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

FORM 10-Q

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

For the quarterly period ended September 30, 2026

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: 001-38599

Aquestive Therapeutics, Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware	**184 Liberty Corner Road, Suite 305, Warren, NJ 07059**	**82-3827296**
(State or other jurisdiction of incorporation or organization)	**(908) 941-1900**	(I.R.S. Employer Identification Number)

(Address, Zip Code and Telephone Number of Registrant's Principal Executive Offices)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.001 per share	**AQST**	Nasdaq Global Market

Securities registered pursuant to Section 12(g) of the Act: **None**

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

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Securities Exchange Act of 1934.

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

The number of outstanding shares of the registrant's common stock, par value of $0.001 per share (the "Common Stock"), as of the close of business on October 30, 2026 was 125,687,705.

AQUESTIVE THERAPEUTICS, INC.
FORM 10-Q
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GLOSSARY OF TERMS, ABBREVIATIONS AND ACRONYMS

The following terms, abbreviations and acronyms are used to identify frequently used terms and phrases that may be used in this report (dollar amounts in thousands):

TERM	DEFINITION
12.5% Notes	12.5% Senior Secured Notes redeemed on November 1, 2023
13.5% Notes	13.5% Senior Secured Notes redeemed on May 12, 2026
2025 Underwritten Public Offering	Capital raise of gross proceeds of $85,000
ADHD	Attention deficit hyperactivity disorder
AdrenaVerse™	Epinephrine prodrug platform currently comprised of Anaphylm™ and AQST-108
ALS	Amyotrophic lateral sclerosis
Amendment	Amendment No. 1 to the Purchase and Sale Agreement with RTW Investments LP
Anaphylm™	Anaphylm™ (dibutepinephrine) sublingual film
ANVISA	Brazilian Health Regulatory Agency
API	Active Pharmaceutical Ingredients
Aquestive	Aquestive Therapeutics, Inc.
AQST	Nasdaq ticker symbol for Aquestive Therapeutics, Inc.
ASC	Accounting Standards Codification
Assertio	Assertio Holdings, Inc.
Assertio Agreement	License Agreement between Aquestive and Otter Pharmaceuticals, LLC, a subsidiary of Assertio Holdings, Inc.
ARS	Acute Repetitive Seizures
ARO	Asset Retirement Obligation
ASU	Accounting Standards Updates
ATM facility	At-The-Market facility for the purchase of AQST Common Stock, then in effect
AUC	Area Under the Curve
CEO	Chief Executive Officer
CMAX	Maximum Plasma Exposure
CMC	Chemistry, Manufacturing and Controls
CNS	Central Nervous System
CODM	Chief Operating Decision Maker
Commave Therapeutics	Commave Therapeutics SA
Common Stock	Common Stock, par value $0.001 per share, of the Company
Common Stock Warrants	Warrants issued with private placement of up to $100,000 aggregate principal of 12.5% Notes originally due 2025
Company	Aquestive Therapeutics, Inc.
Cosette	Cosette Pharmaceuticals, Inc.
Credit Agreement	Credit Agreement with funds managed by Oaktree Capital Management, L.P.
CRL	Complete Response Letter
CROs	Contract Research Organizations
DEA	Drug Enforcement Administration
Effective Date	May 12, 2026, effective date of the Credit Agreement
EMA	European Medicines Agency
EOP2	End-of-phase 2
EPS	Earnings per share
ERTC	Employee Retention Tax Credit
ESPP	Employee Stock Purchase Plan
Eton	Eton Pharmaceuticals, Inc.
EU	European Union

Exchange Act	Securities Exchange Act of 1934
Existing Warrants	Common Stock Purchase Warrants with the holder of the remaining 5,000,000 warrants
FASB	Financial Accounting Standards Board
FDA	U.S. Food and Drug Administration
First Amendment	First amendment to the Sunovion License Agreement
GAAP	Generally Accepted Accounting Principles
HCP	Healthcare Provider
HF	Human Factors
Hypera	Hypera Pharma, CosMed Industria De Cosmeticos E Medicamentos S.A
IM	Intramuscular
IND	Investigational New Drug
Indenture Agreement	Agreement governing the 13.5% Senior Secured Notes
Indivior	Indivior Inc. (formerly, Reckitt Benckiser Pharmaceuticals Inc)
Indivior Amendment	Amendment No. 11 to the Indivior License Agreement
Indivior License Agreement	Commercial Exploitation Agreement with Reckitt Benckiser Pharmaceuticals, Inc. (with subsequent amendments collectively)
JAK	Janus Kinase
Lenders	Oaktree Fund Administration, LLC and Oaktree Capital Management, L.P.
LGS	Lennox-Gastaut syndrome
Libervant®	Libervant® (diazepam) buccal film
Marathon	Marathon Asset Management
MDL	Multidistrict Litigation
Monetization Agreement	Purchase and Sale Agreement between Aquestive and Marathon
Minimum Net Sales Covenant	Minimum net sales covenant if the Company draws from Tranche B of the Credit Agreement
Neurelis	Neurelis, Inc.
N/M	Not Meaningful, used in percentage changes
Nasdaq	The Nasdaq Global Market
NDA	New Drug Application
New Warrants	Warrants to purchase 2,750,000 shares of Common Stock
Oaktree	Oaktree Capital Management, L.P.
Oaktree Warrant Issuance Agreement	Warrant Issuance Agreement with Oaktree Capital Management, L.P.
OASIS	Oral Allergy Syndrome Challenge Study
Orphan Drug Act	21 U.S.C. §§ 360aa–360ff (i.e., 21 U.S.C. § 360aa et seq.)
ODE	Orphan Drug Exclusivity
PD	Pharmacodynamics
PDUFA	Prescription Drug User Fee Act
Pharmanovia	Atnahs Pharma UK Limited, a company registered in England and Wales
Pharmanovia Agreement	License and Supply Agreement with Atnahs Pharma UK Limited
Pharmanovia Amendment	First Amendment to the License and Supply Agreement with Atnahs Pharma UK Limited as of March 27, 2023
Pharmanovia Amendment No. 2	Second Amendment to the License and Supply Agreement with Atnahs Pharma UK Limited as of April 20, 2026
PK	Pharmacokinetic
PTO	United States Patent and Trademark Office
Purchase Agreement	Purchase and Sale Agreement with funds managed by RTW Investments LP
Purchaser	RTW Investments LP
R&D	Research and development
Royalty Obligations	Liability related to the Royalty Rights Agreements

Royalty Rights Agreements	Royalty Rights Agreements, component of 13.5% Senior Secured Notes
RSU	Restricted Stock Unit
RTW	RTW Investments, LP
RTW Warrants	Warrants to purchase 375,000 shares of the Company's Common Stock at an exercise price of $4.00 per share
SEC	Securities and Exchange Commission
Securities Purchase Agreements	Securities Purchase Agreements with certain purchasers entered into on June 6, 2022
SOFR	Secured Overnight Financing Rate
Sunovion	Sunovion Pharmaceuticals Inc.
Sunovion License Agreement	KYNMOBI Commercialization Agreement
Term Loan Facility	Senior secured term loan facility of up to $150,000
TSLP	Thymic Stromal Lymphopoietin
Territory	Certain countries of the European Union, the United Kingdom, Switzerland, Norway and the Middle East and North Africa under the Pharmanovia Agreement
Tranche A Tranche B Tranche C Tranche D	Initial funded tranche of $55,000 of the Term Loan Facility $20,000 principal amount, component of the Credit Agreement $25,000 principal amount, component of the Credit Agreement $50,000 principal amount, component of the Credit Agreement
Tranche A Warrant	Warrants to purchase up to an aggregate of 230,271 shares of the Company's Common Stock at an exercise price of $4.18 per share.
VWAP	Volume Weighted Average Price
Warrant Issuance Agreement	Agreement with RTW Investments LP to issue a warrant to purchase up to 375,000 shares of the Company's Common Stock at an exercise price of $4.00 per share
Zambon	Zambon S.p.A.
Zevra	Zevra Therapeutics, Inc. (formerly KemPharm, Inc.)

PART I – FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS *(Unaudited)*

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

	September 30, 2026	December 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	$ 90,349	$ 121,169
Trade and other receivables, net	5,254	17,763
Inventories	7,309	6,169
Prepaid expenses and other current assets	2,913	4,168
Total current assets	105,825	149,269
Property and equipment, net	4,358	3,893
Right-of-use assets, net	7,451	4,621
Other non-current assets	1,693	2,642
Total assets	$ 119,327	$ 160,425
Liabilities and stockholders' deficit		
Current liabilities:		
Accounts payable	$ 8,818	$ 29,862
Accrued expenses	5,576	5,029
Lease liabilities, current	623	631
Deferred revenue, current	1,092	1,092
Liability related to the sale of future revenue, current	1,000	1,000
Royalty obligations, current	157	—
Debt, current	33	9,994
Total current liabilities	17,299	47,608
Debt, long-term, net	50,757	27,519
Royalty obligations, net	28,702	25,941
Liability related to the sale of future revenue, net	61,192	62,023
Lease liabilities	7,359	4,337
Deferred revenue, net of current portion	18,573	19,390
Other non-current liabilities	6,269	7,269
Total liabilities	190,151	194,087
Contingencies (Note 20)		
Stockholders' deficit:		
Common Stock, $0.001 par value. Authorized 250,000,000 shares; 125,687,705 and 122,044,299 shares issued and outstanding at September 30, 2026 and December 31, 2025, respectively	126	122
Additional paid-in capital	423,465	413,214
Accumulated deficit	(494,415)	(446,998)
Total stockholders' deficit	(70,824)	(33,662)
Total liabilities and stockholders' deficit	$ 119,327	$ 160,425

See accompanying notes to the condensed financial statements.

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenues	$ 7,557	$ 12,807	$ 35,822	$ 31,530
Costs and expenses:				
Manufacture and supply	3,606	4,506	11,092	12,719
Research and development	4,251	4,530	12,417	13,996
Selling, general and administrative	14,169	15,250	39,209	47,027
Total costs and expenses	22,026	24,286	62,718	73,742
Loss from operations	(14,469)	(11,479)	(26,896)	(42,212)
Other income/(expenses):				
Loss on extinguishment of debt	—	—	(11,683)	—
Interest expense	(1,845)	(2,779)	(7,555)	(8,342)
Interest expense related to royalty obligations	(973)	(1,433)	(2,918)	(4,304)
Interest expense related to the sale of future revenue	(62)	(61)	(183)	(181)
Interest income and other income, net	853	306	1,818	3,115
Net loss before income taxes	(16,496)	(15,446)	(47,417)	(51,924)
Net loss	$ (16,496)	$ (15,446)	$ (47,417)	$ (51,924)
Comprehensive loss	$ (16,496)	$ (15,446)	$ (47,417)	$ (51,924)
Loss per share attributable to common stockholders:				
Basic and diluted (in dollars per share)	$ (0.13)	$ (0.14)	$ (0.38)	$ (0.51)
Weighted average common shares outstanding:				
Basic and diluted (in shares)	125,548,783	110,584,371	124,395,079	101,857,974

See accompanying notes to the condensed financial statements.

AQUESTIVE THERAPEUTICS, INC.
Condensed Statements of Changes in Stockholders' Deficit
Three and Nine Months Ended September 30, 2026
(In thousands, except share amounts)
(Unaudited)

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount			
Balance at December 31, 2025	122,044,299	$ 122	$ 413,214	$ (446,998)	$ (33,662)
Common Stock issued under public equity offering-ATM	1,191,071	1	5,061	—	5,062
Costs of Common Stock issued under public equity offering-ATM	—	—	(303)	—	(303)
Warrants issued under the Purchase Agreement	—	—	916	—	916
Share-based compensation expense	—	—	2,318	—	2,318
Vested restricted stock units, net	1,048,422	1	(330)	—	(329)
Options exercised, net	750	—	1	—	1
Net loss	—	—	—	(8,057)	(8,057)
Balance at March 31, 2026	124,284,542	124	420,877	(455,055)	(34,054)
Costs of Common Stock issued under public equity offering-ATM	—	—	(79)	—	(79)
Warrants issued under the Credit Agreement	—	—	663	—	663
Shares issued under employee stock purchase plan	19,660	—	82	—	82
Share-based compensation expense	—	—	2,880	—	2,880
Vested restricted stock units, net	1,172,446	2	(3,243)	—	(3,241)
Options exercised, net	35,000	—	27	—	27
Net loss	—	—	—	(22,864)	(22,864)
Balance at June 30, 2026	125,511,648	126	421,207	(477,919)	(56,586)
Common Stock issued upon warrant exercises under the Securities Purchase Agreements	160,548	—	154	—	154
Costs of Common Stock issued under public equity offering-ATM	—	—	(27)	—	(27)
Share-based compensation expense	—	—	2,126	—	2,126
Vested restricted stock units, net	6,759	—	(18)	—	(18)
Options exercised, net	8,750	—	23	—	23
Net loss	—	—	—	(16,496)	(16,496)
Balance at September 30, 2026	125,687,705	$ 126	$ 423,465	$ (494,415)	$ (70,824)

AQUESTIVE THERAPEUTICS, INC.
Condensed Statements of Changes in Stockholders' Deficit
Three and Nine Months Ended September 30, 2025
(In thousands, except share amounts)
(Unaudited)

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount			
Balance at December 31, 2024	91,413,742	$ 91	$ 302,967	$ (363,214)	$ (60,156)
Common Stock issued under public equity offering-ATM	7,457,627	8	21,992	—	22,000
Costs of Common Stock issued under public equity offering-ATM	—	—	(729)	—	(729)
Share-based compensation expense	—	—	1,587	—	1,587
Vested restricted stock units, net	445,784	—	(702)	—	(702)
Net loss	—	—	—	(22,930)	(22,930)
Balance at March 31, 2025	99,317,153	99	325,115	(386,144)	(60,930)
Costs of Common Stock issued under public equity offering-ATM	—	—	(34)	—	(34)
Shares issued under employee stock purchase plan	18,056	—	59	—	59
Share-based compensation expense	—	—	1,875	—	1,875
Vested restricted stock units, net	10,561	—	(19)	—	(19)
Options exercised, net	7,500	—	7	—	7
Net loss	—	—	—	(13,548)	(13,548)
Balance at June 30, 2025	99,353,270	$ 99	$ 327,003	$ (399,692)	$ (72,590)
Common Stock issued under public equity offering	21,250,000	21	84,979	—	85,000
Costs of Common Stock issued under public equity offering	—	—	(5,537)	—	(5,537)
Costs of Common Stock issued under public equity offering-ATM	—	—	(10)	—	(10)
Share-based compensation expense	—	—	2,777	—	2,777
Vested restricted stock units, net	304,843	—	(72)	—	(72)
Options exercised, net	200,000	—	339	—	339
Common Stock issued upon warrant exercises under the Securities Purchase Agreements	550,000	1	1,429	—	1,430
Net loss	—	—	—	(15,446)	(15,446)
Balance at September 30, 2025	121,658,113	$ 121	$ 410,908	$ (415,138)	$ (4,109)

See accompanying notes to the condensed financial statements.

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

	Nine Months Ended September 30,	
	2026	**2025**
Operating activities:		
Net loss	$ (47,417)	$ (51,924)
Adjustments to reconcile net loss to net cash used for operating activities:		
Depreciation, amortization, and impairment	405	418
Share-based compensation	7,339	6,248
Loss on extinguishment of debt	11,683	—
Issuance of warrants under the Purchase Agreement	916	—
Amortization of debt issuance costs and discounts	5,368	8,246
Other, net	189	—
Changes in operating assets and liabilities:		
Trade and other receivables, net	12,509	(4,413)
Inventories	(1,140)	(1,840)
Prepaid expenses and other assets	2,204	1,383
Accounts payable	(21,092)	276
Accrued expenses and other liabilities	(1,440)	(2,058)
Deferred revenue	(817)	(299)
Net cash used for operating activities	(31,293)	(43,963)
Investing activities:		
Capital expenditures	(848)	(477)
Net cash used for investing activities	(848)	(477)
Financing activities:		
Proceeds from Common Stock issued under public equity offering-ATM, net	4,653	21,227
Proceeds from Common Stock issued under public equity offering, net	—	79,728
Proceeds from issuance of long-term debt under the Credit Agreement	54,337	—
Proceeds from issuance of warrants under the Credit Agreement	663	—
Proceeds from shares issued under employee stock purchase plan	70	50
Proceeds from exercise of stock options, net	50	346
Proceeds from exercise of warrants, net under the Securities Purchase Agreements	154	1,430
Repayment of debt principal - 13.5% Notes	(45,000)	—
Debt exit fee paid - 13.5% Notes	(2,000)	—
Premium paid to retire debt - 13.5% Notes	(3,887)	—
Payments for financing costs	(4,100)	—
Payments for lease liabilities and royalty obligations	(28)	(32)
Payments for taxes on share-based compensation, net	(3,591)	(792)
Net cash provided by financing activities	1,321	101,957
Net (decrease) increase in cash and cash equivalents	(30,820)	57,517
Cash and cash equivalents:		
Cash and cash equivalents at beginning of period	121,169	71,546
Cash and cash equivalents at end of period	$ 90,349	$ 129,063
Supplemental disclosures of cash flow information:		
Cash payments for interest	$ 3,677	$ 4,574
Non-cash investing activities: capital expenditures in Accounts Payable	$ —	$ 40
Costs associated with public offering in Accounts Payable	$ —	$ 265

See accompanying notes to the condensed financial statements.

AQUESTIVE THERAPEUTICS, INC.
Notes to Condensed Financial Statements
(In thousands, except share and per share amounts) (Unaudited)

Note 1. Company Overview and Basis of Presentation

(A) Company Overview

Aquestive is a biopharmaceutical company advancing medicines to bring meaningful improvement to patients' lives through innovative science. The worldwide leader in delivering trusted, quality medications on oral film, Aquestive operates with its headquarters in New Jersey and U.S.-based manufacturing facilities in Indiana. The Company is the exclusive manufacturer of four commercialized products marketed by its licensees across six continents using proprietary, best-in-class technologies like PharmFilm®. Aquestive's AdrenaVerse™ platform contains a library of more than 20 epinephrine prodrugs enabling the pursuit of various potential allergy and dermatological indications. The Company is advancing Anaphylm™ (dibutepinephrine) sublingual film for the treatment of Type 1 allergic reactions, including anaphylaxis, and AQST-108 (epinephrine) topical gel for various potential dermatological conditions.

(B) Equity Transactions

ATM Facility

The Company established its first ATM facility in September 2019, and since inception to September 30, 2026, the Company has sold 28,506,216 shares of Common Stock under its ATM facility which has generated net cash proceeds of approximately $86,491, net of commissions and estimated other transactions costs of $4,215. On April 3, 2024, the Company filed a new shelf registration statement on Form S-3, the 2024 Registration Statement, which was declared effective by the SEC on April 23, 2024. Included as part of the 2024 Registration Statement are (i) a base prospectus registering the offer, issuance and sale of up to $250,000 worth of Common Stock, preferred stock, debt securities, warrants, rights and units and (ii) a $100,000 ATM facility prospectus. During the three months ended September 30, 2026, there were no shares of Common Stock sold under the ATM facility. During the nine months ended September 30, 2026, the Company sold 1,191,071 shares of Common Stock pursuant to the ATM prospectus and the Amended Equity Distribution Agreement with Piper Sandler & Co. (successor to Piper Jaffray & Co.), which provided net proceeds of approximately $4,738 after deducting commissions and estimated other transaction costs of $324. During the three months ended September 30, 2025, there were no shares of Common Stock sold under the ATM facility. For the nine months ended September 30, 2025, the Company sold 7,457,627 shares under the ATM facility, which provided net proceeds of approximately $21,261 after deducting commissions and other transaction costs of $739. The remaining authorized balance of the ATM facility was approximately $73,000 as of September 30, 2026.

2025 Underwritten Public Offering

On August 14, 2025, the Company completed the 2025 Underwritten Public Offering of 21,250,000 shares of its Common Stock at the public offering price of $4.00 per share. Net proceeds from the 2025 Underwritten Public Offering were $79,900, after deducting underwriting discounts of $5,100. In addition to the underwriting discounts related to this offering, the Company incurred professional fees and other costs totaling $440.

(C) Basis of Presentation

The accompanying interim condensed financial statements were prepared in conformity with U.S. GAAP and with Article 10 of Regulation S-X for interim financial reporting. In compliance with those rules, certain information and footnote disclosures normally included in annual financial statements prepared in accordance with U.S. GAAP have been condensed or omitted. These condensed financial statements should be read in conjunction with the Company's audited financial statements and related notes for the fiscal year ended December 31, 2025 included in the Company's Annual Report on Form 10-K filed with the SEC on March 4, 2026 (the "2025 Annual Report on Form 10-K"). As included herein, the Condensed Balance Sheet as of December 31, 2025 is derived from the audited financial statements as of that date. In the opinion of management, all adjustments (consisting only of normal recurring adjustments) considered necessary for a fair presentation of the results of interim periods have been included. The accompanying condensed financial statements reflect certain reclassifications from previously issued financial statements to conform to the current presentation. The Company has evaluated subsequent events for disclosure through the date of issuance of the accompanying condensed financial statements.

Any reference in the Notes to applicable guidance refers to the authoritative U.S. GAAP as found in the ASC and ASU of FASB.

Note 2. Summary of Significant Accounting Policies

Recent Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the FASB and adopted by the Company as of the specified effective date. Unless otherwise discussed, the Company believes that the impact of recently issued standards that are not yet effective will not have a material impact on its financial position or results of operations upon adoption.

Recent Accounting Pronouncements Adopted as of September 30, 2026:

In December 2023, the FASB issued ASU 2023-09—*Income Taxes (Topic 740)—Improvements to Income Tax Disclosures*. The ASU modifies the effective tax rate reconciliation table and requires disaggregation of income taxes. The Company adopted ASU 2023-09 for the year ending December 31, 2025 and added the required disclosures on a prospective basis.

Recent Accounting Pronouncements Not Adopted as of September 30, 2026:

In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses.* ASU 2024-03 will require the Company to disclose the amounts of purchases of inventory, employee compensation, depreciation and intangible asset amortization, as applicable, included in certain expense captions in the Statements of Operations, and Comprehensive Loss as well as qualitatively describe the remaining amounts included in those captions. ASU 2024-03 will also require the Company to disclose both the amount and the Company's definition of selling expenses. These disclosure requirements will be effective for the Company for fiscal years beginning after December 15, 2026, and for interim periods within fiscal years beginning after December 15, 2027. The Company is currently evaluating the impact from the adoption of ASU 2024-03 on disclosures to its financial statements.

In September 2025, the FASB issued ASU 2025-06, *Targeted Improvements to the Accounting for Internal-Use Software* to provide clarification and improvements to the accounting for internal-use software costs under ASC 350-40, Intangibles – Goodwill and Other – Internal-Use Software. The guidance includes amendments related to capitalization of implementation costs, subsequent measurement, and related presentation and disclosure requirements. This ASU will be effective for fiscal years beginning after December 15, 2027, and interim periods within those fiscal years. Early adoption is permitted. The Company is currently evaluating the impact this ASU will have on its financial statements and related disclosures.

Note 3. Risks and Uncertainties

The Company assesses liquidity in terms of its ability to generate cash to fund its operating, investing and financing activities. The Company's cash requirements for the remainder of 2026 and beyond include expenses related to continuing development and clinical evaluation of its products, manufacture and supply costs, costs of regulatory filings, patent prosecution expenses and litigation expenses, expenses related to commercialization of its products, as well as costs to comply with the requirements of being a public company operating in a highly regulated industry. As of September 30, 2026, the Company had $90,349 of cash and cash equivalents.

The Company has experienced a history of net losses. The Company's accumulated deficits totaled $494,415 as of September 30, 2026. The net losses and accumulated deficits were partially offset by gross margins from sales of commercialized licensed and proprietary products, license fees, milestone and royalty payments from commercial licensees and co-development parties. The Company's funding requirements have been met by its cash and cash equivalents, as well as its equity and debt offerings, including the issuance of the Term Loan Facility in May 2026 as further discussed in Note 13, *Long-Term Debt*, the ATM facility and other equity offerings, including the 2025 Underwritten Public Offering as discussed in Note 1, *Company Overview and Basis of Presentation,* Part B, *Equity Transactions.*

While the Company's ability to execute its business objectives and achieve profitability over the longer term cannot be assured, the Company's on-going business, existing cash and cash equivalents, expense management activities including, but not limited to, the ceasing of certain R&D activities, as well as access to the equity capital markets through its ATM facility, provide near term liquidity for the Company to fund its operating needs for at least the next twelve months as it continues to execute its business strategy.

Note 4. **Segment Reporting**

Operating segments are defined as components of an entity for which separate discrete financial information is available for evaluation by the CODM in deciding how to allocate resources and in assessing performance. For the nine months ended September 30, 2026 and 2025, the Company has identified one operating and reportable segment. The Company defines its operating segment based on internally reported financial information that is regularly reviewed by the CODM to analyze financial performance, make decisions, and allocate resources. The Company's CEO is the CODM. The Company manages its operations as a single segment for purposes of assessing performance and making operating decisions. This segment encompasses the development and advancement of a product pipeline for the treatment of severe allergic reactions, including anaphylaxis, and the AdrenaVerse epinephrine prodrug pipeline platform. Additionally, the Company served as the exclusive manufacturer for its proprietary product, Libervant, while it had U.S. market access, and four commercialized products.

The CODM reviews the segment's profit or loss based on net loss reported on the Condensed Statements of Operations and Comprehensive Loss. The CODM also considers forecast-to-actual variances on a monthly basis for expenses deemed significant. Furthermore, the CODM reviews the segment's assets based on total assets reported on the Condensed Balance Sheets. All long-lived assets are held in the United States. While the Company generated $7,557 and $12,807 in revenues for the three months ended September 30, 2026 and 2025, respectively, and $35,822 and $31,530 for the nine months ended September 30, 2026 and 2025, respectively, management expects the Company to continue to incur significant expenses and operating losses for the foreseeable future as it advances product candidates through all stages of development and clinical trials, ultimately seeking regulatory approval and commencing commercialization activities for Anaphylm, if approved by the FDA. The CODM uses cash forecast models to guide investment decisions and assess entity-wide operating results and performance. Net loss is used to monitor budget and rolling forecasts versus actual results. The CODM views specific categories within R&D expenses, selling expenses, and general and administrative expenses as significant due to their direct correlation with cash burn and profitability.

The following table reconciles reported revenues to net loss under the significant expense principle for the three and nine months ended September 30, 2026 and 2025:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenues	$ 7,557	$ 12,807	$ 35,822	$ 31,530
Costs and expenses:				
Total Manufacture and Supply Expenses	3,606	4,506	11,092	12,719
R&D Project expenses:				
Anaphylm project expenses	1,179	912	3,319	4,604
AQST-108 project expenses	294	(131)	1,004	254
R&D other expenses:				
Personnel costs[1]	2,218	3,001	6,641	7,351
Other[2]	560	748	1,453	1,787
Total Research and Development Expenses	4,251	4,530	12,417	13,996
Selling expenses:				
Personnel costs[3]	1,740	805	5,114	2,108
Other[4]	2,006	3,110	2,726	8,283
Total Selling expenses	3,746	3,915	7,840	10,391
General & Administrative expenses:				
Personnel costs[5]	5,405	5,017	17,516	15,025
Other[6]	5,018	6,318	13,853	21,611
Total General and Administrative Expenses	10,423	11,335	31,369	36,636
Total Selling, General and Administrative Expenses	14,169	15,250	39,209	47,027
Total costs and expenses	22,026	24,286	62,718	73,742
Loss from operations	(14,469)	(11,479)	(26,896)	(42,212)
Other income/(expenses), net	(2,027)	(3,967)	(20,521)	(9,712)
Net loss before income taxes	(16,496)	(15,446)	(47,417)	(51,924)
Net loss	$ (16,496)	$ (15,446)	$ (47,417)	$ (51,924)
Comprehensive loss	$ (16,496)	$ (15,446)	$ (47,417)	$ (51,924)

1 - R&D Personnel costs include payroll expenses, share-based compensation expenses and severance
2 - Other R&D expenses include preclinical, consulting, maintenance, and testing fees
3 - Selling Personnel costs include payroll expenses, share-based compensation expenses and severance
4 - Other Selling expenses include commercialization and other related expenses
5 - G&A Personnel costs include payroll expenses, share-based compensation expenses and severance
6 - Other General and Administrative expenses include legal/patent fees, insurance fees, IT expenses, investor relations expenses, regulatory fees, facility and other costs

Note 5. Revenues and Trade Receivables, Net

The Company's revenues include (i) sales of manufactured products pursuant to contracts with commercialization licensees, (ii) license and royalty revenues, (iii) co-development and research fees generally in the form of milestone payments, and (iv) sales of its proprietary CNS product, Libervant, for patients between two to five years of age while Libervant had U.S. market access through April 2025. The Company recognizes revenue to reflect the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. To achieve this core principle, a five-step model is applied that includes (1) identifying the contract with a

customer, (2) identifying the performance obligation in the contract, (3) determining the transaction price, (4) allocating the transaction price to the performance obligations, and (5) recognizing when, or as, an entity satisfies a performance obligation.

Performance Obligations - a performance obligation is a promise in a contract to transfer a distinct good or service to the customer and is the unit of account in the current revenue recognition standard. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. At contract inception, the Company assesses the goods promised in its contracts with customers and identifies a performance obligation for each promise to transfer to the customer a distinct good. When identifying performance obligations, the Company considers all goods or services promised in a contract regardless of whether explicitly stated in the contract or implied by customary business practice. The Company's performance obligations consist mainly of transferring goods and services identified in the contracts, purchase orders, invoices or statements of work.

Manufacture and supply revenue – this revenue is derived from products manufactured exclusively for specific customers according to their strictly-defined specifications, subject only to specified quality control inspections. Accordingly, at the point in time when quality control requirements are satisfied, revenue net of related discounts is recorded.

License and Royalty Revenue – license revenues are determined based on an assessment of whether the license is distinct from any other performance obligations that may be included in the underlying licensing arrangement. If the customer is able to benefit from the license without provision of any other performance obligations by the Company and the license is thereby viewed as a distinct or functional license, the Company then determines whether the customer has acquired a right to use the license or a right to access the license. For functional licenses that do not require further development or other ongoing activities by the Company, the customer is viewed as acquiring the right to use the license as, and when, transferred and revenues are generally recorded at a point in time, subject to contingencies or constraints. For symbolic licenses providing substantial value only in conjunction with other performance obligations to be provided by the Company, revenues are generally recorded over the term of the license agreement. Such other obligations provided by the Company generally include manufactured products, additional development services or other deliverables that are contracted to be provided during the license term. Payments received in excess of amounts ratably or otherwise earned are deferred and recognized over the term of the license or as contingencies or other performance obligations are met.

Royalty revenue is estimated and recognized when sales under supply agreements with commercial licensees are recorded, absent any contractual constraints or collectability uncertainties. Royalties based on sales of licensed products have been recorded in this manner.

Revenue recognition arising from milestone payments is dependent upon the facts and circumstances surrounding the milestone payments. Milestone payments based on a non-sales metric such as a development-based milestone (*i.e.*, an NDA filing or obtaining regulatory approval) represent variable consideration and are included in the transaction price subject to any constraints. If the milestone payments relate to future development, the timing of recognition depends upon historical experience and the significance a third party has on the outcome. For milestone payments to be received upon the achievement of a sales threshold, the revenue from the milestone payments is recognized at the later of when the actual sales occur or the performance obligation to which the sales relate to has been satisfied.

Co-development and Research Fees – co-development and research fees are earned through performance of specific tasks, activities or completion of stages of development defined within a contractual development or feasibility study agreement with a customer. The nature of these performance obligations, broadly referred to as milestones or deliverables, are usually dependent on the scope and structure of the project as contracted, as well as the complexity of the product and the specific regulatory approval path necessary for that product. Accordingly, the duration of the Company's R&D projects may range from several months to approximately three years. Although each contractual arrangement is unique, common milestones included in these arrangements include those for the performance of efficacy and other tests, reports of findings, formulation of initial prototypes, production of stability clinical and/or scale-up batches, and stability testing of those batches. Additional milestones may be established and linked to clinical results of the product submission and/or approval of the product by the FDA and the commercial launch of the product.

Proprietary product revenue, net - this net revenue is recognized when product is shipped and title passes to the customer, typically at time of delivery. At the time of sale, estimates for various revenue allowances are recorded based on historical trends and judgmental estimates. For sales of Libervant for patients between two to five years of age while Libervant had U.S. market access through April 2025, returns allowances and prompt pay discounts are estimated based on contract terms and historical return rates, if available, and these estimates are recorded as a reduction of receivables. Once receivables are collected, allowances are reclassified and treated as accrued liabilities. Similarly determined estimates are recorded relating to wholesaler service fees, co-pay support redemptions, and other rebates, and these estimates are reflected as a component of accrued liabilities. Once related variable considerations are resolved and uncertainties as to incurred amounts are eliminated, estimates are adjusted to actual allowance amounts. Provisions for these estimated amounts are reviewed and adjusted on no less than a quarterly basis.

Contract Assets - in certain situations, customer contractual payment terms provide for invoicing in arrears. Accordingly, some, or all performance obligations may be completely satisfied before the customer may be invoiced under such agreements. In these situations, billing occurs after revenue recognition, which results in a contract asset supported by the estimated value of the completed portion of the performance obligation. These contract assets are reflected as a component of other receivables within Trade and other receivables within the Condensed Balance Sheets. As of September 30, 2026, and December 31, 2025, such contract assets were $505 and $627, respectively, consisting primarily of products and services provided under specific contracts to customers for which earnings processes have been met prior to shipment of goods or full delivery of completed services, as well as estimated receivables from contracts with third parties.

Contract Liabilities - in certain situations, customer contractual payment terms are structured to permit invoicing in advance of delivery of a good or service. In such instances, the customer's cash payment may be received before satisfaction of some, or any, performance obligations that are specified. In these situations, billing occurs in advance of revenue recognition, which results in contract liabilities. These contract liabilities are reflected as deferred revenue within the Condensed Balance Sheets. As remaining performance obligations are satisfied, an appropriate portion of the deferred revenue balance is credited to earnings. As of September 30, 2026 and December 31, 2025, such contract liabilities were $19,665 and $20,482, respectively.

Costs to Obtain Contracts - in certain situations, the Company may incur incremental costs of obtaining a contract with a customer. These costs, if expected to be recovered, are recognized as an asset and reflected as other assets within the Condensed Balance Sheets. The asset is amortized on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. As of September 30, 2026 and December 31, 2025, such costs to obtain contracts were $426 and $449, respectively.

The Company's revenues were comprised of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Manufacture and supply revenue	$ 6,659	$ 11,467	$ 27,363	$ 28,243
License and royalty revenue [(a)]	824	1,038	7,545	2,667
Co-development and research fees	74	302	914	1,098
Proprietary product revenue, net	—	—	—	(478)
Total revenues	$ 7,557	$ 12,807	$ 35,822	$ 31,530

(a) Zevra-related one-time royalty revenues of $5,000 were recognized during the nine months ended September 30, 2026. For additional information, see Note 6, Material Agreements.

The following table provides disaggregated net revenue by geographic area:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
United States	$ 4,608	$ 10,123	$ 28,848	$ 20,215
Ex-United States	2,949	2,684	6,974	11,315
Total revenues	$ 7,557	$ 12,807	$ 35,822	$ 31,530

For the three months ended September 30, 2026, United States revenues were derived primarily from Indivior (manufacture and supply revenue), and Cosette (manufacture and supply revenue, and license and royalty revenue). Ex-United States revenues were derived primarily from Hypera (manufacture and supply revenue, and license and royalty revenue).

For the nine months ended September 30, 2026, United States revenues were derived primarily from Indivior (manufacture and supply revenue, and co-development and research fees), Zevra (license and royalty revenue), and Assertio as assumed by Cosette (manufacture and supply revenue, license and royalty revenue and co-development and research fees). Ex-United States revenues were derived primarily from Hypera (manufacture and supply revenue, and license and royalty revenue), Indivior (manufacture and supply revenue, license and royalty revenue and co-development and research fees), and Zambon (manufacture and supply revenue, license and royalty revenue, and co-development and research fees).

For the three and nine months ended September 30, 2025, United States revenues were derived primarily from Indivior (manufacture and supply revenue, and co-development and research fees), and Assertio (manufacture and supply revenue, license and royalty revenue and co-development and research fees). Ex-United States revenues were derived primarily from Hypera (manufacture and supply revenue, and license and royalty revenue), and Indivior (manufacture and supply revenue, license and royalty revenue and co-development and research fees).

Trade and other receivables, net consist of the following:

	September 30, 2026	December 31, 2025
Trade receivables	$ 3,702	$ 8,013
Contract and other receivables	1,552	9,750
Less: sales-related allowances	—	(582)
Reclassification into Accrued distribution expenses and sales-related allowances	—	582
Trade and other receivables, net	$ 5,254	$ 17,763

Contract and other receivables totaled $1,552 and $9,750 as of September 30, 2026 and December 31, 2025, respectively, consisting primarily of contract assets and other receivables. Contract assets consist of products and services provided under specific contracts to customers for which earnings processes have been met prior to shipment of goods or full delivery of completed services, as well as estimated receivables from contracts with third parties. Other receivables include the current portion related to the Monetization royalty receivable and other receivables. As of December 31, 2025, other receivables also include an insurance reimbursement. Sales-related allowances as of December 31, 2025 were estimated in relation to revenues recognized for sales of Libervant for patients between two to five years of age while Libervant had U.S. market access.

