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

FORM 10-K

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2021.
OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____.

Commission File Number 1-32639

TG THERAPEUTICS, INC.

(Exact name of registrant as specified in its charter)

Delaware	**36-3898269**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
2 Gansevoort St., 9th Floor **New York, New York**	**10014**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (212) 554-4484

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

Title of Class	Trading Symbol(s)	Exchange Name
Common Stock, par value $0.001	TGTX	Nasdaq Capital Market

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

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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

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

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

Large accelerated filer ☒ Accelerated filer ☐
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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

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

The aggregate market value of voting common stock held by non-affiliates of the registrant (assuming, for purposes of this calculation, without conceding, that all executive officers and directors are "affiliates") was $4,935,702,168 as June 30, 2021, based on the closing sale price of such stock as reported on the NASDAQ Capital Market.

There were 142,817,329 shares of the registrant's common stock, $0.001 par value, outstanding as of February 23, 2022.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's Proxy Statement for the 2022 Annual Meeting of Stockholders are incorporated by reference in Part III of this Annual Report on Form 10-K.

Auditor Name: KPMG LLP Auditor Location: New York, NY Auditor Firm ID: 185

TG THERAPEUTICS, INC.
ANNUAL REPORT ON FORM 10-K
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021

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SPECIAL CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS

Certain matters discussed in this report, including matters discussed under the captions "Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," may constitute forward-looking statements for purposes of the Securities Act of 1933, as amended, or the Securities Act, and the Securities Exchange Act of 1934, as amended, or the Exchange Act, and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from the future results, performance or achievements expressed or implied by such forward-looking statements. In some cases, you can identify forward-looking statements by words such as "anticipate," "believe," "contemplate," "continue," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "seek," "should," "target," "will," "would" or the negative of these words or other comparable terminology, although not all forward-looking statements contain these identifying words.

All written or oral forward-looking statements attributable to us are expressly qualified in their entirety by these cautionary statements. In addition, with respect to all of our forward-looking statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include, but are not limited to, statements about:

- our ability to obtain regulatory approvals for our product candidates, including ublituximab in combination with UKONIQ® (umbralisib) (U2) in chronic lymphocytic leukemia (CLL) and small lymphocytic lymphoma (SLL) and ublituximab in relapsing forms of multiple sclerosis (RMS) and our ability to maintain regulatory approval of UKONIQ in relapsed/refractory (R/R) marginal zone lymphoma (MZL) and follicular lymphoma (FL);
- our ability to expand and maintain our commercial infrastructure to successfully launch, market and sell U2 in CLL and ublituximab in RMS if we obtain regulatory approval in the future;
- the success of the ongoing commercialization of UKONIQ and potential commercialization of ublituximab or any future products or combinations of products, including the anticipated rate and degree of market acceptance and pricing and reimbursement;
- the initiation, timing, progress and results of our pre-clinical studies and clinical trials, including, without limitation, UNITY-CLL Phase 3 clinical trial, ULTIMATE I and II Phase 3 extension trial, UNITY-NHL Phase 2b clinical trial, and ULTRA-V Phase 2/3 clinical trial;
- our ability to advance drug candidates into, and successfully complete, clinical trials;
- our ability to establish and maintain contractual relationships, on commercially reasonable terms, with third parties for manufacturing, distribution and supply, and a range of other support functions for our clinical development and commercialization efforts;
- the implementation of our business model, strategic plans for our business, drug candidates and technology;
- the scope of protection we are able to establish and maintain for intellectual property rights covering our products and product candidates;
- estimates of our expenses, future revenues, capital requirements and our needs for additional financing;
- our ability to maintain and establish collaborations and enter into strategic arrangements, if desired;
- our ability to meet any of our financial projections or guidance, including without limitation short and long-term revenue projections or guidance and changes to the assumptions underlying those projections or guidance;
- our financial performance and cash burn management; and
- developments relating to our competitors and our industry.

SUMMARY RISK FACTORS

Our business is subject to a number of risks of which you should be aware before making an investment decision. The risks described below are a summary of the principal risks associated with an investment in us and are not the only risks we face. You should carefully consider these risks, the risk factors in Item IA, and the other reports and documents that we have filed with the Securities and Exchange Commission (SEC).

Risks Related to the Development and Commercialization of U2 and UKONIQ (umbralisib)

- We face substantial uncertainty regarding whether the U.S. Food and Drug Administration (FDA) will approve U2 and whether we will be able to maintain approval of UKONIQ in its currently marketed indications in light of the FDA's plan to hold an ODAC meeting in March or April 2022 to discuss the benefit-risk of U2 in CLL and SLL and the benefit risk of UKONIQ in R/R FL and MZL. If we are unable to obtain regulatory approval for U2 or if we are unable to maintain current approvals of UKONIQ, our business will be materially harmed. Even if the FDA approves U2, our ability to successfully commercialize and generate revenue from UKONIQ and U2 may be adversely impacted by the recent regulatory developments.
- In January 2022, the FDA placed selected Company clinical trials, investigating U2 and UKONIQ in CLL and NHL, on a partial clinical hold in light of concerns about the benefit-risk profile. Our business will be adversely affected if the clinical hold cannot be favorably resolved in a timely manner or if such regulatory concerns lead to more burdensome clinical or preclinical studies that cause significant delay or expense in the research or development of U2 or UKONIQ.

Risks Related to Commercialization

- We have limited experience as a commercial company, and the marketing and sale of UKONIQ or any future approved products, including U2 in CLL and ublituximab in RMS, may be less successful than anticipated.
- The COVID-19 pandemic and related response measures to control it have impacted our sales and marketing efforts for UKONIQ and could have an adverse impact on our commercial launch of ublituximab, if approved.
- If UKONIQ or, if approved, U2 in CLL or ublituximab in RMS do not achieve broad market acceptance among physicians, patients, payors, and the medical community, the revenues that we generate from product sales will be limited.
- If the market opportunities for UKONIQ and future products for which we may receive approval, including U2 in CLL or ublituximab in RMS, are smaller than we estimate or if any approval that we obtain is based on a narrower patient population or the labeling includes warnings or limitations that are not acceptable to patients or healthcare providers, our revenue will be adversely affected.
- We face substantial competition for treatments for our target indications, which may result in others commercializing drugs before or more successfully than we do, resulting in the reduction or elimination of our commercial opportunity.
- If we are unable to establish additional commercial capabilities and infrastructure to support a potential launch in CLL or RMS or expansion into geographies outside the U.S., we may be unable to generate sufficient revenue to sustain our business.
- Product liability lawsuits could cause us to incur substantial liabilities and limit product commercialization.

Risks Related to our Financial Position and Need for Additional Capital

- We have incurred significant operating losses since our inception and anticipate that we will continue to incur losses for the foreseeable future.
- We will need to raise substantial additional funding. If we are unable to raise capital when needed, we will be forced to delay, reduce, or eliminate some of our drug development programs or commercialization efforts.
- Our level of indebtedness and debt service obligations could adversely affect our financial condition and may make it more difficult for us to fund our operations.

Risks Related to Drug Development and Regulatory Approval

- If we are unable to obtain regulatory approval for our product candidates and ultimately cannot commercialize one or more of them, or experience significant delays in doing so, our business will be materially harmed.
- Our products and product candidates may cause undesirable side effects that could delay or prevent their regulatory approval or significantly limit their commercial profile following marketing approval, if any.
- Because results of preclinical studies and early clinical trials are not necessarily predictive of future results, any product candidate we advance may not have favorable results in later clinical trials. Moreover, interim, "top-line," and preliminary data from our clinical trials that we announce or publish may change, or the perceived product profile may be impacted, as more patient data or additional endpoints are analyzed.
- Any product candidates we may advance through clinical development are subject to extensive regulation, which can be costly and time consuming, cause unanticipated delays, or prevent the receipt of the required approvals. Although we have received orphan drug designation for UKONIQ and for some of our drug candidates for specified indications and may seek additional orphan drug designations, we may be unsuccessful in obtaining or maintaining the benefits associated with orphan drug status.

Risks Related to Governmental Regulation of the Pharmaceutical Industry

- We are subject to extensive regulation, including new legislative and regulatory proposals, that may increase our compliance costs and adversely affect our ability to market our products, obtain collaborators and raise capital.
- If we fail to comply with various healthcare laws and regulations, we may incur losses or be subject to liability.
- If we fail to comply with regulatory requirements, any product for which we obtain marketing approval could be subject to restrictions or withdrawal from the market and we may be subject to penalties.

Risks Related to our Dependence on Third Parties

- If the third parties on which we rely to conduct our clinical trials and generate clinical, preclinical and other data necessary to support our regulatory applications do not perform their services as required, we may not be able to obtain regulatory approval for or commercialize our product candidates when expected or at all.
- Our reliance on third parties for commercial and clinical supply of our products and product candidates increases the risk that we will not have sufficient quantities of our products or product candidates or such quantities at an acceptable cost or quality, which could delay, prevent or impair our development or commercialization efforts.
- Because we have in-licensed our products and product candidates from third parties, any dispute with or non-performance by our licensors will adversely affect our ability to develop and commercialize the applicable product.

Risks Related to Intellectual Property

- Our success depends upon our ability to obtain and protect our intellectual property, and if the scope of our patent protection obtained is not sufficiently broad, our competitors could develop and commercialize products similar or identical to ours, and our ability to successfully commercialize our products may be impaired.
- Our patent protection could be reduced or eliminated for non-compliance with various procedural and other requirements imposed by governmental patent agencies.
- We may need to license certain intellectual property from third parties, and such licenses may not be available or may not be available on commercially reasonable terms.
- If we or our partners are sued for infringing intellectual property rights of third parties, it will be costly and time consuming, and an unfavorable outcome in that litigation would have a material adverse effect on our business.
- If we are unable to protect the confidentiality of our trade secrets, our business may be significantly harmed.

Risks Related to COVID-19

- Public health issues, and specifically the pandemic caused by COVID-19, could have an adverse impact on our financial condition and results of operations and other aspects of our business.
- Patients and healthcare providers have raised concerns that immunosuppressive products, like anti-CD20 antibodies and other B-cell targeted agents, may increase the risk of acquiring COVID-19 or lead to more severe complications upon infection. These concerns may impact the commercial potential for ublituximab and other immunosuppressive products that we have in development.

General Risks Related to Our Business Organization and Governance, Strategy, Employees and Growth Management

- We will need to develop and expand our business, and we may encounter difficulties in managing this development and expansion.
- Our ability to continue our clinical development and commercialization activities will depend on our ability to attract and maintain key management and other personnel.
- Certain of our executive officers, directors and other stockholders own more than 5% of our outstanding common stock and may be able to influence our management and the outcome of matters submitted to shareholders for approval.
- Certain anti-takeover provisions in our charter documents and Delaware law could make a third-party acquisition more difficult, which could limit the price investors might be willing to pay for our common stock.
- Our stock price is, and we expect it to remain, volatile, which could limit investors' ability to sell stock at a profit and could subject us to securities and shareholder derivative litigation.

The foregoing is only a summary of some of our risks. These and other risks are discussed more fully in the section entitled "Risk Factors" in Part II, Item IA and elsewhere in this Annual Report on Form 10-K (our Risk Factors).

PART I

Unless the context requires otherwise, references in this report to "TG," "Company," "we," "us" and "our" refer to TG Therapeutics, Inc. and our subsidiaries. Our name, logo and UKONIQ are trademarks or tradenames of TG Therapeutics, Inc. All other trademarks, service marks or other tradenames appearing in this Annual Report on Form 10-K are the property of their respective owners.

ITEM 1. BUSINESS.

OVERVIEW

TG Therapeutics is a fully-integrated, commercial stage biopharmaceutical company focused on the acquisition, development and commercialization of novel treatments for B-cell malignancies and autoimmune diseases. In addition to an active research pipeline including five investigational medicines across these therapeutic areas, we have received accelerated approval from the U.S. Food and Drug Administration (FDA) for UKONIQ® (umbralisib), for the treatment of adult patients with relapsed or refractory marginal zone lymphoma who have received at least one prior anti-CD20-based regimen and relapsed or refractory follicular lymphoma who have received at least three prior lines of systemic therapies. Currently, we have three programs in Phase 3 development for the treatment of patients with relapsing forms of multiple sclerosis (RMS) and patients with chronic lymphocytic leukemia (CLL) and several investigational medicines in Phase 1 clinical development. We also actively evaluate complementary products, technologies and companies for in-licensing, partnership, acquisition and/or investment opportunities.

FDA Accelerated Approval and U.S. Launch of UKONIQ

On February 5, 2021, we announced that the FDA granted accelerated approval of umbralisib, now referred to as UKONIQ, for the treatment of adult patients with relapsed or refractory Marginal Zone Lymphoma (MZL) who have received at least one prior anti-CD20 based regimen and adult patients with relapsed or refractory Follicular Lymphoma (FL) who have received at least three prior lines of systemic therapy. UKONIQ is the first and only, oral, once daily, inhibitor of phosphoinositide 3 kinase (PI3K) delta and casein kinase 1 (CK1) epsilon. Accelerated approval was granted for these indications based on overall response rate (ORR) data from the Phase 2b UNITY-NHL Trial (NCT02793583). Continued approval for these indications may be contingent upon verification and description of clinical benefit in a confirmatory trial.

Following FDA approval, we launched UKONIQ, making it available to patients through a distribution network that includes a specialty pharmacy and specialty distributors. Payor coverage of UKONIQ and inclusion in the NCCN guidelines have been consistent with the FDA-approved indications. We are committed to helping patients access their prescription for UKONIQ through the TG Patient Support Program, which we launched following the approval of UKONIQ.

