security agreement in respect of such security interest.

(c) Contributor and Company intend that their operations and business would not be substantively consolidated in the event of an Insolvency Event with respect to Contributor and that the separate existence of Contributor and Company would not be disregarded in the event of an Insolvency Event with respect to Contributor. Company and Contributor acknowledge that the Organizational Documents of Company contains provisions intended to maintain the separate existence and identity of Company and the parties agree that they will duly observe such provisions and Applicable Law in support of such separate existence and identity.

ARTICLE III

REPRESENTATIONS AND WARRANTIES

Section 3.01 Representations and Warranties of Contributor. Contributor represents and warrants that the representations and warranties set forth under Section 7.01(m), 7.01(n),

7.01(p), 7.01(q), 7.01(r) and 7.02 of the Loan Agreement are true and correct, and such representations and warranties are hereby made herein by Contributor as though set forth in full herein. Company has relied upon such representations and warranties in purchasing and accepting the conveyance of the Transferred Assets and the other parties to the transactions contemplated hereby have relied upon such representations and warranties in executing each of the Loan Documents to which it is a party. Such representations and warranties shall survive until the Loan Agreement Termination Date.

Section 3.02 Survival of Representations and Warranties. All representations and warranties by Contributor contained in this Agreement shall survive the execution, delivery and acceptance thereof by Contributor and Company and the closing of the transactions contemplated in this Agreement.

ARTICLE IV

COVENANTS OF THE CONTRIBUTOR AND COMPANY; CONTRIBUTOR EVENT OF DEFAULT

Section 4.01 Contributor Covenants. Contributor hereby covenants and agrees with Company, in connection with the sale and assignment and contribution of the Transferred Assets, as follows:

(a) Financial Statements and Information. Contributor will comply with and facilitate Company undertakings regarding financial statements and other information relating to Contributor set forth in Section 8.03 and Section 8.11 of the Loan Agreement.

(b) Disclosure. All written information supplied by or on behalf of Contributor to Company pursuant to this Section 4.01 (other than pursuant to Sections 8.03(a) and 8.03(b) of the Loan Agreement) shall be accurate and complete in all material respects as of its date or the date so supplied and the financial statements provided pursuant to Sections 8.03(a) and 8.03(b) of the Loan Agreement fairly present in all material respects the financial positions and results of operations as of the dates indicated therein. For the avoidance of doubt, Contributor makes no representations or warranties regarding the accuracy or completeness of any information it receives from a Third Party that it is required to furnish to Company pursuant to this Section 4.01, unless to the actual Knowledge of Contributor such information is inaccurate or incomplete, in which case Contributor shall specify such inaccuracy or incompleteness.

(c) Books and Records. Contributor shall keep proper books, records and accounts in which entries in conformity with sound business practices and all requirements of Law applicable to it shall be made of all dealings and transactions in relation to its business, assets and activities and as shall permit the preparation of the consolidated financial statements of Contributor in accordance with GAAP.

(d) Maintenance of Insurance. Contributor shall maintain coverage under its general liability and property damage insurance policies naming Company

and its assigns (including Lender) as additional insured (in the case of liability insurance) and loss payee (in the case of property insurance). Contributor shall furnish to Company from time to time upon

written request full information as to the insurance carried.

(e) Governmental Authorizations. Contributor shall obtain, make and keep in full force and effect all authorizations from and registrations with Governmental Authorities that may be required for the validity or enforceability against Contributor of this Agreement and the other Loan Documents to which it is a party.

(f) Compliance with Laws and Contracts.

(i) Contributor shall comply, and shall cause its Affiliates to comply, with all Applicable Laws applicable to the Transferred Assets and the research, development, manufacture, supply and Commercialization of the Licensed Product, and perform its obligations and enforce its rights, under all Material Contracts, except where the failure to comply or enforce could not reasonably be expected to result in a Material Adverse Effect.

(ii) Contributor shall comply, in all material respects, with all acts, rules, regulations, orders, decrees and directions of any Governmental Authority applicable to the Transferred Assets and the research, development, manufacture and Commercialization of the Licensed Product.

(g) Conveyance of Transferred Assets; Security Interests.

(i) Except for the transfers and conveyances hereunder and except for any Permitted Lien and the Liens in favor of Lender, (A) Contributor will not (and will not purport to) pledge, assign or transfer to any other Person, or grant, create, incur, assume or suffer to exist any Lien on the Transferred Assets or any interest therein and (B) Contributor shall defend the right, title, and interest of Company and its successors and assigns in, to, and under the Transferred Assets, against all claims of third parties claiming through or under Contributor. Contributor acknowledges and agrees that, having assigned and transferred the Transferred Assets to Company, Contributor has no right to, and shall not purport to, waive, modify or amend any provision of the License Agreement.

(ii) If any amount is paid to Contributor under the License Agreement on account of the Transferred Assets (excluding the Excluded Assets) on or after the Effective Date, Contributor shall hold such amount in trust for Company, shall segregate such amount from other funds of Contributor, and shall, forthwith upon receipt by Contributor, turn over such amount to Company in the exact form received by Contributor (duly indorsed by Contributor to Company, if required), for deposit in the Collection Account.

(h) Notices.

(i) Contributor shall promptly (and in any event within four (4) Business Days) after obtaining Knowledge of the same give written Notice to Company and its assigns (including Lender) of each Default, Event

of Default or Service Termination Event and each other event that has or could reasonably be expected to

have a Material Adverse Effect; provided that in any of the foregoing situations where Contributor knows a press release or other public disclosure is to be made by Contributor or any of its Affiliates, Contributor shall use all commercially reasonable efforts to provide such information to Company and its assigns (including Lender) as early as possible but in no event later than simultaneously with such release or other public disclosure.

(ii) Contributor shall promptly (and in any event within four (4) Business Days) give written Notice to Company and its assigns (including Lender) upon receiving notice, or otherwise obtaining Knowledge, of any default or event of default or material breach under any Material Contract.

(iii) Contributor shall, promptly (and in any event within four (4) Business Days) after obtaining Knowledge thereof, give written Notice to Company and its assigns (including Lender) of any litigation or proceedings to which Contributor is a party or which could reasonably be expected to have a Material Adverse Effect.

(iv) Contributor shall, promptly (and in any event within four (4) Business Days) after obtaining Knowledge thereof, give written Notice to Company and its assigns (including Lender) of any litigation or proceedings challenging the validity of the License Agreement or otherwise related to the License Agreement, any Permitted License, the Intellectual Property, the Loan Documents or any of the transactions contemplated therein.

(v) Contributor shall, promptly after obtaining Knowledge thereof, give written Notice to Company and its assigns (including Lender) of any representation or warranty made or deemed made by Contributor in any of the Loan Documents or in any certificate delivered pursuant thereto shall prove to be untrue, inaccurate or incomplete in any material respect on the date as of which made or deemed made.

(vi) Contributor shall, promptly (and in any event within four (4) Business Days) after obtaining Knowledge thereof, give written Notice to Company and its assigns (including Lender) of the receipt of or otherwise obtaining Knowledge of any material communications with any Regulatory Authority regarding the Licensed Product.

(vii) Contributor shall, promptly (and in any event within four (4) Business Days) forward to Company and its assigns (including Lender) copies of Licensee's updates and proposed amendments to the Development Plan and other materials Licensee submits to the JDC and promptly after obtaining Knowledge thereof, give written Notice to Company and its assigns (including Lender) of any and all material matters (such as amendment to the Development Plan) to be decided by the JDC or the JMCC of the Licensee, together with all relevant information.

(viii) Contributor shall, promptly (and in any event within four (4) Business Days) after obtaining Knowledge thereof, give written Notice to Company and its assigns (including Lender) of the occurrence of any Material Adverse Effect.

(ix) Without limiting the foregoing clauses (i) through (viii), Contributor shall, promptly (and in any event prior to when the same are required to be delivered by Company to Lender pursuant to Section 8.11 of the Loan Agreement) following receipt by Contributor or delivery by Contributor thereof deliver to Company a copy of any Notice, document, communication, or information required to be delivered by Company to Lender pursuant to Section 8.11 of the Loan Agreement.

(i) Taxes. Contributor shall file all tax returns required to be filed by it and pay, discharge or otherwise satisfy all material taxes of any kind imposed on or in respect of its income or assets as the same shall become due and payable and in any event before any Lien on any of the Transferred Assets exists as a result of nonpayment except for Permitted Liens.

(j) Intellectual Property.

(i) Contributor will comply with and facilitate Company undertakings set forth in Section 8.14 of the Loan Agreement.

(ii) Without limiting the foregoing:

(A) Contributor shall prepare, execute, deliver and file any and all agreements, documents or instruments which are necessary to enable Company to (A) prosecute and maintain the material Intellectual Property (including Patents included therein) in accordance with the terms of the License Agreement and to the extent that Contributor has the right to prosecute and maintain such material Intellectual Property; and (B) defend or assert such material Intellectual Property against infringement or interference by any other Persons, and against any claims of invalidity or unenforceability, in the Territory, in each case, in accordance with the terms of the License Agreement (including by bringing any legal action for infringement or defending any counterclaim of invalidity or action of a Third Party for declaratory judgment of non-infringement or non-interference) solely to the extent that Contributor has the right to do so until completion of the assignments hereunder.

(B) Contributor shall not, without the prior consent of Company, grant or withhold any consent, exercise or waive any right or option or fail to exercise any right or option in respect of, affecting or relating to the Licensed Product or the Intellectual Property in any manner that would (1) reasonably be expected to have a Material Adverse Effect or (2) conflict with, or that would reasonably be expected to give rise to a breach, violation, termination or default under the License Agreement.

(C) Contributor shall inform counsel to Contributor responsible for the prosecution, maintenance and enforcement, if any, of the Intellectual Property, of the transfer of the Intellectual Property to Company, and that the attorney-client privilege be further transferred to Company.

(k) Security Documents; Further Assurances. Subject to Section 4.01(j)(ii), Contributor shall promptly, upon the reasonable request of Company or its assigns (including Lender), at Contributor's sole cost and expense, (a) execute, acknowledge and deliver, or cause the execution, acknowledgment and delivery of, and thereafter register, file or record, or

cause to be registered, filed or recorded, in an appropriate governmental office, any document or instrument supplemental to or confirmatory of the Loan Documents or otherwise deemed by Company or its assigns (including Lender) reasonably necessary or desirable for the continued validity, perfection and priority of the assignment of the Transferred Assets or the Liens thereon secured pursuant to Section 2.04 subject to no other Liens except as permitted by the applicable Loan Document, or obtain any consents or waivers as may be necessary or appropriate in connection therewith; (b) deliver or cause to be delivered to Company and its assigns (including Lender) from time to time such other documentation, consents, authorizations, approvals and orders in form and substance reasonably satisfactory to Company and such assigns as Company or such assigns shall reasonably deem necessary to perfect or maintain the assignment of the Transferred Assets or the Liens thereon secured pursuant to Section 2.04; and (c) upon the exercise by Company or any of its assigns (including Lender) of any power, right, privilege or remedy pursuant to any Loan Document which requires any consent, approval, registration, qualification or authorization of any Governmental Authority execute and deliver all applications, certifications, instruments and other documents and papers that Company or such assigns may require. In addition, subject to Section 4.01(j)(ii), Contributor shall promptly, at its sole cost and expense, execute and deliver to Company and its assigns (including Lender) such further instruments and documents, and take such further action, as Company or such assigns may, at any time and from time to time, reasonably request in order to carry out the intent and purpose of this Agreement and the other Loan Documents to which it is a party and to establish and protect the rights, interests and remedies created, or intended to be created, in favor of Company and its assigns (including Lender) hereby and thereby. Notwithstanding anything to the contrary herein or in any other Loan Document, Contributor shall not have any obligation to perfect or record any security interest or lien in, or reflect the transfer of, any Intellectual Property included in the Transferred Assets in any jurisdiction other than in the United States or the Territory.

(l) Certain Information Regarding Contributor, Etc. Contributor shall provide information that Company or its assigns (including Lender) requires or may reasonably request from Contributor with respect to the Transferred Assets relating to any period prior to the Effective Date, including information that may be reasonably requested under the Loan Agreement.

(m) Quarterly Meetings. Company and Lender shall have the right, from time to time, not more than once per Calendar Quarter, during normal business hours and upon at least five (5) Business Days' prior written notice to Contributor (provided that, after the occurrence and during the continuance of a Contributor Event of Default, Company and Lender shall have the right, as often, at such times and with such prior notice, as Lender determines in its reasonable discretion), to visit the offices and properties of Contributor where books and records relating or pertaining to the Collateral and the Licensed Product are kept and maintained (or, at Lender's option, to conduct a meeting by telecommunications), to discuss, with officers of Contributor, the business, operations, properties and financial and other condition of Contributor, the Collateral and the Licensed Product and any topics related thereto, to verify compliance with this Agreement and the Loan Agreement, including with respect to the receipt, calculation and application of the Collection Amount, and, upon physical

visits, to inspect and make extracts from and copies of the books and records of Company and Contributor relating or pertaining to the Collateral and the Licensed Product.

(n) New Arrangement. If Company is obligated to take any actions requested by Lender or otherwise cooperate with Lender with respect to the identification, negotiation, and/or execution and delivery of a New Arrangement pursuant to Section 8.17 of the Loan Agreement, Contributor shall reasonably cooperate with Lender, at Lender's direction, in connection with the negotiation, execution and delivery of any New Arrangement, shall not execute and deliver any agreement effecting a New Arrangement unless requested to do so by Lender (and shall do so if requested to do so by Lender). To the extent any such arrangements are executed and entered into by Contributor on behalf of Company, Contributor shall forthwith Contribute all of its right, title and interest therein to Company, subject to Company's assumption of the Assumed Obligations in respect thereof.

(o) Certain Company Covenants and Organizational Documents. Contributor shall, so long as it is the sole shareholder of Company and prior to the Loan Agreement Termination Date, cause Company to be managed and operated in a manner consistent with the negative covenants contained in Section 9.01 of the Loan Agreement and the Organizational Documents of Company.

(p) Capital Contributions. So long as any Obligations are outstanding under the Loan Agreement, Contributor will limit capital contributions to Company to no more than one (1) in any two (2) quarter period, other than a capital contribution effected to facilitate Company's payment of all amounts due upon a prepayment under Article III of the Loan Agreement; provided that the foregoing shall not create an obligation to effect capital contributions, which shall be in Contributor's sole discretion, and provided further that the following shall not be included in such limits and shall be permitted without restriction: (i) capital contributions effected pursuant to Section 2.01(b) or Section 5.01(d) hereof, (ii) capital contributions to pay any Obligations in full and (iii) capital contributions effected pursuant to the Revenue Interest Purchase Agreement.