Allowance for Credit Losses

The Company maintains an allowance for credit losses on accounts receivable, which is recorded as a reduction to accounts receivable. Changes in the allowance are classified as Selling, general and administrative expenses in the Statements of Operations and Comprehensive Loss. The Company assesses collectability by reviewing accounts receivable on a collective basis where similar characteristics exist and on an individual basis when it identifies specific customers with known disputes or collectability issues. In determining the amount of the allowance for credit losses, the Company considers historical collectability based on past due status. It also considers customer-specific information, current market conditions and reasonable and supportable forecasts of future economic conditions to inform adjustments to historical loss data. On an ongoing basis, management evaluates the adequacy of these reserves. The allowance for credit losses was $0 as of September 30, 2026 and December 31, 2025.

Sales-Related Allowances

Revenues from sales of products are recorded net of prompt payment discounts, wholesaler service fees, returns allowances, chargebacks, rebates and co-pay support redemptions. These reserves are based on estimates of the amounts earned or to be claimed on the related sales. These amounts are treated as variable consideration, estimated and recognized as a reduction of the transaction price at the time of the sale. The Company includes these estimated amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognized for such transaction will not occur, or when the uncertainty associated with the variable consideration is resolved. The calculation of some of these items requires management to make estimates based on sales data, historical return data, contracts and other related information that may become known in the future. The adequacy of these provisions is reviewed on no less than a quarterly basis.

The following tables provide a summary of activity with respect to sales-related allowances:

	September 30, 2026	December 31, 2025
Balance at beginning of period	$ —	$ 48
Provision	—	568
Payments / credits	—	(34)
Reclassification into Accrued distribution expenses and sales-related allowances	—	(582)
Balance at end of period	$ —	$ —

Accruals for returns allowances and prompt pay discounts are reflected as a direct reduction of trade receivables as of December 31, 2025 and accruals for wholesaler service fees, co-pay support redemptions and other rebates are reflected as current liabilities. The accrued balances relative to these provisions included in Trade and other receivables, net and accrued expenses were $0 and $877, respectively, as of September 30, 2026, and $0 and $906, respectively, as of December 31, 2025. See Note 12, *Accrued Expenses*.

Concentration of Major Customers

Customers are considered major customers when net revenue exceeds 10% of total revenue for the period or outstanding receivable balances exceed 10% of total receivables. For the nine months ended September 30, 2026, Indivior and

Zevra, represented approximately 67% and 14%, of total revenue, respectively. As of September 30, 2026, Hypera, Indivior, and Cosette exceeded the 10% threshold for outstanding receivable balances and represented approximately 45%, 42%, and 11% of total trade and other receivables, respectively. For the nine months ended September 30, 2025, Indivior and Hypera exceeded the 10% threshold for revenue and represented approximately 72% and 18% of total revenue, respectively. As of December 31, 2025, Indivior and Hypera exceeded the 10% threshold for outstanding receivable balances and represented 69% and 25% of total trade and other receivables, respectively.

Note 6. Material Agreements

Credit Agreement with Oaktree Capital Management, L.P.

On May 12, 2026, the Company entered into the Credit Agreement with funds managed by Oaktree Capital Management, L.P., which provided a Term Loan Facility of up to $150,000. The Term Loan Facility includes an initial funded Tranche A of $55,000 and additional delayed draw term loan commitments of up to $95,000, which are available subject to the satisfaction of specified conditions. Amounts repaid under the Term Loan Facility may not be reborrowed. The Term Loan Facility matures on May 12, 2031 and does not require principal installment payments. Accordingly, the total outstanding principal balance is payable at maturity. The obligations under the Credit Agreement are secured by a first-priority lien on substantially all of the Company's assets, including intellectual property, subject to customary exceptions. See Note 13, *Long-Term Debt* for additional information.

On May 12, 2026, in connection with the Credit Agreement with Oaktree, the Company also entered into the Oaktree Warrant Issuance Agreement. Pursuant to this agreement, the Company issued to Oaktree the Tranche A Warrant to purchase up to an aggregate of 230,271 shares of the Company's Common Stock at an exercise price of $4.18 per share. The Tranche A Warrant is exercisable at any time from the issuance date through May 12, 2031. Pursuant to the Oaktree Warrant Issuance Agreement, the Company will be obligated to issue additional warrants if additional tranches are drawn down under the Term Loan Facility. See Note 14, *Warrants* for additional information.

Purchase and Sale Agreement with RTW Investments, L.P.

On August 13, 2025, the Company entered into the Purchase Agreement with funds managed by RTW Investments LP. Under the terms of the Purchase Agreement, in exchange for the Purchaser's payment to the Company of a purchase price of $75,000, upon approval of Anaphylm by the FDA by a specified date, the refinancing of the Company's existing 13.5% Notes and certain other customary conditions (the "Closing Conditions"), the Company agreed to a sale of assigned interests to the Purchaser, including a right for the Purchaser to tiered revenue share payments ranging from 1.0% to 7.5% of net sales (as defined in the Purchase Agreement) of Anaphylm (and 9.5% for the subsequent calendar year period if net sales do not achieve specified level in a calendar year period beginning in 2027) in the United States. Revenue share payments commence in the first fiscal quarter in which the first commercial sale of Anaphylm in the United States after the satisfaction of the Closing Conditions. Revenue share payments will cease upon the Purchaser's receipt of $187,500 by December 31, 2035 or $225,000 thereafter. The Purchase Agreement contains customary affirmative and negative covenants, including covenants that limit or restrict the Company's ability to, among other things, incur indebtedness (which restrictions are eliminated after the achievement by the Purchaser of a specified return on its investment), and other provisions customary for transactions of this nature, in each case subject to certain exceptions set forth in the Purchase Agreement. As this financing is contingent on events that have not occurred yet and are outside of the Company's control, the accounting consequences for this transaction as of September 30, 2026 and December 31, 2025 have been limited to capitalized legal fees of approximately $760 and $700, respectively, recorded within Other current assets on the Condensed Balance Sheets.

On March 3, 2026, the Company entered into the Amendment No. 1 to the Purchase Agreement. The Amendment extends the Marketing Approval Deadline from its original date in the Purchase Agreement to June 30, 2027. Concurrently, the Company entered into a Warrant Issuance Agreement with funds managed by RTW, pursuant to which the Company agreed to issue a warrant to purchase up to 375,000 shares of the Company's Common Stock at an exercise price of $4.00 per share, expiring on March 3, 2029. For information regarding the RTW Warrants, see Note 14, *Warrants*. On March 3, 2026, the Company also entered into a Share Purchase Commitment Agreement with certain RTW-affiliated funds, pursuant to which such funds committed to purchase, in the aggregate, not less than $5,000 of Common Stock during the 90-day period following the effective date of the Amendment, at prices determined in accordance with Rule 415(a)(4) under the Securities Act.

Commercial Exploitation Agreement with Indivior

In August 2008, the Company entered into the Indivior License Agreement (with subsequent amendments) with Reckitt Benckiser Pharmaceuticals, Inc. who was later succeeded to in interest by Indivior. Pursuant to the Indivior License Agreement, the Company agreed to manufacture and supply Indivior's requirements for Suboxone®, a sublingual film formulation, both inside and outside the United States on an exclusive basis.

Under the terms of the Indivior License Agreement, the Company is required to manufacture Suboxone in accordance with current Good Manufacturing Practice standards and according to the specifications and processes set forth in the related

quality agreements the Company entered into with Indivior. Additionally, the Company is required to obtain API for the manufacture of Suboxone directly from Indivior. The Indivior License Agreement specifies a minimum annual threshold quantity of Suboxone that the Company is obligated to fill and requires Indivior to provide the Company with a forecast of its requirements at various specified times throughout the year. The Indivior License Agreement provides for payment by Indivior of an agreed upon purchase price per unit until January 1, 2025 and, thereafter, that is subject to annual adjustments based on changes in an agreed upon price index. In addition to the purchase price for the Suboxone supplied, Indivior is required to make certain single digit percentage royalty payments tied to net sales value (as provided for in the Indivior License Agreement) outside of the U.S., subject to annual maximum amounts and limited to the life of the related patents.

The Indivior License Agreement contains customary contractual termination provisions, including with respect to a filing for bankruptcy or corporate dissolution, an invalidation of the intellectual property surrounding Suboxone, and commission of a material breach of the Indivior License Agreement by either party. Additionally, Indivior may terminate the Indivior License Agreement if the FDA or other applicable regulatory authority declares the Company's manufacturing site to no longer be suitable for the manufacture of Suboxone or Suboxone is no longer suitable to be manufactured due to health or safety reasons. The initial term of the Indivior License Agreement was seven years from the commencement date. Thereafter, the Indivior License Agreement automatically renewed for successive one-year periods.

Effective as of March 2, 2023, the Company and Indivior entered into the Indivior Amendment to the Indivior License Agreement. The Indivior Amendment was entered into for the primary purpose of amending the Agreement as follows: (i) extending the term of the Agreement until August 16, 2026 and thereafter providing for automatic renewal terms of successive one-year periods unless Indivior delivers notice to the Company, at least twelve months prior to the expiration of the then current term, of Indivior's intent not to renew, subject to the earlier termination rights of the parties under the Agreement, and providing that the Agreement will not automatically renew for any renewal term beginning after the expiration of the last to expire of the product patents covered under the Indivior License Agreement; and (ii) agreeing to transfer pricing and payment terms for supplied product under the Indivior License Agreement. The Indivior License Agreement renewed for an additional one-year term commencing August 17, 2026.

License Agreement with Sunovion Pharmaceuticals, Inc.

On April 1, 2016, the Company entered into a license agreement with Cynapsus Therapeutics Inc. (which was later succeeded to in interest by Sunovion), referred to as the Sunovion License Agreement, pursuant to which Sunovion obtained an exclusive, worldwide license (with the right to sub-license) to certain intellectual property, including existing and future patents and patent applications, covering all oral films containing apomorphine for the treatment of off episodes in Parkinson's disease patients. Sunovion used this intellectual property to develop its apomorphine product KYNMOBI®, which was approved by the FDA on May 21, 2020. This approval triggered Sunovion's obligation to remit a payment of $4,000, due on the earlier of: (a) the first day of product availability at a pharmacy in the United States; or (b) within six months of FDA approval of the product. This amount was received as of September 30, 2020 and was included in License and royalty revenues for the twelve months ended December 31, 2020.

Effective March 16, 2020, the Company entered into the First Amendment. The First Amendment was entered into for the primary purpose of amending the Sunovion License Agreement as follows: (i) including the United Kingdom and any other country currently in the EU which later withdraws as a member country in the EU for purpose of determining the satisfaction of the condition triggering the obligation to pay the third milestone due under the Sunovion License Agreement, (ii) extending the date after which Sunovion has the right to terminate the Sunovion License Agreement for convenience from December 31, 2024 to March 31, 2028, (iii) modifying the effective inception date of the first minimum annual royalty due from Sunovion to the Company from January 1, 2020 to April 1, 2020, and (iv) modifying the termination provision to reflect the Company's waiver of the right to terminate the Sunovion License Agreement in the event that KYNMOBI was not commercialized by January 1, 2020. This Sunovion License Agreement will continue until terminated by Sunovion in accordance with the termination provisions of the First Amendment. The Sunovion License Agreement continues (on a country-by-country basis) until the expiration of all applicable licensed patents unless earlier terminated under the termination provisions contained therein. Upon termination of the Sunovion License Agreement, all rights to intellectual property granted to Sunovion to develop and commercialize apomorphine-based products will revert to the Company.

On October 23, 2020, the Company amended the Sunovion License Agreement to clarify the parties' agreement with respect to certain provisions in the Sunovion License Agreement, specifically the date after which Sunovion has the right to terminate the Sunovion License Agreement and the rights and obligations of the parties regarding the prosecution and maintenance of the Company's patents covered under the Sunovion License Agreement.

In consideration of the rights granted to Sunovion under the Sunovion License Agreement, the Company received aggregate payments totaling $22,000 to date. In addition to the upfront payment of $5,000, the Company has also earned an aggregate of $17,000 in connection with specified regulatory and development milestones in the United States and Europe (the "Initial Milestone Payments"), all of which have been received to date. With the Monetization Agreement (defined below)

entered into on November 3, 2020 relating to KYNMOBI as described in the paragraph below, the Company is no longer entitled to receive any payments under the Sunovion License Agreement.

Purchase and Sale Agreement with an affiliate of Marathon

On November 3, 2020, the Company entered into the Monetization Agreement with Marathon. Under the terms of the Monetization Agreement, the Company sold to Marathon all of its contractual rights to receive royalties and milestone payments due under the Sunovion License Agreement related to Sunovion's apomorphine product, KYNMOBI. In exchange for the sale of these rights, the Company received an upfront payment from Marathon of $40,000 and an additional payment of $10,000 through the achievement of the first milestone. The Company has received an aggregate amount of $50,000 through September 30, 2026 under the Monetization Agreement.

Under the Monetization Agreement, additional contingent payments of up to $75,000 may be due to the Company upon the achievement of worldwide royalty and other commercial targets within a specified timeframe, which could result in total potential proceeds of $125,000. In June 2023, Sunovion announced that it had voluntarily withdrawn KYNMOBI from the U.S. and Canadian markets; therefore, the Company likely will not receive any of the additional contingent payments under the Monetization Agreement. See Note 15, *Sale of Future Revenue* for further details on the accounting for the Monetization Agreement.

Agreement to Terminate CLA with Zevra Therapeutics, Inc. (formerly KemPharm)

In March 2012, the Company entered into an agreement with Zevra to terminate a Collaboration and License Agreement entered into by the Company and Zevra in April 2011. Under this termination arrangement, the Company has the right to participate in any and all value that Zevra may derive from the commercialization or any other monetization of KP-415 and KP-484 compounds or their derivatives. Among these monetization transactions are those related to any business combinations involving Zevra and collaborations, royalty arrangements, or other transactions from which Zevra may realize value from these compounds, including the product Azstarys®. In March 2026, Zevra sold Azstarys to Commave Therapeutics SA. In accordance with the Company's agreement with Zevra, the Company received a payment out of the proceeds of the Zevra Commave agreement and recognized royalty revenues of $5,000 during the nine months ended September 30, 2026.

Licensing and Supply Agreement with Atnahs Pharma UK Limited (Pharmanovia)

The Company entered into the Pharmanovia Agreement, effective as of September 26, 2022, pursuant to which the Company granted Pharmanovia an exclusive license to certain of the Company's intellectual property to develop and commercialize Libervant® (diazepam) buccal film for the treatment of prolonged or acute, convulsive seizures in all ages in the Territory during the term of the Pharmanovia Agreement. Under the Pharmanovia Agreement, Pharmanovia will lead the regulatory and commercialization activities for Libervant in the Territory and the Company will serve as the exclusive sole manufacturer and supplier of Libervant in the Territory. Pursuant to the Pharmanovia Agreement, the Company received $3,500 upon agreement execution and, upon the occurrence of certain conditions set forth in the Pharmanovia Agreement, will receive additional milestone payments and profit shares, as well as manufacturing fees and royalty fees through the expiration of the Pharmanovia Agreement.

Effective March 27, 2023, the Company amended the Pharmanovia Agreement to expand the scope of territory for the license of Libervant to cover the rest of the world, excluding the U.S., Canada and China. Under the Pharmanovia Amendment, Pharmanovia will be responsible for seeking applicable regulatory approval in the expanded territories, which include Latin America, Africa and Asia Pacific. Pursuant to the terms of the Pharmanovia Amendment, the Company received a non-refundable payment of $2,000 from Pharmanovia in connection with the execution of the Pharmanovia Amendment.

On April 20, 2026, the Company entered into a second amendment to the Pharmanovia Agreement relating to the license and supply of Libervant (diazepam) buccal film in territories outside the United States. The Pharmanovia Amendment No. 2 modifies certain commercial and operational terms of the agreement, including subcontracting rights, delivery terms, and minimum volume commitments in certain territories. All other terms and conditions of the Pharmanovia Agreement remain in full force and effect.

Licensing Agreement with Assertio Holdings, Inc.(as assumed by Cosette Pharmaceuticals, Inc.)

Effective as of October 26, 2022, the Company entered into the Assertio Agreement to license Sympazan® (clobazam) oral film for the adjunctive treatment of seizures associated with Lennox-Gastaut syndrome in patients aged two years of age and older. Under the terms of the Assertio Agreement, the Company granted to Assertio an exclusive, worldwide license of its intellectual property for Sympazan to Assertio during the term of the Assertio Agreement for an upfront payment of $9,000. In addition, Aquestive received a $6,000 milestone payment subsequent to Aquestive's receipt of a notice of allowance from the PTO of the Company's patent application U.S. Serial No. 16/561,573, and payment by the Company of the related allowance fee. The Company received the notice of allowance from the PTO and paid the related allowance fee on October 27, 2022. Further, under the Assertio Agreement, the Company will receive royalties from Assertio for the sale of the product through the

expiration of the Assertio Agreement. The Company also entered into a long-term supply agreement with Assertio for Sympazan pursuant to which the Company is the exclusive sole worldwide manufacturer and supplier of the product and will receive manufacturing fees from Assertio for the product through the expiration of such supply agreement.

On April 8, 2026, Assertio entered into an Asset Purchase Agreement with Cosette, a United States-based, branded specialty pharmaceutical company, to divest a portfolio of products, including Sympazan, to Cosette. Under that Asset Purchase Agreement, Assertio assigned and transferred its rights and certain obligations arising post closing to Cosette. Cosette assumed the intellectual property license and rights to commercialize Sympazan and will continue to purchase product and pay royalties and milestones to Aquestive under the Assertio Agreement and the Company's long-term supply agreement with Assertio.

Note 7. Financial Instruments – Fair Value Measurements

Certain assets and liabilities are reported on a recurring basis at fair value. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. Financial assets and liabilities carried at fair value are to be classified and disclosed in one of the following three levels of the fair value hierarchy, of which the first two are considered observable and the last is considered unobservable:

- Level 1 — Observable quoted prices in active markets for identical assets or liabilities.
- Level 2 — Observable prices that are based on inputs not quoted on active markets but corroborated by market data.
- Level 3 — Unobservable inputs that are supported by little or no market activity, such as pricing models, discounted cash flow methodologies and similar techniques.

The carrying amounts reported in the Condensed Balance Sheets for Trade and other receivables, prepaid and other current assets, accounts payable and accrued expenses, and deferred revenue approximate their fair values based on the short-term maturity of these assets and liabilities.

In June 2022, the Company issued pre-funded warrants to purchase up to 4,000,000 shares of Common Stock and Common Stock Warrants to purchase up to 8,850,000 shares of Common Stock in connection with its Securities Purchase Agreements with certain purchasers. Those warrants were valued based on Level 3 inputs and their fair value was based primarily on an independent third-party appraisal prepared as of the grant date consistent with generally accepted valuation methods of the Uniform Standards of Professional Appraisal Practice, the American Society of Appraisers and the American Institute of Certified Public Accountants' Accounting and Valuation Guide. See Note 14*, Warrants* for further information on these warrants.

On August 1, 2023, the Company entered into the Letter Agreement with the Exercising Holder of the remaining warrants to purchase 5,000,000 of the shares of Common Stock. Pursuant to the Letter Agreement, the Exercising Holder and the Company agreed that the Exercising Holder would exercise all of its Existing Warrants for shares of Common Stock underlying the Existing Warrants at $0.96 per share of Common Stock, the current exercise price of the Existing Warrants. Under the Letter Agreement, in consideration of the Exercising Holder exercising the Existing Warrants, the Company issued to the Exercising Holder new warrants to purchase up to an aggregate of 2,750,000 shares of new warrants at $2.60 per share. Those warrants were valued based on Level 3 inputs and their fair value was based primarily on an independent third-party appraisal prepared as of the grant date consistent with generally accepted valuation methods of the Uniform Standards of Professional Appraisal Practice, the American Society of Appraisers and the American Institute of Certified Public Accountants' Accounting and Valuation Guide. See Note 14*, Warrants* for further information on these warrants.

On November 1, 2023, in connection with the issuance of the 13.5% Notes, the Company and the Note Holders (as defined below) entered into the Royalty Right Agreements dated as of November 1, 2023, which provides the Note Holders:

a. a tiered royalty between 1.0% and 2.0% of annual worldwide net sales of Anaphylm™ (dibutepinephrine) sublingual film for a period of eight years from the first sale of Anaphylm on a global basis, and
b. a tiered royalty between 1.0% to 2.0% of annual worldwide net sales of Libervant® (diazepam) buccal film until the earlier of (1) the first sale of Anaphylm and (2) eight years from the first sale of Libervant.

Those Royalty Agreements were valued based on Level 3 inputs and their fair value was based primarily on internal management estimates developed based on third-party data and reflect management's judgment, current market conditions, and forecasts. The initial fair value measurement of the Royalty Right Agreements was determined based on significant unobservable inputs, including the discount rate, estimated probabilities of success, and the estimated amount of future sales of Anaphylm and Libervant. See Note 13, *Long-Term Debt* for further discussion.

On March 3, 2026, in connection with Amendment No.1 to the Purchase and Sale Agreement and the Equity Commitment Agreement with RTW, the Company also entered into the Warrant Issuance Agreement with the RTW investors. Pursuant to this agreement, the Company issued to the RTW Investors the RTW Warrant to purchase up to an aggregate of 375,000 shares of the Company's Common Stock. The RTW Warrant entitles the holders to purchase shares of Common Stock at an exercise price of $4.00 per share. Management estimated the fair value of the RTW Warrants to be $916, and it is presented within Additional Paid-in Capital on the Condensed Balance Sheets as of September 30, 2026, and within Interest income and other income, net on the Condensed Statements of Operations and Comprehensive Loss for the nine months ended September 30, 2026. The RTW Warrants were valued based on Level 3 inputs and their fair value was based primarily on an independent third-party appraisal prepared as of the grant date consistent with generally accepted valuation methods of the Uniform Standards of Professional Appraisal Practice, the American Society of Appraisers and the American Institute of Certified Public Accountants' Accounting and Valuation Guide. See Note 14, *Warrants* for further information on these warrants.

On May 12, 2026, in connection with the Credit Agreement with Oaktree, the Company also entered into the Oaktree Warrant Issuance Agreement. Pursuant to this agreement, the Company issued to Oaktree the Tranche A Warrant to purchase up to an aggregate of 230,271 shares of the Company's Common Stock at an exercise price of $4.18 per share. The Tranche A Warrant is exercisable at any time from the issuance date through May 12, 2031. Management estimated the fair value of the Tranche A Warrant to be $663, and it is presented within Additional Paid-in Capital and the debt discount related to the Term Loan Facility on the Condensed Balance Sheets as of September 30, 2026. The Tranche A Warrant was valued based on Level 3 inputs and its fair value was based primarily on an independent third-party appraisal prepared as of the grant date consistent with generally accepted valuation methods of the Uniform Standards of Professional Appraisal Practice, the American Society of Appraisers and the American Institute of Certified Public Accountants' Accounting and Valuation Guide. See Note 14, *Warrants* for further information on these warrants.

Note 8. Inventories, Net

The components of Inventory are as follows:

	September 30, 2026	December 31, 2025
Raw material	$ 3,624	$ 3,143
Packaging material	2,766	2,362
Finished goods	919	664
Total inventory	$ 7,309	$ 6,169

Note 9. Property and Equipment, Net

	Useful Lives	September 30, 2026	December 31, 2025
Machinery	3-15 years	$ 19,326	$ 20,383
Furniture and fixtures	3-15 years	180	769
Leasehold improvements [(a)]	(a)	21,294	21,419
Computer, network equipment and software	3-7 years	2,324	3,140
Construction in progress [(b)]		753	2,203
		43,877	47,914
Less: accumulated depreciation and amortization		(39,519)	(44,021)
Total property and equipment, net [(c)]		$ 4,358	$ 3,893

(a) Leasehold improvements are amortized over the shorter of the lease term or their estimated useful lives.

(b) During the nine months ended September 30, 2026, construction in progress decreased because a new packaging assembly line was placed into service and reclassified to Machinery.

(c) During the three months ended September 30, 2026, the Company disposed of and wrote-off fully depreciated machinery, furniture and fixtures, and computer equipment totaling approximately $5,000.

For the three months ended September 30, 2026 and 2025, total depreciation and amortization related to property and equipment was $156 and $139, respectively. For the nine months ended September 30, 2026 and 2025, these expenses totaled $405 and $418, respectively.

Note 10. Right-of-Use Assets and Lease Obligations

The Company leases all realty used at its production and warehouse facilities, corporate headquarters, and research and laboratory facilities.

On May 8, 2026, the Company entered into a lease agreement for the Company's corporate headquarters. The lease has an initial term of eleven years, inclusive of an initial rent abatement period of approximately twelve months. The lease provides the Company with two successive five-year renewal options at fair market rental value and an option to expand into additional space. The Company accounted for the lease as an operating lease in accordance with ASC 842, *Leases*. Upon commencement of the lease agreement, the Company established a $3,658 right-of-use asset and a corresponding lease liability for this lease on the Condensed Balance Sheets.

On September 30, 2026, the Company terminated the lease agreement for the Company's previous corporate headquarters. In connection with the termination, the Company derecognized the remaining right-of-use asset balance of $953 and related lease liability during the three months ended September 30, 2026.

On September 18, 2026, the Company entered into a lease agreement for the Company's research and laboratory space. The lease has an term of three years and provides the Company with one three-year extension at fair market value. The Company accounted for the lease as an operating lease in accordance with ASC 842, *Leases*. Upon commencement of the lease agreement, the Company established a $654 right-of-use asset and a corresponding lease liability for this lease on the Condensed Balance Sheets.

None of the four realty leases include the characteristics specified in ASC 842, *Leases*, which require classification as financing leases and, accordingly, these leases are accounted for as operating leases. These leases, as amended, provide remaining terms between 1.5 years and 15.7 years, including renewal options expected to be exercised to extend the lease periods. Commitments under finance leases are not significant, and are included in Property and equipment, net, and Debt on the Condensed Balance Sheets.

The Company does not recognize a right-of-use asset and lease liability for short-term leases, which have terms of 12 months or less on its Condensed Balance Sheets. For longer-term lease arrangements that are recognized on the Company's Condensed Balance Sheets, the right-of-use asset and lease liability is initially measured at the commencement date based upon the present value of the lease payments due under the lease. These payments represent the combination of the fixed lease and fixed non-lease components that are due under the arrangement. The costs associated with the Company's short-term leases, as well as variable costs relating to the Company's lease arrangements, are not material to the Company's financial results.

The implicit interest rates of the Company's lease arrangements are generally not readily determinable and as such, the Company applies an incremental borrowing rate, which is established based upon the information available at the lease commencement date, to determine the present value of lease payments due under an arrangement. Measurement of the operating lease liability reflects a range of an estimated discount rate of 12.3% to 15.6% applied to minimum lease payments, including expected renewals, based on the incremental borrowing rate experienced in the Company's collateralized debt refinancing.

The Company's lease costs are recorded in manufacture and supply, R&D and selling, general and administrative expenses in its Condensed Statements of Operations and Comprehensive Loss. For the three and nine months ended September 30, 2026, total operating lease expenses totaled $657 and $1,663, respectively, including variable lease expenses such as common area maintenance and operating costs of $127 and $381, respectively. For the three and nine months ended September 30, 2025, total operating lease expenses totaled $451 and $1,335, respectively including variable lease expenses such as common area maintenance and operating costs of $118 and $335, respectively.

The Company's payments due under its operating leases are as follows:

Remainder of 2026	$	302
2027		1,507
2028		1,585
2029		1,492
2030 and thereafter		10,603
Total future lease payments		15,489
Less: imputed interest		(7,507)
Total operating lease liabilities	$	7,982

Note 11. Other Non-current Assets

The following table provides the components of other non-current assets:

	September 30, 2026	December 31, 2025
Royalty receivable	$ 1,000	$ 2,000
Other	693	642
Total other non-current assets	$ 1,693	$ 2,642

During the second quarter of 2020, under the Sunovion License Agreement, the Company recognized $8,000 of royalty revenue and corresponding royalty receivable, related to the eight $1,000 annual minimum guaranteed royalty payments that are due to the Company. In connection with the Monetization Agreement, the Company performed an assessment under ASC 860, *Transfer and Servicing* to determine whether the existing receivable was transferred to Marathon and concluded it was not transferred. As of September 30, 2026 and December 31, 2025, Royalty receivable consists of two and three, respectively, annual minimum payments due from Sunovion, the last of which is due in March 2028. The current portion of the royalty receivable is included in Trade and other receivables, net. See Note 15, *Sale of Future Revenue* for further details on how this receivable relates to the Monetization Agreement transaction.

Non-current portion of costs to obtain contracts capitalized under ASC 340, *Other Assets and Deferred Costs,* is recorded within Other non-current assets on the Condensed Balance Sheets as of September 30, 2026 and December 31, 2025.

Note 12. Accrued Expenses

Accrued expenses consisted of the following:

	September 30, 2026	December 31, 2025
Accrued compensation	$ 4,184	$ 3,707
Real estate and personal property taxes	404	349
Accrued distribution expenses and sales returns provision	877	906
Interest payable	47	17
Other	64	50
Total accrued expenses	$ 5,576	$ 5,029

Accrued distribution expenses and sales returns provision mostly represent estimated liabilities for returns, wholesaler service fees, co-pay support redemptions and other rebates related to the proprietary product Libervant and returns and other expenses related to the proprietary product Sympazan (prior to outlicensing to Assertio in October 2022). See Note 6, *Material Agreements* for additional information regarding the Asset Purchase Agreement between Assertio and Cosette.

Note 13. Long-Term Debt

13.5% Senior Secured Notes

On November 1, 2023, the Company entered into an Indenture Agreement with certain institutional investors (the “Note Holders”) and issued $45,000 aggregate principal amount of its 13.5% Notes. The Company received net proceeds of approximately $4,326 from this transaction after the repayment of the Company's 12.5% Notes and deduction of debt discount, and debt issuance costs.

The 13.5% Notes were senior secured obligations of the Company and were set to mature on November 1, 2028. The 13.5% Notes bore interest at a fixed rate of 13.5% per year, payable quarterly commencing on December 30, 2023. On each payment date commencing on June 30, 2026, the Company was to pay an installment of principal of the 13.5% Notes pursuant to a fixed amortization schedule, along with the applicable exit fee. The exit fee totaled $2,000.

On May 12, 2026, the Company issued the Term Loan Facility and used the proceeds from the issuance to repay the outstanding principal balance under the 13.5% Notes of $45,000, and $2,000 exit fee. The Company also incurred a prepayment penalty of $3,825 equal to 108.5% of the principal amount due to the timing of the redemption, and other transaction expenses. The Company recognized a loss on extinguishment of debt of $11,683 on the Condensed Statements of Operations and Comprehensive Loss for the nine months ended September 30, 2026.

Royalty Right Agreements

In connection with the issuance of 13.5% Notes, the Company and the Note Holders entered into the Royalty Right Agreements dated as of November 1, 2023, which provides Note Holders:

a. a tiered royalty between 1.0% and 2.0% of annual worldwide net sales of Anaphylm™ (dibutepinephrine) sublingual film for a period of eight years from the first sale of Anaphylm on a global basis, and

b. a tiered royalty between 1.0% to 2.0% of annual worldwide net sales of Libervant® (diazepam) buccal film until the earlier of (1) the first sale of Anaphylm and (2) eight years from the first sale of Libervant.

Both the 13.5% Notes and Royalty Right Agreements, represent freestanding instruments which were issued in conjunction with each other. They are classified as debt within the scope of ASC 470, *Debt* and are subsequently measured on an amortized cost basis.

The initial fair value measurement of the Royalty Right Agreements was determined based on significant unobservable inputs, including the discount rate, estimated probabilities of success, and the estimated amount of future sales of Anaphylm and Libervant. These inputs are derived using internal management estimates developed based on third-party data and reflect management's judgment, current market conditions, and forecasts.

The Royalty Right Agreements' fair value is estimated by applying probability-weighted cash flows for future sales, which are then discounted to present value. Changes to fair value of the Royalty Rights Agreements can result from changes to one or a number of the aforementioned inputs. A significant change in unobservable inputs could result in a material increase or decrease to the effective interest rate of the Royalty Right Agreements liability.

The following table summarizes the significant unobservable inputs used in the fair value measurement of the Royalty Right Agreements:

	Valuation Methodology	Significant Unobservable Input	Weighted Average (range, if applicable)
Royalty Right Agreements	Probability weighted income approach	Discount Rate	15%
		Probability of Success	95%
		Projected Years of Payments	2027 - 2035

During the nine months ended September 30, 2026, there were no changes to the significant unobservable inputs used to recognize the Royalty Right Agreements liability. During the year ended December 31, 2025, the Company updated the probability-weighted cash flows for future sales, which decreased the royalty obligation to $51,886 and decreased the unamortized discount to $25,945. The effective interest rate changed by 2.64%, and the Company updated the projected years of payments to 2035.

Since the Royalty Right Agreements were issued in connection with the 13.5% Notes, the Company allocated the proceeds to the two instruments based on their relative fair values. The Company allocated approximately $13,856 to the Royalty Right Agreements. The Company determined the allocated fair value by calculating the present value of estimated future royalties to be paid to Note Holders over the life of the arrangement.

The excess of future estimated royalty payments over the allocated fair value is recognized as a discount related to the Royalty Right Agreements and is amortized as interest expense using the effective interest method.

The allocated amounts of $13,856 when combined with the exit fee of $2,000, original issue discount of $1,125 and debt issuance costs of $3,517, resulted in the 13.5% Notes discount of $20,498. This debt discount was amortized over the term of 13.5% Notes using the effective interest method.

The Royalty Right Agreements remained outstanding as of September 30, 2026 after the redemption of the 13.5% Notes.

Amortization expense arising from the discounts related to the 13.5% Notes prior to redemption for the nine months ended September 30, 2026 was $1,834. Amortization expense arising from the discounts related to the Royalty Right Agreements for the three and nine months ended September 30, 2026 was $973 and $2,918, respectively.

Amortization expense arising from the discounts related to the 13.5% Notes for the three and nine months ended September 30, 2025 was $1,254 and $3,762, respectively. Amortization expense arising from the discounts related to the Royalty Right Agreements for the three and nine months ended September 30, 2025 was $1,434 and $4,305, respectively.

Unamortized discounts totaled $23,027 for the Royalty obligations as of September 30, 2026. Unamortized discounts totaled $7,630 for the 13.5% Notes and $25,945 for the Royalty obligations as of December 31, 2025, respectively.

Term Loan Facility

On May 12, 2026, the Company entered into the Credit Agreement with funds managed by Oaktree Capital Management, L.P., which provided a Term Loan Facility of up to $150,000. The Term Loan Facility includes an initial funded Tranche A of $55,000 and additional delayed draw term loan commitments of up to $95,000, which are available subject to the satisfaction of specified conditions. Amounts repaid under the Term Loan Facility may not be reborrowed. The Term Loan Facility matures on May 12, 2031 and does not require principal installment payments. Accordingly, the total outstanding principal balance is payable at maturity. The obligations under the Credit Agreement are secured by a first-priority lien on substantially all of the Company's assets, including intellectual property, subject to customary exceptions.

On May 12, 2026, in connection with the Credit Agreement with Oaktree, the Company also entered into the Oaktree Warrant Issuance Agreement. Pursuant to this agreement, the Company issued to Oaktree, the Tranche A Warrant to purchase up to an aggregate of 230,271 shares of the Company's Common Stock at an exercise price of $4.18 per share. The Warrant is exercisable at any time from the issuance date through May 12, 2031. Management estimated the fair value of the Tranche A Warrant to be $663. Pursuant to the Oaktree Warrant Issuance Agreement, the Company will be obligated to issue additional warrants if additional tranches are drawn down under the Term Loan Facility. See Note 14, *Warrants* for additional information.

As the Term Loan Facility and the Tranche A Warrant were issued in conjunction with the Credit Agreement, the total proceeds of $55,000 have been allocated on the Statements of Cashflows for the nine months ended September 30, 2026 among the two financial instruments.

Borrowings under the Credit Agreement accrue interest at a floating rate equal to three-month SOFR, subject to a floor of 2.75%, plus an applicable margin of 6.25%, which decreases to 6.00% upon the potential funding of Tranche B. Interest is payable quarterly in arrears. Subject to certain conditions, a portion of the interest, not to exceed 2.00% per annum, may be paid in kind for an initial period. In the event of default, the interest rate is increased by 2.00% per annum.

Upon any repayment including at maturity, upon acceleration or by prepayment, the Company shall pay an exit fee to Oaktree ranging from 1.00% to 2.00% depending on the date of the repayment. The exit fee is subject to a reduction specified in the Credit Agreement (i) if the Company achieves a specified net sales milestone by June 30, 2029 or if a payment is mandatory as a result of the Company failing to receive FDA Approval by December 31, 2027, or (ii) if the applicable repayment is made in connection with a change of control on or prior to the second anniversary of the Credit Agreement. The maximum exit fee totals $1,100.

The Company may voluntarily prepay the Term Loan Facility in full or in part subject to certain conditions. Provided that the Company pays on the date of such prepayment (a) all outstanding principal to be prepaid plus accrued and unpaid interest, (b) a yield protection premium, which, (i) prior to and including the first anniversary of the Effective Date, includes a make-whole fee (as calculated in the Credit Agreement) with respect to the interest that would have accrued on the aggregate principal amount of the Term Loans so prepaid up to (but not including) the first anniversary of the Effective Date and (ii) after the first anniversary of the Effective Date, a premium ranging from 5.00% to 1.00% depending on the date of such repayment. The Prepayment Premium is subject to a reduction specified in the Credit Agreement (x) if the Company achieves a specified net sales milestone by June 30, 2029 or if a payment is mandatory as a result of the Company failing to receive FDA Approval by December 31, 2027 or (y) if the applicable prepayment is made in connection with a change of control on or prior to the second anniversary of the Effective Date. The Prepayment Premium shall be 0% if paid after the fourth anniversary of the Effective Date.