Regulatory Developments related to UKONIQ in Combination with Ublituximab (U2) in CLL and UKONIQ in R/R MZL and FL

In March 2021, we submitted a Biologics License Application (BLA) for ublituximab in combination with UKONIQ for the treatment of adult patients with chronic lymphocytic leukemia (CLL) or small lymphocytic lymphoma (SLL) based on the results of the UNITY-CLL Phase 3 study. In May 2021, we submitted a supplemental New Drug Application (sNDA) for UKONIQ to add an indication for CLL and SLL in combination with ublituximab. Both the BLA and sNDA for U2 in CLL and SLL were accepted for filing, with a Prescription Drug User Fee Act (PDUFA) goal date of March 25, 2022 for both applications.

In November 2021, we received notification from the FDA that it planned to host a meeting of the Oncologic Drugs Advisory Committee (ODAC) in connection with its review of the pending BLA/sNDA for U2 for the treatment of adult patients with CLL and SLL. The FDA's concern giving rise to the ODAC meeting stems from an early analysis of overall survival from the UNITY-CLL trial, which showed a possible increased risk of death in patients receiving U2 compared to the control arm of obinutuzumab plus chlorambucil. The potential questions and discussion topics for the ODAC include: the benefit-risk of the U2 combination for the treatment of CLL or SLL, including the preliminary OS analysis, rates of serious adverse events, rates of dose discontinuations due to adverse events, and rates of dose modifications from the UNITY-CLL trial, and the benefit-risk of UKONIQ for R/R MZL and FL, each of which has been raised as a concern by the FDA.

Due to the concerns that prompted the ODAC meeting, the FDA also placed select clinical trials investigating U2 and its components in CLL and NHL, on partial clinical hold in January 2022. Most studies included in the partial clinical hold were already closed to new enrollment or were on had been placed on administrative hold to new enrollment by the Company prior to the time the FDA imposed the partial clinical hold.

Registration Directed Clinical Trial Updates:

In 2021, we continued to advance our late-stage pipeline in hematology and multiple sclerosis. The below are recent updates from our current registration directed clinical trials. Currently clinical trials enrolling CLL or NHL patients to U2 or its components are on partial clinical hold.

Hematology:

- **UNITY-NHL Phase 2b Trial:** UNITY-NHL is a broad, multicenter, open-label, Phase 2b registration-directed clinical trial designed to evaluate the efficacy and safety of UKONIQ monotherapy and UKONIQ plus ublituximab (U2) combinations in patients with previously treated non-Hodgkin's lymphoma (NHL).
    - In December 2021, TG presented data from the UNITY-NHL trial during the American Society of Hematology (ASH) 2021 annual meeting which included updates from the U2 cohort in patients with relapsed or refractory MZL and an update from the U2 plus bendamustine cohort in relapsed or refractory Diffuse Large B-cell Lymphoma (DLBCL).

- **UNITY-CLL Phase 3 Trial Evaluating Umbralisib plus Ublituximab (U2):** UNITY-CLL is a global, multi-center, Phase 3, randomized, controlled clinical trial comparing the U2 combination to an active control arm of obinutuzumab plus chlorambucil in patients with both treatment naive and relapsed or refractory CLL. The primary endpoint for this study is progression free survival (PFS).
    - The UNITY-CLL trial met its primary endpoint, demonstrating that U2 significantly improved PFS over obinutuzumab plus chlorambucil (HR=0.54, $p<0.0001$) as well as ORR ($p<0.001$) in patients with CLL; with consistent PFS improvement across subgroups, including treatment naïve CLL (HR=0.48) and relapsed/refractory CLL (HR=0.60). These data, as well as additional sub-analyses from the UNITY-CLL trial were presented at major medical meetings in 2021.

- **ULTRA-V Phase 2/3 Trial Evaluating U2 plus Venetoclax in CLL:** The ULTRA-V study is being conducted in two parts. The ULTRA-V Phase 2 trial is designed to investigate the efficacy and safety of U2 in combination with venetoclax in subjects with treatment-naïve CLL and relapsed or refractory CLL, while the Phase 3 trial will compare U2 vs U2 plus venetoclax in the same population.
    - The Phase 2 portion completed enrollment of approximately 165 patients in early 2021. The Phase 3 portion commenced at approximately the same time.

Multiple Sclerosis:

- **ULTIMATE I & II Trials Evaluating Single Agent Ublituximab in RMS:** ULTIMATE I and ULTIMATE II are two independent Phase 3 trials. Each trial is a global, randomized, multi-center, double-blinded, double-dummy, active-controlled study comparing the efficacy and safety/tolerability of ublituximab (450mg dose administered by one hour intravenous infusion every 6 months, following a Day 1 infusion of 150mg over four hours, and a Day 15 infusion of 450mg over one hour) to teriflunomide (14mg oral tablets taken once daily) in subjects with relapsing forms of Multiple Sclerosis (RMS).
    - In April 2021, data from the ULTIMATE I & II trials were presented for the first time at the American Academy of Neurology Annual meeting. Both studies met their primary endpoint with ublituximab treatment demonstrating a statistically significant reduction in annualized relapse rate (ARR) over a 96-week period

($p<0.005$ in each trial). Key secondary MRI endpoints were also met. Additional data from these trials has been presented at various other medical meetings.

- On December 14, 2021, we announced that the FDA accepted a BLA for ublituximab as a treatment for patients with RMS. The FDA set a PDUFA goal date of September 28, 2022 and notified the Company that it is not currently planning to hold an advisory committee meeting to discuss this application.

CORPORATE INFORMATION

We were incorporated in Delaware in 1993. Our executive offices are located at 2 Gansevoort Street, 9th Floor, New York, New York 10014. Our telephone number is 1-877-575-TGTX(8489), and our e-mail address is info@tgtxinc.com.

We maintain a website with the address www.tgtherapeutics.com and maintain various social media accounts, including but not limited to Twitter and LinkedIn. We make available free of charge through our corporate website our annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K, as well as any amendments to these reports, as soon as reasonably practicable after we electronically file such material with, or furnish such material to, the SEC. We are not including the information on our website or our social media accounts as a part of, nor incorporating either by reference into, this report. The SEC maintains a website that contains annual, quarterly, and current reports, proxy statements, and other information that issuers (including us) file electronically with the SEC. The SEC's website address is http://www.sec.gov.

In addition, we intend to use our corporate website, SEC filings, press releases, public conference calls and webcasts as well as social media to communicate with our subscribers and the public. It is possible that the information we post on social media could be deemed to be material information. Therefore, in light of the SEC's guidance, we encourage investors, the media and others interested in us to review the information we post on the U.S. social media channels listed on our website.

STRATEGY

As a fully-integrated, commercial stage biopharmaceutical company focused on the acquisition, development and commercialization of novel treatments for B-cell malignancies and autoimmune diseases, our key corporate objectives include:

- Successfully commercializing UKONIQ in the U.S. for relapsed or refractory MZL and FL;
- Obtaining FDA approval for U2 in CLL and SLL, and ublituximab in RMS;
- Preparing for additional commercial launches and scaling commercialization capabilities to ensure, if approved, broad access to patients for the approved indications for umbralisib and ublituximab;
- Developing U2 in NHL as well as in combination with other novel agents for CLL;
- Advancing cosibelimab (TG-1501), TG-1701, and TG-1801 through clinical development and defining potential regulatory paths for these drug candidates either as single agents and in combination with umbralisib, ublituximab, and/or U2;
- Building upon the MS clinical program to develop ublituximab in additional MS indications and other autoimmune diseases;
- Continuing to expand our pipeline with mechanisms of importance to B-cell mediated diseases;
- Evaluating potential strategic collaborations to maximize the value of our programs and B-cell directed platform; and
- Maintaining our "patient first" culture as we grow our business.

Our Approach and Platform

Our approach to drug development is centered on developing solutions for patients rather than developing single therapies for a disease. Our process begins by identifying validated targets against B-cell diseases, and then searching for and, ideally, acquiring what we believe to be "best-in-class" compounds with complementary mechanisms against these targets, with the goal of developing multi-drug proprietary targeted combinations, which can potentially offer new treatment options for patients in need.

Our preference is to identify targets for which there is human clinical proof of concept that the mechanism is active in B-cell diseases and then to identify drug candidates that effectively modulate the desired molecular target. We identify these drug candidates at academic centers of excellence or in development at biotech companies or pharmaceutical companies globally. Our current drug candidates were acquired through license agreements, collaborations, or joint ventures with biopharmaceutical companies located in the US, France, Switzerland, India, and China. This approach enables us to minimize target risk while looking for the best available drug candidates around the world. By focusing on B-cell diseases and targets with a known activity profile, we believe that we can quickly identify the patients

most likely to respond, resulting in a more efficient development path with the potential for a greater likelihood of success. Importantly, since our drug candidates have complementary mechanisms of action, we can rapidly explore combination therapies, which we believe is essential to improving outcomes for patients and may hold the key to potentially identifying cures for patients with B-cell diseases.

Our approach is enabled by our clinical development platform which includes:

- An internal team with a deep understanding of B-cell diseases and significant experience successfully pioneering innovative treatments for these complex diseases; and
- A vast external network of more than 350 community and academic clinical trial sites with significant experience researching B-cell diseases.

B-CELL DISEASES OVERVIEW

The constellation of diseases that arise from abnormally growing or behaving B-cells is substantial. One group of diseases related to abnormal B-cell growth is malignant lymphomas, including NHL and CLL. There are over 80 types of NHL, approximately 40 to 50 of which are due to malignant B-cells. These diseases can include some of the slowest and fastest growing cancers known to medicine. Some of the more common B-cell malignancies include MZL, FL, SLL and CLL.

The other major group of diseases caused by abnormally functioning B-cells is autoimmune disorders. These diseases may result from inappropriate production of antibodies from the B-cells. These antibodies cannot discriminate “self” from “non-self,” and inadvertently mount a disabling immune response against normal organs. Examples of common and very debilitating autoimmune disorders for which abnormally functioning B-cells have been implicated include MS and rheumatoid arthritis (RA).

The Company’s current clinical programs are focused on MZL, FL, CLL and MS.

Marginal Zone Lymphoma Overview

MZL comprises a group of indolent (slow growing) mature B-cell non-Hodgkin lymphomas (NHLs). MZL is generally considered a chronic and incurable disease. MZL is the second most common form of indolent NHL and accounts for approximately 10.6% of all NHL cases. More than 8000 new cases of MZL are expected in the US in 2021, with approximately 6000 patients with R/R MZL on therapy each year. MZL consists of three different subtypes: extranodal MZL of the mucosal-associated lymphoid tissue (MALT), nodal marginal zone lymphoma (NMZL), and splenic marginal zone lymphoma (SMZL).

Follicular Lymphoma Overview

FL is typically an indolent form of NHL that arises from B-lymphocytes. It is the most common form of NHL. FL is generally not curable and is considered a chronic disease, as patients can live for many years with this form of lymphoma. FL accounts for approximately 17.1% of all NHL cases. More than 13,000 new cases of FL are expected in the US in 2021, with ~12,500 patients with relapsed/refractory (R/R) FL on therapy each year.

Chronic Lymphocytic Leukemia Overview

Chronic lymphocytic leukemia (CLL) is the most common type of adult leukemia in the US. It is projected to represent 11% of all newly diagnosed hematological malignancies. About 195,000 Americans are living with CLL, and the prevalence is predicted to rise due to an aging population, high survival rates, and improved outcomes with novel treatments. The incidence of CLL has also increased in the last 20 years and is disproportionately affecting the elderly. It is estimated that there will be 21,250 new cases in 2021.

Multiple Sclerosis Overview

Relapsing multiple sclerosis (RMS) is a chronic demyelinating disease of the central nervous system (CNS) and includes people with relapsing-remitting multiple sclerosis (RRMS) and people with secondary progressive multiple sclerosis (SPMS) who continue to experience relapses. RRMS is the most common form of multiple sclerosis (MS) and is characterized by episodes of new or worsening signs or symptoms (relapses) followed by periods of recovery. MS is the most prevalent chronic inflammatory disease of the CNS. It is estimated that nearly 1 million people are living with MS in the United States and over 2.3 million people world-wide are living with MS.

OUR PRODUCTS UNDER DEVELOPMENT

We have leveraged our B-cell platform to develop a robust drug pipeline of both targeted orally available, potent and selective small molecule kinase inhibitors and intravenously delivered “off-the-shelf” immunotherapies that leverage the patient’s own immune system to fight cancer. We currently license worldwide development and commercial rights, subject to certain limited geographical restrictions, for all of our pre-clinical and clinical programs. The following table summarizes the current clinical trial status for our most advanced drug candidates as of February 2022.

Clinical Drug Candidate: (molecular target)	**Initial Target Disease**	**Stage of Development (trial name)**
U2: Ublituximab (anti-CD20 mAb) and UKONIQ (PI3K-delta and CK1-epsilon inhibitor)	Chronic Lymphocytic Leukemia (CLL) and Relapsed or Refractory Marginal Zone Lymphoma (MZL)	Phase 3 trial (UNITY-CLL) Phase 3 trial (ULTRA-V) Phase 2b trial (UNITY-NHL)
Ublituximab (anti-CD20 mAb)	Relapsing Forms of Multiple Sclerosis (RMS)	Phase 3 trials (ULTIMATE I and II)
Cosibelimab/TG-1501 (anti-PDL1 mAb)	B-cell cancers	Phase 1 trial
TG-1701 (BTK inhibitor)	B-cell cancers	Phase 1 trial
TG-1801 (anti-CD47/CD19 bispecific mAb)	B-cell cancers	Phase 1 trial

Ublituximab Overview

Ublituximab is an investigational glycoengineered monoclonal antibody that targets a unique epitope on CD20-expressing B-cells. When ublituximab binds to the B-cell it triggers a series of immunological reactions including antibody-dependent cellular cytotoxicity (ADCC) and complement dependent cytotoxicity (CDC), leading to destruction of the cell. Additionally, ublituximab is uniquely designed to lack certain sugar molecules normally expressed on the antibody. Removal of these sugar molecules, a process called glycoengineering, has been shown to enhance the potency of ublituximab, especially the ADCC activity.