Section 4.02 Company Covenants. Company hereby covenants and agrees with Contributor as follows:

(a) Financial Statements and Information. For each quarter ending after the Effective Date, Company shall, promptly following receipt thereof under Section 8.5 of the License Agreement, deliver or cause to be delivered (or otherwise make available) to Contributor a true copy of the reports contemplated thereunder for such quarter. In addition, promptly following receipt thereof, Company shall deliver or cause to be delivered (or otherwise make available) to Contributor the plans deliverable by Licensee pursuant to Section 4.2 of the License Agreement, the results of any audit conducted pursuant to Section 8.9 of the License Agreement and any other notices, consents, correspondence, approvals, reports, requests, waivers, elections and other communications delivered by Licensee to Company, or by Company to Licensee, pursuant to or in connection with the License Agreement. Contributor shall conduct on behalf of Company the exercise by Company of the audit rights of Company under Section 8.9 of the License Agreement (subject to all restrictions and limitations thereon contained in the License Agreement and the Loan Agreement), provided that Company will not independently exercise (nor waive) such rights and Company will cooperate at its own expense with Contributor in such

exercise, and Contributor acknowledges the rights of Lender in respect of Section 8.9 of the License Agreement and will comply with the provisions of the Loan Agreement regarding such

rights.

(b) No Merger, Consolidation or Reorganization of Company.

Company shall not merge or consolidate with any other entity and shall not enter into any other transaction that results in a reorganization of Company.

(c) Limitations on Additional Indebtedness of Company.

Company shall not incur any indebtedness other than as contemplated in this Agreement or in the other Loan Documents.

(d) Compliance with Law. Company shall comply, in all material respects, with all acts, rules, regulations, orders, decrees and directions of any Governmental Authority applicable to the Transferred Assets or any part thereof; provided, however, that Company may contest any act, regulation, order, decree or direction of any Governmental Authority in any reasonable manner which shall not have a Material Adverse Effect.

(e) Excluded Assets. If any amount is paid to Company under the License Agreement on account of the Excluded Assets on or after the Closing Date, Company shall hold such amount in trust for Contributor, shall segregate such amount from other funds of Company, and shall, forthwith upon receipt by Company, turn over such amount to Contributor in the exact form received by Company (duly indorsed by Company to Contributor, if required), for deposit by Contributor.

Section 4.03 Consequences of Contributor Event of Default. If a Contributor Event of Default has occurred and is continuing, in addition to any other action that Lender may be entitled to take in connection with a Contributor Event of Default, the parties acknowledge that damages may be difficult to establish and accordingly Lender, at any time prior to the Loan Agreement Termination Date, shall be entitled to take such legal action and exercise such legal or equitable remedies, including seeking injunctive or other equitable relief without being required to prove actual damages or post any bond, as Lender may determine in its sole discretion in order to correct or prevent the continuation of such Contributor Event of Default.

ARTICLE V

SERVICING

Section 5.01 Appointment of Contributor. Company shall maintain a servicer (the “**Servicer**”) to perform certain servicing, management and administrative functions on behalf of Company with respect to the Transferred Assets.

(a) Company hereby appoints Contributor as the initial Servicer hereunder, and Contributor hereby accepts such appointment hereunder, to perform the duties described in or by reference in this Article V.

(b) Company hereby grants Contributor, in connection with and for so long as Contributor remains as the Servicer hereunder, a co-exclusive (with Company), royalty-free license, in the Territory under the Transferred Assets solely to

perform the duties of Servicer pursuant to this Agreement, and such Contributor co-exclusive rights are not sublicenseable or

assignable in any circumstances. For clarity, the license granted pursuant to this Section 5.01 shall terminate effective upon the termination of Contributor as Servicer for any reason.

(c) In consideration for its performing such duties hereunder, Contributor, as initial Servicer, shall be entitled to receive the Servicing Fee, if any, from Company. The Servicing Fee, if any, shall be payable quarterly in arrears on each Quarterly Payment Date and shall be paid in accordance with Section 4.04(a) of the Loan Agreement. Any unpaid portions of the Servicing Fee shall bear interest at a rate agreed upon by the Contributor and Company, acting reasonably and in good faith. In performing such duties hereunder, Contributor shall have full power and authority to do or cause to be done, on behalf of and in the name of Company and with Company's prior written consent, any and all things in connection with such servicing, management and administration which it may deem necessary or desirable, consistent with the terms hereof (including Section 5.03), the License Agreement, any New Arrangement, and the Loan Agreement. Contributor agrees that it shall service, manage, administer, and perform on behalf of Company under the License Agreement and enforce the rights of Company thereunder in good faith, with reasonable care, in accordance with Applicable Law, in compliance with Company's obligations under the Loan Documents, using substantially the same degree of diligence and skill that it uses to service and perform agreements such as the License Agreement and any other license arrangements, and generally to Commercialize and Exploit pharmaceutical products for its own account (such standards and requirements of performance, the "**Servicing Standard**"). Contributor, as Servicer on behalf of Company, shall maintain any licenses or authorizations necessary to service the Transferred Assets. Contributor shall administer and perform under the License Agreement and manage and maintain the Intellectual Property in such a manner as will, in its reasonable judgment and at all times in accordance with the Servicing Standard, preserve and protect the Royalty Interest.

(d) Without limiting the foregoing, Contributor as Servicer shall administer and perform on behalf of Company its obligations under Section 8.17 of the Loan Agreement, and to the extent any such arrangements are executed and entered into by Contributor, Contributor shall forthwith Contribute all of its right, title and interest therein, other than any applicable excluded assets or rights that constitute or replace the Excluded Assets, to Company, subject to Company's assumption of the Assumed Obligations in respect thereof.

Section 5.02 Certain Contributor Actions. So long as it is the Servicer, Contributor shall take such actions on behalf of Company, in accordance with the Servicing Standard, as are necessary to cause Company to exercise its rights and perform its obligations under the License Agreement and any other arrangements for the Commercialization and Exploitation of the Licensed Product.

Section 5.03 Compliance with the Loan Agreement. Notwithstanding anything to the contrary herein, Contributor's servicing obligations hereunder shall at all times be subject to the terms of the Loan Agreement. Contributor and Company agree that Contributor shall take no action with respect to the License Agreement, any New Arrangement or any other arrangement relating to the Commercialization and

Exploitation of the Licensed Product on behalf of Company, nor instruct Company to take any such action, that is inconsistent with the terms of the Loan Agreement, the obligations of Company thereunder or the rights of Lender thereunder. For the avoidance of doubt, Contributor shall not, and shall not instruct Company to, take any action

without the consent of Lender where such consent is required pursuant to the Loan Agreement, and Contributor shall not agree to, or cause or permit any amendment, waiver, termination or modification of the License Agreement or any Material Contract except as permitted to be effected by Company under the Loan Agreement. Contributor and Company agree that (i) following the occurrence of any Contributor Event of Default or (ii) with respect to any instance in which Lender has provided a direction to Company under the Loan Agreement that Contributor is to effectuate under this Agreement and Company fails to follow such direction promptly, Contributor shall service, administer, manage and perform under the License Agreement, any New Arrangement or any other arrangement relating to the Commercialization and Exploitation of the Licensed Product.

Section 5.04 Services as Servicer. In addition to (and not in limitation of) the provision of Section 5.01, Contributor shall perform the following services on behalf of Company:

(a) review all documents, notices and other communications under the License Agreement, any New Arrangement and any other arrangement relating to the Commercialization and Exploitation of the Licensed Product and provide such copies to Lender as are required under the Loan Agreement, together with any responses as Company is required to provide in respect thereof;

(b) prepare, forward and process any statements or billing materials that Company is required to provide to the Licensee or any other Person in order to receive payment of amounts due to Company under the License Agreement, any New Arrangement and any other arrangement relating to the Commercialization and Exploitation of the Licensed Product;

(c) monitor the performance of the Licensee under the License Agreement, any New Arrangement and any other arrangement relating to the Commercialization and Exploitation of the Licensed Product, exercise the rights and perform the obligations of Company and take such other actions as may be necessary to enforce the rights of Company thereunder (including any exercise of audit rights, the right to participate in and act as the chairman of the JDC and/or JMCC) and collect amounts due to Company thereunder, on behalf of Company, and procure and supervise the services of any third parties necessary or appropriate in connection with the monitoring, enforcement, collection and remittance of the proceeds of the Transferred Assets;

(d) maintain each of the Blocked Accounts in accordance with Company's obligations under the Loan Agreement and the related Blocked Account Control Agreement, and maintain and enforce the instructions to the Licensee or subsequent licensee to pay amounts due to Company under the License Agreement or any New Arrangement or to any other Person to pay amounts due to Company relating to Commercialization and Exploitation of the Licensed Product into the Collection Account;

(e) cause Company to maintain its organizational existence by filing all returns required in its jurisdiction of organization, and providing for its

general administrative needs and overhead relating to the Transferred Assets, subject to Section 9.01 of the Loan Agreement and its Organizational Documents;

(f) identify and forward as required under the Loan Agreement any payments that are to be made to a Blocked Account but when made are made to Company, Contributor or any misdirected account, and in consultation with Lender, effect the transfer thereof as required under the Loan Agreement;

(g) make on behalf of Company any security filings or other actions required to perfect or ensure the continued perfection of Company's rights in the Transferred Assets and Lender's rights in Collateral; and

(h) with respect to Intellectual Property:

(i) prepare, execute, deliver and file any and all agreements, documents or instruments which are necessary to (A) prosecute and maintain the material Intellectual Property (including Patents included therein) in accordance with the terms of the License Agreement to the extent that Contributor has the right to prosecute and maintain such material Intellectual Property; and (B) defend or assert such material Intellectual Property against infringement or interference by any other Persons, and against any claims of invalidity or unenforceability, in the Territory, in each case, in accordance with the terms of the License Agreement (including by bringing any legal action for infringement or defending any counterclaim of invalidity or action of a Third Party for declaratory judgment of non-infringement or non-interference) to the extent that Contributor has the right to do so. Contributor shall keep Company and its assigns informed of all of such actions and Company and its assigns (including Lender) shall have the opportunity to participate and meaningfully consult with Contributor with respect to the direction thereof and Contributor shall consider all of Company's or such assign's comments in good faith. For clarity, this subsection (i) shall apply only to the extent of Contributor's or any Affiliate's rights (including rights to review and comment) to prosecute, maintain and/or enforce the Intellectual Property.

(ii) not permit or suffer any of its Affiliates to, consent to any judgment or settlement in any action, suit or proceeding referred to in Section 9.4 of the License Agreement, without the prior written consent of Company and its assigns (including Lender), which consent shall not be withheld, delayed or conditioned by Company or such assign if doing so would result in the breach of the obligation to not unreasonably withhold, delay or condition its consent under Section 9.4 of the License Agreement.

(iii) use commercially reasonable efforts to prosecute all pending Patent applications within the Intellectual Property for which Contributor or its Affiliates has rights to prosecute such Patents consistent with standards in the pharmaceutical industry (as applicable) for similarly situated entities.

(iv) take commercially reasonable measures to protect the proprietary nature of material Intellectual Property and maintain in confidence all trade secrets and confidential information compromising a part thereof;

(v) not disclose and use commercially reasonable efforts to prevent any distribution or disclosure by others (including their employees and contractors) of any item that contains or embodies material, non-public Intellectual Property;

(vi) take reasonable physical and electronic security measures to prevent disclosure of any item that contains or embodies material, non-public Intellectual Property;

(vii) use commercially reasonable efforts to cause each individual associated with the filing and prosecution of the Patents material to the conduct of the business of Contributor to comply in all material respects with all applicable duties of candor and good faith in dealing with any Patent Office, including any duty to disclose to any Patent Office all information known by such individual to be material to patentability of each such Patent, in those jurisdictions where such duties exist, in each case to the extent that Contributor has the right to file and prosecute such Patents, including to the extent permissible under the License Agreement; and

(viii) furnish Company and its assigns (including Lender) from time to time upon Company's or such assign's reasonable written request therefor reasonably detailed statements and schedules further identifying and describing the Intellectual Property and such other materials evidencing or reports pertaining to any Intellectual Property as Company or such assign may reasonably request.

In performing as Servicer, Contributor shall not instruct the Licensee or any other Person to pay amounts in respect of the Transferred Assets to any account other than the respective Blocked Account required under the Loan Agreement or cause any such payments to be paid to any account other than such Blocked Account.

Section 5.05 Replacement Servicer. Contributor may be terminated as Servicer hereunder and replaced with a new Servicer by Company (or by Lender on behalf of Company in the event that Company shall fail to replace the Servicer within five (5) Business Days after a Servicer Termination Event, or in the event that a Contributor Event of Default has occurred and is continuing) following the occurrence of any of the following events (each, a "**Servicer Termination Event**"):

(a) Contributor fails to perform or observe any covenant or agreement contained in this Article V and, solely if the consequences of the failure to perform or observe such covenant or agreement can be cured, (i) in the case of any covenant or agreement contained in Sections 5.01(d), 5.04(d), (e), (f) or (g) or Section 5.04(h)(i), (ii) or (iii), such failure continues for a period of fifteen (15) Business Days without such cure after the earlier of (x) the date Contributor becomes aware of such failure and (y) the date Company, or Lender on behalf of Company, provides Notice of such failure to Contributor, and (ii) in the case of any other covenant or agreement contained in Article V (other than those referred to in preceding subclause (i)), such failure continues for a period of thirty (30) Business Days without such cure after the earlier of (x) the date Contributor becomes aware of such failure and (y) the date

Company, or Lender on behalf of Company, provides Notice of such failure to Contributor;

- (b) an Insolvency Event with respect to Contributor; or
- (c) a Contributor Event of Default shall occur and be continuing.

Termination of Contributor as Servicer hereunder shall be without prejudice to any rights of Company or Lender that may have accrued through such date. In the event that Contributor is terminated as Servicer, (i) a replacement Servicer shall be appointed by Company in consultation with, and with the prior written consent of, Lender, or by Lender on behalf of Company as provided in the first sentence of this Section 5.05 and (ii) Contributor shall cooperate reasonably with Company and Lender and any replacement Servicer designated by Company or Lender, to transfer any information and materials to such replacement Servicer or undertake any other reasonable actions to ensure an effective transition of services required in the servicing of the Transferred Assets to the successor Servicer.

ARTICLE VI

TERMINATION; SURVIVAL

Section 6.01 Termination. The respective obligations and responsibilities of Contributor and Company created by this Agreement shall terminate upon, but not prior to, the occurrence of the Loan Agreement Termination Date.

Section 6.02 Effect of Termination. No termination or rejection or failure to assume the executory obligations of this Agreement in the bankruptcy of Contributor or Company shall be deemed to impair or affect the obligations pertaining to any executed conveyance or executed obligations, including without limitation breaches of representations and warranties by Contributor or Company occurring prior to the date of such termination.

Section 6.03 Survival. Notwithstanding Section 6.01 hereof, the obligations of Contributor contained in Sections 4.01(f) and 4.01(i), Article VII, Section 8.13, Section 8.14 and this Section 6.03 shall survive the termination of this Agreement and the occurrence of the Loan Agreement Termination Date.

ARTICLE VII

INDEMNIFICATION PAYMENTS

Section 7.01 Indemnification.