The Company is required to maintain a minimum amount of unrestricted cash and/or permitted cash equivalent investments in controlled accounts, as set forth in the Credit Agreement. The required minimum amount is reduced following the funding of the Tranche B Term Loans and if FDA approval is not received by December 31, 2027. In addition, the Company is required to achieve a minimum amount of net sales, which is applicable only if the Company draws from the Tranche B Term Loan. The Minimum Net Sales Covenant is not tested if the Company maintains specified cash levels or if it achieves a specified market capitalization.

The debt discount of the Term Loan Facility totaled $4,763, which includes the exit fee related to the Term Loan Facility, fair value of the Tranche A Warrant, and other transaction expenses. During the three months ended September 30, 2026, the Company adjusted transaction expenses and the related debt discount by an additional $169. As a result, the effective interest rate changed by 0.06%. The debt discount is presented as a direct deduction from the carrying amount of the Term Loan Facility and is amortized to interest expense over the term of the agreement using the effective interest method.

Amortization expense arising from the discounts related to the Term Loan Facility was $281 and $433 for the three and nine months ended September 30, 2026, respectively. There was no amortization expense arising from the discounts related to the Term Loan Facility for the three and nine months ended September 30, 2025. Unamortized discounts totaled $4,329 for the Term Loan Facility as of September 30, 2026.

Long-term debt and unamortized debt discount balances are as follows:

	September 30, 2026	December 31, 2025
Total Outstanding Debt	$ 55,000	$ 45,000
Unamortized discount, including exit fee	(4,329)	(7,630)
Debt, current	—	(9,964)
Debt, long-term	50,671	27,406
Finance lease	86	113
Debt, long-term, net	$ 50,757	$ 27,519

Royalty obligations and unamortized discount balances are as follows:

	September 30, 2026	December 31, 2025
Total Royalty obligations	$ 51,886	$ 51,886
Unamortized discount	(23,027)	(25,945)
Current portion of royalty obligation	(157)	—
Royalty obligations, long term	$ 28,702	$ 25,941

Scheduled principal payments on the Term Loan Facility as of September 30, 2026 are as follows:

2031	$ 55,000
Total	$ 55,000

Note 14. Warrants

Warrants Issued to Oaktree Capital Management, L.P.

On May 12, 2026, in connection with the Credit Agreement with Oaktree, the Company also entered into the Oaktree Warrant Issuance Agreement. Pursuant to this agreement, the Company issued to Oaktree, the Tranche A Warrant to purchase up to an aggregate of 230,271 shares of the Company's Common Stock at an exercise price of $4.18 per share. The Tranche A Warrant is exercisable at any time from the issuance date through May 12, 2031. Management estimated the fair value of the Tranche A Warrant to be $663, based on an assessment by an independent third-party appraiser. The fair value was estimated using the Black-Scholes pricing model, which utilized the Company's historical stock price to measure volatility and a holding period of five years based on the time period between the valuation date and the termination date as defined in the Credit Agreement. The fair value of the Tranche A Warrant is presented within Additional Paid-in Capital and the debt discount related to the Term Loan Facility on the Condensed Balance Sheets as of September 30, 2026. No portion of the Tranche A Warrant was exercised during the nine months ended September 30, 2026. Pursuant to the Oaktree Warrant Issuance Agreement, the Company will be obligated to issue additional warrants if additional tranches are drawn down under the Term Loan Facility. See Note 13, *Long-Term Debt* for additional information regarding the Term Loan Facility.

Warrants Issued to RTW Investments

On March 3, 2026, in connection with the Amendment No. 1 to the Purchase and Sale Agreement and the Equity Commitment Agreement with RTW, the Company also entered into the Warrant Issuance Agreement with the RTW investors. Pursuant to this agreement, the Company issued to the RTW Investors the RTW Warrant to purchase up to an aggregate of 375,000 shares of the Company's Common Stock. The RTW Warrant entitles the holders to purchase shares of Common Stock at an exercise price of $4.00 per share. The Warrant is exercisable at any time from the issuance date through March 3, 2029. Management estimated the fair value of the RTW Warrants to be $916, based on an assessment by an independent third-party appraiser. The fair value was estimated using the Black-Scholes pricing model, which utilized the Company's historical stock price to measure volatility and a holding period of three years based on the time period between the valuation date and the termination date as defined in the Warrant Issuance Agreement. The fair value of the RTW Warrants is presented within Additional Paid-in Capital on the Condensed Balance Sheets as of September 30, 2026 and within Interest income and other income, net on the Condensed Statements of Operations and Comprehensive Loss for the nine months ended September 30, 2026.

No portion of the RTW Warrant was exercised during the nine months ended September 30, 2026.

Warrants Issued to 12.5% Senior Secured Noteholders

Warrants that were issued in conjunction with the Initial Notes (the “Initial Warrants”) and Additional Notes (the “Additional Warrants”) entitled the noteholders of the Company's 12.5% Notes to purchase up to 2,143,000 shares of Common Stock and included specified registration rights. Management estimated the fair value of the Initial Warrants to be $6,800 and the Additional Warrants to be $735, each based on an assessment by an independent third-party appraiser. The fair value of the respective warrants was treated as a debt discount, amortizable over the term of the respective warrants, with the unamortized 12.5% Notes portion applied to reduce the aggregate principal amount of the 12.5% Notes. The 12.5% Notes were refinanced with the 13.5% Notes on November 1, 2023. Additionally, since the Initial Warrants and Additional Warrants issued do not provide warrant redemption or put rights within the control of the noteholders that could require the Company to make a payment of cash or other assets to satisfy the obligations under the warrants, except in the case of a “cash change in control”, the fair value attributed to the warrants is presented in Additional Paid-in Capital in the Company’s Condensed Balance Sheets. The Initial Warrants and Additional Warrants expired on June 30, 2025.

No portion of the Initial Warrants and the Additional Warrants were exercised during the nine months ended September 30, 2025.

Warrants Issued Under Securities Purchase Agreements

In June 2022, the Company issued pre-funded warrants and Common Stock warrants to certain purchasers in connection with the Securities Purchase Agreements. The pre-funded warrants entitled purchasers to purchase up to 4,000,000 shares of Common Stock and were exercised in full during the year ended December 31, 2022. The Common Stock warrants expire on June 8, 2027 and entitled the purchasers to purchase up to 8,850,000 shares of Common Stock at an exercise price of $0.96 per share. Management estimated the fair value of the pre-funded warrants and Common Stock warrants to be $5,874 based on an assessment by an independent third-party appraiser. The fair value of the pre-funded and Common Stock warrants is treated as equity and presented in Additional Paid-in Capital in the Company’s Condensed Balance Sheets. On June 14, 2023, 3,689,452 Common Stock warrants issued pursuant to the Securities Purchase Agreements were exercised with proceeds of approximately $3,542.

On August 1, 2023, the Company entered into the Letter Agreement with the Exercising Holder of 5,000,000 of the remaining Common Stock Warrants. Pursuant to the Letter Agreement, the Exercising Holder and the Company agreed that the Exercising Holder would exercise all of its Existing Warrants for shares of Common Stock underlying the Existing Warrants at $0.96 per share of Common Stock, the then current exercise price of the Existing Warrants. Under the Letter Agreement, in consideration of the Exercising Holder exercising the Existing Warrants, the Company issued to the Exercising Holder New Warrants to purchase up to an aggregate of 2,750,000 shares of Common Stock. The New Warrants became exercisable after February 2, 2024, expire on February 2, 2029 and are issuable only for cash, subject to exception if the shares of Common Stock underlying the New Warrants are not registered in accordance with the terms of the Letter Agreement, in which case, the New Warrants may also be exercised, in whole or in part, at such time by means of a "cashless exercise". The New Warrants have an exercise price of $2.60 per share. Management estimated the fair value of the warrants to be $4,671 based on an assessment by an independent third-party appraiser. The fair value of the New Warrants is treated as equity and is presented in Additional Paid-in Capital in the Company’s Condensed Balance Sheets.

During the three months ended September 30, 2026, 160,548 shares were issued upon the exercise of the Warrants issued under the Securities Purchase Agreements, with the Company receiving proceeds of $154. During the three months ended September 30, 2025, 550,000 shares were issued upon the exercise of the New Warrants issued under the Securities Purchase Agreements, with the Company receiving proceeds of $1,430.

As of September 30, 2026, the following warrants were outstanding: New Warrants to purchase 2,200,000 shares of Common Stock with an exercise price of $2.60 per share, the Tranche A Warrant to purchase 230,271 shares with an exercise price of $4.18 per share and the RTW Warrants to purchase 375,000 shares with an exercise price of $4.00 per share.

Note 15. Sale of Future Revenue

On November 3, 2020, the Company entered into the Monetization Agreement with Marathon. Under the terms of the Monetization Agreement, the Company sold all of its contractual rights to receive royalties and milestone payments due under the Sunovion License Agreement related to Sunovion’s apomorphine product, KYNMOBI®, an apomorphine film therapy for the treatment of off episodes in Parkinson’s disease patients, which received approval from the FDA on May 21, 2020. In exchange for the sale of these rights, the Company received an upfront payment of $40,000 and an additional payment of

$10,000 through the achievement of the first milestone. The Company has received an aggregate amount of $50,000 through September 30, 2026 under the Monetization Agreement.

Under the Monetization Agreement, additional contingent payments of up to $75,000 may be due to the Company upon the achievement of worldwide royalty and other commercial targets within a specified timeframe, which could result in total potential proceeds of $125,000.

The Company recorded the upfront proceeds of $40,000 and subsequent first milestone of $10,000, reduced by $2,909 of transaction costs, as a liability related to the sale of future revenue that will be amortized using the effective interest method over the life of the Monetization Agreement. As future contingent payments are received, they will increase the balance of the liability related to the sale of future revenue. Although the Company sold all of its rights to receive royalties and milestones, as a result of ongoing obligations related to the generation of these royalties, the Company will account for these royalties as revenue. Its ongoing obligations include the maintenance and defense of the intellectual property and to provide assistance to Marathon in executing a new license agreement for KYNMOBI in the event Sunovion terminates the Sunovion License Agreement in one or more jurisdictions of the licensed territory under the Sunovion License Agreement. The accounting liabilities, as adjusted over time, resulting from this transaction and any non-cash interest expenses associated with those liabilities do not and will not represent any obligation to pay or any potential future use of cash.

During the second quarter of 2020, under the Sunovion License Agreement, the Company recognized $8,000 of royalty revenue and corresponding royalty receivable, related to the $1,000 annual minimum guaranteed royalty that is due. In connection with the Monetization Agreement, the Company performed an assessment under ASC 860, *Transfer and Servicing* to determine whether the existing receivable was transferred to Marathon and concluded that the receivable was not transferred.

As royalties are remitted to Marathon from Sunovion, the collection of the royalty receivable and balance of the liability related to the sale of future revenue will be effectively repaid over the life of the agreement. In order to determine the amortization of the liability related to the sale of future revenue, the Company is required to estimate the total amount of future royalty and milestone payments to Marathon over the life of the Monetization Agreement and contingent milestone payments from Marathon to the Company. The sum of future royalty payments less the $50,000 in proceeds received and future contingent payments has been recorded as interest expense over the life of the Monetization Agreement. At execution, the estimate of this total interest expense resulted in an effective annual interest rate of approximately 24.9%. This estimate contained significant assumptions that impact both the amount recorded at execution and the interest expense that will be recognized over the life of the Monetization Agreement. The Company assesses the estimated royalty and milestone payments to Marathon from Sunovion and contingent milestone payments from Marathon to the Company. To the extent the amount or timing of such payments is materially different from the original estimates, an adjustment will be recorded prospectively to increase or decrease interest expense. There are a number of factors that could materially affect the amount and timing of royalty and milestone payments to Marathon from Sunovion and, correspondingly, the amount of interest expense recorded by the Company, most of which are not under the Company's control. Such factors include, but are not limited to, changing standards of care, the initiation of competing products, manufacturing or other delays, generic competition, intellectual property matters, adverse events that result in government health authority imposed restrictions on the use of products, significant changes in foreign exchange rates as the royalties remitted to Marathon are made in U.S. dollars (USD) while a portion of the underlying sales of KYNMOBI will be made in currencies other than USD, and other events or circumstances that are not currently foreseen. Changes to any of these factors could result in increases or decreases to both royalty revenue and interest expense related to the sale of future revenue.

In June 2023, Sunovion announced that it had voluntarily withdrawn KYNMOBI from the U.S. and Canadian markets. Therefore, the Company likely will not receive any of the additional contingent payments under the Monetization agreement. Further, the Company discontinued recording interest expense related to the sale of future revenue during the fourth quarter of 2022.

The following table shows the activity of the liability related to the sale of future revenue:

	September 30, 2026	December 31, 2025
Liability related to the sale of future revenue, net at beginning of the period	$ 63,023	$ 63,718
Royalties related to the sale of future revenue	(1,013)	(938)
Amortization of issuance costs	182	243
Liability related to the sale of future revenue, net at end of the period (includes current portion of $1,000 and $1,000, respectively)	$ 62,192	$ 63,023

Note 16. Other Non-Current Liabilities

The Company's other non-current liabilities at September 30, 2026 and December 31, 2025 consisted of a confidential legal settlement net liability and AROs of $2,038 and $2,065, respectively.

As of September 30, 2026, AROs consist of estimated future spending related to removing certain leasehold improvements at the Company's facilities in Portage, Indiana, and returning all facilities to their original condition. Depreciation expense related to the ARO assets included in overall depreciation expense for the three and nine months ended September 30, 2026 was $8 and $23, respectively. For the three and nine months ended September 30, 2025, these expenses totaled $7 and $20 respectively.

Balance at December 31, 2024	$ 2,039
Additions	—
Accretion	6
Balance at March 31, 2025	2,045
Additions	—
Accretion	7
Balance at June 30, 2025	2,052
Additions	—
Accretion	7
Balance at September 30, 2025	$ 2,059
Balance at December 31, 2025	$ 2,065
Additions	—
Accretion	7
Balance at March 31, 2026	2,072
Additions	—
Accretion	8
Balance at June 30, 2026	2,080
Reclassification to Accounts Payable [(a)]	(50)
Additions	—
Accretion	8
Balance at September 30, 2026	$ 2,038

[(a)] During the three months ended September 30, 2026, asset retirement obligations of $50 related to the terminated lease were reclassified into Accounts Payable as the liability is no longer considered a long-term obligation. See Note 10, *Right-of-Use Assets and Lease Obligations.*

Note 17. Net Loss Per Share

Basic net loss per share is calculated by dividing net loss by the weighted-average number of Common Stock.

Diluted EPS is adjusted by the effect of dilutive securities, including options and awards under the Company's equity compensation plans, warrants and ESPP. As a result of the Company's net loss incurred for the three and nine months ended September 30, 2026 and 2025, all potentially dilutive instruments outstanding would have anti-dilutive effects on per-share calculations. Therefore, basic and diluted net loss per share are the same for the three and nine months ended September 30, 2026 and 2025 as reflected below.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Numerator:				
Net loss	$ (16,496)	$ (15,446)	$ (47,417)	$ (51,924)
Denominator:				
Weighted-average number of common shares – basic and diluted	125,548,783	110,584,371	124,395,079	101,857,974
Loss per common share – basic and diluted	$ (0.13)	$ (0.14)	$ (0.38)	$ (0.51)

(a) For the three and nine months ended September 30, 2026 and 2025, outstanding stock options of 7,809,979 and 6,940,167 to purchase shares of Common Stock, respectively, were anti-dilutive.

(b) For the three and nine months ended September 30, 2026 and 2025, outstanding restricted stock units of 3,257,190 and 4,672,451 to purchase shares of Common Stock, respectively, were anti-dilutive.

(c) For the three and nine months ended September 30, 2026 and 2025, outstanding warrants of 2,805,271 and 2,360,548 to purchase shares of Common Stock, respectively, were anti-dilutive.

Note 18. Share-Based Compensation

The Company recognized share-based compensation in its Condensed Statements of Operations and Comprehensive Loss during the three and nine months ended September 30, 2026 and 2025 as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Manufacture and supply	$ 84	$ 130	$ 219	$ 358
Research and development	319	1,310	868	2,048
Selling, general and administrative	1,723	1,337	6,252	3,842
Total share-based compensation expenses	$ 2,126	$ 2,777	$ 7,339	$ 6,248
Share-based compensation from:				
Restricted stock units	$ 1,282	$ 1,997	$ 4,758	$ 4,506
Stock options	844	780	2,569	1,733
Employee stock purchase plan (ESPP)	—	—	12	9
Total share-based compensation expenses	$ 2,126	$ 2,777	$ 7,339	$ 6,248

Share-Based Compensation Equity Awards

The following tables provide information about the Company's restricted stock unit and stock option activity during the nine month period ended September 30, 2026:

Restricted Stock Units

The following tables summarize the Company's awards of service-based and market conditions vesting-based restricted stock units for the nine month period ended September 30, 2026:

Restricted Stock Unit Awards (RSUs) - Service-based:	Number of Units	Weighted Average Grant Date Fair Value
	(in thousands)	
Unvested as of December 31, 2025	2,684	$ 3.24
Granted	1,446	$ 4.28
Vested	(1,378)	$ 2.64
Forfeited	(58)	$ 4.17
Unvested as of September 30, 2026	2,694	$ 4.09
Expected to vest as of September 30, 2026	2,521	$ 4.09

As of September 30, 2026, $6,782 of total unrecognized compensation expenses related to unvested service-based restricted stock units are expected to be recognized over a remaining weighted average period of 1.82 years. The service-based restricted stock units granted to employees are subject to a three-year graduated vesting schedule and are not subject to performance-based criteria other than continued employment.

Restricted Stock Unit Awards (RSUs) - Market conditions vesting-based:	**Number of Units**	**Weighted Average Grant Date Fair Value**
	(in thousands)	
Unvested as of December 31, 2025	1,728	$ 2.55
Granted [(a)]	541	2.40
Vested	(1,706)	2.28
Forfeited	—	—
Unvested as of September 30, 2026	563	$ 2.82
Expected to vest as of September 30, 2026	523	$ 2.82

(a) The 2023 market conditions vesting-based restricted stock units vested at 150% in May 2026. These additional units were granted during the nine months ended September 30, 2026.

As of September 30, 2026, $706 of unrecognized compensation expense related to unvested market condition vesting- based restricted stock units are expected to be recognized over a remaining weighted average period of 1.43 years.

The 2023 market conditions vesting-based restricted stock units vested based on a Performance Price measured as the 30-day average of the closing prices of the Common Stock as reported on the Nasdaq Global Market immediately prior to and including the last calendar day of the three-year performance period (which ended on the third anniversary of the grant date). In accordance with the terms of the grant, the Performance Price was $3.25 or greater, and the Vesting Percentage was 150%.

The 2025 market conditions vesting-based restricted stock units were measured over a three-year performance period. The performance period is split into two pricing periods. The first pricing period commences on the grant date and ends on the calendar day immediately preceding the second anniversary of the grant date. The second pricing period commences on the second anniversary of the grant date and ends on the third anniversary of the grant date, The performance price for the first pricing period is calculated based on the 30-day average price observed for the last 30 days of the first pricing period. The performance price for the second pricing period is calculated based on the highest 30-day average for any 30-day period throughout the second pricing period. To the extent the Performance Price is less than $6.00, the Vesting Percentage will be zero. To the extent the Performance Price is $6.00, the Vesting Percentage will be 50%. To the extent the Performance Price is $6.01 or greater, but less than $7.00, the Vesting Percentage will be a prorated amount between 50.01% and 99.99%, based on straight-line interpolation. To the extent the Performance Price is $7.00, the Vesting Percentage will be 100%. To the extent the Performance Price is $7.01 or greater, but less than $8.00, the Vesting Percentage will be a prorated amount between 100.01% and 149.99%, based on straight-line interpolation. To the extent the Performance Price is $8.00 or greater, the Vesting Percentage will be 150%. In no event will the Vesting Percentage exceed 150%.

The Company's estimates of the fair value of the 2025 market conditions vesting-based awards at their grant or valuation dates were based on a Monte Carlo simulation and considered various variables and the following assumptions:

Expected dividend yield	0%
Expected volatility	91.5%
Risk-free interest rate	3.9%
Stock price at grant date	$2.65

Stock Option Awards:	**Number of Options**	**Weighted Average Exercise Price**
	(in thousands)	
Outstanding as of December 31, 2025	6,558	$ 5.59
Granted	1,324	4.21
Exercised	(45)	1.13
Forfeited/Expired	(27)	3.20
Outstanding as of September 30, 2026	7,810	$ 5.39
Expected to vest as of September 30, 2026	7,686	$ 5.41
Exercisable as of September 30, 2026	5,771	$ 5.85

The fair values of stock options granted were estimated using the Black-Scholes pricing model based on the following assumptions:

	Nine Months Ended September 30, 2026		
Expected dividend yield	—%	—	—%
Expected volatility	96%	—	98%
Expected term (years)	5.5	—	6.1
Risk-free interest rate	3.8%	—	4.4%

The weighted average grant date fair value of stock options granted during the nine months ended September 30, 2026 was $3.34. During the nine months ended September 30, 2026, stock options were granted with a weighted average exercise price of $4.21.

As of September 30, 2026, $4,641 of unrecognized compensation expense related to non-vested stock options is expected to be recognized over a remaining weighted average period of 1.69 years.

2022 Inducement Equity Incentive Plan (number of units in thousands)

In accordance with Nasdaq Listing Rule 5635(c)(4), the Company adopted the 2022 Equity Inducement Plan approved by the Compensation Committee of the Board of Directors of the Company effective as of July 29, 2022. There were 175 service-based awards and 125 options granted under this Plan during the nine months ended September 30, 2026. The options and service-based awards granted under this Plan are included in the tables above. As of September 30, 2026, 600 shares remained available for grant under this Plan.

Note 19. Income Taxes

The Company has accounted for income taxes under the asset and liability method, which requires deferred tax assets and liabilities to be recognized for the estimated future tax consequences attributable to differences between financial statement carrying amounts and respective tax bases of existing assets and liabilities, as well as net operating loss carryforwards and R&D credits. Valuation allowances are provided if it is more likely than not that some portion or all of the deferred tax asset will not be realized.

The Company's tax provision for interim periods is determined using an estimate of its annual effective tax rate, adjusted for discrete items. For the three and nine months ended September 30, 2026, the effective income tax rate was 0%, and the Company recorded no income tax expense from its pretax losses of $16,496 and $47,417, respectively. For the three and nine months ended September 30, 2025, the effective income tax rate was 0%, and the Company recorded no income tax expense from its pretax losses of $15,446 and $51,924, respectively.

The primary factors impacting the effective tax rate for the three and nine months ended September 30, 2026 is the anticipated full year pre-tax book loss and a full valuation allowance against any associated net deferred tax assets.

On July 4, 2025, the President signed H.R. 1, the Budget Reconciliation Bill, into law. The legislation includes several changes to federal tax law that generally allow for more favorable deductibility of certain business expenses beginning in 2025, including the restoration of immediate expensing of domestic R&D expenditures, reinstatement of 100% bonus depreciation, and more favorable rules for determining the limitation on business interest expense.

These changes were reflected in the income tax provision for the three and nine months ended September 30, 2026. As the result of the Company maintaining a full valuation allowance against its U.S. federal and state deferred tax assets, the changes introduced by this legislation did not result in a material impact to the Company's income tax provision or deferred tax balances for the current reporting period. The Company will continue to monitor the potential future impacts of the legislation, including any changes to its valuation allowance assessment, as further guidance becomes available and as facts and circumstances evolve.

Note 20. Contingencies

From time to time, the Company has been and may again become involved in legal proceedings arising in the course of its business, including product liability, intellectual property, securities, civil tort, and commercial litigation, and environmental or other regulatory matters.

California Litigation

Neurelis, Inc. v. Aquestive Therapeutics, Inc.

On December 5, 2019, Neurelis, Inc. ("Neurelis") filed a civil tort lawsuit against the Company in the Superior Court of California, County of San Diego. In December 2025, the parties reached a mutual out-of-court settlement agreement resolving all claims related to the matter, the terms of which settlement agreement are confidential. In the settlement agreement, the Company did not concede liability and settled the matter for business reasons. The Company does not consider this settlement material to its financial condition. The settlement of the matter was recorded within Selling, general, and administrative expenses on the Company's Statements of Operations and Comprehensive Loss for the year ended December 31, 2025. The current liability was recorded within Accounts payable and the non-current liability was recorded within Other non-current liabilities on the Company's Balance Sheets as of September 30, 2026 and December 31, 2025. On April 3, 2026, the court signed the Order dismissing the case with prejudice.

Neurelis FDA Lawsuit

Neurelis, Inc. v. Califf, *et al.*, U.S. District Court for the District of Columbia

In May 2024, Neurelis filed a complaint in the U.S. District Court for the District of Columbia against the U.S. Food and Drug Administration, the U.S. Department of Health and Human Services, and certain government officials. The complaint in this matter alleges that the defendants violated the Administrative Procedure Act by approving the Company's NDA for Libervant for ARS patients aged between two and five years, and asked the Court to vacate that approval and enjoin the defendants from approving Libervant for this pediatric patient population until January 10, 2027, the scheduled date for the expiration of the U.S. orphan drug market exclusivity (ODE) granted by the FDA to the Valtoco® nasal spray product of Neurelis (the "ODE Expiration"). The Company intervened in this litigation to defend the approval of Libervant for this ARS pediatric patient population. Following submission of briefs and filings of respective motions by the parties for summary judgment, on February 14, 2025, the Court entered a final appealable judgment in favor of Neurelis, and against the FDA's and the Company's cross-motions for summary judgment, and directed the FDA to vacate the approval of Libervant. On February 18, 2025, the Company filed an appeal of the District Court's decision with the U.S. Court of Appeals for the District of Columbia Circuit (the "DC Appellate Court") and, on the same day, filed an emergency motion with the District Court to stay its order pending a decision on the appeal with the DC Appellate Court. The District Court denied the motion for a stay. On March 27, 2025, the DC Appellate Court denied the Company's emergency motion for stay. The FDA filed an appeal of the District Court's decision to the DC Appellate Court and the Company withdrew its appeal. As a result of the District Court's ruling, the FDA converted the approval of Libervant to a "tentative approval" and the Company has ceased marketing activities in the United States for Libervant for these ARS pediatric patients.

Subsequently, on February 3, 2026, Congress adopted and the President signed into law legislation that amended the Orphan Drug Act to provide that ODE applies only to the extent a subsequent applicant seeks approval for the same approved use or indication within the designated rare disease or condition to which the ODE applies. As applied, this legislation would confirm the FDA's long-standing interpretation of the Orphan Drug Act and its authority to approve another sponsor’s orphan drug for a different use or indication than that of an approved drug with ODE, such as the FDA's prior approval of Libervant for ARS patients aged between two and five years. On February 16, 2026, the Company filed a motion with the DC Appellate Court requesting that the DC Appellate Court order all parties to submit simultaneous briefs regarding appropriate next steps regarding this legislation and its intended application to this case, including the possibility of a summary disposition of the matter by the DC Appellate Court. The parties submitted briefs to the DC Appellate Court and oral argument has been scheduled for December 2026. The Company is not able to determine or predict the ultimate outcome of these proceedings or provide a reasonable estimate or range of estimates of the possible outcome or loss, if any, in this matter.

Suboxone Product Liability Litigation

The Company was named as a defendant in a multitude of product liability lawsuits, along with Indivior and several other named defendants, in which the individual plaintiffs in those cases allege that their use of Suboxone® sublingual film, a prescription drug product for opioid use disorder, caused them dental injuries. On February 2, 2024, this litigation became a MDL consolidated in the U.S District Court for the Northern District of Ohio. One case alleging the same allegations as contained in the MDL has been filed in a state court in the State of New Jersey. The parties to the MDL have agreed to a tolling of unfiled claimants in several states. Contractual indemnification obligation of Indivior remains in effect, and Indivior continues to assume defense costs associated with these matters. The Company's motion to dismiss the MDL matter was granted as to all claims against Aquestive by plaintiffs except design defect claims and claims for punitive damages. Discovery

is ongoing and no trial date has been set in the MDL matter. The Company is not able to determine or predict the ultimate outcome of this litigation or provide a reasonable estimate or range of estimates of the possible outcome or loss, if any, in this matter.

The Company was named as a defendant in three proposed class action lawsuits filed in Canada, along with Indivior and several other named defendants, in which the individual plaintiffs in those cases allege that their use of Suboxone® products caused them dental injuries. Two of these cases have been filed in British Columbia and the third case has been filed in Quebec and is proceeding towards an authorization hearing, the date of which has not yet been set. Pre-discovery and case management proceedings are underway and no trial date has yet been set. The Company is not able to determine or predict the ultimate outcome of this litigation or provide a reasonable estimate or range of estimates of the possible outcome or loss, if any, in this litigation.

Federal Securities Class Action

On March 5, 2026, a putative securities class action lawsuit was filed against the Company and Daniel Barber in the United States District Court for the District of New Jersey, captioned Modica v. Aquestive Therapeutics, Inc. and Daniel Barber. The complaint purports to seek relief on behalf of a class of investors who purchased or otherwise acquired the Company's publicly traded securities between June 16, 2025 and January 8, 2026, and asserts violations of Section 10(b) of the Exchange Act against all defendants and Section 20(a) of the Exchange Act against the individual defendant. The complaint alleges, among other things, that during the proposed class period, defendants made misstatements and/or failed to disclose certain facts regarding the NDA for Anaphylm. The complaint seeks various forms of relief, including monetary damages in an unspecified amount. The lead plaintiff selection process is pending with the court. Following selection of the lead plaintiff the Company anticipates filing a motion to dismiss. The Company is not able to determine or predict the ultimate outcome of this proceeding or provide a reasonable estimate or range of estimates of the possible outcome or loss, if any, in this matter.

Shareholder Derivative Litigation

On April 15, 2026, a shareholder derivative lawsuit was filed by a purported shareholder on behalf of the Company against certain individual directors and officers of the Company, naming the Company as a nominal defendant, in the United States District Court for the District of New Jersey, captioned Wilson v. Brown, *et al*. The complaint asserts claims for violation of Section 14(a) of the Exchange Act against the director defendants, and breach of fiduciary duty, aiding and abetting breach of fiduciary duty, and waste of corporate assets against all individual defendants. The complaint alleges, among other things, that the individual defendants failed to exercise adequate oversight of, and misrepresented and/or failed to disclose certain facts regarding the NDA for Anaphylm. The derivative action has been designated as related to the securities class action described above. The complaint seeks various forms of relief, including monetary damages in an unspecified amount and corporate governance reforms. This case has been stayed, pending a ruling on that anticipated motion to dismiss the securities class action. The Company is not able to determine or predict the ultimate outcome of this proceeding or provide a reasonable estimate or range of estimates of the possible outcome or loss, if any, in this matter.

Note 21. Subsequent Events

Licensing and Supply Agreement with Eton Pharmaceuticals, Inc.

On October 13, 2026, the Company entered into a license agreement with Eton pursuant to which the Company granted Eton exclusive U.S. rights to commercialize Libervant for the acute treatment of seizure clusters in patients with epilepsy, subject to applicable regulatory approvals. Libervant has received tentative approval from the FDA for the acute treatment of intermittent, stereotypic episodes of frequent seizure activity that are distinct from a patient's usual seizure pattern in patients with epilepsy 2 to 5 years of age and ages 12 and older.

Under the terms of the License Agreement, the Company received an upfront license fee payment of $10,000 from Eton. In addition, the Company is entitled to receive from Eton additional regulatory and commercial milestone payments of up to an aggregate of $47,500 upon the achievement of specified milestones, including: $10,000 upon first commercial sale in the United States, reduced to $5,000 if full FDA approval permitting commercial sale for ages 2–5 has not been received; $2,500 upon approval by the FDA of the Product for patients ages 6–11; and up to $35,000 of commercial milestones tied to the Product's achievement of certain annual net sales levels in the United States. The Company will also receive royalties on annual net sales of the Product at a mid-teens percentage rate from Eton.

In connection with the License Agreement, the Company also entered into a supply agreement with Eton under which the Company will serve as the exclusive manufacturer and supplier of the Product to Eton, subject to specified exceptions. The Supply Agreement provides for an initial term of 20 years. At the conclusion of such initial term, the Supply Agreement will be subject to an automatic extension for succeeding three-year periods unless either party notifies the other of its desire not to renew at least two years prior to the end of the initial term or any succeeding term.

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

You should read this section in conjunction with our condensed interim financial statements and related notes included in Part I Item 1 of this Quarterly Report on Form 10-Q and our audited financial statements and related notes thereto and management's discussion and analysis of financial condition and results of operations for the years ended December 31, 2025 and 2024 included in our 2025 Annual Report on Form 10-K. All dollar amounts are stated in thousands except for share data.

Forward-Looking Statements

This Quarterly Report on Form 10-Q and certain other communications made by us include forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as "believe," "anticipate," "plan," "expect," "estimate," "intend," "may," "will," or the negative of those terms, and similar expressions are intended to identify forward-looking statements.

These forward-looking statements include, but are not limited to, statements regarding the advancement and related timing of Anaphylm™ (dibutepinephrine) Sublingual Film through the FDA regulatory review and approval process; our ability to address the matters identified by the FDA in the Complete Response Letter ("CRL") dated January 30, 2026; the FDA's review of the Class 2 resubmission of the Anaphylm NDA and potential approval by the March 16, 2027 PDUFA goal date; the Company's commercial launch strategy, launch readiness and potential launch of Anaphylm, if approved; the significance, interpretation and sufficiency of the human factors and pharmacokinetic study results and the pharmacokinetic and pharmacodynamic data supporting the NDA resubmission; whether the NDA resubmission adequately addresses the deficiencies identified by the FDA in the CRL; the potential approval of Anaphylm by the FDA; potential international regulatory submissions and marketing authorizations for Anaphylm, including the anticipated timing of submissions in Canada and the European Union; Anaphylm's potential to be the first and only non-invasive orally delivered epinephrine product and to be accepted as an alternative to existing standards of care, if approved by the FDA; the advancement, growth and related timing of our AdrenaVerse™ pipeline epinephrine prodrug product candidates, including AQST-108 (epinephrine) topical gel, through clinical development and FDA regulatory approval process, including design and timing of clinical studies including those necessary to support possible indications; the potential sale or outlicensing of Anaphylm or other product candidates; anticipated timelines, milestones, and guidance relating to regulatory submissions, clinical studies, regulatory interactions, and potential approvals, which are subject to change based on regulatory feedback, protocol alignment, data sufficiency, and other factors outside the Company's control; the timing and outcome of FDA review of Libervant, including potential final approval, label expansion and commercial availability; Eton's commercialization of Libervant; the potential receipt by the Company of contingent milestone and royalty payments; and the Company's manufacture and supply of Libervant; the commercial opportunity of Libervant, Anaphylm, AQST-108 and our other product candidates, should these product candidates be approved by the FDA; the focus on continuing to manufacture Suboxone®, Emylif®, Sympazan®, Ondif® and other licensed products; the potential benefits our products and product candidates could bring to patients; the achievement of clinical and commercial milestones, product orders and fulfillment; our cash requirements, cash funding and cash burn; short-term and longer term liquidity and the ability to fund our business operations; our growth and future financial and operating results and financial position, including with respect to our 2026 financial outlook; and business strategies, market opportunities, and other statements that are not historical facts.