Targeting CD20 using monoclonal antibodies has proven to be an important therapeutic approach for the management of B-cell malignancies and autoimmune disorders, both diseases driven by the abnormal growth or function of B-cells.

Ublituximab is being evaluated in pivotal and early phase clinical trials for patients with NHL, CLL, and RMS.

Umbralisib - UKONIQ Overview

Umbralisib is an oral inhibitor of PI3K-delta and CK1-epsilon administered once daily. The phosphoinositide-3-kinases (PI3Ks) are a family of enzymes involved in many important cellular functions, including cell proliferation and survival, cell differentiation, intracellular trafficking, and immunity.

There are 4 isoforms of PI3K (alpha, beta, delta, and gamma), of which the delta isoform is highly expressed in hematopoietic cells and malignant lymphoid diseases. The PI3K pathway is among one of the most commonly mutated pathways across all of cancer biology. Umbralisib is highly selective for the delta isoform of PI3K and has limited to no impact on the other PI3K isoforms. Umbralisib also inhibits casein kinase 1 epsilon (CK1-epsilon). CK1-epsilon is a major regulator of oncoprotein translation, which drives growth and survival of lymphoma cells, including c-Myc. A manuscript titled, "Silencing c-Myc Translation as a Therapeutic Strategy through Targeting PI3K Delta and CK1 Epsilon in Hematological Malignancies," was published in the First Edition section of Blood, the Journal of the American Society of Hematology. Importantly, the manuscript for the first time reported on umbralisib’s unique complimentary mechanism of inhibiting the protein kinase casein kinase-1 epsilon (CK1e), which may lead to a differentiated safety profile by supporting T regulatory cells, a part of the immune system necessary to protect against autoimmune mediated toxicities.

In February 2021, we obtained accelerated approval of UKONIQ by the FDA for the treatment of adult patients with relapsed or refractory MZL who have received at least 1 prior anti-CD20-based regimen and adult patients with relapsed or refractory FL who have received at least 3 prior lines of systemic therapy. Both indications were approved based on overall response rate observed in the UNITY-NHL trial. Continued approval for these indications may be contingent upon verification and description of clinical benefit in a confirmatory trial. Shortly after receiving approval, we initiated our commercial launch of UKONIQ in the United States. We have staffed, trained and prepared a commercialization team comprising a field force of sales representatives and medical affairs professionals with deep experience in hematology.

Current Phase 3 or Registration-Directed Clinical Trials for Ublituximab and Umbralisib:

The below are the current Phase 3 trials and registration-directed clinical trials of umbralisib and ublituximab. Select CLL and NHL trials are currently on partial clinical hold. (See discussion of UNITY-CLL below for more information on the partial clinical hold).

UNITY-NHL Phase 2b Trial: UNITY-NHL is a broad, multicenter, open-label, Phase 2b registration-directed clinical trial designed to evaluate the efficacy and safety of umbralisib monotherapy and U2 combinations in patients with previously treated NHL.

- **UNITY-NHL MZL Single Agent Umbralisib Cohort:** The MZL cohort enrolled adult patients who had at least one prior line of therapy that included an anti-CD20 monoclonal antibody. This cohort was designed to evaluate the safety and efficacy of single agent umbralisib and the primary endpoint was ORR as determined by Independent Review Committee (IRC) assessment. Secondary endpoints included safety, duration of response, and progression-free survival (PFS).

  In April 2019, the FDA granted orphan drug designation to umbralisib for the treatment of patients with any of the three types of marginal zone lymphoma (MZL): nodal, extranodal, and splenic MZL.

  In March 2021, results from the UNITY-NHL Phase 2b trial were published in the Journal of Clinical Oncology The results from the MZL single agent cohort supported the FDA approval of UKONIQ in this indication.

- **UNITY-NHL FL/SLL Single Agent Umbralisib Cohort**: The FL/SLL cohort enrolled adult patients who had two or more prior lines of therapy that included an anti-CD20 monoclonal antibody and an alkylating agent. In October 2019, we announced that the FL patients within this cohort met the primary endpoint of ORR as determined by Independent Review Committee (IRC) for all treated follicular lymphoma patients (n=118). In March 2020, the FDA granted orphan drug designation to umbralisib, for the treatment of patients with FL. As noted above, in March 2021, results from the UNITY-NHL Phase 2b trial were published in the Journal of Clinical Oncology. The results from the FL single agent cohort supported the FDA approval of UKONIQ in this indication.

- **UNITY-NHL Additional Cohorts**: There are additional exploratory cohorts of the UNITY-NHL trial.

  - At ASH 2021, we presented data from a cohort of relapsed or refractory (R/R) MZL patients who were treated with the U2 combination. A total of 72 R/R MZL patients were enrolled. Patients had a median of 2 prior lines of therapy (range 1 - 9), with 25% refractory to their immediate prior therapy. Overall Response Rate (ORR) by independent review committee (IRC) was 70%, with 21% complete response (CR) rate (n=71). Median duration of response (DOR) was not reached at a median follow up of 20 months. Grade 3/4 AEs of clinical interest included diarrhea (13%), neutropenia (18%), ALT/AST increased (15%) and non-infectious colitis (2.8%).

  - At ASH 2021, we also presented data from a cohort of R/R diffuse large B-cell lymphoma (DLBCL). A total of 226 patients were treated within this cohort, 30 patients received umbralisib monotherapy, 66 patients received U2, and 130 patients received U2 plus bendamustine. IRC assessed response rates included: 43% ORR and 17% CR for U2 plus bendamustine triple combination (n=130); 32% ORR and 11% CR for U2 double combination (n=66); 13% ORR and 3% CR for umbralisib monotherapy (n=30). IRC assessed median duration of response (DOR) was 3 months for umbralisib monotherapy, 28 months for U2 combination, and 8 months for U2 plus bendamustine. Both U2 and U2 + bendamustine demonstrated a manageable safety profile. Grade 3/4 AEs of special interest occurring in the U2 group (n=66) included ALT/AST increased (12%), non-infectious colitis (2%), diarrhea (2%), neutropenia (11%) and pneumonitis (2%). Grade 3/4

AEs of special interest occurring in the U2 plus bendamustine group (n=130) included ALT/AST increased (5%), non-infectious colitis (2%), diarrhea (7%), neutropenia (27%), pneumonitis (1%) and rash (2%).

UNITY-CLL Phase 3 Trial Evaluating Umbralisib plus Ublituximab (U2): UNITY-CLL is a global Phase 3 randomized controlled clinical trial that includes two key objectives: first, to demonstrate contribution of each agent in the ublituximab plus umbralisib regimen (the combination sometimes referred to as "U2"), and second, to demonstrate superiority in PFS over the standard of care to support the submission for full approval of the combination. The study randomized patients into four treatment arms: ublituximab plus umbralisib, ublituximab alone, umbralisib alone, and an active control arm of obinutuzumab plus chlorambucil. The primary endpoint for this study is progression free survival (PFS). The UNITY-CLL trial is being led by John Gribben, MD, professor of Medical Oncology, Barts Cancer Institute, United Kingdom. The study completed enrollment in October 2017 with over 600 patients across the four treatment arms, with approximately 420 patients in the U2 arm and the active control arm combined.

In September 2015, we reached an agreement with the FDA regarding a SPA on the design, endpoints, and statistical analysis approach of the UNITY-CLL Phase 3 trial. The SPA provides agreement that the Phase 3 trial design adequately addresses objectives that, if met, would support the regulatory submission for drug approval of both ublituximab and umbralisib in combination.

In May 2017, a pre-specified interim analysis was conducted to assess contribution of each single agent in the ublituximab plus umbralisib combination regimen, which allowed for the early termination of both single agent arms. A second interim analysis was planned to evaluate ORR to support accelerated approval when all patients in the U2 arm and the active control arm had at least 6 months of follow-up. In September 2018, we announced that the independent Data Safety Monitoring Board (DSMB) reviewed ongoing data from the trial and advised us that the second interim analysis of ORR could not be conducted at that time as the data were not sufficiently mature to conduct the analysis. Given the uncertainty surrounding the timing and outcome of the ORR analysis, as well as the significant regulatory hurdles associated with accelerated approval in CLL, we decided to continue to conduct the trial under the SPA and seek full approval for U2 in patients with CLL based on the PFS endpoint, if positive.

In May 2020, we announced the UNITY-CLL trial met the primary endpoint of improved PFS ($p<.0001$), and the trial would be stopped early for superior efficacy observed at the interim analysis.

In October 2020, we announced the FDA granted Fast Track designation to the combination of ublituximab and umbralisib for the treatment of adult patients with CLL. The FDA previously granted Orphan Drug Designation (ODD) covering ublituximab in combination with umbralisib for the treatment of CLL.

On December 7, 2020, we presented safety and efficacy results from the UNITY- CLL trial at the ASH annual meeting, demonstrating that U2 significantly improved PFS over obinutuzumab plus chlorambucil (HR=0.54, $p<0.0001$) as well as ORR ($p<0.001$) in patients with CLL; with consistent PFS improvement across treatment naïve CLL (HR=0.48) and relapsed/refractory CLL (HR=0.60). Grade 3/4 Adverse Events (AEs) of clinical interest (U2 vs O+Chl) included elevated ALT (8.3% vs 1.0%), elevated AST (5.3% vs 2.0%), non-infectious colitis (1.9% vs 0%), infectious colitis (0.5% vs 0.5%), pneumonitis (0.5% vs 0%), rash (2.4% vs 0.5%), and opportunistic infections (5.8% vs. 1.5%).

Based on data from the UNITY-CLL Phase 3 trial, submissions of a Biologics License Application (BLA) and a supplemental New Drug Application (sNDA) were made for ublituximab, in combination with UKONIQ, as a treatment for patients with CLL and small lymphocytic lymphoma (SLL). The BLA and sNDA have been accepted by the FDA and a Prescription Drug User Fee Act (PDUFA) goal date of March 25, 2022 was set for both applications.

On November 30, 2021, we announced the FDA notified the Company that it plans to host a meeting of the Oncologic Drugs Advisory Committee (ODAC) in connection with its review of the pending BLA/sNDA. The FDA's concern giving rise to the ODAC meeting appears to stem from an early preliminary analysis of overall survival (OS) from the UNITY-CLL trial which showed an imbalance in favor of the control arm (HR: 1.23), though the result was not statistically significant. However, when excluding deaths related to COVID-19, the two arms were approximately balanced (HR: 1.04) with again no statistically significant difference between the treatment groups with regard to overall survival. Further, we shared that the FDA notified us that potential questions and discussion topics for the ODAC include: the benefit-risk of the U2 combination in the treatment of CLL or SLL, and the benefit-risk of UKONIQ in relapsed/refractory marginal zone lymphoma (MZL) or follicular lymphoma (FL). In addition, as part of the benefit-risk analysis, the FDA has raised concerns regarding the overall safety profile of the U2 regimen, including adverse events (serious and Grade 3-4), discontinuations due to adverse

events, and dose modifications, all of which are expected to be reviewed as part of the ODAC. The date of the ODAC meeting has not yet been determined, although the FDA has stated that it is targeting holding the ODAC meeting in March or April 2022. Given this timing, we believe it is unlikely that the FDA will make a decision on the BLA/sNDA by the PDUFA goal date of March 25, 2022.

On January 27, 2022, we shared that we were nearing completion of a submission to the FDA of updated OS analyses from the UNITY-CLL Phase 3 trial that showed an improvement from the preliminary data originally shared with the FDA in November 2021. The original preliminary OS Hazard Ratio (HR) and the updated information were as of the same data cutoff of September 2021. On January 27, 2022, we also shared that the FDA imposed a partial clinical hold on select studies of U2 and its components for CLL and NHL. As a result of the partial clinical hold, no new patients may be enrolled to the select CLL/NHL studies identified by the FDA, however patients on these studies who are deriving clinical benefit can continue on therapy. The partial clinical hold appears to be based on the same concerns that gave rise to the previously disclosed ODAC meeting and not based on any new information provided by the Company to the FDA. Most studies included in the partial clinical hold were previously closed to new enrollment or were on Company administrative hold to new enrollment.

On February 3, 2022, the FDA released a Drug Safety Communication in which it announced that it is investigating a possible increased risk of death with UKONIQ based on the same concerns that gave rise to the previously disclosed ODAC meeting and not based on any new information provided by the Company to the FDA. In the Drug Safety Communication, the FDA stated that it is re-evaluating the benefit-risk profile of UKONIQ for its approved indications. The FDA encouraged healthcare providers to review patients' progress on UKONIQ and discuss with them the risks and benefits of continuing UKONIQ in the context of other available treatments. The communication also encouraged patients to speak with their healthcare providers about the risks and benefits of UKONIQ and possible alternative treatments.