(a) Contributor agrees to indemnify and hold harmless Company, Lender and their respective officers, directors, members, partners, employees and agents (each, an “**Indemnified Party**”) against any and all liabilities, obligations, losses, damages, penalties, claims, costs, expenses and disbursements of any kind or nature whatsoever (including the reasonable fees and disbursements of counsel for such Indemnified Party in connection with any investigative, administrative or judicial proceeding commenced or threatened by any Person whether or not any such Indemnified Party shall be designated as a party or a potential party thereto, and whether or not such Indemnified Party is required by Applicable Law to be involved

therein, and any fees or expenses actually incurred by Indemnified Parties in enforcing the

indemnity provided herein), whether direct, indirect or consequential, whether based on any federal, state or foreign laws, statutes, rules or regulations (including securities and commercial laws, statutes, rules or regulations), on common law or equitable cause or on contract or otherwise, which may be incurred or suffered by such Indemnified Party (except to the extent caused by the gross negligence or willful misconduct of the Indemnified Party) awarded against, or incurred or suffered by, such Indemnified Party, whether or not involving a third party claim, demand, action, suit or proceeding, arising out of (i) the failure of any representation, warranty or certification of Contributor in the Loan Documents or any certificate given by Contributor pursuant to any of the Loan Documents, to be true when made; (ii) a breach of any covenant by Contributor set forth in, or failure by Contributor to perform its duties under or otherwise comply with, the Loan Documents (whether or not a Contributor Event of Default or Servicer Termination Event), or Contributor's engaging in intentional misconduct, bad faith or negligence in the performance of such duties; or (iii) other than as permitted under Section 4.01(g), the transfer by Contributor of any interest in the Transferred Assets to any Person other than Company, or any attempt by any Person to void the transfer of the Transferred Assets to Company. It is the intention of the parties hereto that the above indemnities shall not be interpreted to provide indemnification for any damages, losses or costs that have the effect of recourse for non-payment or insufficient payment under the Transferred Assets and factors affecting the performance of the Transferred Assets and payments generated thereby that are not specifically represented, warranted or agreed to in the Loan Documents which may include but are not limited to product obsolescence, competition, changes in government healthcare policies or other healthcare provider reimbursement, patent invalidity (other than to the extent that Contributor had Knowledge of such patent invalidity as of the date of any related representation or warranty), and withholding taxes related to the Transferred Assets. This Section 7.01(a) shall not apply to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim. The provisions of this indemnity shall run directly to, and be enforceable by, an injured party and shall survive the termination of this Agreement. Without limiting the foregoing or Section 8.14 hereof, Company's rights under this Section 7.01 shall be assignable by Company to Lender pursuant to the terms of the Loan Agreement and the Security Agreement.

(b) If any claim, demand, action or proceeding (including any investigation by any Governmental Authority) shall be brought or alleged against an Indemnified Party in respect of which indemnity is to be sought pursuant to this Section 7.01, the Indemnified Party shall, promptly after receipt of notice of the commencement of any such claim, demand, action or proceeding, notify Contributor in writing of the commencement of such claim, demand, action or proceeding, enclosing a copy of all papers served, if any; provided, that the omission to so notify Contributor will not relieve Contributor from any liability that it may have to any Indemnified Party under this Section unless, and only to the extent that, Contributor is actually materially prejudiced by such omission. In case any such action is brought against an Indemnified Party and it notifies Contributor of the commencement thereof, Contributor will be entitled, at Contributor's sole cost and expense, to participate therein and, to the extent that it may wish, to assume the defense thereof, with counsel reasonably satisfactory to such Indemnified Party (who shall not, except with the consent of the Indemnified Party, be counsel to Contributor), and, after notice

from Contributor to such Indemnified Party of its election so to assume the defense thereof, Contributor will not be liable to such Indemnified Party under this Section for any legal or other expenses subsequently incurred by such Indemnified Party in connection with the

defense thereof other than reasonable costs of investigation. In any such proceeding, an Indemnified Party shall have the right to retain its own counsel, but the reasonable fees and expenses of such counsel shall be at the expense of such Indemnified Party unless (a) Contributor and the Indemnified Party shall have mutually agreed to the retention of such counsel, (b) Contributor has assumed the defense of such proceeding and has failed within a reasonable time to retain counsel or (c) the named parties to any such proceeding (including any impleaded parties) include both Contributor and the Indemnified Party and representation of both parties by the same counsel would be inappropriate due to actual or potential conflicts of interests between them. It is agreed that Contributor shall not, in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the reasonable fees and expenses of more than one separate law firm (in addition to local counsel where necessary) for all such Indemnified Parties. Contributor shall not be liable for any settlement of any proceeding effected without its written consent, but, if settled with such consent or if there be a final judgment for the plaintiff, Contributor agrees to indemnify the Indemnified Party from and against any Indemnified Liabilities by reason of such settlement or judgment. Contributor shall not, without the prior written consent of the Indemnified Party, effect any settlement, compromise or discharge of any claim or pending or threatened proceeding in respect of which any Indemnified Party is or could have been a party and indemnity could have been sought hereunder by such Indemnified Party, unless such settlement, compromise or discharge, as the case may be, (i) includes an unconditional written release of such Indemnified Party from all liability on claims that are the subject matter of such claim or proceeding, (ii) does not include any statement as to an admission of fault, culpability or failure to act by or on behalf of any Indemnified Party and (iii) does not impose any continuing material obligation or restrictions on any Indemnified Party. Notwithstanding anything to the contrary herein, Indemnified Liabilities shall not include any consequential, punitive, special or incidental damages.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

Section 8.01 Amendment. This Agreement may be amended, supplemented or otherwise modified from time to time only by the written agreement of Contributor and Company and, prior to the Loan Agreement Termination Date, Lender.

Section 8.02 Governing Law; Waiver of Trial by Jury; Jurisdiction.

(a) THIS AGREEMENT AND ANY AMENDMENTS HEREOF SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, INCLUDING GENERAL OBLIGATIONS LAW SECTIONS 5-1401 AND 5-1402 BUT OTHERWISE WITHOUT GIVING EFFECT TO LAWS CONCERNING CONFLICT OF LAWS OR CHOICE OF FORUM THAT WOULD REQUIRE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION.

(b) **EACH PARTY HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND**

**ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING, CLAIM
OR COUNTERCLAIM ARISING OUT OF OR RELATING TO ANY LOAN
DOCUMENT OR THE**

TRANSACTIONS CONTEMPLATED UNDER ANY LOAN DOCUMENT (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO ANY LOAN DOCUMENT. EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE OTHER PARTY HERETO HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE OTHER PARTY HERETO WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTY HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 8.02(b).

(c) Each of Company and Contributor irrevocably submits to the jurisdiction of the courts of the State of New York and of the United States sitting in the State of New York, and of the courts of its own corporate domicile with respect to any and all Proceedings. Each of Company and Contributor irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of venue of any Proceeding and any claim that any Proceeding has been brought in an inconvenient forum. Any process or summons for purposes of any Proceeding may be served on Company or Contributor by mailing a copy thereof by registered mail, or a form of mail substantially equivalent thereto, addressed to it at its address as provided for Notices hereunder.

Section 8.03 Notices. All demands, notices, and communications under this Agreement shall be in writing personally delivered, or sent by facsimile (with subsequent telephone confirmation of receipt thereof) or sent by internationally recognized overnight courier service, at the following address:

Contributor:

Trevena, Inc.
955 Chesterbrook Blvd
Suite 110
Chesterbrook, PA 19087
Attention: Barry Shin; Joel Solomon
Email: bshin@trevena.com; jsolomon@trevena.com

With a copy (which shall not constitute notice) to:

Troutman Pepper Hamilton Sanders LLP
Two Logan Square,
Eighteenth and Arch Streets,
Philadelphia, PA 19103
Attention: Brian Katz; Charles Charpentier; Timothy Atkins
Email: Brian.Katz@troutman.com; Charles.Charpentier@troutman.com;
Timothy.Atkins@Troutman.com
Company:

Trevena SPV2 LLC
955 Chesterbrook Blvd
Suite 110
Chesterbrook, PA 19087
Attention: Barry Shin; Joel Solomon
Email: bshin@trevena.com; jsolomon@trevena.com

With a copy (which shall not constitute notice) to:

Troutman Pepper Hamilton Sanders LLP
Two Logan Square,
Eighteenth and Arch Streets,
Philadelphia, PA 19103
Attention: Brian Katz; Charles Charpentier; Timothy Atkins
Email: Brian.Katz@troutman.com; Charles.Charpentier@troutman.com;
Timothy.Atkins@Troutman.com

Lender:

R-Bridge Investment Four Pte. Ltd.
[***]
Attention: Peng Fu; Oak Ma
Email: [***]

With a copy (which shall not constitute notice) to:

Goodwin Procter LLP
100 Northern Avenue
Boston, MA 02210
Attention: Arthur McGivern; Wendy Pan; Christopher W. Steinroeder
E-mail: amcgivern@goodwinlaw.com; wpan@goodwinlaw.com;
CSteinroeder@goodwinlaw.com

or at other such address as shall be designated by such party in a written notice to the other parties. Notice shall be effective and deemed received (a) two (2) days after being delivered to the courier service, if sent by courier, (b) upon receipt of confirmation of transmission, if sent by telecopy, or (c) when delivered, if delivered by hand.

Wherever notice or a report is required to be given or delivered to Company, a copy of such notice or report shall also be given or delivered concurrently to Lender.

Section 8.04 Severability of Provisions. If any one or more of the covenants, agreements, provisions, or terms of this Agreement shall be for any reason whatsoever held invalid, then such covenants, agreements, provisions, or terms shall be deemed severable from the remaining covenants, agreements, provisions, or terms of this Agreement and shall in no way affect the validity or enforceability of the other provisions of this Agreement.



Section 8.05 Assignment. Notwithstanding anything to the contrary contained in this Agreement, (a) this Agreement may not be assigned by Contributor without the prior written consent of Company and, prior to the Loan Agreement Termination Date, Lender (provided that, following Licensed Product FCS, Lender may assign this Agreement without the prior written consent of Lender to any third party that acquires all or substantially all of Seller's business, whether by merger, sale of assets or otherwise, as long as such assignee agrees in a writing satisfactory to Lender in its sole discretion to be bound by all the provisions of this Agreement as if such assignee were the "Seller" under this Agreement and Seller remains liable for its obligations hereunder), and (b) this Agreement may not be assigned by Company without the prior written consent of (i) so long as no Contributor Event of Default has occurred and is continuing, Contributor, and (ii) prior to the Loan Agreement Termination Date, Lender (provided that, deemed assignments resulting from a change in the beneficial ownership of Seller shall not require consent of Lender).

Section 8.06 Further Assurances. Each of Contributor and Company agrees to do such further acts and things and to execute and deliver such additional assignments, agreements, powers and instruments as are reasonably required to carry into effect the purposes of this Agreement.

Section 8.07 Waiver; Cumulative Remedies; Waiver of Immunities. No failure to exercise and no delay in exercising, on the part of Company or Contributor, any right, remedy, power or privilege hereunder, shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise hereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exhaustive of any rights, remedies, powers and privilege provided by law. To the extent that Contributor has or hereafter may be entitled to claim or may acquire, for itself or any of its assets, any immunity from suit, jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution, or otherwise) with respect to itself or any of its property, Contributor hereby irrevocably waives such immunity in respect of its obligations hereunder to the fullest extent permitted by law.

Section 8.08 Counterparts. This Agreement may be executed in two or more counterparts (and by different parties on separate counterparts), each of which shall be an original, but all of which shall constitute one and the same instrument.

Section 8.09 Binding. This Agreement will inure to the benefit of and be binding upon the parties hereto, subject to Section 8.14.

Section 8.10 Merger and Integration. Except as specifically stated otherwise herein, this Agreement sets forth the entire understanding of the parties relating to the subject matter hereof, and all prior understandings, written or oral, are superseded by this Agreement. This Agreement may not be modified, amended, waived or supplemented except as provided herein.

Section 8.11 Headings. The headings herein are for purposes of reference only and shall not otherwise affect the meaning or interpretation of any provision hereof.

Section 8.12 Schedules and Exhibits. The schedules and exhibits attached hereto and referred to herein shall constitute a part of this Agreement and are incorporated into this Agreement for all purposes.

Section 8.13 Non-Petition. Each of the parties hereto covenants and agrees that, prior to the date that is one year and one day after the Loan Agreement Termination Date, no party hereto shall institute against, or join any other Person in instituting against, either of Company or Contributor any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings or other similar proceedings under any federal, state or foreign bankruptcy or similar law.

Section 8.14 Intended Third Party Beneficiaries. Lender is a third party beneficiary of this Agreement and, as such, shall have full power and authority to enforce the provisions of this Agreement against the parties hereto. In addition, the parties hereto acknowledge that Lender is entitled under the Loan Documents to make claims directly to Contributor for indemnities in favor of Company, without prejudice to its rights as an Indemnified Party hereunder, and that nothing herein limits the rights of Lender under the Security Agreement, the Parent Guarantee or Stock Pledge Agreement, which rights may, in each case, be exercised in Lender's sole discretion from time to time whether or not it has exercised or is then exercising its rights as a third party beneficiary or its rights and remedies under Applicable Law.

Section 8.15 Counterparts; Delivery. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Agreement in portable document format (PDF) shall be effective as delivery of a manually executed original counterpart of this Agreement. The words "execute", "execution", "signed", "signature" and words of like import in this Agreement or in any related document to be signed in connection with this Agreement shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act or any other similar state laws based on the Uniform Electronic Transactions Act.

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IN WITNESS WHEREOF, Contributor and Company have caused this Agreement to be duly executed by their respective officers as of the day and year first above written.

TREVENA, INC.,
as Contributor

By: /s/ Barry Shin

Name: Barry Shin
Title: Senior Vice President and
Chief
Financial Officer

TREVENA SPV2 LLC,
as Company

By: /s/ Barry Shin

Name: Barry Shin
Title: Treasurer

[Signature Page to Contribution and Servicing Agreement]

Exhibit A
Notice to Licensee

[***]

Schedule 2.01(a)(ii)

Intellectual Property and the Regulatory Approvals

[***]



Schedule 2.01(a)(iii)
Transferred Contracts

[***]

**Certification of Principal Executive Officer of Trevena, Inc.
Pursuant to Rules 13a-14(a) and 15d-15(a) under the Securities Exchange Act of 1934
As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Carrie L. Bourdow, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Trevena, 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 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 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: May 11, 2022

/s/ CARRIE L. BOURDOW

Carrie L. Bourdow
President and Chief Executive Officer
(Principal Executive Officer)

**Certification of Principal Financial Officer of Trevena, Inc.
Pursuant to Rules 13a-14(a) and 15d-15(a) under the Securities Exchange Act of 1934
As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Barry Shin, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Trevena, 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 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 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: May 11, 2022

/s/ BARRY SHIN

Barry Shin

Chief Financial Officer

**Certification Of
Principal Executive Officer
Pursuant To 18 U.S.C. Section 1350,
As Adopted Pursuant To
Section 906 Of The Sarbanes-Oxley Act Of 2002**

In connection with the Quarterly Report of Trevena, Inc. (the “Company”) on Form 10-Q for the period ended March 31, 2022, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Carrie L. Bourdow, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

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

Date: May 11, 2022

/s/ CARRIE L. BOURDOW
Carrie L. Bourdow
President and Chief Executive Officer
(Principal Executive Officer)

This certification accompanies the Report and shall not be deemed “filed” by the Company with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of the Company 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 Report), irrespective of any general incorporation language contained in such filing.