These forward-looking statements are based on our current expectations and beliefs and are subject to a number of risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. Such risks and uncertainties include, but are not limited to, risks associated with our development work, including any delays or changes to the timing, cost and success of our product development activities and clinical trials and plans, including those relating to Anaphylm, AQST-108, and our other product candidates; risks related to our existing indebtedness and potential future obligations under our Credit Agreement, including the risk that, should Anaphylm receive FDA approval, our indebtedness will increase substantially, and there is no assurance that revenues from the commercialization of Anaphylm will be sufficient to service or repay such obligations; and that, if Anaphylm does not receive FDA approval, we will be required to maintain larger cash reserves to fund ongoing operations and will not be able to deploy those funds for other purposes; risks that restrictive covenants contained in our Credit Agreement could limit our operational flexibility, including restrict our ability to incur additional indebtedness or make investments, and impair our ability to raise additional capital when needed; risks that preliminary, topline, interim or summary human factors, pharmacokinetic or pharmacodynamic results may differ from final analyses or may be interpreted differently by regulatory authorities; the possibility that the FDA may disagree with the Company's interpretation of study results, findings or conclusions, or may request additional information, analyses, human factors studies or clinical studies; risks associated with our ability to address the FDA's comments on and identified deficiencies in our NDA, including the concerns raised by the FDA in the CRL, and whether the FDA may request further information from us (including additional studies), disagree with our protocols, study designs or findings, or otherwise undertake a lengthy review of our NDA resubmission; the risk that the FDA may consider issues raised in one or more citizen petitions or similar submissions relating to Anaphylm; risks associated with obtaining regulatory approvals outside the United States; risks of delays in, or failure to obtain, regulatory approval of Anaphylm; risk of government shutdowns or actions to reduce government workforces on the ability of the FDA to act on the approval of our product candidates, including Anaphylm and Libervant; risks associated with the success of any competing products, including generics; risks and uncertainties inherent

in commercializing a new product (including technology risks, financial risks, market risks and implementation risks and regulatory limitations); risk of development of a sales and marketing capability for commercialization of our product candidates, including Anaphylm, if approved by the FDA; risks associated with the potential impact on the value of the Company of the sale or outlicensing of our product and product candidates, including Libervant and Anaphylm and other product candidates; risk of insufficient capital and cash resources, including insufficient access to available debt and equity financing, including under our ATM facility and the RTW Funding Agreement, and revenues from operations, to satisfy all of our short-term and longer-term liquidity and cash requirements to support our growth strategy, and other cash needs, at the times and in the amounts needed, and to fund future clinical development and commercial activities for our product candidates, including Anaphylm, AQST-108 and Libervant should these product candidates be approved by the FDA; risk of the impact of our obligations under the Company's Purchase Agreement and the Royalty Rights Agreement with third parties, each of which agreements requires the Company to make payments to each counterparty thereof, respectively, of a portion of our revenues, on our ability to contribute to the funding of our operations and the payment of interest on our debt; risk of eroding market share for Suboxone® as a sunsetting product, which accounts for a substantial part of our current operating revenue; risk of default of our debt instruments; risks related to the outsourcing of certain sales, marketing and other operational and staff functions to third parties; risk of the rate and degree of market acceptance in the U.S. and abroad of Anaphylm, AQST-108, Libervant and our other product candidates, should these product candidates be approved by the FDA and other regulatory authorities, and for our licensed products in the U.S. and abroad; risk associated with the size and growth of our product markets; risk associated with our compliance with all FDA and other governmental and customer requirements for our manufacturing facilities; risks associated with intellectual property rights and infringement claims relating to our products; risk that our patent applications for our product candidates, including for Anaphylm, will not be timely issued, or issued at all, by the United States Patent and Trademark Office (PTO) or, if issued, will be sufficient to provide long-term commercial success of these product candidates; risk of unexpected patent developments; risk of legislation and regulatory actions and changes in laws or regulations affecting our business, including relating to our products and product candidates and product pricing, reimbursement or access therefor; risk of loss of significant customers; risks related to claims and legal proceedings against us including patent infringement, securities, business torts, investigative, product safety or efficacy and antitrust litigation matters; risk of product recalls and withdrawals; risks related to any disruptions in our information technology networks and systems, including the impact of cybersecurity attacks; risk of increased cybersecurity attacks and data accessibility disruptions due to remote working arrangements; risk of adverse developments affecting the financial services industry; risks related to inflation and changing interest rates; risks related to the impact of pandemic diseases on our business; risks and uncertainties related to general economic, political (including the Ukraine, Israel and Iran wars and other acts of war and terrorism), business, industry, regulatory, financial and market conditions and other unusual items; risks related to uncertainty about presidential administration initiatives and their impact on our business, including imposition of government tariffs and other trade restrictions; and other uncertainties affecting the Company including those described in the "Risk Factors" section and in other sections included in this Quarterly Report on Form 10-Q. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to differ materially from those expressed or implied by these statements. These factors include the matters discussed and referenced in the risk factors of the Company's 2025 Annual Report on Form 10-K and our other Quarterly Reports on Form 10-Q and in our Current Reports on Form 8-K and our other filings with the SEC. Given these uncertainties, you should not place undue reliance on these forward-looking statements, which speak only as the date made. All subsequent forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by this cautionary statement. We assume no obligation to update forward-looking statements, or outlook or guidance after the date of this Quarterly Report on Form 10-Q, whether as a result of new information, future events or otherwise, except as may be required by applicable law. Readers should not rely on the forward-looking statements included in this Quarterly Report on Form 10-Q as representing our views as of any date after the date of the filing of this Quarterly Report on Form 10-Q.

Unless the context requires otherwise, references in this Quarterly Report on Form 10-Q to "Aquestive," the "Company," "we," "us," and "our" refer to Aquestive Therapeutics, Inc.

Overview

Aquestive is a biopharmaceutical company advancing medicines to bring meaningful improvement to patients' lives through innovative science. The worldwide leader in delivering trusted, quality medications on oral film, Aquestive operates with its headquarters in New Jersey and U.S.-based manufacturing facilities in Indiana. The Company is the exclusive manufacturer of four commercialized products marketed by its licensees across six continents using proprietary, best-in-class technologies like PharmFilm®. Aquestive's AdrenaVerse™ platform contains a library of more than 20 epinephrine prodrugs enabling the pursuit of various potential allergy and dermatological indications. The Company is advancing Anaphylm™ (dibutepinephrine) sublingual film for the treatment of Type 1 allergic reactions, including anaphylaxis, and AQST-108 (epinephrine) topical gel for various potential dermatological conditions.

We manufacture licensed products at our facilities and anticipate that our current manufacturing capacity is sufficient for commercial quantities of our licensed products and product candidates currently in development. Our facilities have been inspected by the FDA, TGA, and DEA, and are subject to inspection by all applicable health agencies, including ANVISA and

EMA. Not all collaborative or licensed products of the Company that may be commercially launched in the future will necessarily be manufactured by us.

Complex Molecule Portfolio

We have developed a proprietary pipeline of complex molecule-based product candidates as alternatives to invasively administered standard of care therapeutics addressing large market opportunities. The active programs in our complex molecule pipeline portfolio are:

- **Anaphylm™** (dibutepinephrine) sublingual film – the first and only non-invasive, orally delivered epinephrine prodrug product candidate in development that has shown clinical results comparable to auto-injectors (such as EpiPen® and Auvi-Q®) for the emergency treatment of allergic reactions, including anaphylaxis. Epinephrine is the standard of care in the treatment of anaphylaxis and is typically administered via intramuscular injection, including manual auto-injectors such as EpiPen and Auvi-Q, which require patients or their caregivers to inject epinephrine into the patient's thigh during an emergency allergic reaction. As a result of this route of administration, many patients and their caregivers are reluctant to use injectable products. In August 2024, a nasal spray device was approved by the FDA for the treatment of severe allergic reactions, including anaphylaxis. However, Anaphylm would, if approved by the FDA, allow a patient to simply place a dissolvable strip, approximately the size and weight of a postage stamp, under the tongue, providing an appropriate medication where it is needed and when it is needed.

  Recent Regulatory Updates

  We completed the Anaphylm NDA submission to the FDA in the first quarter of 2025. On June 13, 2025, the NDA submission was accepted by the FDA and a PDUFA goal date of January 31, 2026 was assigned. The Company was informed in September 2025 that the FDA would not hold an Advisory Committee meeting regarding the approval of Anaphylm.

  On January 30, 2026, the Company received a CRL that focused on administration and labeling guidance. Clinical trial results submitted as part of the NDA regarding comparability to approved auto-injectors (such as EpiPen and Auvi-Q), such as bracketing, repeat dose, and sustainability, were not questioned in the CRL. In addition, there were no CMC issues noted in the CRL. The FDA cited deficiencies in the Anaphylm human factors (HF) validation study. These included instances of difficulty opening the pouch, torn film during pouch opening, incorrect placement of the film during administration, chewing the film, and/or removal of the film after administration. If unaddressed, the FDA believes these issues could cause significant safety issues in the setting of anaphylaxis. To resolve the FDA's concerns, the Company modified the pouch opening, instructions for use, pouch and carton labeling, and conducted a new HF validation study with these modifications and a pharmacokinetic (PK) study requested by the FDA to test the effect of these modifications.

  On August 10, 2026, the Company announced results from its recent HF validation study and PK study for Anaphylm. The new HF study evaluated a revised packaging design, incorporating modifications to the pouch opening, instructions for use, and pouch and carton labeling intended to address previously identified issues. The new HF study shows significant improvement across each deficiency identified by the FDA. The median time to open a pouch decreased from 17 seconds in the previous study to 3 seconds. The number of participants who had difficulty opening the pouch decreased from 26 (out of 166) to 1 (out of 105). The number of participants who incorrectly administered the film in the mouth decreased from 20 (out of 166) to 2 (out of 105). In the latest HF study, no participants were observed chewing the film or removing the film. In addition, using the revised packaging and revised instructions for use, the Company conducted a single PK study in healthy volunteers comparing self-administration to clinician-administered as well as manual IM administration. No administration errors were observed in the self-administration arm of the PK study. In a separate PK arm evaluating purposely misplaced (top-of-tongue) administration requested by the FDA, geometric mean Cmax was lower and Tmax longer than with correct sublingual placement, as expected, though the observed pharmacodynamic response was comparable to or of greater magnitude than that observed with injectable epinephrine. No serious adverse events, or events leading to study drug discontinuation were reported in the PK study.

  On September 16, 2026, the Company resubmitted the Anaphylm New Drug Application to the FDA, and on September 17, 2026, the Company announced the resubmission. On October 15, 2026, the Company announced that the FDA had acknowledged the resubmission as complete, classified it as a Class 2 response and assigned a PDUFA goal date of March 16, 2027.

  The Company continues to advance commercial-readiness activities for a potential U.S. launch of Anaphylm, if approved. The Company has a coordinated launch plan across medical affairs, market access, commercial, operations,

manufacturing and supply readiness, with activities and investments staged against the regulatory timeline, and remains on track to be launch-ready during the first quarter of 2027, if Anaphylm is approved by the FDA.

The Company is concurrently pursuing regulatory strategies outside the United States. Based on feedback from regulatory agencies, the Company expects to submit regulatory applications by utilizing its existing clinical data. The Company expects to submit a New Drug Submission to Health Canada in the fourth quarter of 2026 and plans to file in the European Union in the first quarter of 2027. The Company believes that these markets represent important opportunities to potentially expand access to the Company's non-invasive epinephrine therapy globally.

Clinical Development of Anaphylm

The Company believes that the Anaphylm NDA resubmission is supported by a comprehensive clinical development program consisting of twelve independent clinical studies with approximately 1,063 total administrations across 451 subjects, including 904 single-dose and 127 repeat-dose exposures of Anaphylm in adults and 32 single-dose exposures in pediatrics. As part of the clinical development program, Aquestive conducted a first-of-its-kind oral allergy syndrome study, which demonstrated Anaphylm's performance in a real-world, allergen-induced setting. The program demonstrated that Anaphylm delivers a PK profile comparable to the leading epinephrine auto-injectors. These studies showed that Anaphylm was generally well-tolerated and had a safety profile similar to that of epinephrine.

On February 24, 2022, following a Phase 1 clinical study conducted by the Company outside of the U.S., the FDA cleared our IND for Anaphylm, allowing for clinical investigation of Anaphylm in the U.S. The FDA confirmed that the 505(b)(2) regulatory approval pathway is acceptable for the development of Anaphylm. The FDA granted Fast Track designation of Anaphylm in March 2022.

Throughout 2022 and 2023, we reported positive topline data from several clinical studies evaluating multiple oral film formulations and dosage strengths of Anaphylm in healthy adult subjects, including cross over studies comparing the PK and PD of epinephrine delivered via Anaphylm compared to current standards of care, EpiPen® and IM injectors. These studies demonstrated that treatment with Anaphylm was well tolerated, with no serious adverse events, significant medical events, or treatment-related severe adverse events reported. The data from these clinical studies formed the basis for the EOP2 meeting with the FDA in December of 2022, which provided clarity as to the FDA's expectations regarding key clinical program areas for design of revised dosing instructions expected for use in our pivotal clinical trial.

In the fourth quarter of 2023, we received comments from the FDA on the protocol for our pivotal clinical study for Anaphylm, which comments indicated that our proposed endpoints, sample size, and statistical analysis for the proposed pivotal clinical study were reasonable and provided clarity on PK sustainability with repeat-dose requirements. We incorporated the FDA's feedback into the pivotal clinical study design, which study commenced in the fourth quarter of 2023.

In January 2024, we completed a Type C meeting with the FDA in which the FDA found that we had adequately addressed the FDA's previous concerns noted in the EOP2 meeting, including addressing (1) the impact of any product hold time, (2) the potential for emesis (vomiting), and (3) the impact of potential mouth conditions such as angioedema (swelling), by removing product hold time from the administration instructions and providing additional information on how to characterize emesis in our NDA submission with the FDA. Regarding mouth conditions, the FDA recommended administering Anaphylm after oral exposure to a known allergen and assessing PK performance thereunder. This study replaced our previously planned angioedema study. In those comments, the FDA did not outline any new clinical development requirements for the Anaphylm program. The FDA reserved judgment on the sufficiency of the Anaphylm clinical development program until completion of ongoing and planned studies, the results of which were presented at a pre-NDA interaction with the FDA on November 22, 2024.

In March 2024, we released topline data from our pivotal clinical study for Anaphylm. The two-part, Phase 3, single-center, open-label, randomized study was designed to compare the PK and PD of single and repeat doses of Anaphylm versus single and repeat doses of the IM injection and epinephrine autoinjectors (EpiPen® and Auvi-Q®) in healthy adult subjects. The results of this study demonstrated that the primary endpoint, epinephrine PK biocomparability of the single administration of Anaphylm to the single administration of Adrenalin (epinephrine IM injection) and epinephrine autoinjectors in healthy adult subjects was met. The study also met its secondary endpoints, which included evaluating the PK sustainability of Anaphylm following repeat administration, as well as its safety and tolerability of Anaphylm following single and repeat administrations versus epinephrine IM injection and epinephrine autoinjectors.

In June 2024, we reported positive topline PK data from the Company's temperature / pH study of Anaphylm. The single-dose, five-period, randomized crossover study was designed to compare the PK and PD of Anaphylm just after consuming normal water at different temperatures (hot, cold, and room temperature) as well as water of different pHs (acidic- lemon water, and basic- baking soda water). The most consumed beverages, such as soda, milk, coffee, and juice, have acidity between lemon water and normal water. The primary PK parameters were the maximum amount of epinephrine measured in Cmax and exposure, or the AUC, at predefined time points after dosing, in 30 healthy adult subjects. Topline PK and PD data from the study showed no statistically significant difference in PK and PD results between the different groups based on temperature and pH variability in the mouth.

In July 2024, we reported positive topline data from the self-administration PK study of Anaphylm. The single-dose, three-period, randomized crossover study was designed to compare the PK and PD of Anaphylm self-administered, Anaphylm HCP-administered, and Adrenalin IM injection HCP-administered. The primary PK parameters were the Cmax and the AUC exposures, at predefined time points after dosing in 36 healthy adult subjects. The median time to maximum concentration (Tmax) was 15 minutes for both the Anaphylm self-administered and HCP-administered arms, while the median Tmax for the Adrenalin IM injection HCP-administered arm was 50 minutes post-administration. Also, there was no statistical difference between the Anaphylm self-administered and HCP- administered arms of the study based on a comparison of epinephrine exposures across the first 60 minutes post-administration. Topline PD data from the study showed no difference in the median increase in systolic blood pressure, diastolic blood pressure, and heart rate whether Anaphylm was self-administered or HCP-administered.

In October 2024, we reported positive topline data from an OASIS study, meeting both primary and secondary endpoints. The two-part study demonstrated that Anaphylm's PK and PD profile during allergen-induced oral physiological changes was consistent with its profile without an allergen challenge. In addition, following allergen exposure where 94% of subjects exhibited moderate to severe symptoms per the predefined oral severity score, rapid symptom resolution was observed beginning as early as 2 minutes post-administration. The median time to complete symptom resolution was 12 minutes compared to 74 minutes at screening baseline, with 50% of all symptoms across all subjects resolving by 5 minutes. The mean time of symptom resolution for edema, which affected approximately 25% of subjects, was 5 minutes after Anaphylm administration. The PK profile remained consistent, with median Tmax maintained at 12 minutes and comparable Cmax values between allergen-exposed and non-exposed cohorts. The safety profile was favorable, with all adverse events classified as mild to moderate and resolving without medical intervention.

Also in October 2024, at the American College of Allergy, Asthma and Immunology 2024 Annual Meeting, we presented results from a subsequent analysis of our pivotal study data demonstrating Anaphylm's consistent PK and PD profile regardless of variable placement or intraoral movement. The analysis showed that 87.5% of subjects maintained consistent film placement during disintegration. In the 12.5% of subjects where movement was noted, there were no significant differences in Cmax and Tmax. These findings further demonstrate that initial placement or subsequent movement of the sublingual film had no impact on epinephrine PK or PD comparability to epinephrine autoinjectors.

On November 22, 2024, we received positive pre-NDA written response feedback from the FDA prior to our planned NDA submission in the first quarter of 2025. The FDA did not indicate in those responses that any additional adult clinical trials would be necessary for submitting the NDA for Anaphylm. In addition, the FDA agreed with our planned NDA content and format for the submission, planned safety evaluation, and planned pediatric trial. The FDA also provided further guidance on additional data views to be included in the planned NDA submission and continued to emphasize its focus on PK sustainability for a single dose. In addition, the FDA requested minor modifications to the pediatric trial protocol, which requested modifications were incorporated in the final pediatric trial protocol.

The pediatric study in subjects from the ages of 7 to 17 (weight greater than or equal to 30 kgs) was completed with positive topline data reported on April 1, 2025. A total of thirty-two patients completed the study. The PK results were consistent with previous adult studies. Anaphylm was shown to be safe and well-tolerated with no serious adverse events reported in this pediatric study.

- **AQST-108** (epinephrine) topical gel – Our product candidate, AQST-108, is generated from our AdrenaVerse™ platform which contains a library of over twenty epinephrine prodrugs intended to control absorption and conversion rates across a variety of possible dosage forms and delivery sites. Epinephrine plays a critical role in immune suppression but, until now, its utility has been limited due to issues in the absorption and conversion of epinephrine in the human body. We believe that our AdrenaVerse epinephrine prodrug platform has demonstrated the ability to harness the therapeutic potential of epinephrine through highly differentiated prodrug formulations, which are designed to achieve absorption, provide sustained local exposure and avoid systemic exposure.

AQST-108 is a topically delivered adrenergic agonist prodrug candidate being developed for potential dermatologic indications. Following completion of a first-in-human study in which no serious or topical adverse events were observed, the Company is advancing the program in atopic dermatitis. The Company opened an IND for this product candidate in the fourth quarter of 2025.

We completed the first human clinical trial for AQST-108 in 2024. The two-part trial was designed to assess the safety and local tolerability of AQST-108. Part 1 was designed as a single ascending dose escalation study to assess the safety and PK of five different dose levels. The 1.0% dose of AQST-108 was chosen based on the down selection from the highest dose to move into the Part 2 study of the development program. In Part 2, three formulations based on excipient variations were evaluated in twelve healthy subjects. In Parts 1 and 2, no serious adverse events or topical adverse events were observed. In Part 2, the calculated percentage of AQST-108 observed in the skin remained consistent across all studied formulations and zero post-dose AQST-108 concentrations in plasma were observed.

The Company recently completed its second phase 1 clinical trial, which was designed to further characterize the safety, tolerability, and pharmacologic profile of the topical epinephrine prodrug gel. There were no drug-related adverse events observed in the study and the data did not indicate signs of systemic absorption. In addition, Aquestive identified a biomarker signal through the suppression of the cytokine TSLP when compared to placebo. The TSLP signaling pathway involves the activation of JAK 1 and JAK 2. This signal will be explored further in upcoming studies. AQST-108 is believed to have potential immunomodulatory effects, including downregulation of certain chemoattractants and inflammatory mediators, while stabilizing mast cells. The Company expects to conduct additional clinical work beginning in the first quarter of 2027. We continue to believe AQST-108 has potential application across a variety of dermatologic inflammatory indications, including atopic dermatitis. The planned study is expected to collect genomic and biomarker data to inform further development of AQST-108 and the AdrenaVerse platform. The Company continues to evaluate additional potential dermatologic indications.

Proprietary CNS Product Candidate

We believe the application of our proprietary PharmFilm® technology is particularly valuable and relevant to patients suffering from certain CNS disorders to meet patients' unmet medical needs and to solve patients' therapeutic problems. Our most advanced asset within our proprietary CNS portfolio, focused in epilepsy, is as follows:

- Libervant® (diazepam) buccal film is a product candidate consisting of a buccally administered film formulation of diazepam, a benzodiazepine. If approved for U.S. market access, Libervant would be indicated for the acute treatment of intermittent, stereotypic episodes of frequent seizure activity (i.e., seizure clusters, acute repetitive seizures) that are distinct from a patient's usual seizure pattern in patients with epilepsy. Libervant has received tentative FDA approval for patients two to five and twelve years of age and older. It is not currently available for U.S. market access. Final FDA approval for patients twelve years of age and older is subject to expiration of the orphan drug exclusivity for Valtoco® on January 10, 2027, and final FDA action, with a PDUFA goal date of March 23, 2027. The Company has also submitted a Type 9 NDA seeking to add patients six to eleven years of age to the label, with a PDUFA goal date of March 29, 2027.

On October 13, 2026, the Company entered into a license agreement with Eton pursuant to which the Company granted Eton exclusive U.S. rights to commercialize Libervant, subject to applicable regulatory approvals. Eton will be responsible for U.S. commercialization, while the Company received a $10,000 upfront license fee and is eligible to receive up to $47,500 in contingent regulatory and sales-based milestone payments and mid-teens royalties on net sales. The Company will remain the exclusive manufacturer and supplier of Libervant under a 20-year supply agreement, subject to specified exceptions. See Note 21, Subsequent Events to the accompanying Condensed Financial Statements. See "Licensed Commercial Products, Product Candidates and Other Products – Libervant" for a discussion of the licensing arrangement for Libervant outside the United States.

Licensed Commercial Products, Product Candidates and Other Products

Our portfolio also includes other products and product candidates that we have licensed, or will seek to license, or for which we have licensed our intellectual property for commercialization. In the nine months ended September 30, 2026 and 2025, our licensed product portfolio generated $35,822 and $31,530 in revenue to Aquestive, respectively. Those products include:

- **Suboxone®** – a sublingual film formulation of buprenorphine and naloxone, respectively an opioid agonist and antagonist, that is marketed in the United States and internationally for the treatment of opioid dependence. Suboxone was launched by our licensee, Indivior, in 2010. Suboxone is the most prescribed branded product in its category and was the first sublingual film product for the treatment of opioid dependence. We are the sole and exclusive supplier and manufacturer of Suboxone and have produced over 3.0 billion doses of Suboxone since its launch in 2010. As of

September 30, 2026, Suboxone branded products retain approximately 25% film market share as generic film-based products have penetrated this market.

- **Emylif®** – an oral film formulation of riluzole, has been developed by Aquestive for the treatment of ALS. We believe that Emylif can bring meaningful assistance to patients who are diagnosed with ALS and face difficulties swallowing traditional forms of medication. This product was originally approved and marketed in the U.S. under the name Exservan. Exservan was approved by the FDA on November 22, 2019. We submitted a request for voluntary withdrawal of the NDA as the product is no longer marketed in the U.S. and the NDA was officially withdrawn on February 14, 2025.

  During the fourth quarter of 2019, we announced the grant of a license to Zambon for the development and commercialization of Exservan in the EU for the treatment of ALS which it markets as Emylif. Zambon is a multinational pharmaceutical company with a focus on the CNS therapeutic area. Under the terms of the license agreement with Zambon, an upfront payment was paid to Aquestive for the development and commercialization rights of Emylif in the EU, and Aquestive will be paid development and sales milestone payments and low double-digit royalties on net sales of the product in the EU. Zambon is responsible for the regulatory approval and marketing of Emylif in the countries where Zambon seeks to market the product and Aquestive is responsible for the development and manufacture of the product.

- **Ondif®** – an oral soluble film formulation of ondansetron, a 5-HT antagonist, was developed for the treatment of nausea and vomiting associated with chemotherapy and post-operative recovery. Ondansetron is available as branded and generic products as intravenous injections, intramuscular injections, orally dissolving tablets, oral solution tablets, and film. We licensed commercial rights for this product to Hypera in Brazil (which Hypera markets as Ondif). Hypera received approval to market Ondif in Brazil from ANVISA on February 21, 2022. Aquestive manufactures and supplies Ondif to Hypera. This product was originally approved and marketed in the U.S. under the name Zuplenz®. We submitted a request for voluntary withdrawal of the NDA for Zuplenz, as the product is no longer marketed in the U.S. In November 2024, the request for FDA withdrawal of the NDA for Zuplenz was completed.

- **Libervant® -** We entered into the Pharmanovia Agreement with Pharmanovia, effective as of September 26, 2022, pursuant to which we granted Pharmanovia an exclusive license to certain of our intellectual property to develop and commercialize Libervant for the treatment of prolonged or acute, convulsive seizures in all ages in certain countries of the Territory, as defined in the Pharmanovia Agreement, during the term of the Pharmanovia Agreement. Under the Pharmanovia Agreement, Pharmanovia will lead the regulatory and commercialization activities for Libervant in the Territory and Aquestive will serve as the exclusive sole manufacturer and supplier of Libervant in the Territory. We received $3,500 upon agreement execution. Effective March 27, 2023, we amended the Pharmanovia Agreement to expand the scope of the licensed territory for Libervant to cover the rest of the world, excluding the U.S., Canada and China. Pharmanovia will be responsible for seeking appropriate regulatory approval in the expanded territories. Pursuant to the terms of the Pharmanovia Amendment No. 1, we received a non-refundable payment of $2,000 from Pharmanovia on execution of the Pharmanovia Amendment No. 1.

- **Sympazan®** – an oral soluble film formulation of clobazam used for the treatment of seizures associated with a rare, intractable form of epilepsy known as LGS, in patients aged two years of age or older, was approved by the FDA on November 1, 2018. We commercially launched Sympazan in December 2018. On October 26, 2022, we entered into a License Agreement with Otter Pharmaceuticals, LLC, a subsidiary of Assertio Holdings, Inc., pursuant to which we granted an exclusive, worldwide license of its intellectual property for Sympazan to Assertio during the term of that agreement for an upfront payment of $9,000. Additionally, we subsequently received from Assertio a $6,000 milestone payment upon its receipt of a notice of allowance from the United States Patent and Trademark Office of its patent application U.S. Serial No. 16/561,573, and payment of the related allowance fee. Aquestive is the exclusive sole manufacturer and supplier of Sympazan for Assertio and will receive manufacturing fees from Assertio for the product through the expiration of such License Agreement. On April 8, 2026 Assertio entered into an Asset Purchase Agreement with Cosette to divest a portfolio of products, including Sympazan, to Cosette. Under the Asset Purchase Agreement, Assertio assigned and transferred its rights and certain obligations arising post closing relating to Sympazan to Cosette. Cosette assumed the intellectual property license and rights to commercialize Sympazan and will continue to purchase product and pay royalties and make milestone-related payments to Aquestive under the Assertio Agreement.

- **KYNMOBI®**– a sublingual film formulation of apomorphine, which is a dopamine agonist, was developed to treat episodic off-periods in Parkinson's disease. We licensed our intellectual property to Cynapsus Therapeutics, Inc., a company that was acquired by Sunovion for the commercialization of KYNMOBI under the Sunovion License Agreement. KYNMOBI was approved by the FDA on May 21, 2020 and commercially launched by Sunovion in September 2020. On November 3, 2020, we entered into the Monetization Agreement. Under the terms of the Monetization Agreement, we sold all of our contractual rights to receive royalties and milestone payments due under

the Sunovion License Agreement related to Sunovion's apomorphine product, KYNMOBI. In June 2023, Sunovion announced that it had voluntarily withdrawn KYNMOBI from the U.S. and Canadian markets.

- **Azstarys®** – an FDA-approved, once-daily product for the treatment of ADHD in patients age 6 years or older. AZSTARYS consists of serdexmethylphenidate, a prodrug of d-methylphenidate (d-MPH), co-formulated with immediate release d-MPH. In March 2012, we entered into an agreement with Zevra (formerly KemPharm, Inc.) to terminate a Collaboration and License Agreement entered into by the Company and Zevra in April 2011. Under this termination arrangement, we have the right to participate in any and all value that Zevra may derive from the commercialization or any other monetization of KP-415 and KP-484 compounds or their derivatives. Among these monetization transactions are those related to any business combinations involving Zevra and collaborations, royalty arrangements, or other transactions from which Zevra may realize value from these compounds, including the product Azstarys. On March 2, 2021, Zevra announced FDA approval of Azstarys for the treatment of ADHD. Pursuant to the terms of the March 2012 agreement with Zevra, we began to receive milestone and royalty revenues for Azstarys. In March 2026, Zevra sold Azstarys to Commave Therapeutics SA. See Note 6, *Material Agreements* to our Condensed Financial Statements for additional information.

Critical Accounting Policies and Use of Estimates

There have been no material changes to our critical accounting policies and use of estimates as previously disclosed in our 2025 Annual Report on Form 10-K.

Smaller Reporting Company

We are a "smaller reporting company", meaning we are not an investment company, an asset-backed issuer, or a majority-owned subsidiary of a parent company that is not a "smaller reporting company" which allows us to take advantage of certain exemptions from disclosure requirements including reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements and certain reduced financial disclosures in our periodic reports. In addition, we are eligible to remain a smaller reporting company, for so long as we have a public float (based on our Common Stock equity) of less than $250,000 measured as of the last business day of our most recently completed second fiscal quarter or a public float (based on our Common Stock equity) of less than $700,000 as of such date and annual revenues of less than $100,000 during the most recently completed fiscal year. We cannot predict if investors will find our Common Stock less attractive because we may rely on these exemptions. If some investors find our Common Stock less attractive as a result of these disclosure exemptions, there may be a less active trading market for our Common Stock and our stock price may be more volatile.

On May 19, 2026, the SEC proposed amendments to streamline filer status categories for companies subject to reporting obligations under the Exchange Act into two primary categories: "large accelerated filers" and "non-accelerated filers." The public float requirement for large accelerated filer status would be revised from $700,000 to $2,000,000 and would require a registrant to have been subject to Exchange Act reporting requirements for at least 60 consecutive calendar months before it could become a large accelerated filer. The proposal would eliminate the accelerated filer and smaller reporting company categories as separate filer status categories and would instead extend existing accommodations and scaled disclosure requirements currently available to smaller reporting companies and emerging growth companies to all non-accelerated filers. The proposal is intended to simplify the existing reporting framework, under which companies may be required to evaluate overlapping filer statuses, including large accelerated filer, accelerated filer, non-accelerated filer, smaller reporting company and emerging growth company status. As a "non-accelerated filer", we would also benefit from certain emerging growth company-style accommodations, including exemptions from pay-versus-performance disclosure and shareholder advisory votes on executive compensation, including say-on-pay, say-on-frequency and golden parachute advisory votes. As of the date of this filing, the proposal remain pending and has not been adopted. The Company cannot predict whether the SEC will adopt the proposed amendments as proposed, with modifications, or at all.

Financial Operations Overview

Revenues

Our revenues to date have been earned from our manufactured products made to order for licensees, as well as revenue from our self-developed, self-commercialized proprietary product, Libervant for ARS patients between two and five years of age which lost U.S. market access as a result of a court case challenging FDA's approval of Libervant in April 2025. Revenues are also earned from our product development services provided under contracts with customers, and from the licensing of our intellectual property. We generate revenues in four primary categories: manufacture and supply revenue, license and royalty revenue, co-development and research fees, and proprietary product revenue, net.

Manufacture and Supply Revenue

We manufacture based on receipt of purchase orders from our licensees, and our licensees have an obligation to accept these orders once quality assurance validates the quality of the manufactured product with agreed upon technical specifications. In most cases, our licensees are responsible for all other aspects of commercialization of these products, and we have no role, either direct or indirect, in our customers' commercialization activities, including those related to marketing, pricing, sales, payor access and regulatory operations.

We expect future manufacture and supply revenue from licensed products to be based on volume demand for existing licensed products, and for manufacturing and supply rights under license and supply agreements for existing or new agreements for successful product development collaborations.

License and Royalty Revenue

We realize revenue from licenses of our intellectual property. For licenses that do not require further development or other ongoing activities by us, our licensee has acquired the right to use the licensed intellectual property for self-development of their product candidate, for manufacturing, commercialization or other specified purposes, upon the effective transfer of those rights, and related revenues are generally recorded at a point in time, subject to contingencies or constraints, if any. For licenses that may provide substantial value only in conjunction with other performance obligations to be provided by us, such as development services or the manufacture of specific products, revenues are generally recorded over the term of the license agreement. We also earn royalties based on our licensees' sales of products that use our intellectual property that are marketed and sold in the countries where we have patented technology rights.

Co-development and Research Fees

Co-development and research fees are earned through performance of specific tasks, activities or completion of stages of development defined within a contractual development or feasibility study agreement with a customer. The nature of these performance obligations, broadly referred to as milestones or deliverables, are usually dependent on the scope and structure of the project as contracted, as well as the complexity of the product and the specific regulatory approval path necessary for that product. Accordingly, the duration of our R&D projects may range from several months to approximately three years. Although each contractual arrangement is unique, common milestones contained in these arrangements include those for the performance of efficacy and other tests, reports of findings, formulation of initial prototypes, production of stability clinical and/or scale-up batches, and stability testing of those batches. Additional milestones may be established and linked to clinical results of the product submission and/or approval of the product by the FDA and the commercial launch of the product.

Proprietary product revenue, net

This net revenue is recognized when product is shipped and title passes to the customer, typically at time of delivery. At the time of sale, estimates for various revenue allowances are recorded based on historical trends and judgmental estimates. For sales of Libervant for ARS patients between two to five years of age while Libervant had U.S. market access through April 2025, returns allowances and prompt pay discounts are estimated based on contract terms and historical return rates, if available, and these estimates are recorded as a reduction of receivables. Once receivables are collected, allowances are reclassified and treated as accrued liabilities. Similarly determined estimates are recorded relating to wholesaler service fees, co-pay support redemptions, and other rebates, and these estimates are reflected as a component of accrued liabilities. Once related variable considerations are resolved and uncertainties as to incurred amounts are eliminated, estimates are adjusted to actual allowance amounts. Provisions for these estimated amounts are reviewed and adjusted as needed on no less than a quarterly basis.

Costs and Expenses

Our costs and expenses are primarily the result of the following activities: generation of manufacture and supply revenues; development of our pipeline of proprietary product candidates; and selling, general and administrative expenses, including pre-launch and post-launch commercialization efforts, intellectual property procurement, protection, prosecution and litigation expenses, corporate management functions, medical and clinical affairs administration; public company costs, share-based compensation expenses and interest on our corporate borrowings. We primarily record our costs and expenses in the following categories:

Manufacture and Supply Costs and Expenses

Manufacture and supply costs and expenses are primarily incurred from the manufacture of our commercialized licensed pharmaceutical products, including raw materials, direct labor and overhead costs principally in our Portage, Indiana facilities. Our material costs include the costs of raw materials used in the production of our proprietary dissolving film and primary packaging materials. Direct labor costs consist of payroll costs (including taxes and benefits) of employees engaged in production activities. Overhead costs principally consist of indirect payroll, facilities rent, utilities and depreciation for leasehold improvements and production machinery and equipment. These costs can increase, or decrease, based on the costs of

materials, purchased at market pricing, and the amount of direct labor required to produce a product, along with the allocation of fixed overhead, which is dependent on production volume.

Our manufacture and supply costs and expenses are impacted by our customers' supply requirements. Costs of production reflect the costs of raw materials that are purchased at market prices and production efficiency (measured by the cost of a salable unit). These costs can increase or decrease based on the amount of direct labor and materials required to produce a product and the allocation of fixed overhead, which is dependent on the levels of production.

In addition to our proprietary products coming online, we may add licensee products which may need additional resources to manufacture. If such growth should occur for higher volume product opportunities such as Suboxone® and Ondif®, we would incur increased costs associated with hiring additional personnel to support the increased manufacturing and supply costs arising from higher manufactured volumes from proprietary and licensed products.

Research and Development Expenses

Since our inception, we have focused significant resources on our R&D activities. R&D expenses primarily consist of:

- employee-related expenses, including compensation, benefits, share-based compensation and travel expense;
- external R&D expenses incurred under arrangements with third parties, such as CROs, investigational sites and consultants;
- the cost of acquiring, developing and manufacturing clinical study materials; and
- costs associated with preclinical and clinical activities and regulatory operations.

We expect our R&D expenses to continue to be significant over the next several years as we continue to develop existing product candidates such as Anaphylm, AQST-108, and others, and as we identify and develop or acquire additional product candidates and technologies. We may hire or engage additional skilled colleagues or third parties to perform these activities, conduct clinical trials and ultimately seek regulatory approvals for any product candidate that successfully completes those clinical trials.

Selling, General and Administrative Expenses

Selling, General and Administrative expenses consist primarily of salaries, benefits, share-based compensation, other related costs for executive, finance, and operational personnel. Other costs include facility and related costs not otherwise included in R&D expenses such as: professional fees for patent-related expenses and for other legal expenses, legal expenditures, regulatory fees, consulting, tax and accounting services, insurance, market research, advisory board and key opinion leaders, depreciation, and general corporate expenses, inclusive of IT systems related costs. In addition, these expenses also include warehousing, distribution, selling and business development, and other costs.

Our general and administrative costs include costs related to accounting, audit, legal, regulatory, and tax-related services required to maintain compliance with exchange listing and SEC regulations, director and officer insurance costs, and investor and public relations costs. We continue to incur significant costs in seeking to protect our intellectual property rights, including significant litigation costs in connection with seeking to enforce our rights concerning third parties' at-risk launch of generic products.

We will continue to manage business costs to prepare for a potential future decline in Suboxone® revenue and other external factors affecting our business. We continue to focus on our core business as well as regulatory and pre-commercial launch activities for Anaphylm.

Loss on Extinguishment

On May 12, 2026, we issued the Term Loan Facility and used the proceeds from the issuance to repay the outstanding principal balance under the 13.5% Notes of $45,000, and $2,000 exit fee. We also incurred a prepayment penalty of $3,825 and other transaction expenses. We recognized a loss on extinguishment of debt of $11,683 on the Condensed Statements of Operations and Comprehensive Loss for the nine months ended September 30, 2026. The loss represents the difference between the carrying value of the 13.5% Notes as of May 12, 2026 and the total payoff amount of the 13.5% Notes.

Interest Expense

Interest expense consists of interest costs on the outstanding balances of the Term Loan Facility at a floating rate equal to three-month SOFR, subject to a floor of 2.75%, plus an applicable margin of 6.25%, payable quarterly and interest costs on the outstanding balances of our 13.5% Notes prior to redemption at a fixed rate of 13.5%, payable quarterly, amortization of the discount associated with the long-term portion of the legal settlement, annual agency fee related to the Term Loan Facility, as well as amortization of issuance costs and debt discounts for the Term Loan Facility and the 13.5% Notes. The issuance of the

Term Loan Facility and the repayment of the 13.5% Notes are discussed in Note 13, *Long-Term Debt*, to our Condensed Financial Statements. See *Liquidity and Capital Resources* below for further detail on the Term Loan Facility.