ULTRA-V Phase 2/3 Trial Evaluating U2 plus Venetoclax in CLL: The ULTRA-V trial is open-label, multicenter, registration-directed clinical trial designed to investigate the efficacy and safety of U2 combined with venetoclax in subjects with treatment naïve and relapsed or refractory CLL. The study is being conducted in two parts. The initial Phase 2 portion completed enrollment of approximately 165 patients in 1Q 2021. The Phase 3 portion commenced at approximately the same time. The ULTRA-V trial is being led Dr. Richard R. Furman, Morton Coleman, MD Distinguished Professor of Medicine Weill Cornell Medical College.

The ULTRA-V Phase 2 portion of the trial is an open-label, multi-center, clinical trial, evaluating the efficacy and safety of U2 combined with venetoclax in patients with treatment naïve and relapsed or refractory CLL. The primary endpoints for this study are ORR and Complete Response (CR) rate.

The ULTRA-V Phase 3 portion of the trial is an open-label, multi-center, randomized, controlled clinical trial comparing the time-limited triple combination of U2 plus venetoclax to an active control arm of continuous U2. The Phase 3 trial includes two independent randomized cohorts of CLL subjects: a treatment-naïve cohort and a previously treated cohort, with each cohort being enrolled and evaluated independently of each other. The primary endpoint for the trial is PFS.

GENUINE Phase 3 Trial Evaluating Ublituximab plus Ibrutinib: GENUINE is a randomized controlled clinical trial evaluating patients with previously treated CLL with specific high-risk cytogenetic abnormalities. Patients in this trial were randomized to receive either ublituximab plus ibrutinib or ibrutinib alone. In February 2021, final results from this trial were published in The Lancet Haematology, in a manuscript titled, "A Phase 3, Randomized Trial of Ublituximab Plus Ibrutinib for Patients With Relapsed/Refractory High-Risk Chronic Lymphocytic Leukemia".

ULTIMATE I & II Trials Evaluating Single Agent Ublituximab in RMS: ULTIMATE I and ULTIMATE II are two independent Phase 3 trials. Each trial is a global, randomized, multi-center, double-blinded, double-dummy, active-controlled study evaluating the efficacy and safety/tolerability of ublituximab (450mg dose administered by one hour intravenous infusion every six months, following a Day 1 infusion of 150mg over four hours, and a Day 15 infusion of 450mg over one hour) to teriflunomide (14mg oral tablets taken once daily) in subjects with RMS. The primary endpoint for each study is ARR following 96 weeks of treatment. This program is being led by Lawrence Steinman, MD, George A. Zimmermann Professor and Professor of Pediatrics, Neurology and Neurological Sciences at Stanford University.

In August 2017, we reached an agreement with the FDA regarding a SPA on the design of the ULTIMATE I and ULTIMATE II trials, for the treatment of RMS. The SPA provides agreement that the two Phase 3 trial designs adequately address objectives that, if met, would support the regulatory submission for approval of ublituximab in RMS.

In August 2018, we announced that target enrollment into the ULTIMATE I and II trials had been achieved, and that enrollment would continue into September 2018 to allow identified patients to participate in the study. At completion of full enrollment in October of 2018, approximately 1,100 subjects were enrolled in both studies combined.

In October 2019, at the 35th Congress of ECTRIMS, we presented the ULTIMATE I & II Phase 3 program trial design and demographic data. The presentation concluded that patient baseline characteristics were consistent with a typical RMS population.

In December 2020, we announced positive topline results from the ULTIMATE I & II trials. Both studies met their primary endpoint of significantly reducing ARR over a 96-week period ($p<0.005$ in each study) with ublituximab demonstrating an ARR of <0.10 in each of the studies. Relative reductions of approximately 60% and 50% in ARR over teriflunomide were observed in ULTIMATE I & II, respectively. Key secondary MRI endpoints were also met.

In April 2021, data from the ULTIMATE I & II trials were presented for the first time at the American Academy of Neurology Annual meeting. Additional data from these trials has been presented at various other medical meetings.

On December 14, 2021, we announced that the FDA accepted a BLA for ublituximab as a treatment for patients with RMS. The FDA set a PDUFA goal date of September 28, 2022 and notified the Company that it is not currently planning to hold an advisory committee meeting to discuss this application.

Current Early-Stage Clinical Development of Ublituximab and Umbralisib

- **Phase 1/2 Study of Umbralisib, Ublituximab and Venetoclax in patients with relapsed or refractory CLL –** In September 2021, we presented data from patients with relapsed/refractory CLL treated with the triple therapy combination of ublituximab, umbralisib and venetoclax during the XIX International Workshop on Chronic Lymphocytic Leukemia (iwCLL). The regimen was administered with 3 cycles of U2 as induction in cycles 1 through 3, U2 plus venetoclax in cycles 4, 5 and 6, followed by umbralisib plus venetoclax in cycles 7 through 12 in patients with relapsed or refractory (R/R) CLL. Patients with centrally confirmed undetectable minimal residual disease (uMRD) in the bone marrow after cycle 12 were permitted to stop all therapy, while MRD detectable patients continued on single agent umbralisib. 47 patients have now been treated as of the data cutoff with 57% of patients previously exposed to a BTK inhibitor. Best Overall Response Rate (ORR) was 100% amongst evaluable patients (n=46), including 37% complete response (CR) rate. At cycle 12, 91% of patients (n=34) achieved undetectable minimal residual disease (uMRD) in the peripheral blood (PB), and 72% of patients (n=32) achieved uMRD in the bone marrow (BM). At a median follow up of 24.5 months, median progression-free survival has not been reached. Grade 3/4 adverse events (AEs) occurring in >5% of patients were neutropenia (28%), leukopenia (15%), lymphocytopenia (15%), infusion related reactions (9%), diarrhea (9%), and anemia (6%). No TLS events were observed during venetoclax administration.

- **Phase 1 Study of TG-1701, a Once-Daily BTK inhibitor, as a Single Agent and in Triple Combination with Umbralisib and Ublituximab in patients with relapsed or refractory NHL and CLL –** In December 2021, we presented data from patients with relapsed/refractory NHL and CLL treated with TG-1701 monotherapy and the triple therapy combination of TG-1701, umbralisib and ublituximab during the ASH annual meeting and exposition. A total of 135 patients with R/R CLL or B-cell lymphoma were included in this presentation, with patients receiving 200 mg of TG-1701 in a dose-expansion cohort (n=61), 300 mg of TG-1701 in a CLL dose-expansion cohort (n=20), TG-1701 in combination with U2 in a dose escalation cohort (TG-1701 doses ranging from 100 – 300 mg once daily and umbralisib at either 600 mg or 800mg) (n=21), and a triple combination expansion cohort of 100mg of TG-1701 plus U2 (400 mg of umbralisib) (n=33). Overall Response Rate (ORR) and Complete Response (CR) outcomes included: 100% ORR observed in the CLL 300 mg QD TG-1701 monotherapy expansion cohort at a median follow up of 13.8 months (n=19); 95% ORR observed in the CLL 200 mg QD TG-1701 monotherapy expansion cohort at a median follow up of 20 months (n=20); 86% ORR, including 19% CR rate, observed in the 1701+U2 dose escalation cohort (using doses of 100 mg to 300 mg QD of TG-1701) at a median follow up of 20.2 months (n=21); 83% ORR, including 6% CR rate, observed in the 1701+U2 dose expansion cohort (using 100 mg QD of TG-1701 and 400 mg QD of umbralisib) at a median follow up of 2.7 months (n=18). Grade 3/4 AEs occurring in patients treated with 200 mg QD of TG-1701 (n=61) and 300 mg QD of TG-1701 (n=20), respectively, included neutropenia (8%, 20%), ALT increased (3%, 5%), AST increased (2%, 5%) and anemia (5%, 0%). Grade 3/4 AEs

occurring in patients treated with the triple combination in the U2 plus TG-1701 expansion cohort (100 mg QD TG-1701 plus 400 mg QD of umbralisib; n=19) and U2 plus TG-1701 escalation cohort (100 mg to 300 mg QD; n=21), respectively, included neutropenia (16%, 19%), ALT increased (5%, 19%), and AST increased (5%, 14%). At the time of data cut-off, no patients had discontinued treatment due to a treatment-related adverse event across all cohorts.

- **Phase 2 Study Evaluating the Addition of Ublituximab and Umbralisib (U2) to Ibrutinib in Patients with Chronic Lymphocytic Leukemia (CLL): A Minimal Residual Disease (MRD)-Driven, Time-Limited Approach-Limited Approach –** In December 2021 at the ASH annual meeting we presented data from this trial which utilized an "add-on" approach, where the combination of umbralisib and ublituximab (U2) was added to therapy in patients who were on ibrutinib for greater than 6 months and had detectable minimum residual disease (MRD). Patients who achieve undetectable MRD (uMRD) or those who completed 24 cycles of therapy with detectable MRD stop all therapy and enter a period of treatment-free observation (TFO). Patients with clinical progression during TFO are eligible for re-treatment with the U2 + ibrutinib combination. 28 patients with chronic lymphocytic leukemia (CLL) were enrolled, with 27 evaluable for efficacy. Patients were on ibrutinib for a median of 21 months (range 7-67) prior to study entry. 77% of evaluable patients achieved uMRD, with a median time to first uMRD of 7.4 months. Grade 3/4 AEs included diarrhea (4%), hypertension (7%), ALT/AST increased (4%) and COVID-19 (4%).

- **Phase I/II Study of Umbralisib (TGR-1202), Ublituximab (TG-1101), and Pembrolizumab in Patients with Relapsed or Refractory Chronic Lymphocytic Leukemia and Richter's Transformation: 5-Year Follow-up –** In September 2021 we presented data from this trial at the XIX iwCLL conference. A total of 20 patients with R/R CLL or Richter's Transformation (RT) were treated with the triple combination of ublituximab, umbralisib, and pembrolizumab. Patients with CLL received 2 cycles of the U2 regimen before pembrolizumab was added for an additional 4 cycles, followed by umbralisib maintenance. Patients with RT received U2 + pembrolizumab for the first 4 cycles, followed by U2 maintenance. Twenty patients were evaluable for safety (11 CLL patients and 9 RT patients) and 19 were evaluable for efficacy (11 CLL and 8 RT). The triple combination was well tolerated, with immune mediated toxicities not appearing above what would be expected with either umbralisib or pembrolizumab alone. Grade 3/4 AEs occurring in >20% of patients (n=20) include, neutropenia (45%), thrombocytopenia (15%), ALT increase (15%), leukopenia (10%), nausea (5%), fatigue (5%), and anemia (5%). In this heavily pre-treated cohort with a median of 2 (1-9) prior lines of therapy: 91% ORR in patients with R/R CLL (n=11); 83% ORR in BTK refractory CLL patients (n=6), with 4 of 5 responders achieving a response to U2 alone at the patient's first efficacy assessment, prior to the addition of pembrolizumab; % ORR in patients with RT (n=8), including 25% CR.

Early Pipeline Overview and Clinical Development

TG-1501 (Cosibelimab) Overview

Cosibelimab (also referred to as TG-1501) is a fully human monoclonal antibody of IgG1 subtype that binds to Programmed Death-Ligand 1 (PD-L1) and blocks its interactions with PD-1 and B7.1 receptors. Cancer cells elude anti-tumor immunity through multiple mechanisms, including upregulated expression of ligands for inhibitory immune checkpoint receptors. Signals from PD-L1 on tumor cells and in the tumor microenvironment help those tumors avoid immune attack and elimination by preventing activation of tumor specific effector T-cells. Anti-PD-L1 antibodies are designed to block that signal, permitting effector T-cells to attack the cancer. Clinical studies have shown that blockade of the PD-1/PD-L1 pathway by monoclonal antibodies can enhance the immune response and result in anti-tumor activity.

Preclinically, it has been shown that the effects of anti-PD-L1 intervention can be enhanced by utilizing other mechanisms targeting the tumor microenvironment. Combining immunotherapies like anti-PD-L1, which counters the tumor's immune-evading defense system with other anti-cancer agents such as ublituximab or umbralisib, may better engage the body's own immune system to help fight cancer.

A comprehensive array of in vitro biochemical and cellular assays was established to characterize the binding and the functional activities of cosibelimab. The in vitro data demonstrated that the affinity, PD-L1 binding capability, relative ability to inhibit PD-1/PDL-1 interactions, and functional activity of cosibelimab in cellular assays are comparable to those of atezolizumab, durvalumab and avelumab - the currently approved products sharing the same mechanism of action.

Cosibelimab is currently being evaluated in ongoing studies of patients with select solid tumors, by our licensor.

In December 2018, the FDA approved an IND for cosibelimab and a Phase 1 study in subjects with select subtypes of lymphoma commenced in 2019, as did a study of cosibelimab in combination with ublituximab and/or umbralisib. Based on our rapidly evolving understanding of the pathobiology of lymphoma subtypes, we envision further combinations with other immunotherapies in the future.

TG-1701 (BTK inhibitor) Overview

TG-1701 is a novel, orally available and covalently-bound Bruton's tyrosine kinase (BTK) inhibitor that exhibits superior selectivity to BTK compared to ibrutinib in *in vitro* kinase screening.

B-cell receptor (BCR) signaling is crucial for normal B-cell development and supports the survival and growth of malignant B-cells in patients with B-cell leukemias or lymphomas. Targeting BTK, an essential element of BCR signaling pathway which regulates the survival, activation, proliferation, and differentiation of B lymphocytes, has shown remarkable efficacy with an acceptable safety profile in B-cell malignancies.