**Certification Of
Principal Financial Officer
Pursuant To 18 U.S.C. Section 1350,
As Adopted Pursuant To
Section 906 Of The Sarbanes-Oxley Act Of 2002**

In connection with the Quarterly Report of Trevena, Inc. (the “Company”) on Form 10-Q for the period ended March 31, 2022, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Barry Shin, Chief Financial Officer, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

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

Dated: May 11, 2022

/s/ BARRY SHIN

Barry Shin
Chief Financial Officer

This certification accompanies the Report and shall not be deemed “filed” by the Company with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of the Company 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 Report), irrespective of any general incorporation language contained in such filing.

**Document and Entity
Information - shares**

**3 Months Ended
Mar. 31, 2022**

May 09, 2022

Document and Entity Information

<u>Document Type</u>	10-Q	
<u>Document Quarterly Report</u>	true	
<u>Document Period End Date</u>	Mar. 31, 2022	
<u>Document Transition Report</u>	false	
<u>Entity File Number</u>	001-36193	
<u>Entity Registrant Name</u>	Trevena, Inc.	
<u>Entity Incorporation, State or Country Code</u>	DE	
<u>Entity Tax Identification Number</u>	26-1469215	
<u>Entity Address, Address Line One</u>	955 Chesterbrook Boulevard, Suite 110	
<u>Entity Address, City or Town</u>	Chesterbrook	
<u>Entity Address, State or Province</u>	PA	
<u>Entity Address, Postal Zip Code</u>	19087	
<u>City Area Code</u>	610	
<u>Local Phone Number</u>	354-8840	
<u>Title of 12(b) Security</u>	Common Stock, \$0.001 par value	
<u>Trading Symbol</u>	TRVN	
<u>Security Exchange Name</u>	NASDAQ	
<u>Entity Current Reporting Status</u>	Yes	
<u>Entity Interactive Data Current</u>	Yes	
<u>Entity Filer Category</u>	Non-accelerated Filer	
<u>Entity Small Business</u>	true	
<u>Entity Emerging Growth Company</u>	false	
<u>Entity Shell Company</u>	false	
<u>Entity Common Stock, Shares Outstanding</u>		165,520,007
<u>Entity Central Index Key</u>	0001429560	
<u>Current Fiscal Year End Date</u>	--12-31	
<u>Document Fiscal Year Focus</u>	2022	
<u>Document Fiscal Period Focus</u>	Q1	
<u>Amendment Flag</u>	false	

Consolidated Balance Sheets
- USD (\$)
\$ in Thousands

Mar. 31, Dec. 31,
2022 2021

Current assets:

<u>Cash and cash equivalents</u>	\$ 48,664	\$ 66,923
<u>Inventories</u>	2,745	2,352
<u>Prepaid expenses and other current assets</u>	2,840	1,448
<u>Total current assets</u>	54,249	70,723
<u>Restricted cash</u>	1,311	1,311
<u>Property and equipment, net</u>	1,736	1,841
<u>Right-of-use lease asset</u>	4,592	4,706
<u>Other assets</u>	2,529	1,543
<u>Total assets</u>	64,417	80,124

Current liabilities:

<u>Accounts payable, net</u>	2,408	4,547
<u>Accrued expenses and other current liabilities</u>	5,703	3,847
<u>Lease liability</u>	815	792
<u>Total current liabilities</u>	8,926	9,186
<u>Leases, net of current portion</u>	6,096	6,309
<u>Total liabilities</u>	15,022	15,495

Commitments and contingencies (Note 9)

Stockholders' equity:

<u>Preferred stock-\$0.001 par value; 5,000,000 shares authorized, none issued or outstanding at March 31, 2022 and December 31, 2021</u>		
<u>Common stock-\$0.001 par value; 200,000,000 shares authorized at March 31, 2022 and December 31, 2021; 165,520,007 shares issued and outstanding at March 31, 2022 and December 31, 2021</u>	165	165
<u>Additional paid-in capital</u>	559,721	558,566
<u>Accumulated deficit</u>	(510,491)	(494,102)
<u>Total stockholders' equity</u>	49,395	64,629
<u>Total liabilities and stockholders' equity</u>	\$ 64,417	\$ 80,124

**Consolidated Balance Sheets
(Parenthetical) - \$ / shares**

Mar. 31, 2022 Dec. 31, 2021

Consolidated Balance Sheets

<u>Preferred stock, par value (in dollars per share)</u>	\$ 0.001	\$ 0.001
<u>Preferred stock authorized (in shares)</u>	5,000,000	5,000,000
<u>Preferred stock issued (in shares)</u>	0	0
<u>Preferred stock outstanding (in shares)</u>	0	0
<u>Common stock, par value (in dollars per share)</u>	\$ 0.001	\$ 0.001
<u>Common stock authorized (in shares)</u>	200,000,000	200,000,000
<u>Common stock issued (in shares)</u>	165,520,007	165,520,007
<u>Common stock outstanding (in shares)</u>	165,520,007	165,520,007

**Consolidated Statements of
Operations and
Comprehensive Loss - USD
(\$)
\$ in Thousands**

3 Months Ended

Mar. 31, 2022 Mar. 31, 2021

Revenue:

<u>Total revenue</u>	\$ 20	\$ 209
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Operating expenses:

<u>Cost of goods sold</u>	207	163
<u>Selling, general and administrative</u>	11,014	7,368
<u>Research and development</u>	5,259	2,636
<u>Total operating expenses</u>	16,480	10,167
<u>Loss from operations</u>	(16,460)	(9,958)

Other income (expense):

<u>Change in fair value of warrant liability</u>		3
<u>Other income, net</u>	45	69
<u>Interest income</u>	24	48
<u>Gain (loss) on foreign currency exchange</u>	2	(4)
<u>Total other income, net</u>	71	116
<u>Net loss and comprehensive loss</u>	\$ (16,389)	\$ (9,842)

Per share information:

<u>Net loss per share of common stock, basic (in dollars per share)</u>	\$ (0.10)	\$ (0.06)
<u>Net loss per share of common stock, diluted (in dollars per share)</u>	\$ (0.10)	\$ (0.06)
<u>Weighted average common shares outstanding, basic (in shares)</u>	165,520,007	160,508,373
<u>Weighted average common shares outstanding, diluted (in shares)</u>	165,520,007	160,508,373

Product revenue

Revenue:

<u>Total revenue</u>		\$ 209
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License revenue

Revenue:

<u>Total revenue</u>	\$ 20	
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Consolidated Statements of Stockholders' Equity - USD (\$) \$ in Thousands	Common Stock	Additional Paid-in Capital	Accumulated Deficit	Total
<u>Beginning Balance at Dec. 31, 2020</u>	\$ 160	\$ 546,422	\$ (442,514)	\$ 104,068
<u>Beginning Balance (in shares) at Dec. 31, 2020</u>	159,999,917			
<u>Increase (Decrease) in Stockholders' Equity</u>				
<u>Stock-based compensation expense</u>		1,111		1,111
<u>Exercise of stock options</u>		9		9
<u>Exercise of stock options (in shares)</u>	5,000			
<u>Issuance of common stock, net of issuance costs</u>	\$ 1	2,791		2,792
<u>Issuance of common stock, net of issuance costs (in shares)</u>	1,219,023			
<u>Issuance of common stock upon vesting of RSUs, net of shares withheld for employee taxes</u>		(69)		(69)
<u>Issuance of common stock upon vesting of RSUs, net of shares withheld for employee taxes (in shares)</u>	49,720			
<u>Net loss</u>			(9,842)	(9,842)
<u>Ending Balance at Mar. 31, 2021</u>	\$ 161	550,264	(452,356)	98,069
<u>Ending Balance (in shares) at Mar. 31, 2021</u>	161,273,660			
<u>Beginning Balance at Dec. 31, 2021</u>	\$ 165	558,566	(494,102)	\$ 64,629
<u>Beginning Balance (in shares) at Dec. 31, 2021</u>	165,520,007			165,520,007
<u>Increase (Decrease) in Stockholders' Equity</u>				
<u>Stock-based compensation expense</u>		1,155		\$ 1,155
<u>Net loss</u>			(16,389)	(16,389)
<u>Ending Balance at Mar. 31, 2022</u>	\$ 165	\$ 559,721	\$ (510,491)	\$ 49,395
<u>Ending Balance (in shares) at Mar. 31, 2022</u>	165,520,007			165,520,007

**Consolidated Statements of
Stockholders' Equity
(Parenthetical) - \$ / shares**

Mar. 31, 2022 Mar. 31, 2021

Common stock, par value (in dollars per share) \$ 0.001

Common Stock

Common stock, par value (in dollars per share) \$ 0.001 \$ 0.001

**Consolidated Statements of
Cash Flows - USD (\$)
\$ in Thousands**

**3 Months Ended
Mar. 31, 2022 Mar. 31, 2021**

Operating activities:

<u>Net loss</u>	\$ (16,389)	\$ (9,842)
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Adjustments to reconcile net loss to net cash used in operating activities:

<u>Depreciation</u>	105	108
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<u>Stock-based compensation</u>	1,155	1,111
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<u>Revaluation of warrant liability</u>		(3)
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<u>Change in right-of-use asset</u>	114	97
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Changes in operating assets and liabilities:

<u>Prepaid expenses and other assets</u>	(2,378)	(2,645)
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<u>Inventories</u>	(393)	
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<u>Operating lease liabilities</u>	(188)	(166)
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<u>Accounts payable, accrued expenses and other liabilities</u>	(283)	(3,073)
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<u>Net cash used in operating activities</u>	(18,257)	(14,413)
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Financing activities:

<u>Proceeds from exercise of common stock options</u>		9
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<u>Proceeds from issuance of common stock, net</u>		2,792
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<u>Payment of employee withholding taxes on vested restricted stock units</u>		(69)
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<u>Finance lease payments</u>	(2)	(2)
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<u>Net cash (used in) provided by financing activities</u>	(2)	2,730
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<u>Net decrease in cash, cash equivalents and restricted cash</u>	(18,259)	(11,683)
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<u>Cash, cash equivalents and restricted cash-beginning of period</u>	68,234	110,713
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<u>Cash, cash equivalents and restricted cash-end of period</u>	\$ 49,975	\$ 99,030
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Organization and Description of the Business

**3 Months Ended
Mar. 31, 2022**

Organization and Description of the Business

Organization and Description of the Business

1. Organization and Description of the Business

Trevena, Inc., or the Company, was incorporated in Delaware as Parallax Therapeutics, Inc. on November 9, 2007. The Company began operations in December 2007, and its name was changed to Trevena, Inc. on January 3, 2008. The Company is a biopharmaceutical company focused on the development and commercialization of novel medicines for patients affected by central nervous system, or CNS, disorders. The Company operates in one segment and has its principal office in Chesterbrook, Pennsylvania.

Since commencing operations in 2007, the Company has devoted substantially all of its financial resources and efforts to commercializing its lead asset, OLINVYK® (oliceridine) injection, or OLINVYK, and to research and development, including nonclinical studies and clinical trials. The Company has never been profitable. In late 2017, the Company submitted a new drug application, or NDA, for OLINVYK™ (OLINVYK) injection, or OLINVYK, to the United States Food and Drug Administration, or the FDA. In August 2020, the FDA approved the NDA for OLINVYK and the Company initiated commercial launch of OLINVYK in the first quarter of 2021.

Since its inception, the Company has incurred losses and negative cash flows from operations. At March 31, 2022, the Company had an accumulated deficit of \$510.5 million. The Company's net loss was \$16.4 million and \$9.8 million for the three months ended March 31, 2022 and 2021, respectively. The Company follows the provisions of Financial Accounting Standards Board, or FASB, Accounting Standards Codification, or ASC, Topic 205-40, Presentation of Financial Statements—Going Concern, or ASC 205-40, which requires management to assess the Company's ability to continue as a going concern for one year after the date the financial statements are issued. The Company expects that its existing balance of cash and cash equivalents as of March 31, 2022 is sufficient to fund operations into 2023, but not for more than one year after the date of this filing and therefore management has concluded that substantial doubt exists about the Company's ability to continue as a going concern. Management's plans to mitigate this risk include raising additional capital through equity or debt financings, or through strategic transactions. Management's plans may also include the deferral of certain operating expenses unless and until additional capital is received. However, there can be no assurance that the Company will be successful in raising additional capital or that such capital, if available, will be on terms that are acceptable to the Company, or that the Company will be successful in deferring certain operating expenses, or that the COVID-19 pandemic will not have an impact on the Company's ability to raise capital or fund its operations as planned. If the Company is unable to raise sufficient additional capital or defer sufficient operating expenses, the Company may be compelled to reduce the scope of its operations and planned capital expenditures.

Summary of Significant Accounting Policies

**3 Months Ended
Mar. 31, 2022**

[Summary of Significant Accounting Policies](#)

[Summary of Significant Accounting Policies](#)

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, or U.S. GAAP. Any reference in these notes to applicable guidance is meant to refer to the authoritative United States generally accepted accounting principles as found in the ASC and Accounting Standards Updates, or ASUs, of the FASB. The Company's functional currency is the U.S. dollar.

The consolidated financial statements include all normal and recurring adjustments that are considered necessary for the fair presentation of the Company's consolidated balance sheets as of March 31, 2022, its results of operations and its comprehensive loss for the three months ended March 31, 2022 and 2021, its consolidated statements of stockholders' equity for the period from January 1, 2022 to March 31, 2022 and for the period January 1, 2021 to March 31, 2021, and its consolidated statements of cash flows for the three months ended March 31, 2022 and 2021. The information included in this Quarterly Report on Form 10-Q should be read in conjunction with the financial statements and accompanying notes included in the Company's most recent Annual Report on Form 10-K for the year ended December 31, 2021. Since the date of those financial statements, there have been no changes to the Company's significant accounting policies. The financial data and other information disclosed in these notes related to the three months ended March 31, 2022 and 2021 are not necessarily indicative of the results to be expected for the year ending December 31, 2022, any other interim periods, or any future year or period.

We have been actively monitoring the novel coronavirus, or COVID-19, situation and its impact globally. Remote working arrangements and travel restrictions imposed by various jurisdictions have had a limited impact on our ability to maintain operations. The full extent to which the COVID-19 pandemic will directly or indirectly impact our business, results of operations and financial condition will depend on future developments that are highly uncertain, including vaccine adoption and effectiveness, the impact of emerging variants of the novel coronavirus, and the actions taken to contain or treat COVID-19.