Interest Expense related to Royalty Obligations

In connection with the issuance of the 13.5% Notes, we entered into the Royalty Rights Agreements with each of the Note Holders granting the Note Holders a tiered royalty between 1.0% and 2.0% of annual worldwide net sales of Anaphylm (dibutepinephrine) sublingual film for a period of eight years from the first sale of Anaphylm on a global basis. The Note Holders are also entitled to a tiered royalty between 1.0% to 2.0% of annual worldwide net sales of Libervant until the earlier of (1) the first sale of Anaphylm and (2) eight years from the first sale of Libervant. These royalty agreements are classified as debt, and the value of the $45,000 13.5% Notes has been allocated between debt and the Royalty Obligations based on their relative fair market values. The excess of future estimated royalty payments over the allocated fair value is recognized as a discount related to the Royalty Right Agreements and is amortized as interest expense using the effective interest method. The Royalty Rights Agreements are discussed in Note 13, *Long-Term Debt* to our Condensed Financial Statements.

Interest Expense related to the Sale of Future Revenue

On November 3, 2020, we entered into the Monetization Agreement with Marathon. Under the terms of the Monetization Agreement, we sold to Marathon all of our contractual rights to receive royalties and milestone payments due under the Sunovion License Agreement related to Sunovion's apomorphine product, KYNMOBI®, an apomorphine film therapy for the treatment of off episodes in Parkinson's disease patients, which received approval from the FDA on May 21, 2020. In exchange for the sale of these rights, we received an upfront payment from Marathon of $40,000 and an additional payment of $10,000 through the achievement of the first milestone. We have received an aggregate amount of $50,000 through September 30, 2026 under the Monetization Agreement.

Under the Monetization Agreement, additional contingent payments of up to $75,000 may be due to us upon the achievement of worldwide royalty and other commercial targets within a specified timeframe, which could result in total potential proceeds of $125,000. In June 2023, Sunovion announced that it has voluntarily withdrawn KYNMOBI from the U.S. and Canadian markets, therefore, we likely will not receive any of the additional contingent payments under the Monetization Agreement. We discontinued recording interest expense related to the sale of future revenue under the Monetization Agreement in the fourth quarter of 2022.

During the second quarter of 2020, under the Sunovion License Agreement, we recognized $8,000 of royalty revenue and corresponding royalty receivable, related to the $1,000 annual minimum guaranteed royalty that is due in each of the subsequent eight years. In connection with the Monetization Agreement, we performed an assessment under ASC 860, *Transfer and Servicing* to determine whether the existing receivable was transferred to Marathon and concluded that the receivable was not transferred. See Note 15, *Sale of Future Revenue,* to our Condensed Financial Statements for further detail.

Interest Income and other income, net

Interest income and other income, net consists of earnings derived from interest-bearing accounts, money market Treasury mutual funds, Treasury Bills, and other miscellaneous income and expense items including expenses associated with the issuance of the RTW Warrants. The interest-bearing accounts have no minimum amounts to be maintained in the accounts for which interest and dividends are earned.

Results of Operations

Comparison of the Three and Nine Months Ended September 30, 2026 and 2025

***Revenues*:**

The following table sets forth our revenue data for the periods indicated.

	Three Months Ended September 30,		Change		Nine Months Ended September 30,		Change	
(In thousands, except %)	2026	2025	$	%	2026	2025	$	%
Manufacture and supply revenue	$ 6,659	$ 11,467	$ (4,808)	(42%)	$ 27,363	$ 28,243	$ (880)	(3%)
License and royalty revenue	824	1,038	(214)	(21) %	7,545	2,667	4,878	183 %
Co-development and research fees	74	302	(228)	(75) %	914	1,098	(184)	(17) %
Proprietary product revenue, net	—	—	—	— %	—	(478)	478	N/M
Total revenues	$ 7,557	$ 12,807	$ (5,250)	(41) %	$ 35,822	$ 31,530	$ 4,292	14 %

***Three Months Ended* September 30, 2026 *Compared to Three Months Ended* September 30, 2025**

For the three months ended September 30, 2026, total revenues decreased 41%, or $5,250, compared to the same period in the prior year primarily due to decreases in manufacture and supply revenue.

Manufacture and supply revenue decreased approximately 42%, or $4,808, for the three months ended September 30, 2026 compared to the same period in the prior year. This decrease was primarily due to lower Suboxone revenues of approximately $5,600, partially offset by higher Ondif revenues of approximately $1,100 due to timing of product orders.

License and royalty revenue decreased 21%, or $214, for the three months ended September 30, 2026 compared to the same period in the prior year. This decrease was primarily due to lower estimated royalty revenues.

Co-development and research fees decreased 75%, or $228, for the three months ended September 30, 2026 compared to the same period in the prior year. This decrease was driven by the timing of the achievement of research and co-development performance obligations which are expected to fluctuate among reporting periods.

***Nine Months Ended* September 30, 2026 *Compared to Nine Months Ended* September 30, 2025**

For the nine months ended September 30, 2026, total revenues increased 14%, or $4,292, compared to the same period in the prior year primarily due to increases in license and royalty revenue, partially offset by decreases in manufacture and supply revenue.

Manufacture and supply revenue decreased approximately 3%, or $880, for the nine months ended September 30, 2026 compared to the same period in the prior year. This decrease was primarily due to lower Ondif revenues of approximately $2,600, partially offset by higher Suboxone revenues of approximately $1,600.

License and royalty revenue increased 183%, or $4,878, for the nine months ended September 30, 2026 compared to the same period in the prior year. This increase was primarily due to royalty revenue from Zevra.

Co-development and research fees for the nine months ended September 30, 2026 decreased 17%, or $184 compared to the same period in the prior year. This decrease was driven by the timing of the achievement of research and co-development performance obligations which are expected to fluctuate among reporting periods.

Proprietary product revenue, net increased by $478 for the nine months ended September 30, 2026 compared to the same period in the prior year. This increase was primarily due to the change in the estimated returns allowance provision in the prior year period due to the withdrawal of the product as U.S. market access ended in April 2025.

Expenses, Interest Income and Other Income:

The following table sets forth our expenses and income for the periods indicated.

	Three Months Ended September 30,		Change		Nine Months Ended September 30,		Change	
(In thousands, except %)	2026	2025	$	%	2026	2025	$	%
Manufacture and supply	$ 3,606	$ 4,506	$ (900)	(20%)	$ 11,092	$ 12,719	$ (1,627)	(13%)
Research and development	4,251	4,530	(279)	(6) %	12,417	13,996	(1,579)	(11) %
Selling, general and administrative	14,169	15,250	(1,081)	(7) %	39,209	47,027	(7,818)	(17) %
Loss on extinguishment of debt	—	—	—	— %	11,683	—	11,683	N/M
Interest expense	1,845	2,779	(934)	(34) %	7,555	8,342	(787)	(9) %
Interest expense related to royalty obligations	973	1,433	(460)	(32) %	2,918	4,304	(1,386)	(32) %
Interest expense related to the sale of future revenue	62	61	1	2 %	183	181	2	1 %
Interest income and other income, net	(853)	(306)	(547)	179 %	(1,818)	(3,115)	1,297	(42) %

***Three Months Ended* September 30, 2026 *Compared to Three Months Ended* September 30, 2025**

Manufacture and supply costs and expenses decreased 20%, or $900, for the three months ended September 30, 2026 compared to the same period in the prior year. The decrease in manufacture and supply costs was due to changes in product mix.

Research and development expenses decreased 6% or $279 for the three months ended September 30, 2026 compared to the same period in the prior year. The decrease in R&D expenses was primarily due to lower share-based compensation, which was the result of acceleration of compensation due to severance in the prior year period, partially offset by higher clinical trial costs associated with the Anaphylm program.

The tables below provide a breakdown of the major costs included in total R&D expenses and project costs by type of expense for each of the main clinical development projects in which we are engaged for each period presented:

	Three Months Ended September 30,		Change	
(In thousands)	**2026**	**2025**	**$**	**%**
Clinical Trials	$ 1,006	$ 157	$ 849	541 %
Development and Manufacturing	277	47	230	489%
Product Research Expenses	190	577	(387)	(67%)
Total Project Expenses	1,473	781	692	89 %
Preclinical	247	304	(57)	(19%)
R&D personnel costs	1,899	1,691	208	12%
Consulting and outside services	86	80	6	8%
Share-based compensation	319	1,310	(991)	(76%)
Depreciation/amortization	16	16	—	—%
All other R&D	211	348	(137)	(39%)
Total	$ 4,251	$ 4,530	$ (279)	(6%)

The details of the project expenses are as follows:

	Three Months Ended September 30,									
	2026	**2025**		**2026**	**2025**		**2026**	**2025**	
	Total		% inc / dec	Anaphylm		% inc / dec	AQST-108		% inc / dec
Clinical Trials	$ 1,006	$ 157	541%	$ 984	$ 315	212%	$ 22	$ (158)	(114)%
Development and Manufacturing	277	47	489%	5	20	(75%)	272	27	N/M
Product Research Expenses	190	577	(67%)	190	577	(67%)	—	—	—%
Total Project Expenses	$ 1,473	$ 781	89%	$ 1,179	$ 912	29%	$ 294	$ (131)	(324)%

Total project expenses for Anaphylm increased 29%, or $267 over the comparable period in 2025. Anaphylm clinical trial costs increased by $669 due to the HF and PK studies completed for the Anaphylm NDA resubmission, partially offset by decreases in product research expenses of $387. Total project expenses for AQST-108 increased $425 over the comparable period in 2025. AQST-108 clinical trial costs increased $180 over the comparable period in 2025 due to a credit received from a vendor in the prior year period.

Selling, general and administrative expenses decreased 7%, or $1,081 for the three months ended September 30, 2026 as compared to the same period in the prior year. The decrease primarily represents lower legal fees of approximately $1,500, lower commercial spending of approximately $1,400, and lower regulatory expenses related to Anaphylm of approximately $600, partially offset by higher personnel costs of approximately $900, higher share-based compensation expenses of approximately $400, and higher consulting and outside services expenses of approximately $400 as well as other expenses.

Interest expense was $1,845 and $2,779 for the three months ended September 30, 2026 and 2025, respectively. These amounts represent interest incurred on the Term Loan Facility, the 13.5% Notes prior to redemption, amortization of the debt and legal settlement discounts and capitalized debt issuance costs.

Interest expense related to amortization of the discount on the royalty obligations was $973 and $1,433 for the three months ended September 30, 2026 and 2025, respectively. These amounts are due to the accounting associated with the royalty obligations as part of the 13.5% Notes issuance. The decrease from the comparable period is due to a lower effective interest rate as a result from the update to the probability-weighted cash flows for future sales as of December 31, 2025.

Interest expense related to the sale of future revenue was $62 and $61 for the three months ended September 30, 2026 and 2025, and represents amortization of the issuance costs. These amounts are due to the accounting associated with the sale of future revenue related to KYNMOBI royalties sold to Marathon on November 3, 2020 and do not represent or imply a monetary obligation or cash outflow at any time during the life of the transaction. In June 2023, Sunovion announced that it had voluntarily withdrawn KYNMOBI from the U.S. and Canadian markets. Therefore, the Company likely will not receive any of the additional contingent payments under the Monetization Agreement. As a result, the Company discontinued recording interest expense related to the sale of future revenue in the fourth quarter of 2022. See Note 15, *Sale of Future Revenue* to our Condensed Financial Statements for details.

Interest income and other income, net was $853 and $306 for the three months ended September 30, 2026 and 2025.

Nine Months Ended September 30, 2026 Compared to Nine Months Ended September 30, 2025

Manufacture and supply costs and expenses decreased 13% or $1,627 for the nine months ended September 30, 2026 compared to the same period in the prior year. The decrease was largely due to changes in product mix.

R&D expenses decreased 11% or $1,579 for the nine months ended September 30, 2026 compared to the same period in the prior year. The decrease in R&D expenses is primarily due to a decrease in clinical trial costs and product research expenses associated with the Anaphylm program, and decreases in share-based compensation, which was the result of acceleration of compensation due to severance in the prior year period, partially offset by increases in personnel costs and increases in AQST-108 clinical trial costs. The tables below provide a breakdown of the major costs included in total R&D expenses and project costs by type of expense for each of the main clinical development projects in which we are engaged for each period presented:

	Nine Months Ended September 30,		Change	
(In thousands)	**2026**	**2025**	**$**	**%**
Clinical Trials	$ 3,300	$ 3,260	$ 40	1 %
Development and Manufacturing	296	148	148	100%
Product Research Expenses	727	1,450	(723)	(50%)
Total Project Expenses	4,323	4,858	(535)	(11) %
Preclinical	634	655	(21)	(3%)
R&D personnel costs	5,773	5,303	470	9%
Consulting and outside services	186	217	(31)	(14%)
Share-based compensation	868	2,048	(1,180)	(58%)
Depreciation/amortization	44	47	(3)	(6%)
All other R&D	589	868	(279)	(32%)
Total	$ 12,417	$ 13,996	$ (1,579)	(11%)

The details of the project expenses are as follows:

	Nine Months Ended September 30,								
	2026	**2025**		**2026**	**2025**		**2026**	**2025**	
	Total		% inc / dec	Anaphylm		% inc / dec	AQST-108		% inc / dec
Clinical Trials	$ 3,300	$ 3,260	1%	$ 2,572	$ 3,059	(16)%	$ 728	$ 201	262%
Development and Manufacturing	296	148	100%	20	95	(79%)	276	53	421%
Product Research Expenses	727	1,450	(50%)	727	1,450	(50%)	—	—	—%
Total Project Expenses	$ 4,323	$ 4,858	(11%)	$ 3,319	$ 4,604	(28%)	$ 1,004	$ 254	295%

Total project expenses for Anaphylm decreased 28%, or $1,285 over the comparable period in 2025. Anaphylm clinical trial expenses and product research expenses decreased $487 and $723, respectively over the comparable period in 2025. AQST-108 clinical trial expenses, and development and manufacturing expenses increased $527 and $223, respectively over the comparable period in 2025.

Selling, general and administrative expenses decreased 17% or $7,818 for the nine months ended September 30, 2026 as compared to the same period in the prior year. The decrease primarily represents lower commercial spending of

approximately $6,100, the one-time Anaphylm PDUFA fee of $4,310 in the prior year period, lower legal fees of approximately $2,800, lower regulatory and licensing fees of approximately $1,500 related to the regulatory fee for Libervant, and lower regulatory expenses related to Anaphylm of approximately $1,000, partially offset by higher personnel costs of approximately $2,300, higher severance costs of approximately $2,000 which includes acceleration of share-based compensation, higher share-based compensation expenses of approximately $1,200, and higher consulting and outside services expenses of approximately $500 as well as other expenses.

During the nine months ended September 30, 2026, we recognized a loss on extinguishment of debt of $11,683 resulting from the repayment of $45,000 for the outstanding 13.5% Notes, which also included a prepayment penalty of $3,825, exit fee of $2,000, and other transaction fees. There was no loss on extinguishment of debt in the comparable period in 2025.

Interest expense was $7,555 and $8,342 for the nine months ended September 30, 2026 and 2025, respectively. These amounts represent interest incurred on the Term Loan Facility, the 13.5% Notes prior to redemption, amortization of the debt and legal settlement discounts and capitalized debt issuance costs.

Interest expense related to amortization of the discount on the royalty obligations was $2,918 and $4,304 for the nine months ended September 30, 2026 and 2025, respectively. These amounts are due to the accounting associated with the royalty obligations as part of the 13.5% Notes issuance. The decrease from the comparable period is due to a lower effective interest rate as a result from the update to the probability-weighted cash flows for future sales as of December 31, 2025.

Interest expense related to the sale of future revenue was $183 and $181 for the nine months ended September 30, 2026 and 2025, respectively, and represents amortization of the issuance costs. These amounts are due to the accounting associated with the sale of future revenue related to KYNMOBI royalties sold to Marathon on November 3, 2020 and do not represent or imply a monetary obligation or cash outflow at any time during the life of the transaction. In June 2023, Sunovion announced that it had voluntarily withdrawn KYNMOBI from the U.S. and Canadian markets. Therefore, the Company likely will not receive any of the additional contingent payments under the Monetization Agreement. As a result, the Company discontinued recording interest expense related to the sale of future revenue in the fourth quarter of 2022. See Note 15, *Sale of Future Revenue* to our Condensed Financial Statements for details.

Interest and other income, net was $1,818 and $3,115 for the nine months ended September 30, 2026 and 2025, respectively. The decrease from the comparable period is primarily due to the ERTC credit received in April 2025 and the expenses associated with the issuance of the RTW Warrants recognized within other expenses during the current period.

Liquidity and Capital Resources

Sources of Liquidity

We had $90,349 in cash and cash equivalents as of September 30, 2026. While our ability to execute our business objectives and achieve profitability over the longer term cannot be assured, our on-going business, existing cash and cash equivalents, expense management activities, potential asset sales or product outlicensing as well as access to the equity capital markets, including through the ATM facility, provide near term liquidity for us to fund our operating needs for at least the next twelve months as we continue to execute our business strategy.

We established our first ATM facility in September 2019, and since inception to September 30, 2026, we have sold 28,506,216 shares of Common Stock which has generated net cash proceeds of approximately $86,491, net of commissions and estimated other transactions costs of $4,215. On April 3, 2024, we filed a new shelf registration statement on Form S-3 to register the offer and sale of up to $250,000 worth of shares of Common Stock, preferred stock, debt securities, warrants, rights and units ("Registration Statement No. 333-278498" or the "2024 Registration Statement"), that was made effective by the SEC on April 23, 2024. Included as part of the 2024 Registration Statement was a $100,000 ATM facility prospectus covering the offering, issuance and sale of Common Stock pursuant to the Amended Equity Distribution Agreement with Piper Sandler & Co.

During the three months ended September 30, 2026, there were no shares of Common Stock sold under the ATM facility. For the nine months ended September 30, 2026, the Company sold 1,191,071 shares of Common Stock under the ATM facility, which provided net proceeds of approximately $4,738 after deducting commissions and estimated other transaction costs of $324. During the three months ended September 30, 2025, there were no shares of Common Stock sold under the ATM facility. For the nine months ended September 30, 2025, the Company sold 7,457,627 shares under the ATM facility which provided net proceeds of approximately $21,261 after deducting commissions and other transaction costs of $739. The remaining authorized balance of the ATM facility was approximately $73,000 as of September 30, 2026.

In August 2023, we entered into the Letter Agreement with the Exercising Holder of 5,000,000 of the Common Stock Warrants pursuant to the Securities Purchase Agreement dated June 6, 2022. Pursuant to the Letter Agreement, the Exercising Holder and Aquestive agreed that the Exercising Holder would exercise all of its Existing Warrants at the then current exercise price of the Existing Warrants. The Exercising Holder subsequently exercised the Existing Warrants, with Aquestive receiving

gross proceeds of $4,800. We also issued to the Exercising Holder New Warrants to purchase up to an aggregate of 2,750,000 shares of Common Stock. The New Warrants are exercisable after February 2, 2024, expire on February 2, 2029, and are exercisable only for cash, unless the shares of Common Stock underlying the New Warrants are not registered in accordance with the terms of the Letter Agreement, in which case the New Warrants may also be exercised by means of a "cashless exercise". The New Warrants have an exercise price of $2.60 per share. During the three months ended September 30, 2025, 550,000 shares were issued upon the exercise of the New Warrants, with the Company receiving proceeds of $1,430.

During the three months ended September 30, 2026, 160,548 shares were issued upon the exercise of the Warrants issued under the Securities Purchase Agreements, with the Company receiving proceeds of $154.

On November 1, 2023, we issued $45,000 aggregate principal amount of its 13.5% Notes due November 1, 2028. A portion of the net proceeds from that offering was used to repay all of the outstanding 12.5% Notes and to pay expenses relating to that offering, with the balance of the proceeds to be used for general corporate purposes. Interest on the 13.5% Notes accrued at a rate of 13.5% per annum and was payable quarterly in arrears on March 30, June 30, September 30 and December 30 of each year commencing on December 30, 2023. The 13.5% Notes were interest-only until June 30, 2026, whereupon on such date and each payment date thereafter we would have paid an installment of principal of the 13.5% Notes pursuant to a fixed amortization schedule, along with a portion of an exit fee determined as of the applicable date of prepayment, payment, acceleration, repurchase or redemption, as the case may be. On May 12, 2026, we issued the Term Loan Facility and used the proceeds from the issuance to repay the outstanding principal balance under the 13.5% Notes of $45,000, and $2,000 exit fee. We also incurred a prepayment penalty of $3,825 and other transaction expenses. We recognized a loss on extinguishment of debt of $11,683 on the accompanying Condensed Statements of Operations and Comprehensive Loss for the nine months ended September 30, 2026.

On August 13, 2025, we entered into a Purchase and Sale Agreement with funds managed by RTW Investments LP. Under the terms of the Purchase Agreement, in exchange for the Purchaser's payment to the Company of a purchase price of $75,000, upon approval of Anaphylm by the FDA by a specified date, the refinancing of the Company's existing 13.5% Notes and certain other customary conditions, the Company agreed to a sale of assigned interests to the Purchaser, including a right for the Purchaser to tiered revenue share payments ranging from 1.0% to 7.5% of net sales (as defined in the Purchase Agreement) of Anaphylm (and 9.5% for the subsequent calendar year period if net sales do not achieve specified level in a calendar year period beginning in 2027) in the United States. Revenue share payments commence in the first fiscal quarter in which the first commercial sale of Anaphylm in the United States after the closing of the transaction. Revenue share payments will cease upon the Purchaser's receipt of $187,500 by December 31, 2035 or $225,000 thereafter. The Purchase Agreement contains customary affirmative and negative covenants, including covenants that limit or restrict the Company's ability to, among other things, incur indebtedness (which restrictions are eliminated after the achievement by the Purchaser of a specified return on its investment), and other provisions customary for transactions of this nature, in each case subject to certain exceptions set forth in the Purchase Agreement.

On August 14, 2025, we completed the 2025 Underwritten Public Offering of 21,250,000 shares of our Common Stock at the public offering price of $4.00 per share. Net proceeds from the 2025 Underwritten Public Offering were $79,900, after deducting underwriting discounts of $5,100. In addition to the underwriting discounts related to this offering, we incurred professional fees and other costs totaling $440.

On March 3, 2026, in connection with the Amendment No. 1 to the Purchase and Sale Agreement and the Equity Commitment Agreement with RTW, the Company also entered into the Warrant Issuance Agreement with the RTW investors. Pursuant to this agreement, the Company issued to the RTW Investors the RTW Warrant to purchase up to an aggregate of 375,000 shares of the Company's Common Stock at an exercise price of $4.00 per share. The Warrant is exercisable at any time from the issuance date through March 3, 2029. For additional information regarding the RTW Warrants, see Note 14, *Warrants* to the accompanying Condensed Financial Statements.

On May 12, 2026, we entered into the Credit Agreement with Oaktree Fund Administration, LLC, as administrative agent, and certain funds managed by Oaktree Capital Management, L.P., which provided a Term Loan Facility of up to $150,000. The Term Loan Facility consists of a Tranche A term loan in an aggregate principal amount of $55,000 that was funded on May 12, 2026, a Tranche B term loan in an aggregate principal amount of $20,000 available subject to certain terms and conditions, a Tranche C term loan in an aggregate principal amount of $25,000 available subject to certain terms and conditions, and a Tranche D term loan advance available upon the mutual consent of the lenders and subject to certain terms and conditions in an aggregate principal amount of up to $50,000. As noted above, a portion of the proceeds of the Tranche A term loan was used by us on May 12, 2026 to repay in full the existing outstanding 13.5% Notes. The remaining proceeds of the Tranche A term loan and proceeds of any additional tranches drawn are to be used for general corporate and working capital purposes.

The Tranche B term loan may be borrowed, subject to customary terms and conditions, after the date we receive marketing approval from the FDA for Anaphylm™'s NDA, provided that such approval is received prior to June 30, 2027. The Tranche C term loan will be available, subject to customary terms and conditions (including the prior borrowing of the Tranche B term loan), during the period commencing following the date Oaktree Fund Administration, LLC receives certification of our achievement of a specified net sales milestone by December 31, 2027. The Tranche D term loan will be made available upon the mutual consent of the lenders and us. Amounts repaid under the Term Loan Facility may not be reborrowed. The Term Loan Facility matures on May 12, 2031 and does not require principal installment payments. Accordingly, the total outstanding principal balance is payable at maturity. The obligations under the Credit Agreement are secured by a first-priority lien on substantially all of our assets, including intellectual property, subject to customary exceptions. See Note 13, *Long-Term Debt* to the accompanying Condensed Financial Statements.

On May 12, 2026, in connection with the Credit Agreement with Oaktree, we also entered into the Oaktree Warrant Issuance Agreement, pursuant to which the Company agreed to issue warrants to purchase shares of its Common Stock in amounts equal to (i) (x) 1.75% of the aggregate principal amount of the Tranche A term loan (y) divided by the volume weighted average price for the 30 trading days prior to May 12, 2026 (the "Tranche A VWAP") and (ii) for the Tranche B and Tranche C draw-downs, (x) 1.75% of the aggregate principal amount of the drawn-down tranche (y) divided by the lower of the (1) the Tranche A VWAP and (2) the VWAP for the 30 days prior to the funding of such tranche (the "Subsequent Tranche VWAP"). The exercise price of the warrants will be the Tranche A VWAP for the Tranche A Warrant and the lower of (1) the Tranche A VWAP for the Tranche A Warrant and (2) the Subsequent Tranche VWAP for the subsequent tranche draw-downs, and the warrants will have a term of five years from their initial issuance. The Company has agreed to register the warrant shares on the terms set forth in the Oaktree Warrant Issuance Agreement. We issued to Oaktree, the Tranche A Warrant to purchase up to an aggregate of 230,271 shares of our Common Stock at an exercise price of $4.18 per share. The Tranche A Warrant is exercisable at any time from the issuance date through May 12, 2031. Pursuant to the Oaktree Warrant Issuance Agreement, the Company will be obligated to issue additional warrants if additional tranches are drawn down under the Term Loan Facility. See Note 14, *Warrants* to the accompanying Condensed Financial Statements.

Nine Months Ended September 30, 2026 and 2025

	Nine Months Ended September 30,	
(in thousands)	**2026**	**2025**
Net cash used for operating activities	$ (31,293)	$ (43,963)
Net cash used for investing activities	(848)	(477)
Net cash provided by financing activities	1,321	101,957
Net (decrease) increase in cash and cash equivalents	$ (30,820)	$ 57,517

Net cash used for operating activities

Net cash used for operating activities for the nine months ended September 30, 2026 decreased by $12,670 compared to the same period in the prior year. The decrease in cash used for operating activities was primarily related to the decrease in net loss by $4,507 and non-cash adjustments, including the one-time loss on extinguishment of debt of $11,683. Other main drivers were decreases in trade and other receivables by $16,922 due to timing of payments by customers and receipts related to the confidential legal settlement, partially offset by decreases in payables by $21,368 mostly attributed to payments made under the confidential legal settlement and to vendors and other activities.

Net cash used for investing activities

Net cash used for investing activities for the nine months ended September 30, 2026 increased by $371 compared to the same period in the prior year. The use of cash was related to capital expenditures.

Net cash provided by financing activities

Net cash provided by financing activities for the nine months ended September 30, 2026 decreased by $100,636 compared to the same period in the prior year. The decrease was primarily related to the $45,000 repayment of the 13.5% Notes, $2,000 repayment of the exit fee, the $3,887 premium paid to retire the 13.5% Notes, and $4,100 paid in financing costs for the Term Loan Facility. There was also a decrease of $16,574 in ATM proceeds due to lower volumes of Common Stock sold and a decrease of $79,728 from net proceeds received from Common Stock issued under a public equity offering in the prior year period. These payments related to the redemption of the 13.5% Notes and the issuance of the Term Loan Facility and the lower ATM and public equity offering proceeds were partially offset by proceeds of $55,000 from the issuance of the Term Loan Facility and the Tranche A Warrant during the nine months ended September 30, 2026.

Funding Requirements

Our on-going business, existing cash and equivalents, expense management activities as well as access to the equity capital markets, including through our ATM facility, and potential asset sales or product outlicensing potentially provide near term funding opportunities for Aquestive, see "Liquidity and Capital Resources". On May 12, 2026 we issued $55,000 in aggregate principal amount of the Term Loan Facility and used the proceeds from the issuance to repay the outstanding principal balance under the 13.5% Notes of $45,000, and the $2,000 exit fee. We also incurred a prepayment penalty of $3,825 and other transaction expenses. We recognized a loss on extinguishment of debt of $11,683 on the accompanying Condensed Statements of Operations and Comprehensive Loss for the nine months ended September 30, 2026. The Term Loan Facility matures on May 12, 2031 and does not require installment payments. Accordingly, the total outstanding principal balance is payable at maturity.

We have used and intend to continue to use our existing cash and cash equivalents primarily to advance the development and commercialization of our product pipeline and for working capital, capital expenditures and general corporate purposes. We can provide no assurance that any sources of funding, either individually or in combination, will be available on reasonable terms, if at all, or sufficient to fund our business objectives. In addition, we may be required to utilize available financial resources sooner than expected. We have based our expectation on assumptions that could change or prove to be inaccurate, due to unrelated factors including factors arising in the capital markets, asset monetization markets, regulatory approval process, and regulatory oversight and other factors. Key factors and assumptions inherent in our planned continued operations and anticipated growth include, without limitation, those related to the following:

- continued ability of our customers to pay, in a timely manner, for presently contracted and future anticipated orders for our manufactured products, including effects of generics and other competitive pressures as currently envisioned;
- approval of Anaphylm by the FDA;
- continued ability of our customers to pay, in a timely manner, for presently contracted and future anticipated orders for provided co-development and feasibility services, as well as regulatory support services for recently licensed products;
- access to debt or equity markets if, and at the time, needed for any necessary future funding, including our ability to access funding through our ATM facility, should we choose to access this facility;
- continuing review and appropriate adjustment of our cost structure consistent with our anticipated revenues and funding;
- continued growth and market penetration of Sympazan, including anticipated patient and physician acceptance and our licensee's ability to obtain adequate reimbursement and payment support from government agencies and other private medical insurers;
- infrastructure and administrative costs at expected levels to support operations as an FDA and highly regulated public company;
- a manageable level of costs for ongoing efforts to protect our intellectual property rights and litigation matters in which we are involved; and
- absence of significant unforeseen cash requirements.

We expect to continue to manage business costs to appropriately reflect the anticipated general decline in Suboxone revenue, and other external resources or factors affecting our business including, if available, future equity financing, other future access to the capital markets or other potential available sources of liquidity. In doing so, we plan to continue to focus on the core drivers of value for our stockholders, including, more importantly, continued investments in our ongoing product development activities in support of Anaphylm and AQST-108. Until profitability is achieved, if at all, additional capital and/or other financing or funding will be required, which could be material, to develop and commercialize our product pipeline, including AQST-108, to fund additional development and commercial activities, and that are required by the FDA for Anaphylm under the CRL issued to the Company on January 30, 2026, and to meet our other cash requirements, including debt service. Even as such, we expect to incur losses and negative cash flows for the foreseeable future and, therefore, we expect to be dependent upon external financing and funding to achieve our operating plan.

The sufficiency of our short-term and longer-term liquidity is directly impacted by our level of operating revenues and our ability to achieve our operating plan for revenues, regulatory approval in the time period planned for our product candidates and licensed rights within planned timeframes, and there can be no assurance that we will be successful in any transaction. Our operating revenues have fluctuated in the past and can be expected to fluctuate in the future. We expect to incur significant operating losses and negative operating cash flows for the foreseeable future, and we have a significant level of debt, substantial

ongoing interest payments, and royalty obligation payments projected to be made through 2035, which are further discussed in Note 13, *Long-Term Debt* to our Condensed Financial Statements. A substantial portion of our current and past revenues has been dependent upon our licensing, manufacturing and sales with one customer, Indivior, which is expected to continue, and it could take significantly longer than planned to achieve anticipated levels of cash flows to help fund our operations and cash needs.

We are currently engaging in plans to commercialize Anaphylm through our own sales force in the United States, should Anaphylm be approved by the FDA. We will need to raise significant funding to support the continued commercialization of Anaphylm over the long-term, in addition to the funds we may receive under the Purchase Agreement and the funds we received in the 2025 Underwritten Public Offering. To the extent such additional financing through debt or debt-like instruments is required, we may have increased repayment obligations and potential limits on our flexibility to raise additional debt. To the extent that we raise additional funds by issuance of equity securities, our stockholders would experience further dilution, and the terms of these securities could include liquidation or other preferences that would adversely affect our stockholders' rights. Our ability to secure additional equity financing could be significantly impacted by numerous factors including our operating performance and prospects, positive or negative developments in the regulatory approval process for our product candidates, our existing level of debt which is secured by substantially all of our assets under the Credit Agreement, and general financial market conditions, and there can be no assurance that we will continue to be successful in raising capital or that any such needed financing will be available on favorable or acceptable terms, if at all.

If adequate funds are not available for our short-term or longer-term liquidity needs and cash requirements as and when needed, we would be required to engage in expense management activities such as reducing staff, delaying, significantly scaling back, or even discontinuing some or all of our current or planned launch activities, R&D programs and clinical and other product development activities, and otherwise significantly reducing our other spending and adjusting our operating plan, and we would need to seek to take other steps intended to improve our liquidity. We also may seek outlicensing opportunities for our proprietary products and product candidate programs that we may self-commercialize, including Anaphylm, or explore other potential liquidity options or strategic opportunities. Such strategic opportunities could include asset sales, outlicensing or other monetization opportunities of our proprietary products and product candidates, including Anaphylm, although we cannot assure that any of these actions or opportunities would be available or available on acceptable terms. While an outlicensing of our proprietary products and product candidates, if approved by the FDA, could limit our exposure to the costs of commercialization of the product and provide a potential source of royalty and milestone revenues, the benefit from the potential future value that could result from our independent commercialization of these products and product candidates, assuming a successful launch of our proprietary products and product candidates, if approved by the FDA, would likely be limited. In addition, in the event of any such asset sales or outlicensing transactions, the future growth of the Company would be dependent on continued successful development of our early stage product candidates and/or asset acquisitions or other strategic transactions for the Company. There is no assurance that any such outlicensing or other strategic opportunities will be available or available on reasonable terms.

Off-Balance Sheet Arrangements

During the period presented, we did not have any material off-balance sheet arrangements, nor do we have any relationships with unconsolidated entities or financial partnerships, such as entities often referred to as structured finance or special purpose entities.

Item 3. ***Quantitative and Qualitative Disclosures about Market Risk***

As a "smaller reporting company" as defined by Item 10 of Regulation S-K promulgated by the SEC under the U.S. Securities Act of 1933, as amended, we are not required to provide the information required by this Item 3.

Item 4. ***Controls and Procedures***

Management's Evaluation of our Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is (1) recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and (2) accumulated and communicated to our management, including to our principal executive officer and principal financial officer, to allow timely decisions regarding required disclosure.

As of September 30, 2026, our management, with the participation of our principal executive officer and principal financial officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(b) and 13a-15(e) under the Exchange Act). Our management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives, and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Our principal executive officer and principal financial officer have concluded based upon the evaluation described above that, as of September 30, 2026, our disclosure controls and procedures were effective at a reasonable assurance level.

Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act), identified in connection with the evaluation of such internal control that occurred during our last fiscal quarter, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

For more information on Legal Proceedings, see Part I Item 1. Financial Statements (Unaudited), Note 20, *Contingencies*.

Item 1A. Risk Factors

In addition to the other information set forth in this report, you should carefully review and consider the information regarding certain risks and uncertainties facing the Company that could have a material adverse effect on our business prospects, financial condition, results of operations, liquidity and available capital resources set forth in Part I, Item 1A of Aquestive's 2025 Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q.

Item 2. Unregistered Sales of Equity Securities, Use of Proceeds, and Issuer Purchases of Equity Securities

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Chief People Officer Peter Boyd adopted a written sales plan intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) of the Exchange Act (the "Boyd Plan") on September 2, 2026. The Boyd Plan will commence on December 1, 2026 and ends on November 30, 2027. The maximum number of shares to be sold under the Boyd Plan is 200,000 shares, and no shares have been sold as of the date of this Report; the actual number of shares sold will be dependent on the satisfaction of certain conditions set forth in the Boyd Plan.

Director Julie Krop adopted a written sales plan intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) of the Exchange Act (the "Krop Plan") on September 15, 2026. The Krop Plan will commence on December 14, 2026 and will end on June 30, 2027. The maximum number of shares to be sold under the Krop Plan is 105,000 shares, and no shares have been sold as of the date of this Report; the actual number of shares sold will be dependent on the satisfaction of certain conditions set forth in the Krop Plan.

Item 6. Exhibits

The exhibits listed below are filed or furnished as part of this report.

Number	Description
3.1	Amended and Restated Bylaws of Aquestive Therapeutics, Inc. (filed as Exhibit 3.1 to the Current Report on Form 8-K of the Company, as filed on October 19, 2026, and incorporated by reference herein).
10.1*	License Agreement dated September 18, 2026 by and between Helix NB LLC and Aquestive Therapeutics, Inc.
31.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a), as amended, under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).
31.2*	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a), as amended, under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).
32.1**	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.
32.2**	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.
101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema Document
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File (formatted as Inline XBRL document and contained in exhibit 101)

* Filed herewith.
** Furnished herewith.
†Certain portions of this exhibit have been omitted in accordance with Item 601(b)(10)(iv) of Regulation S-K because the omitted information is (i) not material and (ii) the registrant customarily and actually treats that information as private or confidential. The registrant agrees to furnish supplementally an unredacted copy and its materiality and privacy or confidentiality analyses to the SEC upon its request.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the County of Somerset, State of New Jersey.