In June 2018, pre-clinical data for TG-1701 demonstrating favorable pharmacologic properties was presented at the 23rd Congress of the European Hematology Association (EHA) in Stockholm, Sweden. *In vitro* pharmacology studies have revealed that TG-1701 inhibited BTK with greater than 10-fold selectivity as measured by IC50 on the kinase activities of EGFR, ITK, TXK, JAK3, HER2 and HER4. *In vivo* pharmacology studies showed that TG-1701 significantly inhibited the growth of xenograft lymphoid tumors including OCI-LY-10 and DOHH-2 in nude mice.

We are currently evaluating TG-1701 in a Phase 1, multi-center, dose-escalation clinical trial in patients with B-cell malignancies. This trial is designed to evaluate the safety and tolerability of TG-1701 alone and in combination with U2 in adults with B-cell malignancies and determine the recommended Phase 2 dose. Key secondary objectives include evaluation of pharmacokinetics (PK), pharmacodynamics, and preliminary anticancer activity. Data from this trial was most recently presented at ASH 2021 (described above).

TG-1801 (anti-CD47/anti-CD19 bispecific monoclonal antibody) Overview

TG-1801 is a first-in-class, bispecific CD47 and CD19 antibody. It is the first therapy to target both CD19, a B-cell specific market widely expressed across B-cell malignancies, and CD47, the "don't eat me" signal used by both healthy and tumor cells to evade macrophage mediated phagocytosis. CD47 is expressed ubiquitously on normal cells, including red blood cells and platelets. CD19 is a specific B-cell marker, expressed early during pre-B cell ontogeny and until terminal differentiation into early plasma cells. The majority of B-cell lineage malignancies (more than 90%) express CD19, including NHL, CLL and acute lymphoblastic leukemia (ALL). Tumor B-cells that have lost the expression of CD20 after anti-CD20 mAb therapy, have been found to maintain the expression of CD19, making CD19 an attractive target in the treatment of B cell malignancies. By co-targeting both CD47 and CD19, TG-1801 has the potential to overcome the limitations of existing CD47 targeted therapies by avoiding the side effects caused by indiscriminate blockade of CD47 on healthy cells. In addition to potentially enhancing tolerability, the co-targeting of CD19 by TG-1801 may provide a secondary mechanism of direct anti-tumor activity through the engagement of effector cells and induction of ADCC.

TG-1801 binds to human CD19 with significantly higher affinity than towards CD47. This difference between its affinity to CD19 and CD47 allows TG-1801 to bind and selectively block CD47 on $CD19^{+}$ B-cells but not on $CD19^{-}$ red blood cells or platelets in human peripheral blood.

In *in vitro* assays, TG-1801 induces antibody-dependent cellular phagocytosis (ADCP) and ADCC of malignant tumor B-cell lines and primary tumor B-cells from patients with B-cell acute lymphoblastic leukemia (B-ALL), B-cell chronic lymphocytic leukemia (B-CLL) and numerous subtypes of NHL.

In *in vivo* mouse tumor models, treatment with TG-1801 inhibited tumor growth in Raji cell subcutaneous xenograft model, NALM-6 cell disseminated tumor model, and patient-derived xenograft models, including primary tumor cells from patients with diffuse large B-cell lymphoma (DLBCL) and B-ALL. In addition, the combination of rituximab and TG-1801 demonstrated enhanced activity over TG-1801 monotherapy.

In summary, TG-1801 demonstrates anti-tumor activity in both *in vitro* assays (ADCP and ADCC) and *in vivo* animal tumor models.

In the first quarter of 2019, we commenced a Phase 1 first-in-human, dose-escalation study of TG-1801. This study is evaluating escalating doses of TG-1801 in patients with B-Cell lymphoma. The primary objective of the study is to determine the recommended Phase

2 dose and to characterize the safety profile of TG-1801. Key secondary objectives are to evaluate the pharmacokinetics of TG-1801 and its preliminary anticancer activity

In the first half of 2021, we commenced a second Phase 1 study of TG-1801 in the US to continue dose optimization as monotherapy and in combination with ublituximab. Enrollment in this study is ongoing.

INTELLECTUAL PROPERTY AND PATENTS

General

Our goal is to obtain, maintain and enforce patent protection for our products, formulations, processes, methods and other proprietary technologies, preserve our trade secrets, and operate without infringing on the proprietary rights of other parties, both in the United States and in other countries. Our policy is to actively seek to obtain, where appropriate, the broadest intellectual property protection possible for our product candidates, proprietary information and proprietary technology through a combination of contractual arrangements and patents, both in the U.S. and elsewhere in the world.

We also depend upon the skills, knowledge and experience of our scientific and technical personnel, as well as that of our advisors, consultants and other contractors. This knowledge, trade secrets, proprietary information and experience we call “know-how.” To help protect our proprietary know-how, which is not patentable, and for inventions for which patents may be difficult to enforce, we rely on trade secret protection and confidentiality agreements to protect our interests. To this end, we seek to protect our proprietary technology and processes, in part, by entering into confidentiality agreements with our collaborators, scientific advisors, employees and consultants, and invention assignment agreements with our employees and consultants. There can be no assurance, however, that we can prevent unauthorized disclosure or use of our trade secrets, know-how and proprietary information despite the existence of confidentiality agreements.

Patents and other proprietary rights are crucial to the development of our business. We will be able to protect our proprietary technologies from unauthorized use by third parties only to the extent that our proprietary rights are covered by valid and enforceable patents, supported by regulatory exclusivity or are effectively maintained as trade secrets. We have a number of patents and patent applications related to our compounds and other technology, but we cannot guarantee the scope of protection of the issued patents, or that such patents will survive a validity or enforceability challenge, or that any of the pending patent applications will issue as patents.

Generally, patent applications in the U.S. are maintained in secrecy for a period of 18 months or more. Since publication of discoveries in the scientific or patent literature often lags behind actual discoveries, we are not certain that we were the first to make the inventions covered by each of our pending patent applications or that we were the first to file those patent applications. The patent positions of biotechnology and pharmaceutical companies are highly uncertain and involve complex legal and factual questions. Therefore, we cannot predict the breadth of claims allowed in biotechnology and pharmaceutical patents, or their enforceability. To date, there has been no consistent policy regarding the breadth of claims allowed in biotechnology patents. Third parties or competitors may challenge or circumvent our patents or patent applications, if issued. If our competitors prepare and file patent applications in the U.S. that claim technology also claimed by us, we may have to participate in interference proceedings declared by the U.S. Patent and Trademark Office to determine priority of invention, which could result in substantial cost, even if the eventual outcome is favorable to us. Because of the extensive time required for development, testing and regulatory review of a potential product, it is possible that before we commercialize any of our products, any related patent may expire or remain in existence for only a short period following commercialization, thus reducing any advantage of the patent. However, the life of a patent covering a product that has been subject to regulatory approval may have the ability to be extended through the patent restoration program, although any such extension could still be minimal. If a patent is issued to a third party containing one or more preclusive or conflicting claims, and those claims are ultimately determined to be valid and enforceable, we may be required to obtain a license under such patent or to develop or obtain alternative technology. In the event of litigation involving a third-party claim, an adverse outcome in the litigation could subject us to significant liabilities to such third party, require us to seek a license for the disputed rights from such third party, and/or require us to cease use of the technology. Further, our breach of an existing license or failure to obtain a license to technology required to commercialize our products may seriously harm our business. We also may need to commence litigation to enforce any patents issued to us or to determine the scope and validity of third-party proprietary rights. Litigation would involve substantial costs.

We, or those companies from which we have licensed our drug candidates, file patent applications directed to our drug candidates in an effort to establish intellectual property positions regarding these new chemical entities as well as uses of these new chemical entities in the treatment of diseases. We also file patent applications directed to novel combinations of our drugs together and with drugs developed by others. The intellectual property portfolios for our most advanced drug candidates as of February 2022 are summarized below. Each of these portfolios contains one or more pending patent applications covering our products and product candidates and uses and combinations thereof. For those patents, prosecution is in progress. Prosecution is a lengthy process, during which the scope of the claims initially submitted for examination by the USPTO is often significantly narrowed by the time they issue, if they issue at all. This may be the case with respect to our pending patent applications referred to below.

UKONIQ (umbralisib)

Pursuant to our license for UKONIQ with Rhizen, we have the exclusive commercial rights to a series of patents and patent applications in the U.S. and multiple countries around the world. The patent applications include composition of matter patents relating to the structure, mechanism of action, and formulation for UKONIQ as well as method of use patents which cover use of UKONIQ in combination with various agents and for various therapeutic indications.

The composition of matter patent for UKONIQ has been issued in the U.S., Europe, and other jurisdictions, including Canada, China, Korea, Japan, and Australia. The expected expiration of the composition of matter patent is 2033, exclusive of patent term extensions, which could result in later expiration dates. Applications are pending in other jurisdictions. We also have a method of use patent on the combination of UKONIQ and ublituximab, which has been issued in the U.S., Europe, and other jurisdictions, including Australia, China, Korea, and Japan, and is pending in other territories. The expected expiration of the method of use patent for the combination of UKONIQ and ublituximab is 2033.

Ublituximab

Pursuant to our license for ublituximab with LFB Biotechnologies, GTC Biotherapeutics, and LFB/GTC LLC, we have the exclusive commercial rights to a series of patents and patent applications in the U.S. and in multiple countries around the world, as well as a non-exclusive license to additional background patent rights. These patents and patent applications include composition of matter patents relating to the structure and mechanism of action for ublituximab, as well as method of use patents which cover use of ublituximab in combination with various agents and for various therapeutic indications.

The composition of matter patent for ublituximab has been issued in the U.S., Europe and other jurisdictions, including Australia, Canada, China, Japan, Korea, and India. The expected expiration for the composition of matter patent is 2029 in the U.S. and 2025 in Europe and other non-US jurisdictions, exclusive of patent term extensions, which could result in later expiration dates. We also have a method of use patent on the combination of UKONIQ and ublituximab, which has been issued in the U.S., Europe, and other jurisdictions, including Australia, China, Korea, and Japan, and is pending in other territories. The expected expiration of the method of use patent for the combination of UKONIQ and ublituximab is 2033.

Cosibelimab (anti-PD-L1 monoclonal antibody)

Pursuant to our global collaboration with Checkpoint Therapeutics, we have the exclusive commercial rights in the treatment of hematological cancers and autoimmune diseases to a series of patents and patent applications. Patents to the anti-PD-L1 antibody and methods of use have issued in the U.S., Australia, Japan, Israel, Korea, and Mexico, and are pending in other jurisdictions. Any patents maturing from these pending applications are expected to expire no sooner than October 2033. A patent directed to the composition of matter of cosibelimab has issued in the United States and is expected to expire in 2037, exclusive of patent term extensions, which could result in later expiration dates. Applications are pending in many other jurisdictions.

TG-1701 (BTK inhibitor)

Pursuant to our license agreement with Jiangsu Hengrui, we have the exclusive commercial rights in the treatment of hematologic cancers to a patent family which covers the composition of matter and proposed methods of use for various therapeutic indications in the U.S. and certain other countries. Patents directed to the compound have granted in the U.S., Europe, and other jurisdictions, including Australia, Canada, Japan, China, and Korea and are expected to expire no sooner than October 2034. Applications are pending in other jurisdictions.

TG-1801 (anti-CD47/anti-CD19 bispecific antibody)

Pursuant to our joint venture and license option agreement with Novimmune, we maintain an exclusive option, exercisable at specific times during development, to license the commercial rights to a series of global patent applications and patents, and the non-exclusive right to certain technology patent applications. Patents directed to a bispecific antibody have issued in Australia, China, Europe, Japan, and Russia and are pending in other jurisdictions including the U.S. Any patents maturing from these pending applications are expected to expire no sooner than December 2033.

Limitations on Patent Rights and Trade Secrets

The patent rights that we own or have licensed relating to our product candidates are limited in ways that may affect our ability to exclude third parties from competing against us if we obtain regulatory approval to market these product candidates. See *"Item 1A – Risk Factors -- Risks Related to the Company's Intellectual Property."* In addition, the limited patent protection may adversely affect the value of our products or product candidates and may inhibit our ability to obtain a corporate partner at terms acceptable to us, if at all.

Proof of direct infringement by a competitor for method of use patents can prove difficult because the competitors making and marketing a product typically do not engage in the patented use. Additionally, proof that a competitor contributes to or induces infringement of a patented method of use by another can also prove difficult because an off-label use of a product could prohibit a finding of contributory infringement, and inducement of infringement requires proof of intent by the competitor.

Moreover, physicians may prescribe such a competitive identical product for indications other than the one for which the product has been approved, or off-label indications, that are covered by the applicable patents. Although such off-label prescriptions may directly infringe or contribute to or induce infringement of method of use patents, such infringement is difficult to prevent or prosecute.

Orphan Drug Designation

In addition to patent protection, we may utilize orphan drug regulations or other provisions of the Food, Drug and Cosmetic Act of 1938, as amended, or FDCA, to provide market exclusivity for certain of our drug candidates. Orphan drug regulations provide incentives to pharmaceutical and biotechnology companies to develop and manufacture drugs for the treatment of rare diseases, currently defined as diseases that exist in fewer than 200,000 individuals in the U.S., or, diseases that affect more than 200,000 individuals in the U.S. but that the sponsor does not realistically anticipate will generate a net profit. Under these provisions, a manufacturer of a designated orphan-drug can seek tax benefits, and the holder of the first FDA approval of a designated orphan product will be granted a seven-year period of marketing exclusivity for such FDA-approved orphan product.