Principles of Consolidation

In connection with the royalty-based financing agreement disclosed in Note 10, the Company established three wholly owned subsidiaries, Trevena Royalty Corporation, Trevena SPV1 LLC and Trevena SPV2 LLC to facilitate the financing. The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries as of March 31, 2022. All intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of 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 at the date of the consolidated financial statements and the reported amounts of expenses during the reporting period. These estimates and assumptions are based on current facts, historical experience as well as other pertinent industry and regulatory authority information, including the potential future effects of COVID-19, the results of which form the basis for making judgements about the carrying values of assets and liabilities and the recording

expenses that are not readily apparent from other sources. Actual results may differ materially and adversely from these estimates. To the extent there are material differences between the estimates and actual results, the Company's future results of operations will be affected.

Fair Value of Financial Instruments

The carrying amount of the Company's financial instruments, which include cash and cash equivalents, restricted cash, accounts payable and accrued expenses approximate their fair values, given their short-term nature.

Fair Value of Financial Instruments

[Fair Value of Financial Instruments](#)

[Fair Value of Financial Instruments](#)

**3 Months Ended
Mar. 31, 2022**

3. Fair Value of Financial Instruments

ASC 820, *Fair Value Measurement*, establishes a fair value hierarchy for instruments measured at fair value that distinguishes between market data (observable inputs) and the Company's own assumptions (unobservable inputs). Observable inputs are inputs that market participants use to determine the fair value of an asset or liability based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's own assumptions about the inputs that market participants would use in pricing the asset or liability and are developed based on the best information available in the circumstances.

ASC 820 identifies fair value as the exchange price, or exit price, representing the amount that would be received to sell an asset or paid to settle a liability in an orderly transaction between market participants. As a basis for considering market participant assumptions in fair value measurements, ASC 820 identifies a fair value hierarchy that distinguishes among the following:

- Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to purchase or sell at the measurement date.
- Level 2 – Valuations based on quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active and models for which all significant inputs are observable, either directly or indirectly.
- Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

To the extent that the valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised by the Company in determining fair value is greatest for instruments categorized in Level 3 of the fair value hierarchy. An instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Cash, Cash Equivalents and Marketable Securities

The following table presents fair value of the Company's cash, cash equivalents, and marketable securities as of March 31, 2022 and December 31, 2021 (in thousands):

	March 31, 2022				
	Adjusted Cost	Unrealized Gains	Unrealized Losses	Fair Value	Cash and Cash Equivalents
Cash	\$ 10,176	\$ —	\$ —	\$ 10,176	\$ 10,176
Level 1 (1):					
Money market funds	39,799	—	—	39,799	39,799
Subtotal	39,799	—	—	39,799	39,799
Total	\$ 49,975	\$ —	\$ —	\$ 49,975	\$ 49,975
	December 31, 2021				
	Adjusted Cost	Unrealized Gains	Unrealized Losses	Fair Value	Cash and Cash Equivalents
Cash	\$ 9,459	\$ —	\$ —	\$ 9,459	\$ 9,459
Level 1 (1):					
Money market funds	58,775	—	—	58,775	58,775
Subtotal	58,775	—	—	58,775	58,775
Total	\$ 68,234	\$ —	\$ —	\$ 68,234	\$ 68,234

(1) The fair value of Level 1 securities is estimated based on quoted prices in active markets for identical assets or liabilities.

The Company maintains \$1.3 million as collateral under a letter of credit for the Company's facility lease obligations in Chesterbrook, PA. The Company has recorded this deposit and accumulated interest thereon as restricted cash on its consolidated balance sheet.

The Company recognizes transfers between levels of the fair value hierarchy as of the end of the reporting period. There were no transfers between Level 1 and Level 2, Level 2 and Level 3, or Level 3 during the three months ended March 31, 2022, or the year ended December 31, 2021.

Inventories

**3 Months Ended
Mar. 31, 2022**

[Inventories](#) [Inventories](#)

4. Inventories

Inventories are valued at the lower of cost or net realizable value. Cost is determined using the first-in, first-out method for all inventories. Inventory includes the cost of API, raw materials and third-party contract manufacturing and packaging services. Indirect overhead costs associated with production and distribution are recorded as period costs in the period incurred. OLINVYK was approved by the FDA in August 2020. Prior to FDA approval, all manufacturing costs for OLINVYK were expensed to research and development. Upon FDA approval, manufacturing costs for OLINVYK manufactured for commercial sale have been capitalized as inventory cost. Costs of drug product to be consumed in any current or future clinical trials will continue to be recognized as research and development expense.

The Company periodically evaluates the carrying value of inventory on hand using the same lower of cost or net realizable value approach as that used to initially value the inventory. Valuation adjustments may be required for slow-moving or obsolete inventory or in any situations where market conditions have caused net realizable value to fall below the carrying cost of the inventory.

Inventory consists of the following (in thousands):

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Finished goods	\$ 2,880	\$ 2,488

As of March 31, 2022 and December 31, 2021, the Company had an inventory reserve of \$0.1 million.

Stockholders' Equity

**3 Months Ended
Mar. 31, 2022**

Stockholders' Equity Stockholders' Equity

5. Stockholders' Equity

Equity Offerings

Under its certificate of incorporation, the Company was authorized to issue up to 200,000,000 shares of common stock as of March 31, 2022. The Company also was authorized to issue up to 5,000,000 shares of preferred stock as of March 31, 2022. The Company is required, at all times, to reserve and keep available out of its authorized but unissued shares of common stock sufficient shares to effect the conversion of the shares of the preferred stock and all outstanding stock options and warrants.

ATM Programs

In April 2019, the Company entered into a Common Stock Sales Agreement with H.C. Wainwright & Co., LLC, or Wainwright, pursuant to which the Company may offer and sell through Wainwright, from time to time at the Company's sole discretion, shares of its common stock, having an aggregate offering price of up to \$50.0 million, or the HCW ATM Program. Sales of the shares of common stock are deemed to be "at-the-market offerings," as defined in Rule 415 under the Securities Act. In December 2020, the Company and Wainwright entered into Amendment No. 1 to Common Stock Sales Agreement, or the Amendment, to amend the Common Stock Sales Agreement to, among other things, update the reference to the registration statement pursuant to which the shares of common stock may be sold and to include an additional \$50.0 million of shares of common stock in the HCW ATM Program. There were no sales under the HCW ATM Program during the three months ended March 31, 2022. As of March 31, 2022, there was approximately \$41.9 million remaining available for future issuances under the HCW ATM Program.

Registered Direct Offering and Concurrent Warrant Issuance

In connection with the Company's January 2019 securities purchase agreements, the Company issued warrants to purchase 500,000 shares of common stock to certain designees of H.C. Wainwright & Co., LLC. These warrants have a term of five years, are immediately exercisable and have an exercise price of \$1.25 per share. As of March 31, 2022, 172,500 of these warrants remain outstanding.

Equity Incentive Plans

In 2008, the Company adopted the 2008 Equity Incentive Plan, as amended on February 29, 2008, January 7, 2010, July 8, 2010, December 10, 2010, June 23, 2011 and June 17, 2013, collectively, the 2008 Plan, that authorized the Company to grant restricted stock and stock options to eligible employees, directors and consultants to the Company.

In 2013, the Company adopted the 2013 Equity Incentive Plan, as amended on May 14, 2014, collectively, 2013 Plan. The 2013 Plan became effective upon the Company's entry into the underwriting agreement related to its IPO in January 2014 and, as of such date, no further grants were permitted under the 2008 Plan. The 2013 Plan provides for the grant of incentive stock options, nonqualified stock options, stock appreciation rights, restricted stock awards, restricted stock unit awards, performance-based stock awards and other forms of equity compensation (collectively, stock awards), all of which may be granted to employees, including officers, non-employee directors and consultants of the Company. Additionally, the 2013 Plan provides for the grant of cash and stock-based performance awards. The 2013 Plan contains an "evergreen"

provision, pursuant to which the number of shares of common stock available for issuance under the plan automatically increases on January 1 of each year beginning in 2015.

On December 15, 2016, the Company adopted the Trevena, Inc. Inducement Plan, or the Inducement Plan, effective January 1, 2017, pursuant to which the Company reserved 500,000 shares of the Company's common stock for issuance under the Inducement Plan. The Inducement Plan provides for nonqualified stock options and restricted stock unit awards. The only persons eligible to receive grants of awards under the Inducement Plan are individuals who satisfy the standards for inducement grants under Nasdaq Marketplace Rule 5635(c)(4) and the related guidance under Nasdaq IM 5635-1, including individuals who were not previously an employee or director of the Company or are following a bona fide period of non-employment, in each case as an inducement material to such individual's agreement to enter into employment with the Company.

Under all of the Company's equity incentive plans, the amount, terms of grants and exercisability provisions are determined by the board of directors or its designee. The term of the options may be up to 10 years, and options are exercisable in cash or as otherwise determined by the board of directors or its designee. Vesting generally occurs over a period of not greater than four years. For performance-based stock awards, the Company recognizes expense when achievement of the performance condition is probable, over the requisite service period.

The estimated grant date fair value of the Company's share based awards is amortized on a straight-line basis over the awards' service periods. Share based compensation expense recognized was as follows (in thousands):

	Three Months Ended March 31,	
	2022	2021
Research and development	\$ 275	\$ 260
Selling, general and administrative	873	840
Cost of goods sold	7	11
Total stock-based compensation	<u>\$ 1,155</u>	<u>\$ 1,111</u>

Stock Options

A summary of stock option activity and related information through March 31, 2022 follows:

	Options Outstanding		
	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (in years)
Balance, December 31, 2021	12,449,870	\$ 2.67	7.11
Granted	244,950	0.60	
Exercised	—	—	
Forfeited/Cancelled	(435,809)	1.85	
Balance, March 31, 2022	<u>12,259,011</u>	\$ 2.65	6.97
Vested or expected to vest at March 31, 2022	<u>12,259,011</u>	\$ 2.65	6.97
Exercisable at March 31, 2022	<u>7,457,237</u>	\$ 3.30	5.66

The aggregate intrinsic value of options exercisable as of March 31, 2022 was zero, based on the difference between the Company's closing stock price of \$0.55 and the exercise

price of each stock option. At March 31, 2022, there was \$5.5 million of total unrecognized compensation expense related to unvested options that will be recognized over the weighted average remaining vesting period of 2.84 years.

The Company uses the Black Scholes option pricing model to estimate the fair value of stock options at the grant date. The Black Scholes model requires the Company to make certain estimates and assumptions, including estimating the fair value of the Company's common stock, assumptions related to the expected price volatility of the Company's common stock, the period during which the options will be outstanding, the rate of return on risk free investments and the expected dividend yield for the Company's common stock.

The per-share weighted-average grant date fair value of the options granted to employees and directors during the three months ended March 31, 2022 and 2021 was estimated at \$0.46 and \$1.65 per share, respectively, on the date of grant using the Black-Scholes option pricing model with the following weighted-average assumptions:

	March 31,	
	2022	2021
Expected term of options (in years)	6.3	6.2
Risk-free interest rate	1.5 %	0.8 %
Expected volatility	92.5 %	97.5 %
Dividend yield	— %	— %

Restricted Stock Units

RSU-related expense is recognized on a straight-line basis over the vesting period. Upon vesting, these awards may be settled on a net-exercise basis to cover any required withholding tax with the remaining amount converted into an equivalent number of shares of common stock.

As of March 31, 2022, there were 5,918,496 non-vested RSUs with a weighted average grant date fair value of \$1.08.

For the three months ended March 31, 2022, the Company recorded \$0.5 million in stock-based compensation expense related to RSUs, which is reflected in the consolidated statements of operations and comprehensive loss.

As of March 31, 2022, there was \$5.7 million of total unrecognized compensation expense related to unvested RSUs that will be recognized over the weighted average remaining period of 3.14 years.

Shares Available for Future Grant

At March 31, 2022, the Company has the following shares available to be granted under its equity incentive plans:

	Inducement	
	2013 Plan	Plan
Available at		
December 31, 2021	4,178,805	252,500
Authorized	6,620,800	—
Granted	(244,950)	—
Shares withheld for		
taxes not issued	—	—
Forfeited/Cancelled	27,871	—
Available at		
March 31, 2022	<u>10,582,526</u>	<u>252,500</u>

Shares Reserved for Future Issuance

At March 31, 2022, the Company has reserved the following shares of common stock for issuance:

Stock options outstanding under 2013 Plan	12,011,511
Restricted stock units outstanding under 2013 Plan	5,918,496
Stock options outstanding under Inducement Plan	247,500
Shares reserved for future issuance under Inducement Plan	252,500
Shares reserved for future issuance under 2013 Employee Stock Purchase Plan	225,806
Warrants outstanding	275,430
Total shares of common stock reserved for future issuance	<u>18,931,243</u>

**Commitments and
Contingencies**

**3 Months Ended
Mar. 31, 2022**

**Commitments and
Contingencies.**

**Commitments and
Contingencies**

6. Commitments and Contingencies

Leases

The Company leases office space in Chesterbrook, Pennsylvania and equipment. The Company's principal office is located at 955 Chesterbrook Boulevard, Chesterbrook, Pennsylvania, where the Company currently leases approximately 8,231 square feet of developed office space on the first floor and 40,565 square feet of developed office space on the second floor. The lease term for this space extends through May 2028. On October 11, 2018, the Company entered into an agreement with The Vanguard Group, Inc., or Vanguard, whereby Vanguard agreed to sublease the 40,565 square feet of space on the second floor for an initial term of 37 months. On October 2, 2020, Vanguard notified the Company that they exercised the first option to extend the sublease term for three years through November 30, 2024. Vanguard has a second option to extend the sublease term for an additional three years through November 30, 2027. The sublease provides for rent abatement for the first month of the term; thereafter, the rent payable to the Company by Vanguard under the sublease is (i) \$0.50 less during months 2 through 13 of the sublease and (ii) in month 14 and thereafter of the sublease, \$1.00 less than the base rent payable by the Company under its master lease with Chesterbrook Partners, L.P. Vanguard also is responsible for paying to the Company all tenant energy costs, annual operating costs, and annual tax costs attributable to the subleased space during the term of the sublease. Rent expense and associated sublease income are recorded in the Company's consolidated statements of operations and comprehensive loss as other income (expense).