Aquestive Therapeutics, Inc.
(REGISTRANT)

Date: November 3, 2026

/s/ Daniel Barber
Daniel Barber
President and Chief Executive Officer
(Principal Executive Officer)

Date: November 3, 2026

/s/ A. Ernest Toth, Jr.
A. Ernest Toth, Jr.
Chief Financial Officer
(Principal Financial Officer)

Docusign Envelope ID: DF96B6B4-2696-8CD7-8322-D978BB4729E4

LICENSE AGREEMENT
(Office and Lab Space)

THIS LICENSE AGREEMENT ("**License**") is entered into as of September 18, 2026 between **HELIX NB LLC**, a New Jersey limited liability company ("**Owner**"), and **AQUESTIVE THERAPEUTICS, INC.**, a Delaware corporation ("**Licensee**").

IN CONSIDERATION of the mutual covenants below, and intending to be legally bound, Owner and Licensee covenant and agree as follows:

1. Key Defined Terms.

(a) "**Broker**": JLL (Licensee's Broker).

(b) "**Building**": H-1 @ New Jersey Health + Life Science Exchange, 20 French Street, New Brunswick, NJ 08901

(c) "**Commencement Date**": The earlier to occur of (i) Licensee commencing its operations within the Licensed Premises; and (ii) Thirty (30) days following the Possession Date (as hereinafter defined).

(d) "**Possession Date**": The date upon which Owner delivers the Licensed Space to Licensee for occupancy with Owner's Work substantially completed. Owner anticipates the Possession Date will occur prior to September 30, 2026.

(e) "**Fixed License Fee**":

License Year	Annual	Monthly
1	$249,650.00	$20,804.17
2	$257,139.50	$21,428.29
3	$264,853.69	$22,071.14

(f) "**Owner's Work**": Except as set forth elsewhere in this License, Licensee accepts the Licensed Premises in their "AS IS", "WHERE IS" condition, subject only to the performance of Owner's Work (as hereinafter defined) and shall maintain the same throughout the Term. "**Owner's Work**" shall mean the work set forth on **Exhibit A**, attached hereto and made a part hereof.

(g) "**Notice Addresses**":

Owner:

Helix NB LLC
c/o New Brunswick Development Corp.
20 French Street, Suite 1100
New Brunswick, NJ 08901
Attn: Merissa Buczny
Phone: 732-259-2220
Email: mbuczny@devco.org

Docusign Envelope ID: DF96B6B4-2696-8CD7-8322-D978BB4729E4

Licensee's current contacts for the following are set forth below, and Licensee shall notify Owner in writing of any changes to this information:

Licensee Notice Address:	Licensee's billing contact:
Aquestive Therapeutics, Inc. 184 Liberty Corner Road Warren, NJ 07059 Attn: Vincent Buono Email: vbuono@aquestive.com	Aquestive Therapeutics, Inc. 184 Liberty Corner Road Warren, NJ 07059 Email: invoices@aquestive.com
With a copy to:	With a copy to:
Aquestive Therapeutics, Inc. 184 Liberty Corner Road Warren, NJ 07059 Attn: Thomas Zalewski, Esq. Email: tzalewski@aquestive.com	Aquestive Therapeutics, Inc. 184 Liberty Corner Road Warren, NJ 07059 Attn: Peter Boyd Email: pboyd@aquestive.com

(g) "**Permitted Use**": The operation of a wet lab for life science uses commensurate with lab space in a first-class office building, as well as general administrative office use ancillary thereto. For purposes of clarity, "general administrative offices" shall be deemed to include, but not be limited to, kitchen and eating facilities (provided such facilities exist in the Licensed Premises), computer and telecommunications facilities, data processing and transmission, conference and meeting facilities and other uses typically made by other laboratory tenants in buildings substantially similar to the Building and located in northern and central New Jersey. For purposes of clarity, the Permitted Use shall specifically exclude any use or manner thereof which may be classified as being in excess of Biosafety Level 2 (BSL-2).

(h) "**Licensed Premises**": The space presently known as Suite D on the tenth (10th) floor of the Building, which is deemed to contain 4,993 square feet of area, as shown on **Exhibit A** attached hereto.

(i) "**Security Deposit**": $62,412.51

(j) "**Initial Term**": The period commencing on the Commencement Date and ending at 11:59 p.m. on the last day of the third (3rd) License Year (as hereinafter defined).

(k) "**Renewal Option**": Provided it is not in default hereunder at the time it exercises a Renewal Option, Licensee shall have one (1), thirty-six (36) month extension period following the initial term (the "**Renewal Term**"), exercisable by written notice from Licensee at least six (6) months prior to the expiration of the then-current Term. The License Fee for the Renewal Term shall be determined by Fair Market Value (as hereinafter defined).

2. Terms and Conditions. This License all exhibits attached hereto, including without limitation the Terms and Conditions attached hereto as **Exhibit B**, as if set forth in full in the body of this License. Capitalized terms used but not defined in the Terms and Conditions have the respective meanings given to them above.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK. SIGNATURES ARE FOUND ON THE FOLLOWING PAGE.]

IN WITNESS WHEREOF, the parties hereto have executed this License under seal as of the day and year first-above stated.

OWNER:

HELIX NB LLC
a New Jersey limited liability company

Signed by:
By: Christopher J. Paladino
7D6C6054DA7D4E4...
Name: Christopher J. Paladino
Title: Authorized Signatory

LICENSEE:

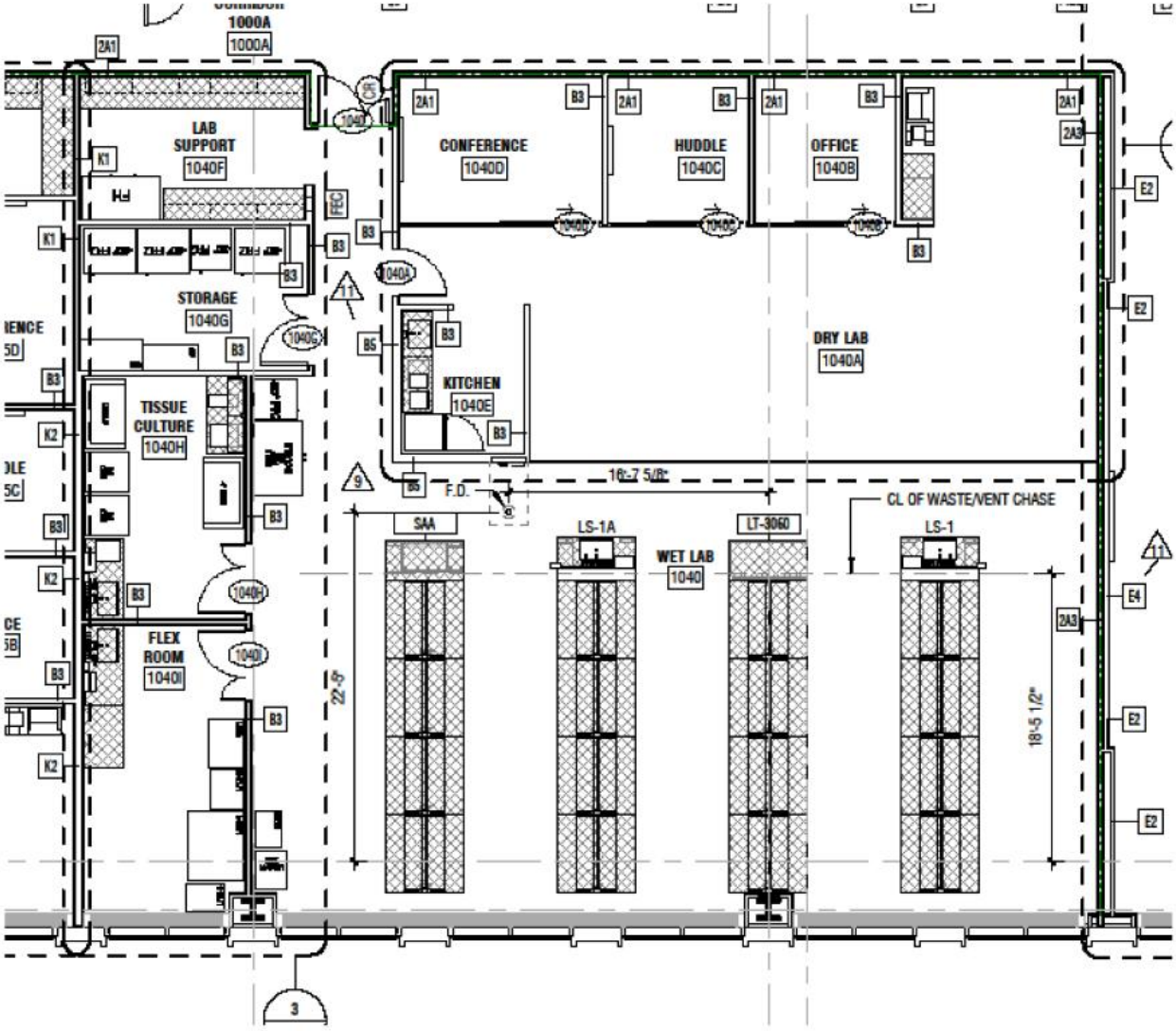
AQUESTIVE THERAPEUTICS, INC.
a Delaware corporation

DocuSigned by:
By: DANIEL BARBER
01F57B17858D447...
Name: Daniel Barber
Title: President and CEO

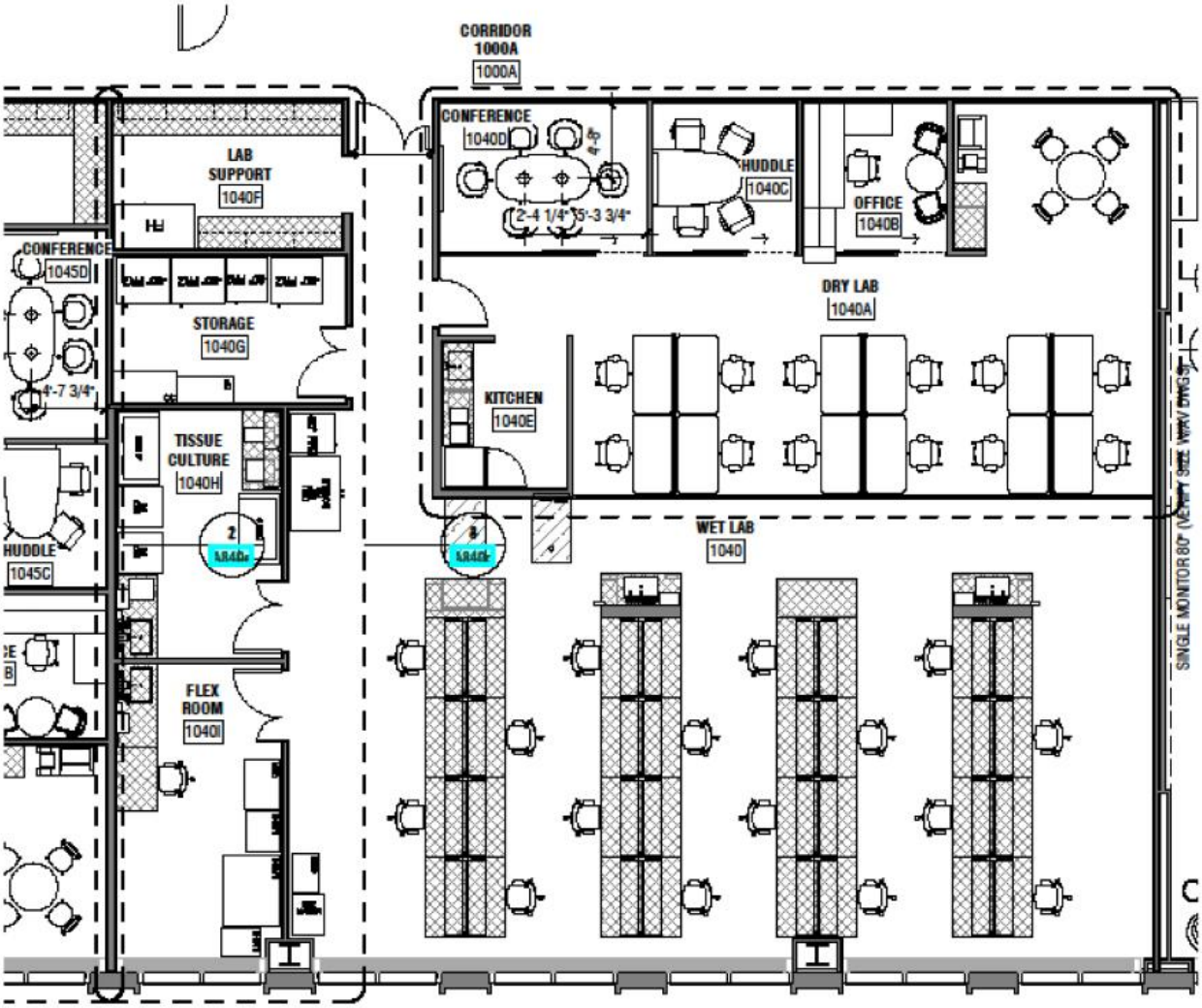
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EXHIBIT A

Licensed Premises/Owner's Work



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Landlord's Base Building Work

The Landlord, at its sole cost and expense, shall deliver the Leased Premises with the following structural and utility infrastructure completed, permitted, and signed off by the local New Jersey municipal subcode officials:

Structural Floor Capacity: Base building floor slabs reinforced to support a minimum live load capacity of **100 lbs. per square foot** in all designated laboratory zones.

Electrical Infrastructure: Delivery of a dedicated **120/208V, 3-phase electrical service** providing a minimum power density of **4 watts per square foot for office and 15 watts per square foot for laboratory** to the Premises panel. Power at all cabinets for equipment. Power flex cords in ceiling to be available in the lab space.

Emergency Backup Power: Connection point provided to the building's central diesel backup generator, allocating **3 watts per square foot** of standby power to the Premises for critical equipment (freezers, incubators).

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Mechanical & HVAC Systems

Single-Pass Airflow: Installation of a 100% Outside Air System (OA) providing a minimum of **4 to 6 air changes per hour (ACH)** in lab areas during normal operation. No air from lab zones shall be recirculated into office zones.

Negative Pressure Control: VAV box CFM offset settings to maintain negative pressure in the laboratories relative to adjacent corridors, preventing the escape of airborne contaminants.

Fume Hood Exhaust: Installation of a dedicated stainless steel, chemical-resistant exhaust duct from the Tenant's chemical fume hoods, routed vertically through the building shaft to a high-plume dilution fan on the roof.

Plumbing & Waste Management

Acid Neutralization: Installation of chemical-resistant polypropylene drainage piping from all lab sinks to a central acid-neutralization monitoring tank system prior to municipal sewer discharge.

Specialized Water: Installation of an ultra-pure Reverse Osmosis / Deionized (RO/DI) water purification and distribution system to supply laboratory benches.

Safety Fixtures: Installation of combination emergency eye-wash/drench shower stations within **50 feet** of all wet-bench areas, plumbed with tepid water mixing valves compliant with New Jersey plumbing subcodes.

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EXHIBIT B

Terms and Conditions

1. Licensed Premises; Project.

(a) Owner hereby grants to Licensee a non-revocable license to use the Licensed Premises upon the terms and subject to the conditions of this License. Except for the Owner's Work, and subject to Owner's compliance with Owner's obligation to provide the equipment and services in accordance with this License, Licensee accepts the Licensed Premises in their "**AS-IS**", "**WHERE-IS**" condition. Notwithstanding the foregoing, Ower shall deliver the Licensed Premises to Licensee, (i) free of all Hazardous Substances and Hazardous Waste, including insulation on steam pipes, piping within columns, and within any under floor distribution system, all in accordance with Applicable Law (as hereinafter defined); and (ii) in compliance with all Applicable Law. Licensee hereby expressly affirms and acknowledges that the parties intend this License to be construed as a personal license to Licensee, and not as a lease, and nothing in this License may be construed to change such intent. Licensee shall have the right to the nonexclusive use during the Term, in common with others entitled to use the same, of the hallways, entrance, restrooms, and other common facilities as may be designated by Owner from time to time for use by licensees on the tenth (10th) floor of the Building (the "**Pre-built Lab Space**") using their premises as life science suites designed for research and development, subject to the Building Rules and Regulations (as hereinafter defined). Licensee shall have access to and use of the Licensed Premises and Pre-built Lab Space twenty-four (24) hours, seven (7) days per week.

(b) Licensee acknowledges and agrees that its rights to access and use the Building and the Licensed Premises are subject and subordinate to the terms of the Lease (defined below), as well as any and all easements, mortgages, leases and other restrictions of record, and in the event of any conflict or inconsistency between the terms of the Lease and this Agreement, the provisions of the Lease shall govern and control. The "**Lease**" means that certain Master Lease Agreement entered into as of July 19, 2023, as the same may be amended, pursuant to which Owner leases from NJ Innovation Associates Urban Renewal LLC ("**Landlord**") certain portions of the Building, including the Licensed Premises (collectively, the "**Master Lease Premises**").

(c) For the duration of the Term, Licensee shall have the same access, on the same conditions, and subject to the same restrictions granted to other occupants of the Pre-built Lab Space to certain amenities within the Building and/or Master Lease Premises, including, without limitation, Ground Floor Commons (a 100 seat conference room); Market Hall & Restaurant; Tech-Enabled Meeting Rooms (Three (3) +14 person rooms with flexible furniture); and WiFi enabled work café. Licensee understands and acknowledges that such access to certain amenities is typically on a first-come, first-served basis, and may be subject to fees as well as agreements with other parties.

2. Term. The term of this License ("**Term**") commences on the Possession Date and expires at the end of the Initial Term, unless extended by the Renewal Option or earlier terminated by the terms of this License. "**End Date**" means the last day of the Term, or such earlier date of termination of this License pursuant to the terms hereof. The terms and conditions of this License shall be effective upon the full execution and delivery of this License. For purposes of this License, the term "**License Year**" shall mean each period of twelve (12) full calendar months, beginning with the Commencement Date. For purposes of clarity, should the Commencement Date not fall on the first day of a calendar month, the first License Year shall include the period from the Commencement Date until the last day of the calendar month within which the Commencement Date occurs.

3. License Fees. Licensee must pay to Owner, commencing on the Commencement Date and thereafter during the Term, without notice, demand, setoff, deduction, or counterclaim, the Fixed License

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Fee and Additional License Fees (collectively, "**License Fees**").

(a) Fixed License Fees. The Fixed License Fees set forth in Section 1(d) of the License are payable to Owner in advance on or before the first day of each month of the Term, in equal monthly installments.

(i) Renewal Term: In the event Licensee exercises its option to renew the Term for the Renewal Term, License Fees for the Renewal Term shall be the fair market value for comparable laboratory space in comparable buildings in the northern and central New Jersey area for a term equal to the Renewal Term, taking all factors, including, without limitation, licensee concessions, square footage, amenities, and the length of the renewal term into account (the "**Fair Market Value**"). Within thirty (30) business days after Owner's receipt of Licensee's notice exercising the Renewal Option, Owner shall deliver to Licensee Owner's written estimate of Fair Market Value for the first License Year of the Renewal Term including any annual percentage escalator for each subsequent License Year of the Renewal Term ("**Owner's Estimate**"). If Licensee disagrees with Owner's Estimate, Licensee shall deliver to Owner Licensee's written estimate of Fair Market Value for the first License Year of the Renewal Term and any subsequent License Year of the Renewal Term ("**Licensee's Estimate**") within thirty (30) days following Licensee's receipt of Owner's Estimate. If Licensee fails to deliver Licensee's Estimate within said thirty (30) day period, the Fair Market Value shall be the Owner's Estimate. If Owner does not agree in writing with Licensee's Estimate, it shall notify Licensee of such disagreement within thirty (30) days after Owner's receipt of Licensee's Estimate, and the parties shall automatically proceed to the method set forth in the following paragraph to determine Fair Market Value.

(ii) If Owner and Licensee do not agree on the Fair Market Value pursuant to the foregoing paragraph, the Fair Market Value shall be determined in accordance with this paragraph. Within thirty (30) business days following Owner's delivery to Licensee of its notice of disagreement with Licensee's Estimate, Owner and Licensee shall each give notice to the other appointing one real estate broker or salesperson licensed in New Jersey with at least ten (10) years' experience in office leasing in northern or central New Jersey area. If either Owner or Licensee fails to appoint a broker, the Fair Market Value shall be determined by the sole broker so appointed. The brokers so appointed will each determine his or her estimate of the Fair Market Value for the first License Year of the Renewal Term and any annual percentage escalator for each subsequent License Year of the Renewal Term (each a "**Broker's Estimate**") and deliver such Broker's Estimate to the other broker and to Owner and Licensee within thirty (30) days after the appointment of the final broker. If either broker fails to deliver his or her Broker's Estimate within such thirty (30) day period, the Fair Market Value shall be the amount determined by the broker that did deliver his or her Broker's Estimate within such thirty (30) day period. If the lower of the two Broker's Estimates is within ten percent (10%) of the higher of the two Broker's Estimates, the average of the two Broker's Estimates shall be the Fair Market Value. If the lower of the two Broker's Estimates is greater than ten percent (10%) less than the higher of the two Broker's Estimates, the two brokers shall within ten (10) days after the delivery of the second Broker's Estimate jointly appoint a third real estate broker or salesperson licensed in New Jersey with at least ten (10) years' experience in office leasing in the northern or central New Jersey area. If the two brokers do not agree on the identity of the third broker who is willing to accept such engagement within said ten (10) day period, the third broker shall be appointed by the Assignment Judge of the Superior Court of Middlesex County, New Jersey. The third broker shall have thirty (30) days from his or her appointment to deliver his or her estimate of the Fair Market Value and deliver such estimate to the other brokers and to Owner and Licensee, provided that such third broker shall only select either Owner's Broker's Estimate or Licensee's Broker's Estimate, and may not submit its own determination.

(iii) Following the determination of the Fair Market Value, Owner shall prepare an amendment to the License setting forth the License Fees for the Renewal Term, and Licensee shall promptly execute and return such amendment to Owner for Owner's execution; provided, however, that License Fees so determined for the Renewal Term shall automatically be effective on the first day of such

Renewal Term notwithstanding the failure of Owner to prepare such amendment or the failure of either party to execute and deliver a signed copy of such amendment to the other party.

(b) Additional License Fees. In addition to the Fixed License Fees, Licensee shall pay any charges required to be paid by Licensee pursuant to the terms of this License, including, without limitation, the Operating Costs (as defined below). Unless specifically stated otherwise herein, any and all money, payments, amounts or charges owed by Licensee under this License, shall be due and payable within thirty (30) days of demand therefor. All such amounts payable by Licensee pursuant to this License other than the Fixed License Fees are collectively defined as "**Additional License Fees**".

(c) All payments due to Owner must be made by electronic funds transfer as follows (or as otherwise directed in writing by Owner to Licensee from time to time): (i) ACH debit of funds, provided Licensee first completes Owner's then-current forms authorizing Owner to automatically debit Licensee's bank account; or (ii) ACH credit of immediately available funds to an account designated by Owner. "**ACH**" means Automated Clearing House network or similar system designated by Owner.

4. Security Deposit. Together with Licensee's delivery of a signed copy of this License, Licensee must pay to Owner the Security Deposit (if applicable). The Security Deposit will be held as security for the performance of Licensee's obligations hereunder, and Licensee may not use the money toward the payment of the final (or any) month's License Fee. No interest will be paid to Licensee on the Security Deposit, and Owner may commingle the Security Deposit with other funds of Owner. Owner may use the whole or any part of the Security Deposit to cure any default by Licensee. If Owner applies any part of the Security Deposit to cure any default of Licensee, Licensee shall, within ten (10) business days of Owner's written request, deposit with Owner the amount so applied so that Owner will have the full Security Deposit on hand at all times during the full Term. At the termination hereunder, Owner may apply the deposit towards any cost or expense owed by Licensee, and if none, then Owner will return the deposit to the Licensee within thirty (30) days of the End Date, provided Licensee has provided its forwarding address in writing to Owner.

5. Services; Operating Costs; Utilities.

(a) Services. Owner will provide, at Owner's expense, the following services during the Term: (i) standard Building HVAC service on a full-time basis twenty-four (24) hours per day; seven (7) days per week, at a capacity of two (2) CFM per usable square foot for laboratory spaces, and one half (0.5) CFM per usable square foot for office spaces; (ii) electricity for lighting, standard equipment and the equipment and services set forth on **Exhibit C**, attached hereto and made a part hereof, at a capacity of four (4) watts per usable square foot, connected load for office uses, ten and one half (10.5) watts per usable square foot, connected load for laboratory uses, and five (5) watts per usable square foot, connected load for laboratory optional standby power; (iii) standard water, sewer, and, to the extent applicable to the Building, gas, oil, or steam service, on a full-time basis twenty-four (24) hours per day; seven (7) days per week; (iv) cleaning services only to common areas of the Master Lease Premises and other shared areas; and (v) replacement of Building-standard lights, ballasts, tubes, ceiling tiles, outlets, and similar equipment as well as those items required to maintain the equipment and provide the services set forth on **Exhibit C** at all times during the Term. All of Licensee's refuse and trash must be kept in containers in the Licensed Premises supplied by Licensee, if applicable. Licensee is solely responsible for moving its refuse and trash into the applicable location(s) in the common areas designated by Owner for refuse and trash. Licensee will also be responsible for keeping the area around the Licensed Premises, including common areas, free from trash and litter caused by its activities. Notwithstanding anything to the contrary herein, biohazard trash must be collected and stored by Licensee in specifically marked biohazard appropriate bags, and non-hazardous trash in other bags.

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(b) Operating Costs. Licensee shall pay, as Additional License Fees, without notice, demand, setoff, deduction, or counterclaim, its Proportionate Share (as hereinafter defined) of Operating Costs as set forth below.

(i) The term "**Operating Costs**", as used in this License, shall mean all costs and expenses incurred by Owner in (a) operating, managing, policing, insuring, repairing and maintaining the Master Lease Premises, (b) maintaining, repairing, and replacing portions of the Master Lease Premises, (c) operating, insuring, repairing, replacing and maintaining all utility facilities and systems including, without limitation, sanitary sewer lines and systems, fire protection lines and systems, security lines and systems and storm drainage lines and systems serving the Master Lease Premises ("**Utility Facilities**"), lighting fixtures, and signage within the Master Lease Premises, and (d) similar operating costs charged to Owner by Landlord under the Lease as additional rent for the maintenance and operation of the Building and the larger project on which it resides (the "**Project**"), including, without limitation, costs charged by Landlord to Tenant under Articles 6, 11, 14, and 17 of the Lease. Operating Costs shall include the actual costs incurred by Owner for any personnel (whether employees of Owner or third party contractors) employed in the management and operation of the Master Lease Premises. Operating Costs shall include, without limitation, the following: Expenses for maintenance, landscaping, repairs, replacements, lighting, cleaning, painting, trash removal, management offices, security, contributions toward reserves for replacements (not to exceed $1,997.20 on an annual basis), maintenance and/or repairs, fire protection and similar items; rental expenses on equipment; charges, surcharges and other levies related to the requirements of any Federal, state or local governmental agency; premium amounts for comprehensive or commercial general liability insurance; premium amounts for standard "special form causes of loss insurance" or "all risks" fire and extended coverage insurance with, at Owner's option, an earthquake damage or "terrorism" endorsement; premiums for flood insurance; premiums for environmental insurance, in a form and issued by a carrier acceptable to Owner in its sole and absolute discretion; the cost of any deductibles or self-insured retentions relating to the insurance maintained by Owner pursuant hereto; costs of management of the Master Lease Premises or the Pre-built Lab Space (whether such management services are provided by Owner or a third party contractor); and expenses related to the Utility Facilities.

Notwithstanding the foregoing, the cost of any capital improvement or expenditure included in Operating Costs shall be amortized over its useful life under generally accepted accounting principles, with only that portion of the amortized cost arising during the Term hereof being counted towards Operating Costs in any given License Year. In addition, and further notwithstanding anything to the contrary in this Article 5, the term "Operating Costs" shall not include (i) costs of correcting defects in the Licensed Premises or the Master Lease Premises; (ii) costs of repairs by Owner to remedy damage caused by the negligence of Owner, its agents, servants or employees, or by the negligence or misconduct of other tenants or licensees within the Building or Project to the extent the restoration of the same would be covered by insurance coverage required to be carried under this License; (iii) depreciation charges; (iv) interest and principal payments on mortgages or other indebtedness; (v) other expenses incurred in leasing, licensing or in procuring tenants or licensees, including without limitation, brokerage fees and/or commissions, advertising expenses and expenses for leasing and renovating space for tenants or licensees; (vi) environmental clean-up expenses incurred by Owner; (vii) off-site improvements unrelated to operation of the Building or amenities provided thereto; (viii) legal fees, appraisal fees, brokerage commissions, origination fees, points, mortgage recording taxes, title charges and other costs or fees incurred in connection with any financing or refinancing; (ix) all costs incurred in connection with a sale or transfer of all or any portion of the Project, Building or Licensed Premises, or any interest herein or in any person owning an interest therein; (x) any fees or other expenditures paid to any corporation or other entity related to or affiliated with Owner to the extent such fees or expenditures exceed (except to a de minimis extent) the amount that would have been paid in the absence of such relationship; (xi) management fees to the extent such fees are in excess of the prevailing rate for management of comparable Projects in Middlesex County, New Jersey; and (xii) charitable or political contributions.

(ii) Licensee shall pay to Owner, on the first (1st) day of each calendar month, an amount estimated by Owner to be the monthly amount of Licensee's Proportionate Share of the Operating Costs that relate to the Licensed Premises. The estimated monthly charge may be adjusted periodically by Owner on the basis of Owner's reasonably anticipated costs. Following the end of each calendar year or, at Owner's option, its fiscal year, Owner shall furnish to Licensee a statement covering the calendar or fiscal year (as the case may be) just expired, showing by cost category the actual Operating Costs for that year that relate to the Master Lease Premises, the total Floor Area of the Master Lease Premises, the amount of Licensee's Proportionate Share of the Operating Costs for that year that relate to the Master Lease Premises, and the monthly payments made by Licensee during that year for the Operating Costs that relate to the Master Lease Premises (the "**Annual Statement**"). If Licensee's share of the Operating Costs that relate to the Master Lease Premises exceeds Licensee's prior payments, Licensee shall pay to Owner the deficiency within thirty (30) days after receipt of such Annual Statement. If Licensee's payments for the calendar year exceed Licensee's actual share of the Operating Costs that relate to the Master Lease Premises, and provided Licensee is not in arrears as to the payment of any License Fees, Licensee may offset the excess against payments of Operating Costs that relate to the Master Lease Premises next due Owner, or, if the Annual Statement relates to the last year of the Term, Owner shall reimburse Licensee for such overage within thirty (30) days after Owner's delivery of the Annual Statement. An appropriate proration of Licensee's share of the Operating Costs that relate to the Master Lease Premises as of the Commencement Date and the expiration date of the Term shall be made.

(iii) Owner shall reasonably determine the share of Operating Costs for the Master Lease Premises that relate to the Licensed Premises. Licensee's share of the Operating Costs for the Master Lease Premises (the "**Proportionate Share**") shall be determined by multiplying the Operating Costs allocated to the Master Lease Premises by a fraction, the numerator of which is the number of square feet of Floor Area in the Licensed Premises and the denominator of which is the Floor Area in the Master Lease Premises, to the extent occupied from time to time as of the commencement of the applicable calendar or fiscal year (as the case may be); provided, however, in no event shall such denominator be less than ninety-five percent (95%) of the Floor Area of the Master Lease Premises as of the commencement of the applicable calendar or fiscal year (as the case may be). As of the Effective Date, Licensee's Proportionate Share shall be 3.62%.

(c) Utilities and Additional Services.

(i) Licensee, at Licensee's expense, must make arrangements with the applicable utility companies and public bodies to provide, in Licensee's name, any service not provided by Owner. Licensee shall pay to Owner, as Additional Rent, the actual cost of any services provided by Owner on **Exhibit C**, as the same may be sub-metered, or, as reasonably estimated by Owner. Licensee may not overload the utility capacity serving the Licensed Premises. Licensee must secure Owner's approval for the use or placement of any high-load equipment within the Licensed Premises, which Owner may withhold in its sole, but reasonable discretion. Licensee must at all times comply with the rules, regulations, terms, policies, and conditions applicable to the service, equipment, wiring pipes or other conduits, and requirements of the utility supplying electricity or gas to the Building. Except as otherwise provided herein, Owner will not be responsible for any cessation of utility service. In such case, Owner will not be liable in any respect for damages to either person or any form of property, including, without limitation, loss of research, nor will such circumstance relieve Licensee from the fulfillment of any covenant of this License.

(ii) Owner has no obligation to furnish any services, supplies, or utilities other than as set forth in this License, including, without limitation, those set forth on **Exhibit C**; provided, however, upon Licensee's prior request, Owner may, in Owner's sole discretion, furnish additional services, supplies, or utilities, in which case Licensee must pay to Owner, within 30 days after demand, Owner's then current charge for such additional services, supplies, or utilities, or Licensee's pro rata share thereof, if applicable, as reasonably determined by Owner.

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6. Use of Licensed Premises; Compliance with Applicable Law and Rules.

(a) Licensee may use the Licensed Premises solely for the Permitted Use, and for no other purpose. Licensee may not change its use of the Licensed Premises without the prior written consent of Owner, which consent shall not be unreasonably withheld, conditioned or delayed. Licensee may not use or allow the Licensed Premises to be used for any unlawful purpose, and must at all times use the Licensed Premises and otherwise perform its operations therein in compliance with the Rules and all applicable laws, statutes, ordinances, and governmental rules and regulations now in force or that may hereafter be enacted or promulgated (collectively, "**Applicable Law**"). "**Rules**" means, collectively, the Applicable Safety Standards and the Building Rules and Regulations. "**Applicable Safety Standards**" means the laboratory and safety guidelines published within the Tenant Handbook, as the same may be modified from time to time by Owner and provided to Licensee in writing. "**Building Rules and Regulations**" means the written Building rules and regulations established from time to time by Owner. Owner shall have provided the current Tenant Handbook and Building Rules and Regulations to Licensee prior to the execution of this License. For purposes of clarity, in connection with its access to and use of the Licensed Premises, Licensee must abide with background and security requirements set forth in the Rules, as well as abide by guidelines promulgated by the Center for Disease Control and the National Institute of Health applicable to Licensees use of the Licensed Premises. Licensee must, at its sole cost and expense, promptly obtain all necessary licenses and permits and comply with all Applicable Law relating to or affecting the condition, use, or occupancy of the Licensed Premises by Licensee.

(b) Licensee will not use the Licensed Premises or allow the Licensed Premises to be used in any manner that results in the cancellation of any fire or liability policy on the Licensed Premises, or that results in an increase of insurance premiums for such policies. Licensee may not abandon the Licensed Premises during the Term. Licensee may not install or maintain in the Licensed Premises any signs, placards, or posters of any nature that are not first approved by Owner as to size, type, content, location, or other characteristic of the same, and no display or storage, of equipment, boxes, containers of any sort nor of any other thing may be maintained in the common areas of the Licensed Premises without the prior approval in writing by Owner, such approval not to be unreasonably withheld, conditioned or delayed. Licensee understands and agrees that the Licensed Premises are a part of a multi-organizational facility and Licensee will not interfere with other organizations' quiet enjoyment of the Building. This obligation includes, without limitation, proper and appropriate professional conduct as reasonably determined by Owner, and, the conduct of Licensee's activities within the Licensed Premises in compliance with the Rules and Tenant Handbook, as well as in a manner which does not interfere with the activities or experiments of other occupant of the Building (including, without limitation, as a result of vibrations, odors, or electromagnetic or other interferences, any such use, collectively, an "**Incompatible Use**"). For purposes of clarity, Owner shall have the right to restrict any Incompatible Use by Licensee, and, failure of Licensee to stop any such Incompatible Use promptly upon written demand by Owner shall be deemed an event of default hereunder.

7. Care and Maintenance of Building and Licensed Premises. Subject to Section 6 above, and, the obligations of Landlord under the Lease, Owner covenants and agrees that Owner shall maintain and repair the Master Lease Premises, including any required repair and replacement of all of the equipment provided as set forth on **Exhibit C**, during the Term, normal wear and tear and damage by fire, and other casualty excepted. Licensee acknowledges that the Licensed Premises are in good order and repair as of the Commencement Date with no significant defects or deficiencies known to Licensee; provided, however, that Owner is warranting that all building systems servicing the Licensed Premised will remain in good working order for a period of twelve (12) months from the Possession Date, and Owner shall promptly repair or replace, as applicable, any building systems that do not comply with such warranty, following written notice from Licensee of any such deficiency. Licensee must maintain the Licensed Premises including all of its workspaces and fixtures and finishes in good condition, normal wear and tear and damage by fire, and other casualty excepted. Licensee may not permit the Licensed Premises to be overloaded,

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damaged, stripped, or defaced. Licensee must maintain the Licensed Premises consistent with like-kind multi-tenant laboratory space in the central/northern New Jersey market.

8. No Alterations. Licensee may not make or perform, or permit the making or performance of, any material alterations, installations, decorations, improvements, additions, or other physical changes (collectively, "**Alterations**"), in or about the Licensed Premises without Owner's prior written consent in each instance, which consent shall not be unreasonably withheld, conditioned or delayed. Licensee may not do anything to be done on the Licensed Premises which could result in the filing of a mechanic's lien against Owner's property. Notwithstanding the foregoing, Licensee may install an access control system for the Licensed Premises, subject to the reasonable approval of Owner. In reviewing a request from Licensee to perform Alterations, Owner shall have an initial period of fifteen (15) days to review and approve Licensee's request therefor. In the event Owner provides Licensee with comments on Licensee's plans and/or specifications related to the Alterations, Licensee shall incorporate such comments, and upon Licensee's re-submission of plans and specifications to Owner for review, Owner shall have a period of fifteen (15) days to review and approve Licensee's request.