Pursuant to these regulations, ublituximab received Orphan Drug Designation from the FDA for the treatment of MZL (Nodal and Extranodal) in September 2013, for the treatment of CLL in August of 2010, and Orphan Drug Designation by the European Medicines Agency (EMA) for the treatment of CLL in November of 2009.

We also obtained Orphan Drug Designation for umbralisib as monotherapy for the treatment of CLL in August 2016, for the treatment of nodal, extranodal, and splenic MZL in April 2019, and for the treatment of FL in March 2020. In addition, in January 2017, we announced that the FDA granted Orphan Drug Designation covering the combination of ublituximab and umbralisib for the treatment of patients with CLL and DLBCL.

U.S. Patent Term Restoration and Marketing Exclusivity

Depending upon the timing, duration and specifics of the FDA approval of our drug candidates, some of our U.S. patents may be eligible for limited patent term extension under the Drug Price Competition and Patent Term Restoration Act of 1984, commonly referred to as the Hatch-Waxman Amendments. The Hatch-Waxman Amendments permit a patent restoration term of up to five years as compensation for patent term lost during product development and the FDA regulatory review process. However, patent term restoration cannot extend the remaining term of a patent beyond a total of 14 years from the product's approval date. The patent term restoration period is generally one-half the time between the effective date of an IND and the submission date of an NDA or BLA plus the time between the submission date of an NDA or BLA and the approval of that application. Only one patent applicable to an approved drug is eligible for the extension and the application for the extension must be submitted prior to the expiration of the patent. The USPTO, in consultation with the FDA, reviews and approves the application for any patent term extension or restoration. An application for a patent term extension for

UKONIQ has been submitted, and we intend to apply for, or work with our licensing partners to apply for, patent term extensions for any products approved by the FDA in the future, depending on the factors involved in the development program and filing and review of the relevant NDA or the BLA.

Also, under the Hatch-Waxman Amendments, drugs that are new chemical entities (NCEs) are eligible for a five-year period of non-patent marketing exclusivity in the United States. During the exclusivity period, the FDA may not accept for review an abbreviated new drug application, or ANDA, or a 505(b)(2) NDA submitted by another company for another drug based on the same active moiety, regardless of whether the drug is intended for the same indication as the original innovator drug or for another indication, where the applicant does not own or have a legal right of reference to all the data required for approval. However, an application may be submitted after four years if it contains a certification of patent invalidity or non-infringement to one of the patents listed with the FDA by the innovator NDA holder. The Hatch-Waxman Amendments also provide three years of marketing exclusivity for an NDA, or supplement to an existing NDA if new clinical investigations, other than bioavailability studies, that were conducted or sponsored by the applicant are deemed by the FDA to be essential to the approval of the application, for example new indications, dosages or strengths of an existing drug. This three-year exclusivity covers only the modification for which the drug received approval on the basis of the new clinical investigations. During this period, FDA will not approve an application filed by a third party for the protected conditions of use that relies on any of the data from the new clinical investigations that was submitted by the innovator company. Five-year and three-year exclusivity will not delay the submission or approval of a full NDA that does not rely on the innovator company's data.

The Biologics Price Competition and Innovation Act of 2009 (BPCIA) created a 12-year period of data exclusivity for innovator biologics. FDA therefore cannot approve a biosimilar application relying on data for a specific reference product until 12 years after the reference product is first licensed. BLA supplements are not eligible for any additional exclusivity. The objectives of the BPCIA are conceptually similar to those of the Hatch-Waxman Act described above. The implementation of an abbreviated approval pathway for biological products is under the direction of the FDA. Since the enactment of the BPCIA, the FDA has issued several draft guidance's for industry related to the BPCIA, addressing scientific, quality and procedural issues relevant to an abbreviated application for a biosimilar product. As of December 2021, the FDA had approved 33 biosimilar applications.

Orphan drug exclusivity, as described below, may offer a seven-year period of marketing exclusivity, except in certain circumstances. Pediatric exclusivity is another type of regulatory market exclusivity in the United States. Pediatric exclusivity, if granted, adds six months to existing exclusivity periods and patent terms. This six-month exclusivity, which runs from the end of other exclusivity protection or patent term, may be granted based on the voluntary completion of a pediatric trial in accordance with an FDA-issued "Written Request" for such a trial.

LICENSING AGREEMENTS AND COLLABORATIONS

We have formed strategic alliances with a number of companies for the manufacture and commercialization of our products. Our current key strategic alliances are discussed below.

Ublituximab

LFB Biotechnologies S.A.S, GTC Biotherapeutics, LFB/GTC LLC.

In January 2012, we entered into an exclusive license agreement with LFB Biotechnologies, GTC Biotherapeutics, and LFB/GTC LLC, all wholly-owned subsidiaries of LFB Group, relating to the development and commercialization of ublituximab. Under the license agreement, we have acquired the exclusive worldwide rights for the development and commercialization of ublituximab. As of December 31, 2021, we paid LFB Group approximately $7.0 million related to the achievement of certain milestones under the license agreement. LFB Group is eligible to receive payments of up to an aggregate of approximately $31.0 million upon our successful achievement of certain clinical development, regulatory and sales milestones, in addition to royalty payments on net sales of ublituximab at a royalty rate that escalates from mid-single digits to high-single digits. The license will terminate on a country by country basis upon the expiration of the last licensed patent right or 15 years after the first commercial sale of a product in such country, unless the agreement is earlier terminated (i) by LFB if the Company challenges any of the licensed patent rights, (ii) by either party due to a breach of the agreement, or (iii) by either party in the event of the insolvency of the other party.

Ildong Pharmaceutical Co. Ltd.

In November 2012, we entered into an exclusive (within the territory) sublicense agreement with Ildong relating to the development and commercialization of ublituximab in South Korea and Southeast Asia. Under the terms of the sublicense agreement, Ildong has been granted a royalty bearing, exclusive right, including the right to grant sublicenses, to develop and commercialize ublituximab in South Korea, Taiwan, Singapore, Indonesia, Malaysia, Thailand, Philippines, Vietnam, and Myanmar. To date, we have received $2 million in the form of an upfront payment from Ildong and are eligible to receive sales-based milestone payments up to an aggregate of $5 million and royalty payments on net sales of ublituximab at a royalty rate that escalates from mid-teens to high-teens upon approval in South Korea and/or Southeast Asia. The license will terminate on a country by country basis upon the expiration of the last licensed patent right or 15 years after the first commercial sale of a product in such country, unless the agreement is earlier terminated (i) by Ildong if the Company challenges any of the licensed patent rights, (ii) by either party due to a breach of the agreement, or (iii) by either party in the event of the insolvency of the other party.

UKONIQ (umbralisib)

In September 2014, we exercised our option to license the global rights to umbralisib, thereby entering into an exclusive licensing agreement (the Umbralisib License) with Rhizen Pharmaceuticals, S A (Rhizen) for the development and commercialization of umbralisib. Prior to this, we had been jointly developing umbralisib in a 50:50 joint venture with Rhizen.

Under the terms of the TGR-1202 License, Rhizen received a $4.0 million cash payment and 371,530 shares of our common stock as an upfront license fee. For the year ended December 31, 2021, we paid Rhizen $12.0 million as part of a primary indication approval milestone for launch of product in the US in accordance with the terms of the Umbralisib License. Rhizen will be eligible to receive additional approval and sales-based milestone payments in the aggregate of approximately $175 million payable upon approval in multiple jurisdictions for up to two oncology indications and one non-oncology indication and attaining certain sales milestones. In addition, if umbralisib is co-formulated with another drug to create a new product (a New Product), Rhizen will be eligible to receive similar regulatory approval and sales-based milestone payments for such New Product. Additionally, Rhizen receives tiered royalties that escalate from high single digits to low double digits on any net sales of umbralisib and any New Product. Rhizen shall also be eligible to participate in sublicensing revenue, if any, based on a percentage that decreases as a function of the number of patients treated in clinical trials following the exercise of the license option. Rhizen will retain global manufacturing rights to umbralisib, provided that they are price competitive with alternative manufacturers. The license will terminate on a country-by-country basis upon the expiration of the last licensed patent right or any other exclusivity right in such country, unless the agreement is earlier terminated (i) by us for any reason, or (ii) by either party due to a breach of the agreement.

Cosibelimab

In March 2015, we entered into a global collaboration (the Collaboration) with Checkpoint Therapeutics, Inc. (Checkpoint) for the development and commercialization of Checkpoint’s anti-PD-L1 and anti-GITR antibody research programs in the field of hematological malignancies with an option to acquire rights in autoimmune diseases. These antibodies were generated at Dana-Farber Cancer Institute (Dana-Farber). In June 2019, we amended our Collaboration Agreement with Checkpoint to cover additional licenses necessary to continue the development of the anti-PD-L1 and anti-GITR research programs. Under the terms of the initial Collaboration, we made an up-front payment of $0.5 million, and upon entering into the amended agreement, made an additional payment of $1.0 million. In March 2020, we achieved the first milestone event, and we subsequently paid Checkpoint $1.0 million as part of this milestone. Under the terms of the amended agreement, we will make development and sales-based milestone payments up to an aggregate of approximately $110 million and will pay a tiered low double-digit royalty on net sales. The royalty term will terminate on a country by country basis upon the later of (i) ten years after the first commercial sale of any applicable licensed product in such country, or (ii) the expiration of the last-to-expire patent held by Dana Farber containing a valid claim to any licensed product in such country.

TG-1701 (BTK inhibitor)

In January 2018, we entered into a global exclusive license agreement with Jiangsu Hengrui Medicine Co., (Hengrui), to acquire worldwide intellectual property rights, excluding Asia but including Japan, and for the research, development, manufacturing, and commercialization of products containing or comprising of any of Hengrui's Bruton's Tyrosine Kinase inhibitors containing the compounds of either TG-1701 (SHR-1459 or EBI-1459) or TG-1702 (SHR-1266 or EBI-1266) for hematologic malignancies. Pursuant to the agreement, we paid Hengrui an upfront fee of $1.0 million in our common stock in April 2018. In addition, in July 2019, we paid Jiangsu the first milestone under the agreement of $0.1 million in our common stock. In July 2020, we paid Hengrui $2.0 million as part of a milestone in accordance with the license agreement. Hengrui is eligible to receive milestone payments totaling approximately $350 million upon and subject to the achievement of certain milestones. Various provisions allow for payments in conjunction with the agreement to be made in cash or our common stock, while others limit the form of payment. Royalty payments in the low double digits are due on net sales of licensed products and revenue from sublicenses. Additionally, before we can license, sell, develop, or commercialize ublituximab within China, we must notify Hengrui, giving Hengrui the right of first offer. The agreement allows combinations of TG-1701 or TG-1702 with umbralisib, ublituximab, or U2. Additional combinations may be undertaken under the agreement subject to additional pre-specified payments to Hengrui.

The term of the agreement expires after the expiration of the last royalty term to expire with respect to any of the patent rights under the agreement. We or Hengrui may terminate the agreement upon notice to the other upon breach without remedy or upon insolvency. In addition, either party may terminate the agreement upon a material breach, after providing the other party with adequate notice and allowing 45 days to cure.

TG-1801 (anti-CD47/anti-CD19 bispecific antibody)

In June 2018, we entered into a Joint Venture and License Option Agreement with Novimmune SA (Novimmune) to collaborate on the development and commercialization of Novimmune's novel first-in-class anti-CD47/anti-CD19 bispecific antibody known as TG-1801 (previously NI-1701). The companies will jointly develop the product on a worldwide basis, focusing on indications in the area of hematologic B-cell malignancies. We serve as the primary responsible party for the development, manufacturing and commercialization of the product. Pursuant to the agreement, in June 2018 we paid Novimmune an upfront payment of $3.0 million in our common stock. Further milestone payments will be paid based on early clinical development, and the Company will be responsible for the costs of clinical development of the product through the end of the Phase 2 clinical trials, after which the Company and Novimmune will be jointly responsible for all development and commercialization costs. The Company and Novimmune will each maintain an exclusive option, exercisable at specific times during development, for the Company to license the rights to TG-1801, in which case Novimmune is eligible to receive additional milestone payments totaling approximately $185 million as well as tiered royalties on net sales in the high single to low double digits upon and subject to the achievement of certain milestones.

IRAK4

In June 2014, we entered into an exclusive licensing agreement with Ligand Pharmaceuticals Incorporated (Ligand) for the development and commercialization of Ligand's interleukin-1 receptor associated kinase-4 (IRAK4) inhibitor technology, which currently is in preclinical development for potential use against certain cancers and autoimmune diseases. IRAK4 is a serine/threonine protein kinase that is a key downstream signaling component of the interleukin-1 receptor and multiple toll-like receptors.

Under the terms of the license agreement, Ligand received 125,000 shares of our common stock as an upfront license fee. Ligand will also be eligible to receive maximum potential milestone payments of approximately $207.0 million upon the achievement of specific clinical, regulatory and commercial milestone events. Additionally, Ligand will be entitled to royalties on our future net sales of licensed products containing IRAK4 inhibitors. The basic royalty rate for licensed products covered by Ligand's issued patents will be 6% for annual sales of up to $1 billion and 9.5% for annual sales in excess of that threshold. The license will terminate on a country by country basis upon the expiration of the last licensed patent right or 10 years after the first commercial sale of a product in such country, unless the agreement is earlier terminated by either party due to a breach of the agreement in the event of the insolvency of the other party.