Supplemental balance sheet information related to leases was as follows (in thousands):

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Operating leases:		
Operating lease right-of-use assets	\$ 4,592	\$ 4,706
Other current lease liabilities	813	788
Operating lease liabilities	6,096	6,309
Total operating lease liabilities	<u>\$ 6,909</u>	<u>\$ 7,097</u>
Finance leases:		
Property and equipment, at cost	\$ 45	\$ 45
Accumulated depreciation	(43)	(41)
Property and equipment, net	2	4
Other current lease liabilities	2	4
Other long-term liabilities	—	—
Total finance lease liabilities	<u>\$ 2</u>	<u>\$ 4</u>

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

	Three Months Ended	
	March 31,	
	<u>2022</u>	<u>2021</u>
Operating lease costs:		
Operating lease rental expense	\$ 327	\$ 293
Other income	(315)	(312)
Total operating lease costs	<u>\$ 12</u>	<u>\$ (19)</u>

Finance lease costs:

Amortization of right-of-use assets	1	2
Interest on lease liabilities	—	—
Total finance lease costs	\$ 1	\$ 2

Supplemental cash flow information related to leases was as follows (in thousands):

	Three Months Ended	
	March 31,	
	2022	2021
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases	\$ (70)	\$ (48)
Operating cash flows from finance leases	—	—
Financing cash flows from finance leases	(2)	(2)

Our operating lease liabilities will mature, as follows (in thousands):

	Operating Leases	Financing Leases
2022 (April 1 - December 31)	\$ 1,053	\$ 2
2023	1,425	—
2024	1,450	—
2025	1,474	—
2026	1,498	—
2027 and beyond	2,163	—
Total minimum lease payments	\$ 9,063	\$ 2
Interest Expense	(2,154)	—
Lease liability	\$ 6,909	\$ 2

Per the terms of our sublease, we expect the following inflows (in thousands):

	Sublease
2022 (April 1 - December 31)	\$ 839
2023	1,139
2024	996
Total minimum lease payments	\$ 2,974

Lease term and discount rates are as follows:

	Three Months Ended March 31,	
	2022	2021
Weighted average remaining lease term (years)		
Operating leases	6	7
Finance leases	—	1
Weighted average discount rate		
Operating leases	9.2%	9.2%
Finance leases	6.5%	6.5%

Legal Proceedings

In October and November 2018, the Company and certain current and former officers and directors were sued in three purported class actions filed in the U.S. District Court for the Eastern District of Pennsylvania, or the EDPA, alleging violations of the federal securities laws. In January 2019, the three lawsuits were consolidated into one action. On February 11, 2021, the parties agreed in principle to a settlement of \$8.5 million, all of which was to be paid by the Company's insurance carriers, subject to approval by the Court. The Court approved the settlement on August 2, 2021. The Company and the individual defendants did not acknowledge any wrongdoing as part of the settlement. The Company recorded the \$8.5 million estimated settlement liability and the \$8.5 million estimated insurance recovery in its 2020 financial statements. As expected, the \$8.5 million was paid by the Company's insurance carriers, and the litigation is now resolved. The Company continues to believe that the claims were without merit.

In December 2018, a shareholder derivative action was filed on behalf of the Company and against certain current and former officers and directors in the EDPA, and in February 2019, two additional, similar shareholder derivative actions were filed in the U.S. District Court for the District of Delaware. A fourth similar shareholder derivative action was filed in the EDPA in September 2019, and a fifth, similar derivative action was filed in the EDPA in November 2019. A similar sixth derivative action was filed in the EDPA in September 2020. These cases involved facts similar to the consolidated securities lawsuits. The parties agreed to a settlement, which was approved by the Court on August 2, 2021. The individual defendants did not acknowledge any wrongdoing as part of the settlement. The Company agreed to make certain corporate governance changes, and a monetary payment of \$500,000 was made to plaintiffs' counsel, all of which was funded by the Company's insurance carriers. The Company recorded in the fourth quarter of 2020 an estimated liability of \$0.5 million and a corresponding insurance recovery of the same amount. The litigation is now resolved.

Product Revenue

**3 Months Ended
Mar. 31, 2022**

Product Revenue Product Revenue

7. Product Revenue

Performance Obligation

The Company's performance obligation is the supply of finished pharmaceutical products to its customers. The Company's customers consist of major wholesale distributors. The Company's customer contracts generally consist of both a master agreement, which is signed by the Company and its customer, and a customer submitted purchase order, which is governed by the terms and conditions of the master agreement.

Revenue is recognized when the Company transfers control of its products to the customer, which occurs at a point-in-time, upon delivery.

The Company offers standard payment terms to its customers and has elected the practical expedient to not adjust the promised amount of consideration for the effects of a significant financing, since the period between when the Company transfers the product to the customer and when the customer pays for that product is one year or less. Taxes collected from customers relating to product revenue and remitted to governmental authorities are excluded from revenues. The consideration amounts due from customers as a result of product revenue are subject to variable consideration.

The Company offers standard product warranties which provide assurance that the product will function as expected and in accordance with specifications. Customers cannot purchase warranties separately and these warranties do not give rise to a separate performance obligation. The Company permits the return of product under certain circumstances, mainly upon at or near product expiration, instances of shipping errors or where product is damaged in transit. The Company accrues for the customer's right to return as part of its variable consideration.

Sales-Related Deductions

The following table presents a rollforward of the major categories of sales-related deductions included in trade receivable allowances for the three months ended March 31, 2022 (in thousands):

	Sales Discounts	Chargebacks	Fee for Service
Balance, January 1, 2022	\$ 1	\$ 41	\$ 45
Provision related to current period sales	—	—	—
Adjustment related to prior period sales	—	—	—
Credit or payments made during the period	—	—	—
Balance, March 31, 2022	<u>\$ 1</u>	<u>\$ 41</u>	<u>\$ 45</u>

As of March 31, 2022, the Company does not have any outstanding accounts receivable and, as a result, the sales allowance of \$87,000 has been included with accrued expenses and other current liabilities on the Company's consolidated balance sheets.

8. License Revenue

License and Commercialization Agreement with Pharmbio Korea Inc.

In April 2018, the Company entered into an exclusive license agreement with Pharmbio Korea Inc., or Pharmbio, for the development and commercialization of OLINVYK for the management of moderate to severe acute pain in South Korea. Under the terms of the agreement, the Company received an upfront, non-refundable cash payment of \$3.0 million (less applicable withholding taxes of \$0.5 million) in June 2018, and will receive a cash commercial milestone of up to \$0.5 million if OLINVYK is approved in South Korea and tiered royalties on product sales in South Korea ranging from high single digits to 20%, less applicable withholding taxes. As part of the agreement, the Company also granted Pharmbio an option to manufacture OLINVYK, on a non-exclusive basis, for the development and commercialization of the product in South Korea, subject to a separate arrangement to be entered into if Pharmbio exercises the option. The license agreement is terminable by Pharmbio for any reason upon 180 days written notice.

In accordance with the terms of the agreement, Pharmbio is solely responsible for all development and regulatory activities in South Korea. The parties have formed a Joint Development Committee with equal representation from the Company and Pharmbio to provide overall coordination and oversight of the development of OLINVYK in South Korea. The parties also agreed to form a Joint Manufacturing and Commercialization Committee at least six months prior to the anticipated date of regulatory approval of OLINVYK in South Korea to provide overall coordination and oversight of the manufacture and commercialization of OLINVYK in South Korea.

License Agreement with Jiangsu Nhwa Pharmaceutical Co. Ltd.

In April 2018, the Company also entered into an exclusive license agreement with Jiangsu Nhwa Pharmaceutical Co. Ltd., or Nhwa, for the development and commercialization of OLINVYK for the management of moderate to severe acute pain in China. Under the terms of this agreement, the Company received an upfront, non-refundable cash payment of \$2.5 million (less applicable withholding taxes of \$0.3 million) in July 2018. In August 2020, the Company received a milestone payment of \$3.0 million (less applicable withholding taxes of \$0.3 million), that became payable by Nhwa upon FDA approval of OLINVYK. The Company is also eligible to receive a cash milestone payment of \$3.0 million, subject to Chinese withholding taxes, upon regulatory approval of OLINVYK in China, up to an additional \$6.0 million of commercialization milestone payments based on product sales levels in China, and a ten percent royalty on all net product sales in China, less applicable withholding taxes. As part of the agreement, the Company also granted Nhwa an option to manufacture OLINVYK, on an exclusive basis in China, for the development and commercialization of the product in China. In the second quarter of 2018, Nhwa elected to exercise this manufacturing option. The license agreement is terminable by Nhwa for any reason upon 180 days written notice.

In accordance with the terms of the agreement, Nhwa is solely responsible for all development and regulatory activities in China. The parties have formed a Joint Development Committee with equal representation from the Company and Nhwa to provide overall coordination and oversight of the development of OLINVYK in China. The parties also agreed to form a Joint Manufacturing and Commercialization Committee at least six months prior to the anticipated date of regulatory approval of OLINVYK in China to provide overall coordination and oversight of the manufacture and commercialization of OLINVYK in China.

For the three months ended March 31, 2022 and 2021, license revenue in the accompanying consolidated statements of operations and comprehensive loss is comprised of the following:

	Three Months Ended	
	March 31,	
	2022	2021
Pharmbio Korea Inc.	\$ 20	\$ —
Jiangsu Nhwa Pharmaceutical Co. Ltd.	—	—
Total license revenues	\$ 20	\$ —

Net Loss Per Common Share

**3 Months Ended
Mar. 31, 2022**

[Net Loss Per Common Share](#)

[Net Loss Per Common Share](#)

9. Net Loss Per Common Share

The following table sets forth the computation of basic and diluted net loss per share for the periods indicated (in thousands, except share and per share data):

	Three Months Ended March 31,	
	2022	2021
Basic and diluted net loss per common share calculation:		
Net loss	\$ (16,389)	\$ (9,842)
Weighted average common shares outstanding	<u>165,520,007</u>	<u>160,508,373</u>
Net loss per share of common stock - basic and diluted	<u>\$ (0.10)</u>	<u>\$ (0.06)</u>

The following outstanding securities at March 31, 2022 and 2021 have been excluded from the computation of diluted weighted shares outstanding, as they would have been anti-dilutive:

	March 31,	
	2022	2021
Options outstanding	12,259,011	10,350,543
RSUs outstanding	5,918,496	3,696,342
Warrants	275,430	295,591
Total	<u>18,452,937</u>	<u>14,342,476</u>

Subsequent Events

**3 Months Ended
Mar. 31, 2022**

Subsequent Events

Subsequent Events

10. Subsequent Events

In April 2022, the Company received the first \$15.0 million tranche from its royalty-based loan agreement with an affiliate of R-Bridge Healthcare Fund, or the R-Bridge Financing. The R-Bridge Financing calls for an initial \$15.0 million tranche within 15 days of the closing of the deal. The Company will receive an additional \$10.0 million upon achievement of either a financing or commercial milestone and an additional \$15.0 million upon the first commercial sale of OLINVYK® in China, subject to customary bring down conditions and deliverables. R-Bridge Healthcare Fund is an affiliate of CBC Group, one of Asia's largest and most active healthcare-dedicated investment firms focusing in three core areas: pharmaceutical & biotech, medtech, and healthcare services. The R-Bridge Financing is secured by and repaid with proceeds from (i) royalties from the Company's license agreement with its partner in China, Jiangsu Nhwa Pharmaceutical Co. Ltd. (Nhwa), and (ii) a revenue interest based on the Company's U.S. net sales of OLINVYK in an initial amount of 4% of such net sales. This U.S. revenue interest will be capped at \$10.0 million if Chinese approval of OLINVYK occurs by year-end 2023. In the event Chinese approval does not occur by that time, the U.S. revenue interest will increase to 7% and will continue until certain combined totals of U.S. revenue interest and Chinese royalties are paid. The Company retains all milestones from its partnership with Nhwa, including a \$3.0 million milestone on Chinese approval of OLINVYK.

In connection with the Company's R-Bridge Financing, the Company issued a warrant to purchase 5,000,000 shares of common stock. This warrant has a term of 3 years, is immediately exercisable and has an exercise price of \$0.82 per share. It was issued in April 2022 upon receipt of the first \$15.0 million tranche.

Summary of Significant Accounting Policies (Policies)

[Summary of Significant Accounting Policies](#)

[Basis of Presentation](#)

**3 Months Ended
Mar. 31, 2022**

Basis of Presentation

The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, or U.S. GAAP. Any reference in these notes to applicable guidance is meant to refer to the authoritative United States generally accepted accounting principles as found in the ASC and Accounting Standards Updates, or ASUs, of the FASB. The Company's functional currency is the U.S. dollar.

The consolidated financial statements include all normal and recurring adjustments that are considered necessary for the fair presentation of the Company's consolidated balance sheets as of March 31, 2022, its results of operations and its comprehensive loss for the three months ended March 31, 2022 and 2021, its consolidated statements of stockholders' equity for the period from January 1, 2022 to March 31, 2022 and for the period January 1, 2021 to March 31, 2021, and its consolidated statements of cash flows for the three months ended March 31, 2022 and 2021. The information included in this Quarterly Report on Form 10-Q should be read in conjunction with the financial statements and accompanying notes included in the Company's most recent Annual Report on Form 10-K for the year ended December 31, 2021. Since the date of those financial statements, there have been no changes to the Company's significant accounting policies. The financial data and other information disclosed in these notes related to the three months ended March 31, 2022 and 2021 are not necessarily indicative of the results to be expected for the year ending December 31, 2022, any other interim periods, or any future year or period.

We have been actively monitoring the novel coronavirus, or COVID-19, situation and its impact globally. Remote working arrangements and travel restrictions imposed by various jurisdictions have had a limited impact on our ability to maintain operations. The full extent to which the COVID-19 pandemic will directly or indirectly impact our business, results of operations and financial condition will depend on future developments that are highly uncertain, including vaccine adoption and effectiveness, the impact of emerging variants of the novel coronavirus, and the actions taken to contain or treat COVID-19.

[Principles of Consolidation](#)

Principles of Consolidation

In connection with the royalty-based financing agreement disclosed in Note 10, the Company established three wholly owned subsidiaries, Trevena Royalty Corporation, Trevena SPV1 LLC and Trevena SPV2 LLC to facilitate the financing. The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries as of March 31, 2022. All intercompany accounts and transactions have been eliminated in consolidation.

[Use of Estimates](#)

Use of Estimates

The preparation of 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 at the date of the consolidated financial statements and the reported amounts of expenses during the reporting period. These estimates and assumptions are based on current facts, historical experience as well as other pertinent industry and regulatory authority information, including the potential future effects of COVID-19, the results of which form the basis for making judgements about the carrying values of assets and liabilities and the recording expenses that are not readily apparent from other sources. Actual results may differ materially

and adversely from these estimates. To the extent there are material differences between the estimates and actual results, the Company's future results of operations will be affected.

[Fair Value of Financial Instruments](#)

Fair Value of Financial Instruments

The carrying amount of the Company's financial instruments, which include cash and cash equivalents, restricted cash, accounts payable and accrued expenses approximate their fair values, given their short-term nature.

**Fair Value of Financial
Instruments (Tables)**

**3 Months Ended
Mar. 31, 2022**

**Fair Value of Financial
Instruments**

**Schedule of cash, cash
equivalents and marketable
securities**

The following table presents fair value of the Company's cash, cash equivalents, and marketable securities as of March 31, 2022 and December 31, 2021 (in thousands):

	March 31, 2022				
	Adjusted Cost	Unrealized Gains	Unrealized Losses	Fair Value	Cash Equivalents
Cash	\$ 10,176	\$ —	\$ —	\$ 10,176	\$ —
Level 1 (1):					
Money market funds	39,799	—	—	39,799	—
Subtotal	39,799	—	—	39,799	—
Total	\$ 49,975	\$ —	\$ —	\$ 49,975	\$ —
	December 31, 2021				
	Adjusted Cost	Unrealized Gains	Unrealized Losses	Fair Value	Cash Equivalents
Cash	\$ 9,459	\$ —	\$ —	\$ 9,459	\$ —
Level 1 (1):					
Money market funds	58,775	—	—	58,775	—
Subtotal	58,775	—	—	58,775	—
Total	\$ 68,234	\$ —	\$ —	\$ 68,234	\$ —

(1) The fair value of Level 1 securities is estimated based on quoted prices in active markets for identical assets or liabilities.