9. Environmental Matters. Licensee shall comply, at its sole cost and expense, with all Environmental Laws which are applicable to the Licensed Premises, Building and/or Project and/or the conduct of Licensee's business thereon, including but not limited to ISRA, in each case in connection with Licensee's use and occupancy of the Licensed Premises; provided, however, that the provisions of this Section 9 will not obligate Licensee to comply with the Environmental Laws if such compliance (i) is required solely as a result of the existence of contamination in excess of applicable Environmental Laws which condition precedes the Commencement Date or (ii) was not otherwise caused or negligently exacerbated by Licensee or any of Licensee's members, officers, agents, employees, contractors or invitees ("**Licensee Parties**"). Landlord warrants and represents to Licensee that, prior to the Effective Date, Owner is not aware of any facts or circumstances which would give rise or may give rise to the existence of a leak, spill, release, discharge, omission or deposit of any Hazardous Substances or Hazardous Waste upon the Licensed Premises.

(a) Copies of Environmental Documents. Licensee shall deliver promptly to Owner a true and complete copy of any correspondence, notice, report, sampling, test, finding, declaration, submission, order, complaint, citation or any other instrument, document, agreement and/or information submitted to, or received from, any governmental entity, department or agency in connection with any Environmental Law relating to or affecting the Licensed Premises during the Term or other times during which Licensee is occupying the Licensed Premises. Licensee shall at all times ensure that Owner has an up-to-date copy of a list of any inventory maintained by Licensee which constitutes a Hazardous Substance, as well as the safety data sheets for all inventory maintained by Licensee on the Licensed Premises. Licensee shall deliver to Owner an updated version of such information upon five (5) days' request from Owner.

(b) Hazardous Substances and Hazardous Waste. Licensee shall not cause or permit any Hazardous Substance or Hazardous Waste to be kept in the Licensed Premises, except for cleaning supplies, inventory, lab solvents and other similar products and materials in such amounts as are customarily used by Licensee in the ordinary course of its business and stored, utilized, and disposed of in accordance with all Environmental Laws. Licensee shall not engage in, or permit any other person or entity to engage in, any activity, operation or business in the Licensed Premises that involves the generation, manufacture, refining, transportation, treatment, storage, handling or disposal of Hazardous Substances or Hazardous Waste. Licensee shall not cause or permit the release, spill, discharge, emission, or disposal of Hazardous Substances or Hazardous Waste on the Project, including, without limitation, the discharge of chemicals or pigments into wastewater or sewer lines.

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(i) Licensee agrees and acknowledges in the event that Licensee stores chemicals or any other products or materials on the Licensed Premises, whether for its own use or for other parties, which become Hazardous Substances or Hazardous Waste (including, without limitation, outdated inventory, damaged containers or packaging, off spec determinations, or similar conditions), Licensee is and in all instances shall be the party with primary responsibility for fulfilling all "generator responsibilities" for regulatory compliance under applicable Environmental Laws on behalf of all parties (i.e., Licensee, the owner of such chemicals, products or other materials and Owner). Such "generator responsibilities" shall include, but not be limited to, the requirement to provide personnel with Hazardous Substance/Hazardous Waste training, ensure waste labeling and storage requirements are met and compliance with all contingency plan rules and other regulatory requirements. Licensee acknowledges that it is acting on behalf of all interested parties, including the Owner, and shall indemnify, defend, and hold Owner harmless from any failure of Licensee or any Licensee Parties to comply with all applicable requirements under Environmental Laws.

(ii) Licensee agrees to make submissions to and provide any information required by all governmental authorities requesting same pursuant to Licensee's obligations under this Section 9. Licensee shall perform all its obligations under this Section 9 at any time during the Term upon written request by Owner or, in the absence of a specific request by Owner, before Licensee's right to possession of the Licensed Premises terminates or expires. If Licensee fails to perform such work within the time period specified by Owner or before Licensee's right to possession terminates or expires (whichever is earlier), Owner may at its discretion, and without waiving any other remedy available under this License or at law or equity (including without limitation an action to compel Licensee to perform such work), perform such work at Licensee's cost. Licensee shall pay all actual third party costs incurred by Owner in performing such work within ten (10) days after Owner's request therefor. Such work performed by Owner is on behalf of Licensee and Licensee remains the owner, generator, operator, transporter, and/or arranger of the Hazardous Substances or Hazardous Waste for purposes of Environmental Laws. Licensee agrees not to enter into any agreement with any person, including without limitation any governmental authority, regarding the removal of Hazardous Materials or Hazardous Waste that have been disposed of or otherwise released onto or from the Licensed Premises, Building and/or Project without the written approval of Owner.

(c) Owner may, at Owner's sole cost and expense (unless a violation is discovered, in which case Licensee shall reimburse Owner for the actual cost thereof), engage an environmental consultant or LSRP to conduct periodic environmental surveys and inspections (annually or more often, if required by Owner, but not more than two (2) times per License Year) so that any environmental violations may be discovered and corrected in the quickest time possible. Access to the Licensed Premises shall be granted to Owner upon Owner's prior notice to Licensee and at such times so as to minimize, any disturbance to Licensee's operations. Owner's receipt of or satisfaction with any environmental assessment in no way waives any obligations of Licensee or rights that Owner holds against Licensee. Licensee shall promptly notify Owner of any communication or report that Licensee makes to any governmental authority regarding any possible violation of Environmental Laws or a release or threatened release of any Hazardous Substances or Hazardous Waste onto or from the Licensed Premises. Licensee shall, within five (5) days of receipt thereof, provide Owner with a copy of any documents or correspondence received from any governmental agency or other party relating to a violation or a possible violation of Environmental Laws, or claim or liability associated with the release or threatened release of any Hazardous Substances or Hazardous Waste onto or from the Licensed Premises, and shall promptly take such actions as are required to comply with applicable Environmental Laws and rectify such violation, situation, claim or liability with diligence and continuity of action.

(d) Discharge. If a spill or discharge of a Hazardous Substance or Hazardous Waste occurs on or from the Licensed Premises at any time during the Term, Licensee shall give Owner as soon as practicable oral and written notice of such spill and/or discharge, setting forth in reasonable detail all

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relevant facts, including, without limitation, a copy of (i) any notice of a violation, or a potential or alleged violation, of any Environmental Law received by Licensee or other occupant of the Licensed Premises; (ii) any inquiry, investigation, enforcement, cleanup, removal, or other action instituted or threatened against Licensee or any other occupant of the Licensed Premises; (iii) any claim instituted or threatened against Licensee or any other occupant of the Licensed Premises; and (iv) any notice of the restriction, suspension, or loss of any environmental operating permit by Licensee or any other occupant of the Licensed Premises. If a spill, release, leak, emission, migration or discharge of a Hazardous Substance or Hazardous Waste occurs or arises at the Project (including, without limitation, odors or vapors, or staining or contamination of the slab, sub-grade, sanitary or storm sewers of the Licensed Premises, Building, Project or adjacent areas) at any time during the Term that is caused by the act, negligence or failure to act where there is a duty to act of Licensee or any Licensee Party, then Licensee shall be responsible for the investigation, removal, remediation and cleanup of any such condition, and, shall pay to Owner all actual costs and expenses incurred by Owner in connection with the spill, release, leak, emission, migration or discharge (including, without limitation, the costs and expenses of site investigations and the prompt removal and remediation of such Hazardous Substance or Hazardous Waste so as to obtain an unrestricted, unconditional Final Remediation Document (as defined in ISRA)).

(e) If a spill or discharge of a Hazardous Substance or Hazardous Waste occurs or arises at the Licensed Premises at any time during the Term that is caused by the act, negligence or failure to act where there is a duty to act of Licensee or any Licensee Party, and Licensee fails to cause the cure thereof, Owner shall, without relieving Licensee of its obligations under this License and without waiving any default by Licensee under this License, take such action as Owner deems necessary or advisable to cleanup, remove, resolve or minimize the impact of or otherwise deal with any spill or discharge of any Hazardous Substances or Hazardous Waste on or from the Licensed Premises. Licensee shall pay to Owner all actual costs and expenses incurred by Owner in connection with the spill, release, leak, emission, migration or discharge (including, without limitation, the costs and expenses of site investigations and the prompt removal and remediation of such Hazardous Substance or Hazardous Waste so as to obtain an unrestricted, unconditional Final Remediation Document (as defined in ISRA)), within thirty (30) days of Licensee's receipt of an invoice therefor.

(f) North American Industry Classification System. Licensee hereby represents and warrants to Owner that, to the best of Licensee's knowledge, as of the Commencement Date, Licensee anticipates that Licensee's operations at the Licensed Premises will, as of the Commencement Date, have the following North American Industry Classification System ("**NAICS**") code: 325412 and that Licensee's intended specific manner of use and occupancy of the Licensed Premises for the Permitted Use is subject to ISRA. From time to time during the Term, Owner may (but not more than one (1) time during any calendar year) request that Licensee provide a list of the applicable NAICS codes for the activities then being conducted by Licensee at the Licensed Premises.

(g) ISRA. If Licensee's operations at the Licensed Premises at any time during the Term constitute an "Industrial Establishment" (as defined under ISRA), and/or are subject to the provisions of ISRA or any other Environmental Law, Licensee agrees to comply, at its sole cost and expense, with all requirements of ISRA, including but not limited to as set forth in **Exhibit E**, attached hereto and made a part hereof, and any other applicable Environmental Law to the satisfaction of the governmental entity, department or agency having jurisdiction over such matters (including, but not limited to, performing site investigations and performing any removal and remediation required in connection therewith) so as to obtain an unrestricted, unconditional Final Remediation Document (as defined under ISRA) in connection with any action by Licensee which triggers ISRA or any action by Licensee or a Licensee Party that triggers the requirements of any other Environmental Law. Notwithstanding anything herein to the contrary, Licensee shall have no obligation whatsoever to conduct any site investigations or undertake any remediation of Hazardous Substances that are present on the Licensed Premises solely as a result of the occurrence of a spill or discharge of Hazardous Substances or Hazardous Waste occurring before the

Commencement Date or was not otherwise caused or negligently exacerbated by Licensee or any Licensee Party, or if such spill, discharge or other event was caused directly by the willful act or negligence of an Owner Party (collectively, "**Pre-Existing Conditions**").

(h) Notices. If Owner has given Licensee the name and address of any holder of a mortgage, Licensee agrees to send to said holder a photocopy of those items given to Owner pursuant to the provisions of this Section 9.

(i) Survival. Licensee's obligations under this Section 9 shall survive the expiration or earlier termination of this License.

(j) Indemnity. Licensee shall indemnify, defend and hold Owner or any of its employees, members, officers, agents, or contractors ("**Owner Parties**"), harmless, from and against any and all Claims, as well as costs for any investigation, removal, remediation, cleanup and restoration work and materials mandated or required by any governmental agency or court having jurisdiction or by any third party, arising as a result of Hazardous Substances or Hazardous Waste first brought in, on or under the Licensed Premises during the Term, disturbed by Licensee or Licensee Parties during the Term, any violations of Environmental Laws at the Licensed Premises during the Term, or the migration of said Hazardous Substances or Hazardous Waste onto adjacent properties, provided such occurrences were not the result of the negligence or willful misconduct of Owner or Owner Parties. Licensee's obligations hereunder shall survive the expiration or earlier termination of this License.

Owner shall indemnify, defend and hold Licensee and the Licensee Parties, harmless, from and against any and all Claims, as well as costs for any investigation, removal, remediation, cleanup and restoration work and materials mandated or required by any governmental agency or court having jurisdiction or by any third party, arising as a result of any Pre-Existing Conditions. Owner's obligations hereunder shall survive the expiration or earlier termination of this License

(k) Prior to executing this License, Licensee shall complete, execute and deliver to Owner, Licensee's Hazardous Materials Disclosure Certificate (the "**HazMat Certificate**"), a copy of which is attached hereto as **Exhibit D**, and incorporated herein by reference. Licensee covenants, represents and warrants to Owner that the information on the HazMat Certificate is true and correct and accurately described the use(s) of Hazardous Materials which will be made and/or used on the Licensed Premises by Licensee. If Licensee's use of Hazardous Materials change during the term of this License, Licensee shall complete, execute, and deliver to Owner, a HazMat Certificate describing Licensee's present use of Hazardous Materials on the Licensed Premises, and any other reasonably necessary documents as requested by Owner. The HazMat Certificate required hereunder shall be in substantially the form as that which is attached hereto as **Exhibit D**. Notwithstanding any provision contained in this License to the contrary, Licensee shall not be permitted to use any Hazardous Material prohibited by the Rules, shall require Owner's express permission for the use of certain Hazardous Materials listed in the Rules (which consent Owner may withhold in its sole discretion), shall abide by restrictions set forth in the Rules regarding Hazardous Materials with respect to maximum permitted quantities and reporting requirements set forth in the Rules. Licensee shall participate in participate in Building safety drills as set forth in the Rules.

(l) Intentionally Omitted.

(m) Certain Definitions. The following terms shall have the meanings ascribed to them below:

(i) Environmental Laws: Any and all current and future federal, state and local environmental laws, rules, statutes, directives, binding written interpretations, binding written policies, ordinances and regulations issued by any governmental entity with respect to or which otherwise pertain to or affect the Licensed Premises or the Project, or any portion thereof, the use, ownership, occupancy or operation of the Licensed Premises or the Project, or any portion thereof, or Licensee or any other occupant, relating to the environment, to any Hazardous Waste, Hazardous Substances or Medical

Waste, or to any activity involving any Hazardous Waste, Hazardous Substances or Medical Waste, including but not limited to (a) the Atomic Energy Act, 42 U.S.C. § 2011 *et seq.*, as amended ("**AEA**"), (b) the Clean Air Act, 42 U.S.C. § 7401 *et seq.*, as amended ("**CAA**"), (c) CERCLA, (d) the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. § 11001 *et seq.*, as amended ("**EPCRA**"), (e) the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. § 136 *et seq.*, as amended ("**FIFRA**"), (f) the Federal Water Pollution Control Act, 33 U.S.C. § 1251 *et seq.*, as amended ("**FWPCA**"), (g) the Hazardous Material Transportation Act, 49 U.S.C. § 1801 *et seq.*, as amended ("**HMTA**"), (h) the Low-Level Radioactive Waste Policy Act, 42 U.S.C. § 2021b *et seq.*, as amended ("**LLRWPA**"), (i) the Nuclear Waste Policy Act of 1982, 42 U.S.C. § 10101 *et seq.*, as amended ("**NWPA**"), (j) the Occupational Safety and Health Act, 29 U.S.C. § 651 *et seq.*, as amended ("**OSHA**"), (k) the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 *et seq.*, as amended ("**RCRA**"), (l) the Safe Drinking Water Act, 42 U.S.C. § 300f *et seq.*, as amended ("**SDWA**"), (m) the Toxic Substances Control Act, 15 U.S.C. § 2601 *et seq.*, as amended ("**TSCA**"), (n) the substantive equivalent of any of the foregoing in any state or foreign jurisdiction, (o) ISRA, (p) the Spill Act, and (q) the New Jersey Brownfield and Contaminated Site Remediation Act, NJSA 58:10B-1, et seq.; (r) the New Jersey Site Remediation Reform Act, N.J.S.A. 58:10C-1, et seq. (together with amendments thereto and its implementing regulations, "**SRRA**"); (s) the New Jersey Spill Compensation and Control Act (N.J.S.A. 58:10-23.11, et seq.); (t) the New Jersey Water Pollution Control Act (N.J.S.A. 58:10A-1 et seq.); the (u) New Jersey Sanitary Landfill Facility Closure and Contingency Fund Act (N.J.S.A. 13:1E-100 et seq.); (v) the New Jersey Underground Storage of Hazardous Substances Act (N.J.S.A. 58:10A-21 et seq.); (w) the New Jersey Toxic Catastrophe Prevention Act (N.J.S.A. 13:1K-19 et seq.); (x) and the New Jersey Environmental Rights Act, N.J.S.A. 2A:35A-1 et seq. and (y) DEP's Technical Regulations for Site Remediation and all comparable state and local laws, and any and all rules and regulations, as the same be amended, modified or supplemented from time to time.

(ii) Hazardous Substances: means (i) those substances included within the definitions of hazardous substances, pollutants, contaminants, hazardous materials, toxic substances, or solid waste in any of the Environmental Laws, or are listed, described, or regulated under any of the Environmental Laws; (ii) any material, material physical waste, or substance which is: (A) regulated as a "biohazard" pursuant to 29 CFR 1910.1030 (g)(1)(i)(A); (B) asbestos or which contains asbestos; (C) polychlorinated biphenyls or which contain the same, including transformers or other equipment containing dielectric fluid; (D) designated as a hazardous substance pursuant to Section 311 of the Clean Water Act, or listed pursuant to Section 307 of the Clean Water Act; (E) hydrocarbons, oil or petroleum, petroleum products, petroleum distillate, or petroleum byproducts; (F) explosives; (G) radioactive materials; (H) radon gas; or (I) formaldehyde, including urea formaldehyde foam insulation; and (iii) mold or airborne toxins.

(iii) Hazardous Waste: means any and all wastes (whether solid, liquid or gas) defined, listed, or otherwise classified as pollutants, hazardous wastes, extremely hazardous wastes, or words of similar meaning or regulatory effect under any present or future Environmental Laws, including, but not limited to, microbial matter, petroleum and petroleum products, asbestos and asbestos-containing materials, polychlorinated biphenyls, lead, radon, radioactive materials, flammables and explosives, but excluding Medical Waste.

(iv) Medical Waste: means all federal, state, and local laws, rules, directives, binding written interpretations, binding written policies, ordinances and regulations issued by any governmental entity pertaining to the generation, use, management, transportation or disposal of wastes, subject to the New Jersey Comprehensive Regulated Medical Waste Management Act (N.J.S.A. 13:1E-48.1 et seq.), the New Jersey Medical Waste Regulations (N.J.A.C. 7:26 3A), the Bloodborne Pathogens Standard (29 C.F.R. § 1910.1030) as promulgated by the New Jersey Public Employees Occupational Safety and Health Act, the Hazardous Materials Transportation Law (U.S.C. §§ 5101-5128), and the Department of Transportation Hazardous Materials Regulations (49 C.F.R. Parts 172-180), and any other laws or policies that may apply to the generation, use, management, transportation or disposal of regulated medical

waste, cultures and stocks, pathological wastes, human blood and blood products, used or unused sharps, animal waste, isolation wastes, or other potentially infectious materials.

(v) ISRA: means the New Jersey Industrial Site Recovery Act, N.J.S.A. 13:1K-6 et seq. as amended and all implementing regulations.

10. No Assignment or Subletting. Licensee may not (nor its legal representative or successors in interest by operation of law or otherwise) assign this License or sub-license the Licensed Premises or any part thereof without Owner's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Any assignment or sub-licensing without the prior written consent of Owner is void, and at the option of Owner, Owner may terminate this License. Notwithstanding the foregoing, any assignment made by Licensee to any affiliate of Licensee, or, in connection with any merger, acquisition, sale of all or substantially all of the assets of Licensee, or similar transaction shall not violate this Section 10 and shall not require the consent of Owner, provided that Licensee provide ten (10) days' notice of such transaction; and, further provided that the resulting entity shall have a tangible net worth at least equal to that of Licensee as of the date hereof. Any assignment or sublicensing of the Licensed Premises shall not serve to release Licensee from its liability or obligations hereunder. Any proceeds from any assignment or sublicensing in excess of the License Fees due hereunder shall be remitted to Owner as Additional License Fees hereunder, after subtracting therefrom any of Licensee's actual, reasonable, out-of-pocket costs and expenses incurred in connection with the assignment or subleasing, including, without limitation, improvement allowances, brokerage fees or commissions, and legal fees and disbursements. In the event Licensee requests the right to assign this License or sublicense the entirety of the Licensed Premises, Owner shall have the option to recapture the Sublicensed Premises, or, to enter into a license with any such prospective occupant directly.

11. Insurance.

(a) Licensee must obtain, and maintain at all times during the Term, insurance in the following kinds and minimum amounts:

(i) Workers' Compensation insurance with limits at least as required by applicable law and Employers Liability insurance with limits of at least $1,000,000.00.

(ii) Commercial General Liability Insurance, written on an ISO CG 00 01 occurrence policy form or its equivalent, covering premises operations, fire damage, personal injury, and advertising liability with minimum limits as follows: $1,000,000.00 each occurrence and $2,000,000.00 general aggregate per location for bodily injury (including death and mental anguish) and property damage, $1,000,000 personal and advertising injury, and $2,000,000 products-completed operations (for which coverage shall be maintained continuously for a minimum period equal to the applicable statute of limitations or statute of repose, whichever is greater), and $500,000.00 Damage to Rented Premises. The policy will not contain exclusions related to Licensee's use of the Licensed Premises.

(iii) Umbrella or excess liability coverage of not less than $5,000,000 each occurrence and $5,000,000 general aggregate, which insurance shall follow form to primary general liability coverage required above.

(iv) business automobile liability insurance for all owned, non-owned and hired vehicles with a $1,000,000 combined single limit.

(v) Pollution liability insurance in form and at levels reasonably acceptable to Owner.

(b) Licensee may, at its option, purchase insurance to cover its business income and Licensee's Property. "**Licensee's Property**" means Licensee's trade fixtures, equipment, personal property, signage, and telephone, security, and communication equipment system wiring and cabling.

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(c) The Additional Insureds must be named as additional insured on the Commercial General Liability. All such coverages will be primary and any other insurance that may be available to Owner and any Additional Insured will be excess and noncontributory. "**Additional Insureds**" means Owner, Landlord, and their members, partners, joint venturers, shareholders, officers, employees, agents, mortgagees, ground lessors, affiliates, and property managers, and any other applicable party whose name and address have been furnished to Licensee. All policies will be endorsed with a waiver of subrogation in favor of the Additional Insureds.

(d) Licensee must provide prior written notice (whether by hard copy or electronic mail) to Owner of any cancellation or nonrenewal of any and all insurance contracts required by this License no later than 10 days prior to cancellation or nonrenewal.

(e) All policies evidencing the insurance coverages required hereunder must be issued by insurance companies with a financial strength rating (as dictated by A.M. Best on date of coverage inception) of A-X or better.

(f) Licensee must provide certificates showing insurance coverage required by this License to Owner prior to accessing the Licensed Space (but in any event, prior to the Possession Date) with accompanying additional insured, waiver of subrogation, and primary and noncontributory language (as applicable). Prior to the expiration date of any such coverage, Licensee must deliver to Owner certificates of insurance evidencing renewals thereof with accompanying endorsements as outlined above. At any time during the Term, Owner may request in writing, and Licensee must thereupon within 10 days supply to Owner, evidence satisfactory to Owner of compliance with the provisions of this Section 11. If Owner does not receive satisfactory evidence of insurance coverage as required by this License, Owner may, but is not required to, force place insurance to cover the risk and all related costs will be charged back to Licensee.

(g) The insurance coverages and amounts herein are minimum coverages and limits only and will in no way limit or diminish Licensee's liability hereunder and be subject to increase at any time if Owner reasonably deems such increase necessary consistent with other laboratory and office buildings in the central/northern New Jersey market. If Licensee carries additional liability insurance, including, without limitation, umbrella/excess liability insurance, the Additional Insureds will also be included as an additional insured under that policy on a primary and noncontributory basis.

(h) In addition, it is understood that the Building owner insures the Building itself, and if Licensee's specific manner of use of the Licensed Premises (as distinguished from the mere Permitted Use) increases the cost of the owner's insurance then this cost will be passed along to Licensee as an additional fee.

(i) Owner will not be liable for any damage or injury to Licensee, or any person, or to any property, occurring on the Licensed Premises or any part thereof resulting from the actions or inactions of Licensee, and to the fullest extent permitted by law Licensee will indemnify, save harmless, and defend Owner from and against any and all claims, demands, suits, or actions to the extent arising out of or from or related to any accident, injury, or damage whatsoever caused to or claimed by any person or property arising directly or indirectly out of the business conducted by Licensee in the Licensed Premises or occurring in, on or about the Licensed Premises or any part thereof, or arising directly or indirectly from any act or omission of Licensee or any Licensee Agent, and from and against any and all costs, expenses, and liability incurred in connection with any such claim or proceeding brought thereon. The commercial general liability coverage maintained by Licensee must specifically insure the contractual obligations of Licensee as set forth herein, but not limit Licensee's liability herein. Licensee's obligations under this Section shall survive the termination or expiration of this License.

(j) Notwithstanding anything to the contrary in this License, Owner and Licensee each waives, releases, and agrees not to make any claim against or seek to recover from, the other with respect

to any loss or damage to the property of such party arising out of fire or other casualty coverable by a standard "Causes of Loss-Special Form" property insurance policy and/or builders' risk insurance policy with, in the case of Licensee, such endorsements and additional coverages as are considered good business practice in Licensee's business, even if such loss or damage shall be brought about by the fault or negligence of the other party or its agents; provided, however, such waiver by Owner shall not be effective with respect to Licensee's liability described in Section 9 and such waiver by Licensee shall not be effective with respect to any liability described in Section 9 that is not the responsibility of Licensee under Section 9. This waiver and release are effective regardless of whether the releasing party actually maintains the insurance described in this Section 11 and is not limited to the amount of insurance actually carried, or to the actual proceeds received after a loss. Each party shall have its insurance company that issues its property coverage waive any rights of subrogation and shall have the insurance company include an endorsement acknowledging this waiver, if necessary. Notwithstanding anything to the contrary in this License, all waivers of subrogation and rights of recovery under this Section 11 shall also apply to each of the waiving party's insurance policies' deductible(s)/self-insured retention(s).

12. Entry and Inspection.

(a) Owner and persons authorized by Owner may enter the Licensed Premises (excepting only any Secure Areas (as hereinafter defined), which shall be governed by Section 12(b) hereof) at all reasonable times upon at least twenty-four (24) hours advance notice or, in the case of an emergency, at any time without notice. Licensee may have a representative present for any such access by Owner, but such representative's failure to attend any such access shall not abrogate Owner's rights hereunder. Owner has the absolute right at all times, including an emergency situation, to limit, restrict, or prevent access to the Building in response to an actual, suspected, perceived, or publicly or privately announced health or security threat.

(b) Tenant shall have the right to reasonably designate, by notice to Landlord, portions of the Licensed Premises as secure areas (each, a "**Secure Area**") to which Landlord shall not have access without being accompanied by a representative of Tenant (except in the case of an emergency). Tenant shall have the right to have a representative accompany Landlord (and persons authorized by Landlord) during any entry into the Secure Areas, which representative Tenant agrees to make available upon Landlord's reasonable request with reasonable prior notice. If Tenant or Tenant's representative shall not be present when for any reason entry into the Secure Area shall be necessary because of an emergency or if otherwise permissible under this Lease, then Landlord or Landlord's agents may enter the same without such entry being deemed to be in violation of this Section 12(b).

13. Notices. Whenever notice must be given or served by either party to this License, such notice will be duly given or served if in writing and either: (i) personally served; (ii) delivered by prepaid nationally recognized courier service (for example, Federal Express, UPS, and USPS) with evidence of receipt required; (iii) forwarded by registered or certified mail, return receipt requested, postage prepaid; or (iv) if an email address is provided by the recipient, emailed with confirmation of receipt by the recipient; in all such cases addressed to the applicable Notice Address (as set forth on page 1 of this License). Each such notice will be deemed to have been given to or served upon the party to which addressed on the date such notice is delivered or delivery is refused. Receipt of emails shall be deemed delivered upon confirmation of receipt by the recipient, or, if sent prior to 5:00 PM on a business day, on the day such email is sent, provided that such notice is also sent via another method provided for herein on the same such day. Each party has the right to change its address for notices (in the United States) by a writing sent to the other party in accordance with this Section. However, billing statements and communications related to ordinary business operations may be sent by regular mail or electronic means (such as email) to Licensee's billing contact without copies.

14. Late Charge. If Owner does not receive the full payment of any License Fee within five (5) days of when due, Licensee must pay to Owner a late fee in the amount of 5% of such overdue amount. If any License Fee payment is returned for insufficient funds, Owner may assess a fee to Licensee, which fee is currently $40.00 per returned payment. Notwithstanding the foregoing, for the first late payment in any License Year, Owner shall first provide written notice to Licensee, and no late charge shall accrue or be due unless Licensee fails to make payment within five (5) business days following receipt of such notice.

15. Default. A "**Default**" is deemed to exist if:

(a) Licensee makes an assignment for the benefit of creditors or files a petition, in any state court, in bankruptcy, reorganization, or composition, or makes an application in any such proceedings for the appointment of a trustee or receiver for all or any portion of its property;

(b) any petition is filed against Licensee or any guarantor of Licensee's obligations hereunder in any bankruptcy, reorganization, or insolvency proceedings, and such proceedings are not dismissed or vacated within 90 days after such petition is filed;

(c) a receiver or trustee is appointed for Licensee or any guarantor of Licensee's obligations hereunder, for all or any portion of the property of either of them, and such receivership or trusteeship is not set aside within 90 days after such appointment;

(d) Licensee refuses to take possession of the Licensed Premises, vacates the Licensed Premises and permits the same to remain unoccupied and unattended for 30 or more consecutive days, or substantially ceases to carry on its normal activities in the Licensed Premises;

(e) Licensee abandons the Licensed Premises;

(f) Licensee fails to pay License Fee or any other charges required to be paid by Licensee when due and such failure continues for five business days after written notice from Owner; provided, however, Owner has no obligation to give Licensee more than two (2) such notices during any twelve (12) calendar month period of the Term, after which it is deemed a Default if Licensee fails to pay any License Fee or other charge when due, regardless of Licensee's receipt of notice of such nonpayment, and, provided further, there will be an automatic Default if Licensee fails to pay any License Fee when due and an automatic stay of bankruptcy precludes issuance of a default notice;

(g) Licensee fails to perform or observe any of the terms and conditions of this License, and such failure continues for 30 days after written notice from Owner (except that such 30-day period will be automatically extended for such additional period of time as is reasonably necessary to cure such Default if such Default cannot be cured within such period, provided Licensee commences the process of curing within such 30-day period and diligently pursues such cure to completion in good faith and as expeditiously as possible; or

(h) any execution, levy, attachment, or other legal process of law occurs upon Licensee's goods, fixtures, or interest in the Licensed Premises that is not stayed within 30 days.

16. Remedies of Owner. Should a Default occur, Owner may pursue any or all of the following:

(a) In addition to all other rights or remedies it may have at law and in equity, Owner has the right to: (i) declare all License Fees and other payments for the entire unexpired Term at once due and payable and if not paid forthwith upon Owner's demand then to resort to legal process for collection of all accelerated payments due under this License; (ii) terminate this License and resort to legal process for collection of damages and/or eviction; and (iii) reenter and attempt to relicense the Licensed Premises without terminating this License and remove all persons and property from the Licensed Premises and such property may be removed and stored in a public warehouse or elsewhere at the cost of and for the account of Licensee, all without service of notice or resort to legal process and without being deemed guilty of

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trespass, or becoming liable for any loss or damage that may be occasioned thereby. In addition, Owner may sell any property abandoned by Licensee and apply the proceeds to Owner's damages hereunder.

(b) Any payment required to be made by Licensee under the provisions of this License not made by Licensee within five (5) days of when and as due is thereupon deemed to be due and payable by Licensee to Owner on demand with interest thereon from the date when the particular amount became due to the date of payment thereof to Owner. The interest rate will be at the rate of 12% per annum.

(c) Owner may terminate this License by giving five (5) business days' written notice of such termination to Licensee, whereupon this License will automatically cease and terminate and Licensee will immediately be obligated to quit the Licensed Premises. Any other notice to quit or notice of Owner's intention to reenter the Licensed Premises is hereby expressly waived. If Owner elects to terminate this License, everything contained in this License on the part of Owner to be done and performed will cease without prejudice, subject, however, to the right of Owner to recover from Licensee all License Fees and any other sums accrued up to the time of termination or recovery of possession by Owner, whichever is later, plus all late fees and interest.

(d) Upon termination of this License, Owner may proceed to recover possession of the Licensed Premises under and by virtue of the provisions of the laws of New Jersey, or by such other proceedings, including reentry and possession, as may be applicable.

(e) Should this License be terminated before the expiration of the Term by reason of Licensee's Default, or if Licensee abandons or vacates the Licensed Premises before the expiration or termination of the Term of this License without having paid the full License Fee for the remainder of the Term, Owner has the option to relet the Licensed Premises for such license fee and upon such terms as are not unreasonable under the circumstances and if the full License Fees reserved under this License (and any of the costs, expenses, or damages indicated below) are not realized by Owner, Licensee will be liable for all damages sustained by Owner, including without limitation deficiency in the License Fee, the unamortized cost of any commission paid to Broker for this License, reasonable attorneys' fees, brokerage fees, and expenses of placing the Licensed Premises in first-class condition. Owner, in putting the Licensed Premises in good order or preparing the same for re-occupancy, may at Owner's option, make such alterations, repairs, or replacements in the Licensed Premises as Owner, in its sole and absolute judgment, considers advisable and necessary for the purpose of relicensing the Licensed Premises, and the making of such alterations, repairs, or replacements will not operate or be construed to release Licensee from liability hereunder. Owner will in no event be liable in any way whatsoever for failure to re-license the Licensed Premises, or if the Licensed Premises are re-licensed, for failure to collect the license fee under such re-licensing, and in no event will Licensee be entitled to receive the excess, if any, of such net license fee collected over the sums payable by Licensee to Owner hereunder.

(f) Any damage or loss of License Fee sustained by Owner may be recovered by Owner, at Owner's option, at the time of re-licensing, or in separate actions, from time to time, as such damage may have been made more easily ascertainable by successive re-licensing, or at Owner's option in a single proceeding deferred until the expiration of the Term (in which event Licensee hereby agrees that the cause of action will not be deemed to have accrued until the date of expiration of the Term), or in a single proceeding prior to either the time of re-licensing or the expiration of the Term.

(g) Nothing contained herein will prevent the enforcement of any claim Owner may have against Licensee for anticipatory breach of the unexpired Term. In the event of a breach or anticipatory breach by Licensee of any of the covenants or provisions hereof, Owner has the right of injunction and the right to invoke any remedy allowed at law or in equity as if reentry, summary proceedings, and other remedies were not provided for herein. Mention in this License of any particular remedy will not preclude Owner from any other remedy in law or in equity. Licensee hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Licensee being evicted or

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dispossessed for any cause, or in the event of Owner obtaining possession of the Licensed Premises by reason of the violation by Licensee of any of the covenants and conditions of this License.

(h) Neither any delay or forbearance by Owner in exercising any right or remedy hereunder nor Owner's undertaking or performing any act that Owner is not expressly required to undertake under this License may be construed to be a waiver of Owner's rights or to represent any agreement by Owner to thereafter undertake or perform such act. The rights granted to Owner in this Section are cumulative of every other right or remedy provided in this License or that Owner may otherwise have at law or in equity or by statute, and the exercise of one or more rights or remedies may not prejudice or impair the concurrent or subsequent exercise of other rights or remedies or constitute a forfeiture or waiver of the License Fee or damages accruing to Owner by reason of any Default. Owner may accept payment without prejudice to Owner's right to recover the balance or pursue any other right or remedy provided for in this License, at law or in equity. The waiver by Owner of any breach of any covenant or condition in this License will be limited to the particular instance and will not operate nor be deemed to waive any future breaches of the same or any other covenant or condition.

(i) In addition to any other remedies set forth in this License, Owner may, but shall not be required to, and without waiving any such default, perform any obligations of Licensee required hereunder for the account and at the expense of Licensee (a) immediately and without notice with respect to a default by Licensee that constitutes an emergency, and (b) if, in the case of any other default, such default continues after ten (10) days from the date Owner delivers a notice after the occurrence of a default. Within twenty (20) days after Owner's demand, Licensee shall pay to Owner all costs and expenses incurred by Owner in performing any of Licensee's obligations under this License, which amounts due shall be deemed Additional License Fees hereunder.

17. Surrender; Return of Licensed Premises; Holding Over.

(a) No later than the End Date or earlier termination of Licensee's right to possession of the Licensed Premises ("**Surrender Date**"), Licensee must vacate and surrender possession of the Licensed Premises to Owner peaceably, in good order and condition (subject to ordinary wear and tear), broom clean, and in conformity with the applicable provisions of this License. Subject to the other terms of this License, Licensee must, at its expense, remove all of Licensee's Property and repair any and all damage caused by such removal. Licensee hereby expressly waives the benefit of any Applicable Law requiring any notice that the Term will end or that Licensee must vacate the Licensed Premises upon the expiration or other termination of the Term, or with respect to notice of termination of this License (either by passage of time or because of forfeiture of this License as herein provided) or remedies of Owner in gaining possession of the Licensed Premises.

(b) Licensee has no right to hold over beyond the Surrender Date, and if Licensee does not vacate as required such failure is deemed a Default and Licensee's occupancy will not be construed to effect or constitute anything other than a trespass. During any period of occupancy beyond the Surrender Date, the amount of the License Fee owed by Licensee to Owner will be the Holdover Percentage of the License Fee for the month immediately prior to the End Date, without prorating for any partial month of holdover. "**Holdover Percentage**" equals: (i) 150% for the first two (2) months of holdover; and (ii) 200% for any period of holdover beyond two months. The provisions of this Section will not constitute a waiver by Owner of any right of reentry as set forth in this License, nor will receipt of any License Fee operate as a waiver of Owner's right to terminate this License. If Licensee fails to vacate and surrender the Licensed Premises for a period of thirty (30) days beyond the Surrender Date, Licensee must indemnify, defend, and hold harmless Owner from all costs, losses, expenses, or liabilities incurred as a result of such failure. Licensee's obligation to pay the License Fee and to perform all other of its obligations for the period through the Surrender Date and the terms of this Section survive the End Date.