TG-1601 (BET)

In May 2016, as part of a broader agreement with Jubilant Biosys (Jubilant), we entered into a sub-license agreement (JBET Agreement) with Checkpoint for the development and commercialization of Jubilant's novel BET inhibitor program in the field of hematological malignancies. The BET inhibitor program is the subject of a family of patents covering compounds that inhibit BRD4, a member of the BET (Bromodomain and Extra Terminal) domain for cancer treatment. Our BET inhibitor program is currently in pre-clinical development.

Under the terms of the agreement, we paid Checkpoint an up-front licensing fee of $1.0 million and will make additional payments contingent on certain preclinical, clinical, and regulatory milestones, including commercial milestones totaling up to approximately $177 million and a single-digit royalty on net sales. TG will also provide funding to support certain targeted research efforts at Jubilant.

COMPETITION

Competition in the pharmaceutical and biotechnology industries is intense. Our competitors include pharmaceutical companies and biotechnology companies, as well as universities and public and private research institutions. In addition, companies that are active in different but related fields represent substantial competition for us. Many of our competitors have significantly greater capital resources, larger research and development staffs and facilities and greater experience in drug development, regulation, manufacturing and marketing than we do. These organizations also compete with us to recruit qualified personnel, attract partners for joint ventures or other collaborations, and license technologies that are competitive with ours. To compete successfully in this industry, we must identify novel and unique drugs or methods of treatment and then complete the development of those drugs as treatments in advance of our competitors.

The drugs that we are attempting to develop will have to compete with existing therapies. In addition, a large number of companies are pursuing the development of pharmaceuticals that target the same diseases and conditions that we are targeting. Some of these potential competing drugs are further advanced in development than our drug candidates and may be commercialized earlier. The resulting changes in standard of care can impact the likelihood of regulatory accelerated approval opportunities for our drug candidates.

For the cancer indications for which we received FDA approval of UKONIQ or for which we are developing U2 and our other product candidates, there are a number of established therapies with which we will compete:

- For the treatment of MZL, we expect UKONIQ to compete with zanubrutinib (BeiGene), ibrutinib (AbbVie and Janssen), and the combination of rituximab and lenalidomide (Bristol-Myers Squibb), as well as established treatments such as rituximab (Roche) and several generically available chemotherapies. In addition, there are investigational PI3K inhibitors being developed in MZL.
- For the treatment of FL, we expect UKONIQ to compete with recently approved drugs such as axicabtagene ciloleucel (Gilead), obinutuzumab (Roche), tazemetostat (Epizyme), and the combination of rituximab and lenalidomide (Bristol-Myers Squibb), and established treatments such as rituximab (Roche), and several generically available chemotherapies, many of which have FDA-approved indications for earlier lines of therapy (e.g., after two prior lines of systemic therapy) than UKONIQ. There are also PI3K delta inhibitors in earlier stages of development for FL.
- For the treatment of CLL, if U2 is approved, we expect the regimen to compete with approved drugs such as ibrutinib (AbbVie and Janssen), acalabrutinib (AstraZeneca), venetoclax (AbbVie and Roche), obinutuzumab (Roche), idelalisib (Gilead) and duvelisib (Secura Bio, Inc.), and established treatments such as rituximab (Roche), and several generically available chemotherapies. Additionally, there are second generation BTK inhibitors similar to ibrutinib in late-stage clinical testing for CLL that could enter the market. These agents can be used as monotherapy or in combination with one or more of the other agents.
- In addition, a number of pharmaceutical companies are developing antibodies and bispecific antibodies targeting CD20, CD19, CD47 and other B-cell associated targets, chimeric antigen receptor T-cell (CAR-T) immunotherapy, and other B-cell ablative therapy which, if approved, would potentially compete with U2 and UKONIQ.

For Multiple Sclerosis for which we are developing ublituximab, there are a number of established therapies with which we will compete:

- If ublituximab is approved, we expect ublituximab will primarily compete against other CD20-targeted agents, while the group of CD20-targeted agents will also compete broadly against a number of already approved MS therapies. Currently, there are two anti-CD20 monoclonal antibodies approved, ocrelizumab (Roche) and ofatumumab (Novartis).

Cosibelimab, TG-1701 and TG-1801 if approved will also face competition from drugs on the market and under development in the same therapeutic class as each of those drugs.

Additional information can be found under Item “1A - Risk Factors – Other Risks Related to Our Business” within this report.

SUPPLY AND MANUFACTURING

We have limited experience in manufacturing products for clinical or commercial purposes. We currently do not have any manufacturing capabilities of our own. We have established a contract manufacturing relationship for the supply of ublituximab with Samsung Biologics. For the supply of umbralisib, Rhizen has established contract manufacturing relationships as part of our licensing agreement. As with any supply program, obtaining pre-clinical and clinical materials of sufficient quality and quantity to meet the requirements of our development programs cannot be guaranteed and we cannot ensure that we will be successful in this endeavor.

Process improvements and other changes are common during clinical development to accommodate raw material and component variability, enhance productivity and/or accommodate different or larger equipment utilized during the scale-up process required for commercial manufacture. These types of incremental process changes have been made during clinical development for both TG’s small and large molecule programs. For example, our UNITY-CLL Phase 3 clinical trial contains ublituximab produced from both a pre-commercial process and the current commercial process. While there are some analytical differences between the two materials, we do not expect those differences to have an effect on the clinical performance of ublituximab. The primary difference is that the commercial process has resulted in further enhancement to the ADCC effect, potentially enhancing potency. We will analyze the Phase 3 data to ensure that the materials are substantially similar in performance. If there are material differences in safety or efficacy, we may need to adjust our statistical analysis of the Phase 3 study, which could impact the approvability of the U2 combination in CLL.

At the time of commercial sale, to the extent possible and commercially practicable, we would seek to engage back-up suppliers for raw materials, manufacturing and testing services for each of our product candidates. Until such time, we expect that we will rely on a single contract manufacturer to produce each of our product candidates under current Good Manufacturing Practice, or cGMP, regulations. Our third-party manufacturers have a limited number of facilities in which our product candidates can be produced and will have limited experience in manufacturing our product candidates in quantities sufficient for commercialization. Our third-party manufacturers will have other clients and may have other priorities that could affect their ability to perform the work satisfactorily and/or on a timely basis. Both of these occurrences would be beyond our control.

We expect to similarly rely on contract manufacturing relationships for any products that we may in-license or acquire in the future. However, there can be no assurance that we will be able to successfully contract with such manufacturers on terms acceptable to us, or at all.

Contract manufacturers in the U.S. are subject to ongoing periodic and unannounced inspections by the FDA, the Drug Enforcement Administration if applicable, and corresponding state agencies to ensure strict compliance with cGMP and other state and federal regulations. Contract manufacturers outside of the United States face similar challenges from the numerous local and regional agencies and authorized bodies. We do not have control over third-party manufacturers’ compliance with these regulations and standards, other than through contractual obligations. If they are deemed out of compliance with cGMPs, product recalls could result, inventory could be destroyed, production could be stopped and supplies could be delayed or otherwise disrupted.

If we need to change manufacturers after commercialization, the FDA and corresponding foreign regulatory agencies must approve these new manufacturers in advance, which will involve testing, regulatory submissions, and additional inspections to ensure compliance with FDA regulations and standards and may require significant lead times and delay. Furthermore, switching manufacturers may be difficult because the number of potential manufacturers is limited. It may be difficult or impossible for us to find a replacement manufacturer quickly or on terms acceptable to us, or at all.

GOVERNMENT AND INDUSTRY REGULATION

Numerous governmental authorities, principally the FDA and corresponding state and foreign regulatory agencies, impose substantial regulations upon the clinical development, manufacture and marketing of our product candidates, as well as our ongoing research and development activities. We, along with our third-party contractors, will be required to navigate the various pre- and post-approval requirements of the governing regulatory agencies of the jurisdictions in which we wish to conduct clinical studies or market our product

candidates. None of our product candidates, except UKONIQ, have been approved for sale in any market in which we have marketing rights. Before marketing in the U.S., any drug that we develop must undergo rigorous pre-clinical testing and clinical trials and an extensive regulatory review and approval process implemented by the FDA under the FDCA and, in the case of biologics, the Public Health Service Act (PHS Act). The FDA regulates, among other things, the pre-clinical and clinical testing, safety, efficacy, approval, manufacturing, quality control and assurance, record keeping, pharmacovigilance and adverse event reporting, packaging, labeling, storage, advertising, promotion, import and export, sale and distribution of biopharmaceutical products. The process of obtaining regulatory approvals and the subsequent compliance with applicable federal, state, local and foreign statutes and regulations require the expenditure of substantial time and financial resources.

Product Development and Applications for Marketing Authorization

The regulatory review and approval process is lengthy, expensive and uncertain. We are required to submit extensive pre-clinical and clinical data and supporting information to the FDA for each indication or use to establish a drug candidate's safety and efficacy before we can secure FDA approval to market or sell a product in the U.S. The approval process takes many years, requires the expenditure of substantial resources and may involve ongoing requirements for post-marketing studies or surveillance. Before commencing clinical trials in humans, we must submit an IND to the FDA containing, among other things, pre-clinical data, chemistry, manufacturing and control information, and an investigative plan. Our submission of an IND may not result in FDA authorization to commence a clinical trial.

For purposes of clinical development and to pursue NDA or BLA approval, clinical trials are typically conducted in the following sequential phases:

- *Phase 1:* The drug is administered to a small group of humans, either healthy volunteers or patients, to test for safety, dosage tolerance, absorption, metabolism, excretion, and clinical pharmacology.
- *Phase 2:* Studies are conducted on a larger number of patients to assess the efficacy of the product, to ascertain dose tolerance and the optimal dose range, and to gather additional data relating to safety and potential adverse events.
- *Phase 3:* Studies establish safety and efficacy in an expanded patient population.
- *Phase 4:* The FDA may require Phase 4 post-marketing studies to find out more about the drug's long-term risks, benefits, and optimal use, or to test the drug in different populations.

Clinical testing must meet requirements for institutional review board oversight, informed consent and good clinical practices, and must be conducted pursuant to an IND, unless exempted. In addition, the FDA, equivalent foreign regulatory authority, or a data safety monitoring committee for a trial may place a clinical trial on hold or terminate it if it concludes that subjects are being exposed to an unacceptable health risk, or for futility. Any drug is likely to produce some toxicity or undesirable side effects in animals and in humans when administered at sufficiently high doses and/or for a sufficiently long period of time. Unacceptable toxicity or side effects may occur at any dose level at any time in the course of studies in animals designed to identify unacceptable effects of a drug candidate, known as toxicological studies, or clinical trials of drug candidates. The appearance of any unacceptable toxicity or side effect could cause us or regulatory authorities to interrupt, limit, delay or abort the development of any of our drug candidates and could ultimately prevent approval by the FDA or foreign regulatory authorities for any or all targeted indications.

The length of time necessary to complete clinical trials varies significantly and may be difficult to predict. Clinical results are frequently susceptible to varying interpretations that may delay, limit or prevent regulatory approvals. Additional factors that can cause delay or termination of our clinical trials, or that may increase the costs of these trials, include:

- slow patient enrollment due to the nature of the clinical trial plan, the proximity of patients to clinical sites, the eligibility criteria for participation in the study or other factors;
- inadequately trained or insufficient personnel at the study site to assist in overseeing and monitoring clinical trials or delays in approvals from a study site's review board;
- longer treatment time required to demonstrate efficacy or determine the appropriate product dose;
- insufficient supply of the drug candidates;
- adverse medical events or side effects in treated patients; and
- ineffectiveness of the drug candidates.

For clinical trials that are intended to form the basis of a new drug or biologics license application for approval, sponsors of drugs may apply for an SPA from the FDA, by which the FDA provides official evaluation and written guidance on the design and size of proposed protocols. While obtaining an SPA provides some assurance the design of a trial should be sufficient for approval, the final marketing approval depends on the results of efficacy, the adverse event profile and an evaluation of the benefit/risk of treatment demonstrated in the

Phase 3 trial. The SPA agreement may only be changed through a written agreement between the sponsor and the FDA, or if the FDA becomes aware of a substantial scientific issue essential to product safety or efficacy.

In September 2015, we reached an agreement with the FDA regarding an SPA on the design, endpoints and statistical analysis approach of a Phase 3 clinical trial, referred to as the UNITY-CLL trial, for the proprietary combination of ublituximab and umbralisib, for the treatment of CLL. The SPA provides agreement that the Phase 3 trial design adequately addresses objectives that, if met, would support the regulatory submission for drug approval of both ublituximab and umbralisib in combination. Additionally, in August 2017, we reached an agreement with the FDA regarding an SPA on the design of two Phase 3 clinical trials for ublituximab, referred to as the ULTIMATE I and ULTIMATE II Phase 3 clinical trials, for the treatment of relapsing forms of Multiple Sclerosis (RMS). The SPA provides agreement that the two Phase 3 trial designs adequately address objectives that, if met, would support the regulatory submission for approval of ublituximab. Despite obtaining an SPA the trials may not be positive and even if positive may not support FDA approval.

The FDA may permit expedited development, evaluation, and marketing of new therapies intended to treat persons with serious or life-threatening conditions for which there is an unmet medical need under its expedited drug development programs. A sponsor can apply for Fast Track designation at the time of submission of an IND, or at any time prior to receiving marketing approval of the new drug application, or NDA. To receive Fast Track designation, an applicant must demonstrate:

- that the drug is intended to treat a serious or life-threatening condition; and
- that nonclinical or clinical data demonstrate the potential to address an unmet medical need.