Inventories (Tables)

3 Months Ended Mar. 31, 2022

Inventories

Schedule of Inventory

Inventory consists of the following (in thousands):

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
Finished goods	\$ 2,880	\$ 2,488

**Stockholders' Equity
(Tables)**

**3 Months Ended
Mar. 31, 2022**

[Stockholders' Equity
Schedule of share-based
compensation expense
recognized](#)

The estimated grant date fair value of the Company's share based awards is amortized on a straight-line basis over the awards' service periods. Share based compensation expense recognized was as follows (in thousands):

	Three Months Ended March 31,	
	2022	2021
Research and development	\$ 275	\$ 260
Selling, general and administrative	873	840
Cost of goods sold	7	11
Total stock-based compensation	<u>\$ 1,155</u>	<u>\$ 1,111</u>

[Summary of stock option
activity](#)

	Options Outstanding		
	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (in years)
Balance, December 31, 2021	12,449,870	\$ 2.67	7.11
Granted	244,950	0.60	
Exercised	—	—	
Forfeited/Cancelled	(435,809)	1.85	
Balance, March 31, 2022	<u>12,259,011</u>	\$ 2.65	6.97
Vested or expected to vest at March 31, 2022	<u>12,259,011</u>	\$ 2.65	6.97
Exercisable at March 31, 2022	<u>7,457,237</u>	\$ 3.30	5.66

[Schedule of weighted-average
assumptions:](#)

	March 31,	
	2022	2021
Expected term of options (in years)	6.3	6.2
Risk-free interest rate	1.5 %	0.8 %
Expected volatility	92.5 %	97.5 %
Dividend yield	— %	— %

[Schedule of shares available to
be granted under equity
incentive plans](#)

At March 31, 2022, the Company has the following shares available to be granted under its equity incentive plans:

	Inducement	
	2013 Plan	Plan
Available at December 31, 2021	4,178,805	252,500
Authorized	6,620,800	—
Granted	(244,950)	—
Shares withheld for taxes not issued	—	—
Forfeited/Cancelled	<u>27,871</u>	—
Available at March 31, 2022	<u>10,582,526</u>	<u>252,500</u>

[Schedule of shares of common
stock reserved/available](#)

At March 31, 2022, the Company has reserved the following shares of common stock for issuance:

Stock options outstanding under 2013 Plan	12,011,511
Restricted stock units outstanding under 2013 Plan	5,918,496
Stock options outstanding under Inducement Plan	247,500
Shares reserved for future issuance under Inducement Plan	252,500
Shares reserved for future issuance under 2013 Employee Stock Purchase Plan	225,806
Warrants outstanding	275,430
Total shares of common stock reserved for future issuance	<u>18,931,243</u>

**Commitments and
Contingencies (Tables)**

**3 Months Ended
Mar. 31, 2022**

Commitments and Contingencies.

Schedule of balance sheet information related to leases

Supplemental balance sheet information related to leases was as follows (in thousands):

	March 31, 2022	December 31, 2021
Operating leases:		
Operating lease right-of-use assets	\$ 4,592	\$ 4,706
Other current lease liabilities	813	788
Operating lease liabilities	6,096	6,309
Total operating lease liabilities	<u>\$ 6,909</u>	<u>\$ 7,097</u>
Finance leases:		
Property and equipment, at cost	\$ 45	\$ 45
Accumulated depreciation	(43)	(41)
Property and equipment, net	2	4
Other current lease liabilities	2	4
Other long-term liabilities	—	—
Total finance lease liabilities	<u>\$ 2</u>	<u>\$ 4</u>

Schedule of components of lease expense

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

	Three Months Ended	
	March 31,	
	2022	2021
Operating lease costs:		
Operating lease rental expense	\$ 327	\$ 293
Other income	(315)	(312)
Total operating lease costs	<u>\$ 12</u>	<u>\$ (19)</u>
Finance lease costs:		
Amortization of right-of-use assets	1	2
Interest on lease liabilities	—	—
Total finance lease costs	<u>\$ 1</u>	<u>\$ 2</u>

Schedule of supplemental cash flow information

Supplemental cash flow information related to leases was as follows (in thousands):

	Three Months Ended	
	March 31,	
	2022	2021
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases	\$ (70)	\$ (48)
Operating cash flows from finance leases	—	—
Financing cash flows from finance leases	(2)	(2)

Schedule of maturities of operating lease liabilities

Our operating lease liabilities will mature, as follows (in thousands):

Operating Leases Financing Leases

2022 (April 1 - December 31)	\$ 1,053	\$ 2
2023	1,425	—
2024	1,450	—
2025	1,474	—
2026	1,498	—
2027 and beyond	2,163	—
Total minimum lease payments	\$ 9,063	\$ 2
Interest Expense	(2,154)	—
Lease liability	\$ 6,909	\$ 2

Our operating lease liabilities will mature, as follows (in thousands):

	Operating Leases	Financing Leases
2022 (April 1 - December 31)	\$ 1,053	\$ 2
2023	1,425	—
2024	1,450	—
2025	1,474	—
2026	1,498	—
2027 and beyond	2,163	—
Total minimum lease payments	\$ 9,063	\$ 2
Interest Expense	(2,154)	—
Lease liability	\$ 6,909	\$ 2

Schedule of maturities of financing lease liabilities

Schedule of expected sublease inflows

Per the terms of our sublease, we expect the following inflows (in thousands):

	Sublease
2022 (April 1 - December 31)	\$ 839
2023	1,139
2024	996
Total minimum lease payments	\$ 2,974

Schedule of weighted average lease term and discount rates

	Three Months Ended March 31,	
	2022	2021
Weighted average remaining lease term (years)		
Operating leases	6	7
Finance leases	—	1
Weighted average discount rate		
Operating leases	9.2%	9.2%
Finance leases	6.5%	6.5%

Product Revenue (Tables)

**3 Months Ended
Mar. 31, 2022**

Product Revenue

Schedule of major categories of sales-related deductions
included in trade receivable allowances

	<u>Sales Discounts</u>	<u>Chargebacks</u>	<u>Fee for Service</u>
Balance, January 1, 2022	\$ 1	\$ 41	\$ 45
Provision related to current period sales	—	—	—
Adjustment related to prior period sales	—	—	—
Credit or payments made during the period	—	—	—
Balance, March 31, 2022	<u>\$ 1</u>	<u>\$ 41</u>	<u>\$ 45</u>

License Revenue (Tables)

**3 Months Ended
Mar. 31, 2022**

Product Revenue

Schedule of license revenue

	Three Months Ended	
	March 31,	
	2022	2021
Pharmbio Korea Inc.	\$ 20	\$ —
Jiangsu Nhwa Pharmaceutical Co. Ltd.	—	—
Total license revenues	\$ 20	\$ —

**Net Loss Per Common Share
(Tables)**

**3 Months Ended
Mar. 31, 2022**

Net Loss Per Common Share

Schedule of computation of basic and diluted net loss per share

The following table sets forth the computation of basic and diluted net loss per share for the periods indicated (in thousands, except share and per share data):

	<u>Three Months Ended March 31,</u>	
	<u>2022</u>	<u>2021</u>
Basic and diluted net loss per common share calculation:		
Net loss	\$ (16,389)	\$ (9,842)
Weighted average common shares outstanding	<u>165,520,007</u>	<u>160,508,373</u>
Net loss per share of common stock - basic and diluted	<u>\$ (0.10)</u>	<u>\$ (0.06)</u>

Schedule of outstanding securities excluded from the computation of diluted weighted shares outstanding as they would have been anti-dilutive

	<u>March 31,</u>	
	<u>2022</u>	<u>2021</u>
Options outstanding	12,259,011	10,350,543
RSUs outstanding	5,918,496	3,696,342
Warrants	275,430	295,591
Total	<u>18,452,937</u>	<u>14,342,476</u>

**Organization and
Description of the Business
(Details)
\$ in Thousands**

3 Months Ended
Mar. 31, 2022 **Mar. 31, 2021** **Dec. 31, 2021**
USD (\$) **USD (\$)** **USD (\$)**
segment

Organization and Description of the Business

<u>Number of operating segments segment</u>	1		
<u>Accumulated deficit</u>	\$ 510,491		\$ 494,102
<u>Net loss</u>	\$ 16,389	\$ 9,842	

Fair Value of Financial Instruments (Details) - USD (\$) \$ in Thousands	3 Months Ended Mar. 31, 2022	12 Months Ended Dec. 31, 2021
<u>Fair value</u>		
<u>Transfers between Level 2 and Level 3</u>	\$ 0	\$ 0
<u>Letter of credit collateral</u>	1,300	
<u>Adjusted cost</u>		
<u>Fair value</u>		
<u>Cash</u>	10,176	9,459
<u>Total</u>	49,975	68,234
<u>Fair Value</u>		
<u>Fair value</u>		
<u>Cash</u>	10,176	9,459
<u>Total</u>	49,975	68,234
<u>Cash and Cash Equivalents Fair Value</u>		
<u>Fair value</u>		
<u>Cash</u>	8,865	8,148
<u>Total</u>	48,664	66,923
<u>Restricted Cash Fair Value</u>		
<u>Fair value</u>		
<u>Cash</u>	1,311	1,311
<u>Total</u>	1,311	1,311
<u>Level 1 Adjusted cost</u>		
<u>Fair value</u>		
<u>Investments</u>	39,799	58,775
<u>Level 1 Fair Value</u>		
<u>Fair value</u>		
<u>Investments</u>	39,799	58,775
<u>Level 1 Money market mutual funds Adjusted cost</u>		
<u>Fair value</u>		
<u>Investments</u>	39,799	58,775
<u>Level 1 Money market mutual funds Fair Value</u>		
<u>Fair value</u>		
<u>Investments</u>	39,799	58,775
<u>Level 1 Cash and Cash Equivalents Fair Value</u>		
<u>Fair value</u>		
<u>Investments</u>	39,799	58,775
<u>Level 1 Cash and Cash Equivalents Money market mutual funds Fair Value</u>		
<u>Fair value</u>		
<u>Investments</u>	\$ 39,799	\$ 58,775

Inventories - Schedule Of
Inventory (Details) - USD (\$) Mar. 31, 2022 Dec. 31, 2021
\$ in Thousands

Inventories

<u>Finished goods</u>	\$ 2,880	\$ 2,488
<u>Inventory reserve</u>	\$ 100	\$ 100

**Stockholders' Equity -
Equity Offerings (Details) -
USD (\$)
\$/ shares in Units, \$ in
Thousands**

3 Months Ended

**Mar. 31, Mar. 31, Dec. 31, Dec. 31, Apr. 30, Jan. 31,
2022 2021 2021 2020 2019 2019**

Stockholders' Equity

Common stock authorized (in shares) 200,000,000 200,000,000

Preferred stock authorized (in shares) 5,000,000 5,000,000

Net proceeds from the offering \$ 2,792

Warrants outstanding (in shares) 275,430

Wainwright

Stockholders' Equity

Warrants to purchase shares of common stock 500,000

Warrants term 5 years

Exercise price (in dollars per share) \$ 1.25

Warrants outstanding (in shares) 172,500

At-the-market sales facility - April 17, 2019
agreement | Wainwright | Maximum

Stockholders' Equity

Offering amount \$ 50,000

At-the-market sales facility - December 31, 2020
agreement | Wainwright

Stockholders' Equity

Offering amount \$ 50,000

HCW ATM Program

Stockholders' Equity

Net proceeds from the offering \$ 0

Stock available for further issuance \$ 41,900

**Stockholders' Equity -
Equity Incentive Plans
(Details) - USD (\$)
\$ in Thousands**

3 Months Ended

Dec. 15, 2016 Mar. 31, 2022 Mar. 31, 2021

Equity Incentive Plans

Stock-based compensation

\$ 1,155 \$ 1,111

Research and Development Expense

Equity Incentive Plans

Stock-based compensation

275 260

General and Administrative Expense

Equity Incentive Plans

Stock-based compensation

873 840

Cost of goods sold

Equity Incentive Plans

Stock-based compensation

\$ 7 \$ 11

Maximum

Equity Incentive Plans

Term of award

10 years

Vesting period

4 years

Inducement Plan

Equity Incentive Plans

Authorized (in shares)

500,000

Stockholders' Equity - Options Outstanding (Details) - \$ / shares	3 Months Ended Mar. 31, 2022	12 Months Ended Dec. 31, 2021
<u>Number of Shares</u>		
<u>Balance at the beginning of the period (in shares)</u>	12,449,870	
<u>Granted (in shares)</u>	244,950	
<u>Forfeited/Cancelled (in shares)</u>	(435,809)	
<u>Balance at the end of the period (in shares)</u>	12,259,011	12,449,870
<u>Vested or expected to vest at the end of the period (in shares)</u>	12,259,011	
<u>Exercisable at the end of the period (in shares)</u>	7,457,237	
<u>Weighted-Average Exercise Price</u>		
<u>Balance at the beginning of the period (in dollars per share)</u>	\$ 2.67	
<u>Granted (in dollars per share)</u>	0.60	
<u>Forfeited/Cancelled (in dollars per share)</u>	1.85	
<u>Balance at the end of the period (in dollars per share)</u>	2.65	\$ 2.67
<u>Vested or expected to vest at the end of the period (in dollars per share)</u>	2.65	
<u>Exercisable at the end of the period (in dollars per share)</u>	3.30	
<u>Closing price of Company's stock (in dollars per share)</u>	\$ 0.55	
<u>Weighted Average Remaining Contractual Term</u>		
<u>Options Outstanding at the end of the period</u>	6 years 11 months 19 days	7 years 1 month 9 days
<u>Vested or expected to vest at the end of the period</u>	6 years 11 months 19 days	
<u>Exercisable at the end of the period</u>	5 years 7 months 28 days	

**Stockholders' Equity -
Options Other Info (Details)**
- USD (\$)
\$ / shares in Units, \$ in
Millions

3 Months Ended

Mar. 31, 2022

Mar. 31, 2021

Options outstanding

Closing price of Company's stock (in dollars per share) \$ 0.55

Employee Stock Option

Options outstanding

Unrecognized compensation expense \$ 5.5

Weighted average remaining period for recognition of unrecognized compensation expense 2 years 10 months
2 days

Per-share weighted-average grant date fair value of options granted (in dollars per share) \$ 0.46 \$ 1.65

Employee Stock Option | Weighted-average

Weighted-average assumptions:

Expected term of options (in years) 6 years 3 months 6 years 2 months
18 days 12 days

Risk-free interest rate (as a percent) 1.50% 0.80%

Expected volatility (as a percent) 92.50% 97.50%

Stockholders' Equity - Non-vested RSUs (Details) - USD

3 Months Ended

(\$)

**\$ / shares in Units, \$ in
Thousands**

Mar. 31, 2022

**Mar. 31,
2021**

Weighted Average Grant Date Fair Value

Stock-based compensation

\$ 1,155

\$ 1,111

Restricted Stock Units

Number of Shares

Non-vested at end of period (in shares)

5,918,496

Weighted Average Grant Date Fair Value

Non-vested at end of period (in dollars per share)

\$ 1.08

Stock-based compensation

\$ 500

Unrecognized compensation expense

\$ 5,700

Weighted average remaining period for recognition of unrecognized compensation expense

3 years 1 month 20
days

Stockholder's Equity - Shares Reserved for Future Grant and Issuance (Details) - shares	3 Months Ended		
	Dec. 15, 2016	Mar. 31, 2022	Dec. 31, 2021
<u>Shares Reserved for Future Issuance</u>			
<u>Stock options outstanding (in shares)</u>		12,259,011	12,449,870
<u>Warrants outstanding (in shares)</u>		275,430	
<u>Total shares of common stock reserved for future issuance (in shares)</u>		18,931,243	
<u>2013 plan</u>			
<u>Shares Available for Future Grant</u>			
<u>Balance at the beginning of the period (in shares)</u>		4,178,805	
<u>Authorized (in shares)</u>		6,620,800	
<u>Granted (in shares)</u>		(244,950)	
<u>Forfeited/Cancelled (in shares)</u>		27,871	
<u>Balance at the end of the period (in shares)</u>		10,582,526	
<u>Shares Reserved for Future Issuance</u>			
<u>Shares available for future issuance (in shares)</u>		10,582,526	4,178,805
<u>Inducement Plan</u>			
<u>Shares Available for Future Grant</u>			
<u>Balance at the beginning of the period (in shares)</u>		252,500	
<u>Authorized (in shares)</u>	500,000		
<u>Balance at the end of the period (in shares)</u>		252,500	
<u>Shares Reserved for Future Issuance</u>			
<u>Shares available for future issuance (in shares)</u>		252,500	252,500
<u>2013 Employee Stock Purchase Plan</u>			
<u>Shares Available for Future Grant</u>			
<u>Balance at the end of the period (in shares)</u>		225,806	
<u>Shares Reserved for Future Issuance</u>			
<u>Shares available for future issuance (in shares)</u>		225,806	
<u>Employee Stock Option 2013 plan</u>			
<u>Shares Reserved for Future Issuance</u>			
<u>Stock options outstanding (in shares)</u>		12,011,511	
<u>Employee Stock Option Inducement Plan</u>			
<u>Shares Reserved for Future Issuance</u>			
<u>Stock options outstanding (in shares)</u>		247,500	
<u>Restricted Stock Units 2013 plan</u>			
<u>Shares Reserved for Future Issuance</u>			
<u>Stock options outstanding (in shares)</u>		5,918,496	

**Commitments and
Contingencies - Leases
(Details) - Chesterbrook,
Pennsylvania**

	Oct. 02, 2020	Oct. 11, 2018	Mar. 31, 2022
		ft ²	USD (\$)
		\$ / ft ²	

Leases

<u>Number of square feet of space leased on the first floor \$</u>		8,231
<u>Number of square feet of space leased on the second floor \$</u>		40,565
<u>Sublease Agreements Vanguard Group, Inc</u>		

Leases

<u>Number of square feet of space being subleased on second floor ft²</u>		40,565
<u>Initial term of sublease</u>		37 months
<u>Term of optional sublease extension</u>	3 years	
<u>Term of second optional sublease extension</u>	3 years	
<u>Amount per square foot less for rent during months 2 to 13 \$ / ft²</u>		0.50
<u>Amount per square foot for rent after month 14 \$ / ft²</u>		1.00

**Commitments and
Contingencies - Balance
sheet information related to
leases (Details) - USD (\$)
\$ in Thousands**

Mar. 31, 2022

Dec. 31, 2021

Leases

Operating lease right-of-use assets	\$ 4,592	\$ 4,706
Operating lease liabilities - Current	\$ 813	\$ 788
Operating Lease, Liability, Current, Statement of Financial Position [Extensible List]	Lease Liability Current	Lease Liability Current
Operating lease liabilities - Noncurrent	\$ 6,096	\$ 6,309
Operating Lease, Liability, Noncurrent, Statement of Financial Position [Extensible List]	Lease Liability Noncurrent	Lease Liability Noncurrent
Lease Liability	\$ 6,909	\$ 7,097
Property and equipment, net	1,736	1,841
Finance lease liabilities - Current	\$ 2	\$ 4
Finance Lease, Liability, Current, Statement of Financial Position [Extensible List]	Lease Liability Current	Lease Liability Current
Finance Lease, Liability, Noncurrent, Statement of Financial Position [Extensible List]	Lease Liability Noncurrent	Lease Liability Noncurrent
Lease Liability	\$ 2	\$ 4
Finance leased assets		
<u>Leases</u>		
Property and equipment, at cost	45	45
Accumulated depreciation	(43)	(41)
Property and equipment, net	\$ 2	\$ 4

Commitments and Contingencies - Components of lease expense (Details) - USD (\$) \$ in Thousands	3 Months Ended	
	Mar. 31, 2022	Mar. 31, 2021
<u>Operating lease costs:</u>		
<u>Operating lease rental expense</u>	\$ 327	\$ 293
<u>Other income</u>	(315)	(312)
<u>Total operating lease costs</u>	12	(19)
<u>Finance lease costs:</u>		
<u>Amortization of right-of-use assets</u>	1	2
<u>Total finance lease costs</u>	\$ 1	\$ 2

**Commitments and
Contingencies - Cash flow
information (Details) - USD
(\$)**

3 Months Ended

Mar. 31, 2022 Mar. 31, 2021

\$ in Thousands

Commitments and Contingencies.

Operating cash flows from operating leases \$ (70) \$ (48)

Financing cash flows from finance leases \$ (2) \$ (2)

**Commitments and
Contingencies - Lease
liabilities (Details) - USD (\$)** **Mar. 31, 2022 Dec. 31, 2021**
\$ in Thousands

Operating Leases

<u>2022 (April 1 - December 31)</u>	\$ 1,053	
<u>2023</u>	1,425	
<u>2024</u>	1,450	
<u>2025</u>	1,474	
<u>2026</u>	1,498	
<u>2027 and beyond</u>	2,163	
<u>Total minimum lease payments</u>	9,063	
<u>Interest Expense</u>	(2,154)	
<u>Lease Liability</u>	6,909	\$ 7,097

Financing Leases

<u>2021 (October 1 - December 31)</u>	2	
<u>Total minimum lease payments</u>	2	
<u>Lease Liability</u>	2	\$ 4

Sublease

<u>2022 (April 1 - December 31)</u>	839	
<u>2023</u>	1,139	
<u>2024</u>	996	
<u>Total minimum lease payments</u>	\$ 2,974	

**Commitments and
Contingencies - Lease term
and discount rates (Details)**

Mar. 31, 2022 Mar. 31, 2021

Commitments and Contingencies.

<u>Weighted average remaining lease term - Operating leases</u>	6 years	7 years
<u>Weighted average remaining lease term - Finance leases</u>		1 year
<u>Weighted average discount rate - Operating leases</u>	9.20%	9.20%
<u>Weighted average discount rate - Finance leases</u>	6.50%	6.50%

Commitments and Contingencies - Legal Proceedings (Details)	Feb. 11,	1 Months Ended Feb. 28,	2 Months Ended Nov. 30,	12 Months Ended Dec. 31,	Aug. 02,
	2021 USD (\$)	2019 item	2018 item	2020 USD (\$)	2021 USD (\$)
Class Actions In Eastern District Of Pennsylvania Pending Litigation					
Legal Proceedings					
Number of claims item			3		
Number of claims after consolidation item			1		
Monetary payment to be made to the plaintiff	\$ 8,500,000				
Class Actions In Eastern District Of Pennsylvania Settled Litigation					
Legal Proceedings					
Estimated settlement liability				\$ 8,500,000	
Insurance recovery				8,500,000	
Settlement amount paid by insurance carriers				8,500,000	
Shareholder Derivative Actions Pending Litigation					
Legal Proceedings					
Number of claims item		2			
Shareholder Derivative Actions Settled Litigation					
Legal Proceedings					
Estimated settlement liability				\$ 500,000	
Insurance recovery					\$ 500,000

Product Revenue (Details)

**3 Months Ended
Mar. 31, 2022
USD (\$)**

Sales Discounts

Balance \$ 1,000

Provision related to current period sales

Balance 1,000

Chargebacks

Balance 41,000

Provision related to current period sales

Balance 41,000

Fee for Service

Balance 45,000

Provision related to current period sales

Balance 45,000

Sales allowance included with accrued expenses and other current liabilities. \$ 87,000

License Revenue (Details) - USD (\$) \$ in Thousands	1 Months Ended Aug. 31, 2020	3 Months Ended Jun. 30, 2018	3 Months Ended Mar. 31, 2022	3 Months Ended Mar. 31, 2021
<u>Licensing Arrangements</u>				
<u>Total revenue</u>			\$ 20	\$ 209
<u>Pharmbio Korea Inc Licensing agreements for development and commercialization</u>				
<u>Licensing Arrangements</u>				
<u>Upfront payment</u>		\$ 3,000		
<u>Commercialization milestone payments</u>		\$ 500		
<u>Time period for written notice to terminate license agreement</u>		180 days		
<u>Pharmbio Korea Inc Licensing agreements for development and commercialization Minimum</u>				
<u>Licensing Arrangements</u>				
<u>Time period to form a committee prior to the anticipated date of regulatory approval</u>		6 months		
<u>Pharmbio Korea Inc Licensing agreements for development and commercialization Maximum</u>				
<u>Licensing Arrangements</u>				
<u>Royalties on product sales, percentage</u>		20.00%		
<u>Jiangsu Nhwa Pharmaceutical Co Ltd Licensing agreements for development and commercialization</u>				
<u>Licensing Arrangements</u>				
<u>Upfront payment</u>		\$ 2,500		
<u>Withholding taxes</u>	\$ 300	\$ 300		
<u>Time period for written notice to terminate license agreement</u>		180 days		
<u>Milestone payment upon regulatory approval</u>		\$ 3,000		
<u>Milestone payment upon regulatory approval in China</u>		3,000		
<u>Milestone payment upon sales targets reached in China</u>		\$ 6,000		
<u>Royalty percentage on net product sales in China after milestones met</u>		10.00%		
<u>Jiangsu Nhwa Pharmaceutical Co Ltd Licensing agreements for development and commercialization Minimum</u>				
<u>Licensing Arrangements</u>				
<u>Time period to form a committee prior to the anticipated date of regulatory approval</u>		6 months		
<u>License revenue</u>				
<u>Licensing Arrangements</u>				
<u>Total revenue</u>			20	
<u>License revenue Licensing agreements for development and commercialization</u>				
<u>Licensing Arrangements</u>				

<u>Withholding taxes</u>	\$ 500
<u>License revenue Pharmbio Korea Inc</u>	
<u>Licensing Arrangements</u>	
<u>Total revenue</u>	\$ 20

**Net Loss Per Common Share
(Details) - USD (\$)
\$ / shares in Units, \$ in
Thousands**

**3 Months Ended
Mar. 31, Mar. 31,
2022 2021**

Basic and diluted net loss per common share calculation:

<u>Net loss</u>	\$ (16,389)	\$ (9,842)
<u>Weighted average common shares outstanding, basic (in shares)</u>	165,520,007	160,508,373
<u>Weighted average common shares outstanding, diluted (in shares)</u>	165,520,007	160,508,373
<u>Net loss per share of common stock, basic (in dollars per share)</u>	\$ (0.10)	\$ (0.06)
<u>Net loss per share of common stock, diluted (in dollars per share)</u>	\$ (0.10)	\$ (0.06)
<u>Outstanding securities excluded from computation of diluted weighted shares outstanding (in shares)</u>	18,452,937	14,342,476
<u>Employee Stock Option</u>		

Basic and diluted net loss per common share calculation:

<u>Outstanding securities excluded from computation of diluted weighted shares outstanding (in shares)</u>	12,259,011	10,350,543
<u>Restricted Stock Units</u>		

Basic and diluted net loss per common share calculation:

<u>Outstanding securities excluded from computation of diluted weighted shares outstanding (in shares)</u>	5,918,496	3,696,342
<u>Warrants</u>		

Basic and diluted net loss per common share calculation:

<u>Outstanding securities excluded from computation of diluted weighted shares outstanding (in shares)</u>	275,430	295,591
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Subsequent Events (Details)
- Subsequent event - R-
Bridge Financing
\$ / shares in Units, \$ in
Millions

1 Months Ended
Apr. 30, 2022
USD (\$)
area
\$ / shares
shares

[Royalty Based Loan Agreement](#)

[Subsequent Event](#)

[Upfront payment](#)

\$ 15.0

[Commercialization milestone payments](#)

\$ 10.0

[Debt instrument, first tranche call from closing of the deal, time period](#)

15 days

[Number of firm's core areas | area](#)

3

[Warrants to purchase shares of common stock | shares](#)

5,000,000

[Warrants term](#)

3 years

[Exercise price | \\$ / shares](#)

\$ 0.82

[Royalty Based Loan Agreement - First Tranche](#)

[Subsequent Event](#)

[Proceeds from royalty-based loan agreement](#)

\$ 15.0

[China | Royalty Based Loan Agreement](#)

[Subsequent Event](#)

[Milestone payment upon first commercial sale in China](#)

\$ 15.0

[Jiangsu Nhwa Pharmaceutical Co Ltd | China](#)

[Subsequent Event](#)

[Net revenue interest in U.S. net sales \(as a percent\)](#)

4.00%

[Cap of U.S. revenue interest if Chinese approval occurs by year-end 2023](#)

\$ 10.0

[Net revenue interest in U.S. net sales if approval target is not reached \(as a percent\)](#)

7.00%

[Milestone payment upon regulatory approval in China](#)

\$ 3.0

1. The first part of the document discusses the importance of maintaining accurate records of all transactions and activities. It emphasizes the need for transparency and accountability in financial reporting.

2. The second part of the document outlines the various methods used to collect and analyze data. It includes a detailed description of the sampling process and the statistical techniques employed to interpret the results.

3. The third part of the document presents the findings of the study. It highlights the key trends and patterns observed in the data, as well as the implications of these findings for the industry and the broader economy.

4. The fourth part of the document discusses the limitations of the study and suggests areas for future research. It acknowledges the potential biases and limitations of the data and the methods used, and offers suggestions for how these issues can be addressed in future studies.

5. The fifth part of the document provides a conclusion and a summary of the main points. It reiterates the importance of accurate record-keeping and the need for ongoing research in this field.