(c) At least 45 days prior the Surrender Date of Licensee's surrender of any portion of the Licensed Premises, Licensee must provide Owner with: (i) a facility decommissioning and Hazardous Materials closure plan for the Licensed Premises ("**Exit Survey**") prepared by an independent third party reasonably acceptable to Owner; (ii) written evidence of all appropriate governmental releases obtained by Licensee in accordance with Applicable Laws, including laws pertaining to the surrender of the Licensed Premises; (iii) proof that the Licensed Premises have been decommissioned in accordance with American National Standards Institute ("**ANSI**") Publication Z9.11-2008 (entitled Laboratory Decommissioning) or any successor standards published by ANSI or any successor organization (or, if ANSI and its successor no longer exist, a similar entity publishing similar standards); and (iv) proof of Licensee's compliance with the provisions of Section 9 hereof. In addition, Licensee agrees to remain responsible after the surrender of the Licensed Premises for the remediation of any recognized environmental conditions set forth in the Exit Survey and compliance with any recommendations set forth in the Exit Survey. Licensee's obligations under this section shall survive any earlier termination of the Agreement. Licensee is solely responsible for all costs incurred by Owner to clean the Licensed Premises after Licensee's surrender thereof, to the extent the Licensed Premises does not comply with the surrender conditions of this License, such obligation will survive the End Date. In such case, Owner shall notify Licensee in writing whether the surrender was satisfactory or if there are items that need to be remedied. This process shall repeat until Licensee has successfully surrendered the Licensed Premises in the condition required by this License.

18. Fire and Casualty. If the Licensed Premises or the Building is injured or damaged by fire or other casualty and if the required repairs are of such a nature that they can be completed within 180 days after the damage, then this License will not be terminated. Owner is not obligated to make repairs to the Licensed Premises in the event the time to complete repairs will exceed 180 days, or, if Owner or Landlord choose to terminate the Lease. Should Owner elect not to rebuild, Owner or Licensee may terminate this License effective as of the date of the casualty by written notice to the other party. In no event will Owner be liable to Licensee in any respect whatsoever for Licensee's inability to operate its business as a result of any casualty. Licensee is responsible to carry a work/business interruption insurance policy covering risk of such loss. If the Licensed Premises are partially damaged and Owner repairs or restores them pursuant to the provisions of this License, the License Fee payable for the period during which such damage, repair, or restoration continues will be abated in proportion to the degree to which Licensee's use of the Licensed Premises is impaired. If the Licensed Premises are completely destroyed, the License Fee will be abated during the period that Licensee is unable to occupy the Licensed Premises. If this License is terminated, the License Fee will be prorated to the date of termination.

19. Subordinate to Mortgage. This License is subordinate to the lien of any deeds of trust or mortgages now or hereafter placed upon the Building, Project or any portion thereof (a "**Mortgage**") without the necessity of any further instrument or act on the part of Licensee to effectuate such subordination. Licensee must execute and deliver to Owner within 15 days after written demand such further instrument evidencing such subordination and agreement to attorn as may be reasonably required by any Mortgagee. If Owner is or is alleged to be in default of any of its obligations owing to Licensee under this License, Licensee must give notice of such default to the holder ("**Mortgagee**") of any Mortgage that Licensee has been given written notice. Licensee may not exercise any right or remedy because of any default by Owner without having given such notice to the Mortgagee, and if Owner fails to cure such default, the Mortgagee may cure such default within 45 days after Mortgagee's receipt of Licensee's default notice. This License is subordinate to the rights, liabilities, and restrictions contained in any recorded declaration or other restriction of record. Licensee must, within 15 days after Owner's written request from time to time, execute and deliver to Owner an estoppel certificate certifying to all reasonably requested information pertaining to this License.

20. Publication Rights; Intellectual Property.

(a) During the Term, Licensee will cooperate with Owner to allow Owner the right to: (i) republish or reprint any articles published in scientific journals resulting from Licensee's work; (ii) cite any scientific discoveries made by Licensee; and (iii) publicize venture capital funding received by Licensee and grants awarded to Licensee, on Owner's website and in marketing and public relations materials promoting the Graduate Labs, provided in all instances proper recognition is given to the organizations and authors responsible for creating such publications or notices, and further provided such information does not constitute confidential information of Licensee and such action does not violate the rights of Licensee in any of its Intellectual Property (hereinafter defined).

(b) Owner and Licensee will be bound by and comply with all applicable intellectual property and advertising laws in the performance of their obligations and rights under this License. Except for the licenses and permissions granted to Owner by Licensee under Section 20(a) of this License, Licensee retains all right and title in and to its intellectual property, including without limitation proprietary data, inventions (whether or not patentable), trade secrets, knowhow, personal names, likenesses, voices, business names, trademarks, service marks, logos, trade dress, copyrights, other identifiers or other intellectual property, or modified or altered versions of the foregoing (collectively, "**Intellectual Property**"). Licensee must not and agrees not to directly or indirectly take, copy, or use any Intellectual Property belonging to Owner's other licensees or any of their guests or any other visitors or occupants of the Building. Owner is not responsible for any of Licensee's Intellectual Property that any other licensees or their guests, visitors, or occupants may take, copy, or use. Licensee acknowledges that it will be in close proximity to other individuals and companies who are licensees, visitors, or occupants in the Licensed Premises, and it is Licensee's sole responsibility to protect the confidentiality of its own information. Except to the extent caused by the acts, negligence or willful misconduct of Owner, Owner hereby disclaims any and all liability or responsibility arising out of or in connection with the protection, or lack thereof, of Licensee's Intellectual Property, and Licensee hereby waives and agrees to hold Owner harmless from and against any and all claims on account thereof.

21. Owner's Liability. Owner will not be liable for any obligation or liability based on or arising out of any event or condition occurring during the period that Owner was not the owner or lessee of the Building. Owner may transfer its interest in the Master Lease Premises without the consent of Licensee. Owner will have no personal liability under any of the terms, conditions, or covenants of this License. Licensee and Licensee Parties must look solely to Owner's interest in the Master Lease Premises for the satisfaction of any claim, remedy, or cause of action of any kind whatsoever arising from the relationship between the parties or any rights and obligations they may have relating to the Licensed Premises, this License, or anything related to either, including without limitation as a result of the breach of any section of this License by Owner.

22. During any extension of the License Term, Owner shall have the right, upon notice to Tenant, to designate as the Licensed Premises and relocate Licensee to space (hereinafter called "**Substituted Space**") on the tenth (10th) floor of the Building that approximately corresponds to the area of the Licensed Premises; provided, however, (a) the alterations, installations and finishes to the Substituted Space shall be as substantially similar as reasonably practicable to the alterations, installations and finishes to the Licensed Premises then existing, and (b) Owner shall move Licensee to the Substituted Space at Owner's cost. Licensee shall not be required to remove any alterations or installations from the Licensed Premises in connection with any relocation pursuant to this Article 22. Notwithstanding such substitution of space, this License and all the terms, provisions, covenants and conditions contained in this License (including, without limitation, the obligation to pay License Fees as heretofore set forth) shall remain and continue in full force and effect, except that the Licensed Premises shall be and be deemed to be such Substituted Space, with the same force and effect as if the Substituted Space were originally specified in this License as the Licensed Premises hereunder, except that Licensee's Proportionate Share shall be re-calculated based on the square footage of the Substituted Space. For the purposes of this paragraph,

"Owner's cost" means and such cost is limited to the costs of physically moving Licensee's furniture, fixtures, furnishings and other personal property to and installing Licensee's telecommunications and computer systems in the Substituted Space, and fitting out the Substituted Space so that it is substantially similar the Licensed Premises prior to such relocation. Licensee shall cooperate with Owner in connection with designing and performing the interior alterations to the Substituted Space so that the alterations, installations and finishes thereto shall be as substantially similar to the alterations to the Licensed Premises as are then in existence at the time that Owner's notice first referred to herein is given as is reasonably practicable. Following such substitution of space (pursuant to this Article) if any, Owner and Licensee shall, promptly at the request of either party, execute and deliver an agreement in recordable form specifying such substitution of space and the effective date thereof.

23. General Provisions.

(a) Subject to the terms and provisions of Section 10, the respective rights and obligations provided in this License bind and inure to the benefit of the parties hereto and their successors and assigns.

(b) Licensee, upon payment in full of the required License Fee and full performance of the terms, conditions, covenants and agreements contained in this License, shall peaceably and quietly have, hold and enjoy the Licensed Premises during the Term hereof.

(c) This License, which by this reference incorporates all exhibits, riders, schedules, and other attachments hereto, supersedes all prior discussions, proposals, negotiations and discussions between the parties and this License contains all of the agreements, conditions, understandings, representations, and warranties made between the parties hereto with respect to the subject matter hereof, and may not be modified orally or in any manner other than by an agreement in writing signed by both parties hereto or their respective successors in interest. Except to the extent expressly set forth in this License, neither Owner, nor anyone acting on Owner's behalf, has made any representation, warranty, estimation, or promise of any kind or nature whatsoever, and Owner disclaims any implied representations or warranties, relating to the condition or suitability of the Pre-built Lab Space or any part thereof including the Licensed Premises, including without limitation, the fitness of the Licensed Premises for Licensee's intended use, the building systems, the indoor air quality, and the environmental condition.

(d) If any provisions of this License are held to be invalid, void, or unenforceable, the remaining provisions hereof will in no way be affected or impaired and such remaining provisions will remain in full force and effect.

(e) This License will be construed, interpreted, and governed by the laws of the State of New Jersey, without regard to choice of law principles. Owner and Licensee each consent to the exclusive jurisdiction of the state and federal courts located in the jurisdiction in which the Building is located.

(f) Signage. No later than thirty (30) days following the Commencement Date, Owner shall provide Licensee with a listing on the directory board located in the Building lobby, and Building standard signage directly outside Licensee's entrance door to the Licensed Premises.

(g) Inability to perform; Abatement.

(i) If Owner or Licensee is in any way delayed or prevented from performing any obligation (except, with respect to Licensee, its obligations to pay the License Fee and surrender of the Licensed Premises as and when required under this License) due to fire or other casualty (or reasonable delays in the adjustment of insurance claims), acts of terrorism, war or other emergency (including severe weather emergency), governmental delay beyond what is commercially reasonable (provided the party claiming the delay provides reasonable evidence to the other party that the party claiming the delay is diligently pursuing the approval or permit that is the subject to the governmental delay), inability to obtain any materials or services, acts of God, strike, lockout or other labor dispute, orders or regulations of any

federal, state, county or municipal authority, embargoes, or any other cause beyond such party's reasonable control (whether similar or dissimilar to the foregoing events) (each, a "**Force Majeure Event**"), then the time for performance of such obligation will be excused for the period of such delay or prevention (and such party will not be deemed in default with respect to the performance of its obligations) and extended for a period equal to the period of such delay or prevention. Financial disability or hardship will never constitute a Force Majeure Event. No such inability or delay due to a Force Majeure Event will constitute an actual or constructive eviction, in whole or in part, or entitle Licensee to any abatement or diminution of the License Fee, or relieve the other party from any of its obligations under this License, or impose any liability upon such party or its agents, by reason of inconvenience or annoyance to the other party, or injury to or interruption of the other party's business, or otherwise.

(ii) In the event that (i) the business of Licensee is materially adversely affected as a result of any failure by Owner to provide services, utilities or access to all or any portion of the Licensed Premises as required by this License (each, an "**Interruption**") and such condition continues for a period in excess of five (5) consecutive business days after Licensee gives a notice to Owner (the "**Abatement Notice**") stating that Licensee's inability to use the Licensed Premises is solely due to such Interruption, (ii) Licensee does not actually use or occupy the Licensed Premises during such period, and (iii) such condition has not resulted from the negligence, willful misconduct, breach of contract, violation of the provisions of this License beyond any applicable notice and cure period or violation of law of Licensee, then, License Fees shall be abated as to the Licensed Premises or such affected portion of the Licensed Premises on a per diem basis for the period commencing on the sixth (6th) business day after Licensee gives the Abatement Notice, and ending on the earlier of (x) the date Licensee reoccupies the Licensed Premises for the ordinary conduct of its business, or (y) the date on which such Interruption is substantially remedied. For purposes of clarity, if Owner's inability to provide services, utilities or access to the Licensed Premises as set forth in item (i) above is the result of a Force Majeure Event or any other event outside of Owner's reasonable control, such inability shall not be deemed an Interruption, and, the abatement detailed in this provision shall not apply.

(h) Owner and Licensee each represents and warrants that it is not a party with whom the other is prohibited from doing business pursuant to the regulations of the Office of Foreign Assets Control ("**OFAC**") of the U.S. Department of the Treasury, including those parties named on OFAC's Specially Designated Nationals and Blocked Persons List. Each is currently in compliance with, and must at all times during the Term remain in compliance with, the regulations of OFAC and any other governmental requirement relating thereto.

(i) Neither Licensee nor any party acting on Licensee's behalf may issue any press release regarding this License. Licensee has no right to record this License or a memorandum or notice of this License. Owner may use Licensee's name in press releases related to the Pre-built Lab Space or the Project, but only after Licensee has an opportunity to review and approve any such press release, such approval not to be unreasonably withheld, conditioned or delayed.

(j) This License may be executed in any number of counterparts, each of which when taken together is deemed to be one and the same instrument. The submission of this License by Owner to Licensee for examination does not constitute a reservation of or option for the Licensed Premises or of any other space within the Building or in other buildings owned or managed by Owner or its affiliates. This License is not binding nor will either party have any obligations or liabilities or any rights with respect hereto, or with respect to the Licensed Premises, unless and until both parties have executed and delivered this License. The parties acknowledge and agree that notwithstanding any law or presumption to the contrary, the exchange of copies of this License and signature pages by electronic transmission constitutes effective execution and delivery of this License for all purposes, and signatures of the parties hereto transmitted and/or produced electronically will be deemed to be their original signature for all purposes.

(k) **TO THE EXTENT PERMITTED BY APPLICABLE LAW, OWNER AND LICENSEE HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM BROUGHT BY EITHER AGAINST THE OTHER ON ANY MATTER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS LICENSE AS AMENDED FROM TIME TO TIME. LICENSEE CONSENTS TO SERVICE OF PROCESS AND ANY PLEADING RELATING TO ANY SUCH ACTION AT THE PREMISES; PROVIDED, HOWEVER, NOTHING HEREIN WILL BE CONSTRUED AS REQUIRING SUCH SERVICE AT THE PREMISES. LICENSEE WAIVES ANY RIGHT TO RAISE ANY NONCOMPULSORY COUNTERCLAIM IN ANY SUMMARY OR EXPEDITED ACTION OR PROCEEDING INSTITUTED BY OWNER. OWNER, LICENSEE, ALL GUARANTORS, AND ALL GENERAL PARTNERS EACH WAIVES ANY OBJECTION TO THE VENUE OF ANY ACTION FILED IN ANY COURT SITUATED IN THE JURISDICTION IN WHICH THE BUILDING IS LOCATED, AND WAIVES ANY RIGHT, CLAIM, OR POWER UNDER THE DOCTRINE OF FORUM NON CONVENIENS OR OTHERWISE TO TRANSFER ANY SUCH ACTION TO ANY OTHER COURT.**

(l) Owner and Licensee each represents and warrants to the other that such representing party has had no dealings, negotiations, or consultations with respect to the Licensed Premises or this transaction with any broker or finder other than an affiliate of Owner, representing Owner, and Broker (if any), representing Licensee. Each party must indemnify, defend, and hold harmless the other from and against any and all liability, cost, and expense (including reasonable attorneys' fees and court costs), arising out of or from or related to its misrepresentation or breach of warranty under this Section. Owner shall pay Broker any commission due in connection with this License pursuant to the terms of a separate written agreement between Owner and Broker. No part of this provision shall be understood to create a third-party beneficiary of this License. This Section will survive the Expiration Date.

(m) Except with respect to any holdover by Licensee, neither Owner nor Licensee shall be liable for any consequential, special, or punitive damages under this License.

(n) Owner shall cooperate with Licensee, at not cost to Owner, in connection with Licensee's procurement of parking spaces with the New Brunswick Parking Authority.

(o) The Building is currently serviced by a generator which provides back-up power for certain critical equipment in the Building which are connected to designated outlets in the Licensed Premises (the "**Generator**"). If the use of the Generator is necessary, Licensee shall be permitted its Proportionate Share of the critical power provided by the Generator to service its critical equipment connected to the designated outlets. Owner shall maintain the Generator in good order and condition by entering into a service and repair contract and using prudent operating, repair and replacement practices, and the costs thereof, shall be included in Operating Expenses.

(p) In the event of any default by Owner under this License, Licensee must give Owner written notice specifying such default with particularity, and Owner shall have thirty (30) days after receipt of such written notice in which to cure any such default; provided, however, if such default cannot, by its nature, be cured within such thirty (30) day period, then Owner shall have such additional time as is reasonably necessary to cure such default, provided Owner commences its cure within such thirty (30) day period and thereafter diligently prosecutes such cure to completion (an "**Owner Default**").

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EXHIBIT C

Services/Equipment Provided by Landlord

1. Vacuum
2. Compressed Air
3. RO/DI Water
4. CO2 for Tissue Culture
5. Lab waste PH Neutralization
6. On site Staffed Security Desk (24/7)

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EXHIBIT D

HAZARDOUS MATERIALS DISCLOSURE CERTIFICATE

Your cooperation in this matter is appreciated. Initially, the information provided by you in this Hazardous Materials Disclosure Certificate is necessary for the Owner (identified below) to evaluate and finalize a license agreement with you as Licensee. After a license agreement is signed by you and the Owner (the "License"), if at any time thereafter the information contained in this Hazardous Materials Disclosure Certificate should change, then, in accordance with Section 9 of the signed License, you are to provide an update to the information initially provided by you in this certificate. The information contained in the initial Hazardous Materials Disclosure Certificate and any subsequent certificate provided by you thereafter will be maintained in confidentiality by Owner subject to release and disclosure as required by (i) any lenders and owners and their respective environmental consultants, (ii) any prospective purchaser(s) of all or any portion of the property on which the Licensed Premises are located, (iii) Owner to defend itself or its lenders, partners or representatives against any claim or demand, and (iv) any laws, rules, regulations, orders, decrees, or ordinances, including, without limitation, court orders or subpoenas. Any and all capitalized terms used herein, which are not otherwise defined herein, shall have the same meaning ascribed to such term in the signed License. Any questions regarding this certificate should be directed to, and when completed, the certificate should be delivered to:

Owner: Helix NB LLC
c/o New Brunswick Development Corp.
120 Albany Street
Tower 1 – Floor #7
New Brunswick, NJ 08901
Attn: Merissa Buczny
Phone: 732-259-2220
Email: mbuczny@devco.org

Licensee: Aquestive Therapeutics, Inc.
184 Liberty Corner Road
Warren, NJ 07059
Attn: Vincent Buono
Phone: [_____]
Email: vbuono@aquestive.com

Licensee Contact Person for Hazardous Waste Materials Management and Manifests:

Aquestive Therapeutics, Inc.
184 Liberty Corner Road
Warren, NJ 07059
Attn: [_____]
Phone: [_____]
Email: [_____]

1. **GENERAL INFORMATION:**

Describe the initial proposed operations to take place in, on, or about the Licensed Premises, including, without limitation, principal products processed, manufactured or assembled, services and activities to be provided or otherwise conducted. Existing Licensees should describe any proposed changes to ongoing operations. (Attached additional sheets if necessary).

_____

_____

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2. **USE/STORAGE/DISPOSAL OF HAZARDOUS OR OTHER SPECIFIED MATERIALS:**

2.1 Will any Hazardous Materials be used ☐, generated ☐, stored ☐ or disposed of ☐in, on or about the Licensed Premises? (Note: Generally all storage will be required to be fully contained). Existing Licensees should describe any Hazardous Materials which continue to be used, generated, stored or disposed of in, on or about the Licensed Premises.

(a) Wastes	Yes ☐	No ☐
(b) Chemical Products	Yes ☐	No ☐
(c) Biological Agents	Yes ☐	No ☐
(d) Radioactive Materials/Isotopes	Yes ☐	No ☐
(e) Select Agents/Toxins	Yes ☐	No ☐
(f) Controlled Substances (DEA Regulated	Yes ☐	No ☐
(g) Other	Yes ☐	No ☐

- If yes is marked attach all MSDS's and please explain: (MSDS's Attached ☐),

- If yes is marked for item (c), specify Biosafety Level: BSL-1 ☐ BSL-2 ☐
- If yes is marked for item (d), attach Nuclear Regulatory Commission (NRC) or State radiation license: (License Attached ☐)
- If yes is marked for item (e), specify which agents/toxins:

- If yes is marked for item (f), specify which controlled substances:

2.2 If yes is marked in Section 2.1, attach a list of any Hazardous Materials to be used, generated, stored or disposed of in, on or about the Licensed Premises, including the applicable hazard class and an estimate of the quantities of each such Hazardous Materials at any given time; estimated annual throughout; the proposed location(s) and method of storage, including container sizes and types (excluding nominal amounts of ordinary household cleaners and janitorial supplies which are not regulated by any Environmental Laws); and the proposed location(s) and method of disposal for each Hazardous Material, including, the estimated frequency, and the proposed contractors or subcontractors. Existing Licensees should attach a list setting forth the information requested above and such list should include actual data from ongoing operations and the identification of any variations in such information from the prior year's certificate.

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Attach a Site Plan indicating all storage areas - (Attached ☐).

3. **STORAGE TANKS AND SUMPS:**

3.1 Is any above or below ground storage of gasoline, diesel, petroleum, or other Hazardous Materials in tanks or sumps proposed in, on or about the Licensed Premises? Existing Licensees should describe any such actual or proposed activities, including any required SPCC Plan.

Yes ☐ No ☐

If yes, please explain: _____

_____

_____

4. **WASTE MANAGEMENT:**

4.1 Has your company been issued an EPA Hazardous Waste Generator I.D. Number? Existing Licensees should describe any additional identification numbers issued since the previous certificate.

Yes ☐ No ☐

Describe RCRA status: _____

_____

4.2 Has your company filed a biennial or quarterly report as a hazardous waste generator? Existing Licensees should describe any new reports filed.

Yes ☐ No ☐

If yes, attach a copy of the most recent report filed. (Attached ☐).

5. **WASTEWATER TREATMENT AND DISCHARGE:**

5.1 Will your company discharge wastewater or other wastes to:

_____ storm drain?	_____ sewer?
_____ surface water?	_____ facility treatment plant?
_____ grounds (i.e., compressor blow-down)	_____ no wastewater or other wastes discharged

Existing Licensees should indicate any actual discharges. If so, describe the nature of any proposed or actual discharge(s). (Note: Generally, discharges to storm drains will be prohibited without prior review and approval from Landlord).

6. **AIR DISCHARGES:**

6.1 Do you plan for any air filtration systems or stacks to be used in your company's operations in, on or about the Licensed Premises that will discharge into the air; and will such air emissions be monitored? Existing Licensees should indicate whether or not there are any such air filtration systems or stacks in use in, on or about the Licensed Premises which discharge into the air and whether such air emissions are being monitored.

Yes ☐ No ☐

If yes, please explain: _____

_____

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6.2 Do you propose to operate any of the following types of equipment, or any other equipment requiring an air emissions permit? Existing Licensees should specify any such equipment being operated in, on or about the Licensed Premises.

_____ Spray booth(s) _____ Incinerator(s)
_____ Dip tank(s) _____ Dry-cleaning
_____ Drying oven(s) _____ Other (please describe)

_____ No Equipment Requiring Air Permits

If yes, please explain: _____

6.3 Do any of your operations generate an obvious odor:

Yes ☐ No ☐

If yes, please explain: _____

7. **HAZARDOUS MATERIALS DISCLOSURES:**

7.1 Has your company prepared or will it be required to prepare a Hazardous Materials management plan ("Management Plan") pursuant to Fire Department or other governmental or regulatory agencies' requirements. Existing Licensees should indicate whether or not a Management Plan is required and has been prepared.

Yes ☐ No ☐

If yes, attach a copy of the Management Plan. Existing Licensees should attach a copy of any required updates to the Management Plan.

7.2 (CA Only) Are any of the Hazardous Materials, and in particular chemicals, proposed to be used in your operations in or about the Licensed Premises regulated under Proposition '65? Existing tenants should indicate whether or not there are any new hazardous materials being used which are regulated under Proposition '65.

Yes ☐ No ☐

If yes, please explain: _____

8. **ENFORCEMENT ACTIONS AND COMPLAINTS:**

8.1 With respect to Hazardous Materials or Environmental Laws, has your company ever been subject to any agency enforcement actions, administrative orders, or consent decrees designated as a PRP or has your company received requests for information, notice or demand letters (cited in violation of any environmental regulation), or any other inquiries regarding its operations? Existing Licensees should indicate whether or not any such actions, orders or decrees have been, or are in the process of being, undertaken or if any such requests have been received.

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Yes ☐ No ☐

If yes, describe the actions, orders or decrees and any continuing compliance obligations imposed as a result of these actions, orders or decrees and also describe any requests, notices or demands, and attach a copy of all such documents. Existing Licensees should describe and attach a copy of any new actions, orders, decrees, requests, notices or demands not already delivered to Owner pursuant to the provisions of Section _____ of the signed License Agreement.

8.2 Have there ever been, or are there now pending, any lawsuits against your company regarding any environmental or health and safety concerns?

Yes ☐ No ☐

If yes, describe any such lawsuits and attach copies of the complaint(s), cross-complaint(s), pleadings and all other documents related thereto as requested by Owner. Existing Licensees should describe and attach a copy of any new complaint(s), cross-complaint(s), pleadings and other related documents not already delivered to Owner pursuant to the provisions of Section 9 of the signed License Agreement.

8.3 Have there been any problems or complaints from past or current landlords, adjacent tenants, owners or other neighbors at your company's current facility with regard to environmental or health and safety or odor concerns? Existing Licensees should indicate whether or not there have been any such problems or complaints from adjacent tenants, owners or other neighbors at, about or near the Licensed Premises.

Yes ☐ No ☐

If yes, please describe. Existing Licensees should describe any such problems or complaints not already disclosed to Owner under the provisions of the signed License.

8.4 Please provide the addresses for each space leased or licensed by your Company in the past ten years the name and phone number of each Owner.

9. **PERMITS AND LICENSES:**

9.1 Attach copies of all Hazardous Materials permits and licenses issued to your company with respect to its proposed operations in, on or about the Licensed Premises, including, without limitation, any wastewater discharge permits, air emissions permits, and use permits or approvals. Existing Licensees should attach copies of any new permits and licenses as well as any renewals of permits or licenses previously issued.

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10. **STATE AND LOCAL REQUIREMENTS:**

10.1 (This Section reserved for any requirements unique to a State or Local control agency)

The undersigned hereby acknowledges and agrees that this Hazardous Materials Disclosure Certificate is being delivered in connection with, and as required by, Owner in connection with the evaluation and finalization of a License Agreement and will be attached thereto as **Exhibit D**. The undersigned further acknowledges and agrees that this Hazardous Materials Disclosure Certificate is being delivered in accordance with, and as required by, the provisions of the License Agreement. The undersigned further acknowledges and agrees that the Owner and its partners, lenders and representatives may, and will, rely upon the statements, representations, warranties, and certifications made herein and the truthfulness thereof in entering into the License Agreement and the continuance thereof throughout the term, and any renewals thereof, of the License Agreement. I am acting with full authority to bind the (proposed) Licensee and on behalf of the (proposed) Licensee, certify, represent and warrant that the information contained in this certificate is true and correct.

LICENSEE:

AQUESTIVE THERAPEUTICS, INC.
a Delaware corporation

By _____
Name:
Title:

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EXHIBIT E

ISRA COMPLIANCE

(a) Compliance with ISRA.

(i) Licensee further agrees to implement and execute all of the provisions of this Section in a timely manner so that such implementation and execution coincide with the termination of this License or coincide with the vacating of the Licensed Premises by Licensee at any time during the Term of this License. In connection with subsection (a) above, if ISRA is applicable and Licensee fails to obtain an unconditional, unrestricted Final Remediation Document (as defined in ISRA) from the New Jersey Department of Environmental Protection ("**NJDEP**") or a Licensed Site Remediation Professional (as defined in ISRA), as the case may be, and evidence reasonably satisfactory to Owner that all conditions to the effectiveness of such Final Remediation Document have been fully satisfied (including, for example, evidence that the document has been executed and delivered by all parties and, if applicable, filed with NJDEP), or if Licensee fails to otherwise comply with the provisions of ISRA prior to the Expiration Date, or if, with respect to any other Environmental Law, Licensee fails to fully comply with the applicable provisions of such other Environmental Law prior to the Expiration Date, then in any of the foregoing cases, Licensee will be deemed to be a holdover Licensee and shall pay rent at the holdover rate set forth in this License and shall continue to diligently pursue compliance with ISRA and/or such other Environmental Law. Upon Licensee's full compliance with the provisions of ISRA or of such other Environmental Law, Licensee shall deliver possession of the Licensed Premises to Owner in accordance with the provisions of this License and such holdover rent shall be adjusted as of said date. Without limiting Licensee's obligations hereunder, if NJDEP commences an audit with respect to, or otherwise challenges or disapproves, any Final Remediation Document, then Licensee shall take all actions required by either NJDEP and Owner, or both, to comply with the provisions of ISRA in connection therewith; provided, however, that in responding to any such audit Licensee shall not be deemed to be a holdover Licensee.

(ii) If Licensee's operations in the Licensed Premises now or hereafter constitute an "Industrial Establishment" as that term is defined in ISRA then (i) not later than three (3) months prior to closing operations (including by reason of the expiration or sooner termination of the License) or transferring ownership or operations of Licensee at the Licensed Premises (as defined under ISRA), (ii) prior to any assignment of the License or any subletting of any portion of the Licensed Premises, or (iii) any other event caused by Licensee occurs which may trigger ISRA, Licensee shall at its own cost and expense, provide to Owner evidence that Licensee has engaged a Licensed Site Remediation Professional ("**LSRP**") and caused the LSRP to initiate the process of ISRA compliance and the performance of all remediation and other requirements of ISRA, including without limitation all requirements of N.J.S.A. 13:1K-9(b) through and including (l). Licensee shall promptly provide to Owner copies of the filing with the NJDEP of an initial notice under N.J.S.A. 13:1K-9(a) and the report of the Preliminary Site Assessment and Site Investigation conducted by the LSRP. Should the NJDEP or LSRP determine that a clean-up plan be prepared and that clean-up be undertaken because of any spills or discharges of Hazardous Materials or wastes at the Licensed Premises and/or the Land, which occur during the term of this License, Licensee shall, at Licensee's own expense, prepare and submit the required plans and financial assurances, and carry out the approved plans. Licensee's obligation to pay Rent shall continue until such time as Licensee obtains and delivers to Owner a Di minimis Exemption, Negative Declaration or Response Action Outcome as defined by ISRA (or the equivalent under then applicable Environmental Laws), or such other proof, reasonably satisfactory to Owner, that the Licensed Premises and/or the Land may be sold by Owner without violation of ISRA.

(iii) The parties acknowledge and agree that pursuant to the provisions of ISRA, after the commencement date of the License, Licensee, if subject to ISRA, shall be, and is hereby, designated the party responsible to comply with the requirements of ISRA. In addition, any failure of

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Licensee to provide any information and submission as required under ISRA shall constitute a default under this License. Any assignee of Licensee shall be deemed to have acknowledged, and by entering into such assignment or sublease, and/or by entering into possession of the Licensed Premises, does hereby acknowledge, that such assignee is the party responsible, jointly and severally with Licensee, under the provisions of this License.

(iv) In the event that Licensee is not obligated to comply with the requirements of ISRA then prior to the expiration or sooner termination of the License or any subletting of any portion of the Licensed Premises, and if Owner has reasonable basis to believe that a violation of Environmental Law may have occurred, Licensee shall:

A. engage an LSRP to undertake an Environmental Site Assessment and Site Investigation, as those terms are defined in ISRA, and if there is indication that a Release of any Hazardous Materials has occurred at, on, or from the Licensed Premises, an appropriate report shall be filed with the applicable governmental agencies and Licensee shall remediate the Release in accordance with applicable Environmental Laws.

B. submit the results of the foregoing activity to Owner; and

C. After Owner's review of the results of the foregoing activity comply with Owner's reasonable requirements for additional testing and/or cleanup and site detoxification of any and all Hazardous Materials identified by reason of the site investigation or additional testing including Owner's requirements corresponding to those which the NJDEP or LSRP could require under ISRA if applied to Licensee and/or the Licensed Premises. All costs associated with Licensee's compliance with these requirements shall be paid by Licensee upon demand.

Certificate Of Completion

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Status: Completed
Subject: Complete with Docusign: Acquestive License Agreement 4925-6081-2984.12.docx
Source Envelope:
Document Pages: 37
Signatures: 2
Certificate Pages: 5
Initials: 0
AutoNav: Enabled
EnvelopeId Stamping: Enabled
Time Zone: (UTC-08:00) Pacific Time (US & Canada)

Envelope Originator:
Linda Cianci
156 W 56th St
New York, NY 10019-3800
LCianci@windelsmarx.com
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Christopher J. Paladino cpaladino@devco.org Security Level: Email, Account Authentication (None)	Signed by: Christopher J. Paladino 7D6C6054DA7D4F4... Signature Adoption: Pre-selected Style Using IP Address: 173.70.101.146 Signed using mobile	Sent: 9/18/2026 6:52:52 AM Viewed: 9/18/2026 7:59:50 AM Signed: 9/18/2026 8:00:10 AM
Electronic Record and Signature Disclosure: Accepted: 9/18/2026 7:59:50 AM ID: 45093cfc-8fbc-4f4f-a74a-6ea8a13fe423		
DANIEL BARBER dbarber@aquestive.com CEO Security Level: Email, Account Authentication (None)	DocuSigned by: DANIEL BARBER 01F57B17858D447... Signature Adoption: Pre-selected Style Using IP Address: 47.19.76.74	Sent: 9/18/2026 6:52:51 AM Resent: 9/18/2026 8:14:29 AM Viewed: 9/21/2026 6:46:57 AM Signed: 9/21/2026 7:01:26 AM
Electronic Record and Signature Disclosure: Accepted: 9/18/2026 7:15:32 AM ID: a9cd1633-1982-4268-82f4-e6bbfc2cd668		

In Person Signer Events	Signature	Timestamp

Editor Delivery Events	Status	Timestamp

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Carbon Copy Events	Status	Timestamp

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Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	9/18/2026 6:52:52 AM
Certified Delivered	Security Checked	9/21/2026 6:46:57 AM

Envelope Summary Events	Status	Timestamps
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Completed	Security Checked	9/21/2026 7:01:26 AM

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Electronic Record and Signature Disclosure

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If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

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Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact Windels Marx Lane & Mittendorf, LLP:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:
To contact us by email send messages to: cdinapoli@windelsmarx.com

To advise Windels Marx Lane & Mittendorf, LLP of your new email address

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at cdinapoli@windelsmarx.com and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

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To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to cdinapoli@windelsmarx.com and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with Windels Marx Lane & Mittendorf, LLP

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;

ii. send us an email to cdinapoli@windelsmarx.com and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

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To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

By selecting the check-box next to 'I agree to use electronic records and signatures', you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify Windels Marx Lane & Mittendorf, LLP as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by Windels Marx Lane & Mittendorf, LLP during the course of your relationship with Windels Marx Lane & Mittendorf, LLP.

Exhibit 31.1

Certification of Principal Executive Officer of Aquestive Therapeutics, Inc.
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Daniel Barber, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Aquestive Therapeutics, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the consolidated financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, consolidated results of operations and consolidated 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 registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 3, 2026

/s/ Daniel Barber
Daniel Barber
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

Certification of Principal Financial and Accounting Officer of Aquestive Therapeutics, Inc.
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, A. Ernest Toth, Jr, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Aquestive Therapeutics, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the consolidated financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, consolidated results of operations and consolidated 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 registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 3, 2026

/s/ A. ERNEST TOTH, JR.
A. Ernest Toth, Jr.
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

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

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), I, Daniel Barber, President and Chief Executive Officer of Aquestive Therapeutics, Inc. (the "Company"), hereby certify that, to the best of my knowledge:

1. The Company's Quarterly Report on Form 10-Q for the period-ended September 30, 2026, to which this Certification is attached as Exhibit 32.1 (the "Quarterly Report"), fully complies with the requirements of Section 13(a) or Section 15(d) of the Exchange Act; and

2. The information contained in the Quarterly Report fairly presents, in all material respects, the financial condition of the Company at the end of the period covered by the Quarterly Report and the results of operations of the Company for the period covered by the Quarterly Report.

Date: November 3, 2026

/s/ Daniel Barber
Daniel Barber
President and Chief Executive Officer
(Principal Executive Officer)

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

Exhibit 32.2

Certification of Principal Financial and Accounting Officer
Pursuant to 18 U.S.C. Section 1350, as Adopted
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), I, A. Ernest Toth, Jr., Chief Financial Officer of Aquestive Therapeutics, Inc. (the "Company"), hereby certify that, to the best of my knowledge:

1. The Company's Quarterly Report on Form 10-Q for the period-ended September 30, 2026, to which this Certification is attached as Exhibit 32.2 (the "Quarterly Report"), fully complies with the requirements of Section 13(a) or Section 15(d) of the Exchange Act; and

2. The information contained in the Quarterly Report fairly presents, in all material respects, the financial condition of the Company at the end of the period covered by the Quarterly Report and the results of operations of the Company for the period covered by the Quarterly Report.

Date: November 3, 2026

/s/ A. ERNEST TOTH, JR
A. Ernest Toth, Jr.
Chief Financial Officer
(Principal Financial Officer)

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