The FDA must respond to a request for Fast Track designation within 60 calendar days of receipt of the request. Over the course of drug development, a product in a Fast Track development program must continue to meet the criteria for Fast Track designation. Sponsors of products in Fast Track drug development programs must be in regular contact with the reviewing division of the FDA to ensure that the evidence necessary to support marketing approval will be developed and presented in a format conducive to an efficient review. Sponsors of products in Fast Track drug development programs are also permitted to submit portions of an NDA or BLA to the FDA on a rolling basis where the FDA may consider reviewing portions of a marketing application before the sponsor submits the complete application.

In addition, sponsors may also apply to the FDA for Breakthrough Therapy Designation (BTD). The procedures and requirements for BTD are similar to those required for Fast Track such that the Breakthrough Therapy Designation is intended to expedite the development and review of a potential new drug for serious or life-threatening diseases, however, with BTD, there is a further requirement that the sponsor present “preliminary clinical evidence” which “indicates that the drug may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development.” The designation of a drug as a Breakthrough Therapy was enacted as part of the 2012 Food and Drug Administration Safety and Innovation Act.

In January 2019, we announced that the FDA granted Breakthrough Therapy Designation for umbralisib for the treatment of adult patients with marginal zone lymphoma (MZL) who have received at least one prior anti-CD20 regimen based on interim results from a subset of patients from the MZL cohort of the UNITY-NHL clinical trial.

Sponsors of drugs granted Fast Track or breakthrough therapy designation also may seek approval under the FDA’s accelerated approval regulations. Under this authority, the FDA may grant marketing approval for a new drug product on the basis of adequate and well-controlled clinical trials establishing that the drug product has an effect on a surrogate endpoint that is reasonably likely, based on epidemiologic, therapeutic, pathophysiologic, or other evidence, to predict clinical benefit or on the basis of an effect on a clinical endpoint other than survival or irreversible morbidity. To obtain accelerated approval a sponsor must be able to demonstrate the drug candidate treats a serious condition, provides a meaningful advantage over other available therapies, and demonstrates an effect on a surrogate endpoint that is reasonably likely to predict clinical benefit. Many companies have filed for accelerated approval and have subsequently failed to obtain such approval for a variety of reasons. To the extent a product does obtain an accelerated approval, such approval will be subject to the requirement that the applicant study the drug further in a post-marketing confirmatory clinical trial to verify and describe its clinical benefit where there is uncertainty as to the relation of the surrogate endpoint to clinical benefit or uncertainty as to the relation of the observed clinical benefit to ultimate outcome. Accelerated approval is sometimes referred to as conditional approval because if the results of these confirmatory clinical trials fail to verify clinical benefit, the FDA has the right to remove the drug from the market and has done so in the recent past. Post-marketing confirmation studies are usually underway at the time an applicant files the NDA. When required to be conducted, such post-marketing confirmation studies must also be adequate and well-controlled. The applicant must carry out any such post-marketing confirmation studies with due diligence. Completing the required post-approval clinical studies as designed can be difficult, especially as the treatment landscape evolves. For example, the challenges in completing such studies have prompted some companies with products that

received accelerated approval for relapsed or refractory FL to withdraw that indication (e.g., duvelisib (December 2021), idelalisib (January 2022)).

In February 2021, we obtained accelerated approval of UKONIQ for relapsed or refractory MZL who have received at least one prior anti-CD20-based regimen and for relapsed or refractory FL who have received at least three prior lines of systemic therapy. The FDA approved these indications based on overall response rate. Continued approval for these indications may be contingent upon verification and description of clinical benefit in a confirmatory trial.

It is also becoming more common for the FDA to request a Risk Evaluation and Mitigation Strategy, or REMS, as part of an NDA/BLA. The REMS plan contains post-market obligations of the sponsor to train prescribing physicians, monitor off-label drug use, and conduct Phase 4 follow-up studies and registries to ensure the continued safe use of the drug.

The NDA and BLA review process also generally includes a pre-approval inspection, or PAI, to assess the manufacturing facilities and relevant processes and data for compliance, and readiness for commercial manufacture in accordance with cGMPs. Among the conditions of approval is the requirement that a manufacturer's quality systems and manufacturing procedures conform to cGMP. Even when product approval is received, manufacturers must expend significant time, money and effort to ensure continued compliance, and the FDA conducts periodic surveillance inspections to monitor the manufacturing process and drug quality and evaluate whether the manufacturers are in compliance. It may be difficult for our manufacturers or us to comply with the applicable cGMP, as interpreted by the FDA, and other FDA regulatory requirements. If we, or our contract manufacturers, fail to comply, then the FDA may not allow us to market products that have been affected by the failure. Many drug approvals have been delayed due to issues at contract manufacturing facilities. If we were to experience any such delay that would negatively impact our business and timeline to commercialization of any of our drug candidates affected by such manufacturing issue.

Post-Approval Requirements

Any products for which we receive FDA approval are subject to continuing regulation by the FDA and other federal and state regulators on a wide range of matters, including, among other things cGMPs and product quality, pharmacovigilance and reporting of adverse events, product distribution requirements, fulfilling post-marketing or confirmatory study or REMS commitments, and complying with FDA promotion and advertising requirements. Violations of the FDCA or other post-approval regulatory requirements may result in agency enforcement actions, including withdrawal of approval, recall, seizure of products, warning letters, injunctions, fines and/or civil or criminal penalties. Any agency enforcement action could have a material adverse effect on our business.

The FDA promotion and advertising requirements applicable to marketed products include, among other things, standards for direct-to-consumer advertising, restrictions against promoting products for uses or in patient populations that are not either described in the product's approved indications and uses or otherwise consistent with the FDA-approved product labeling, limitations on industry-sponsored scientific and educational activities, rules regarding communication of health care economic information regarding biopharmaceutical products to payors and formularies, and requirements for promotional activities involving the internet. Drugs whose review was accelerated may carry additional requirements on marketing activities, including the requirement that all promotional materials are pre-submitted to the FDA. Although a healthcare provider may prescribe a product for a use that has not been approved by the FDA when the healthcare provider deems such use to be appropriate in his or her professional medical judgment, manufacturers may not market or promote unapproved uses. Although court decisions have to some degree impacted FDA's enforcement activity regarding alleged off-label promotion in light of First Amendment considerations, there are still significant risks in this area, in part because there is the potential for False Claims Act exposure in addition to the potential for enforcement under the FDCA.

After product approval, quality control and manufacturing procedures must continue to conform to applicable manufacturing requirements. FDA regulations require among other things, quality control and quality assurance as well as the corresponding maintenance of records and documentation and the obligation to investigate and correct any deviations from cGMPs. Manufacturers and other entities involved in the manufacture and distribution of approved products are required to register their establishments and list their products with the FDA and certain state agencies. Manufacturers and their third-party contractors may be subject to periodic unannounced inspections by the FDA and certain state agencies for assessment of compliance with cGMPs and other applicable laws. Accordingly, manufacturers must continue to expend time, money, and effort in the areas of production and quality control to maintain quality control and manufacturing compliance. Discovery of problems with a product after approval may result in restrictions on a product, including, among other things, withdrawal of approval, recall or withdrawal of the product from the market. In addition, changes to the manufacturing process are strictly regulated, and depending on the significance of the change, may require prior FDA approval or notification before being implemented. Other

types of changes to the approved product, such as adding new indications and claims to the product labeling, are also subject to further FDA review and approval.

Marketed products must meet the requirements of the Drug Supply Chain Security Act, or DSCSA, which regulates the commercial distribution of prescription drug products at the federal level. The DSCSA sets certain standards for federal or state registration, requires tracing of products through the pharmaceutical distribution supply chain, and imposes other requirements on entities in the supply chain, including manufacturers and repackagers, wholesale distributors, third-party logistics providers, and dispensers. The DSCSA requirements, development of standards, and the system for product tracing have been and will continue to be phased in over a period of years, with FDA indicating enforcement discretion on certain aspects due to the COVID-19 pandemic.

In addition, the post-marketing discovery of previously unknown problems with a product or the failure to comply with applicable FDA requirements can have negative consequences, including adverse publicity, judicial or administrative enforcement, warning letters from the FDA, mandated corrective advertising or communications with doctors, and civil or criminal penalties, among others. Newly discovered or developed safety or effectiveness data may require changes to a product's approved labeling, including the addition of new warnings and contraindications, and may require the implementation of other risk management measures.

From time to time, legislation is drafted, introduced and passed in Congress that could significantly change the statutory provisions governing the approval, manufacturing and marketing of products regulated by the FDA. In addition to new legislation, FDA regulations, guidance documents, and policies are often revised or reinterpreted by the agency in ways that may significantly affect our business. It is impossible to predict whether further legislative or FDA regulation or policy changes will be enacted or implemented and what the impact of such changes, if any, may be.

Should we wish to market our products outside the U.S., we must receive marketing authorization from the appropriate foreign regulatory authorities. The requirements governing the conduct of clinical trials, marketing authorization, pricing and reimbursement vary widely from country to country. Importantly, the level of evidence of efficacy and safety necessary to apply for marketing authorization for a drug candidate differs from country to country. In particular, clinical trial endpoints, and the level of clinical evidence that may support an accelerated approval filing with the FDA, such as the ORR data from the single-arm cohorts of the UNITY-NHL study that we used as the basis for a filing and approval for UKONIQ in MZL and FL, may be insufficient to file for marketing applications outside of the U.S. At present, companies are typically required to apply for foreign marketing authorizations at a national level. However, within the European Union, centralized registration procedures are available to companies wishing to market a product across the European Union member states. Typically, if the regulatory authority is satisfied that a company has presented adequate evidence of safety, quality and efficacy, then the regulatory authority will grant a marketing authorization. This foreign regulatory approval process, however, involves risks similar or identical to the risks associated with FDA approval discussed above, and therefore we cannot guarantee that we will be able to obtain the appropriate marketing authorization for any product in any particular country.

Failure to comply with applicable federal, state and foreign laws and regulations would likely have a material adverse effect on our business. In addition, federal, state and foreign laws and regulations regarding the manufacture and sale of new drugs are subject to future changes. We cannot predict the likelihood, nature, effect or extent of adverse governmental regulation that might arise from future legislative or administrative action, either in the U.S. or abroad.

Coverage and Reimbursement

Sales of our drugs will depend, in part, on the extent to which our drugs will be covered by third-party payors, such as government health programs, commercial insurance and managed healthcare organizations. These third-party payors are increasingly reducing reimbursements for medical drugs and services. In addition, the containment of healthcare costs has become a priority of foreign and U.S. federal and state governments, and the prices of drugs have been a focus in this effort. The U.S. government, state legislatures and foreign governments have shown significant interest in implementing cost-containment programs, including price controls, restrictions on reimbursement, importation, and requirements for substitution of generic drugs. Adoption of price controls and cost-containment measures, and adoption of more restrictive policies in jurisdictions with existing controls and measures, could further limit our net revenue and results. Decreases in third-party reimbursement for our drug candidates, if approved, or a decision by a third-party payor to not cover our drug candidates could reduce physician usage of such drugs and have a material adverse effect on our sales, results of operations and financial condition.

In the U.S., the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010, or collectively the Affordable Care Act, enacted in March 2010, has had a significant impact on the health care industry. The Affordable Care Act expanded coverage for the uninsured while at the same time containing overall healthcare costs. With regard to pharmaceutical products, the Affordable Care Act, among other things, created a new average manufacturer price definition under the Medicaid Drug Rebate Program for drugs that are inhaled, infused, instilled, implanted or injected and not generally dispensed through the retail channel, increased the minimum Medicaid rebates owed by manufacturers under the Medicaid Drug Rebate Program and extended the rebate program to individuals enrolled in Medicaid managed care organizations, established annual fees and taxes on manufacturers of certain branded prescription drugs, and a new Medicare Part D coverage gap discount program, in which manufacturers must agree to offer 50% point-of-sale discounts off negotiated prices of applicable brand drugs to eligible beneficiaries during their coverage gap period (subsequent legislation increased this to 70% effective as of January 1, 2019), as a condition for the manufacturer's outpatient drugs to be covered under Medicare Part D.

Since the enactment of the Affordable Care Act, certain provisions of the Affordable Care Act have been subject to judicial challenges as well as efforts to repeal or replace them or to alter their interpretation or implementation. For example, the Tax Cuts and Jobs Act enacted on December 22, 2017 (the Tax Act), eliminated the shared responsibility payment for individuals who fail to maintain minimum essential coverage under section 5000A of the Internal Revenue Code of 1986, commonly referred to as the individual mandate, effective January 1, 2019. Although litigation and legislation over the Affordable Care Act are likely to continue, with unpredictable and uncertain results, we expect that the Biden administration may seek to expand and strengthen the Affordable Care Act.

There has been increasing legislative and enforcement interest in the United States with respect to drug pricing practices. Specifically, there have been several recent U.S. Congressional inquiries and proposed federal and state legislation designed to, among other things, bring more transparency to drug pricing, reduce the cost of prescription drugs under Medicare, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for drugs. The Biden administration has indicated that lowering prescription drug prices is a priority and has proposed a number of measures to do so, including allowing the federal government to negotiate prices for some high-cost drugs covered under Medicare Part B and Part D, requiring inflation rebates to limit annual increases in drug prices in Medicare and private insurance, and capping out-of-pocket spending for Medicare Part D enrollees. Although the fate of these proposals remains uncertain, we expect that additional U.S. federal healthcare reform measures could be adopted in the future, any of which could limit the amounts that the U.S. federal government will pay for healthcare products and services, which could result in additional pricing pressures and reduced demand for any of our products that receive marketing approval.

At the state level, individual states are increasingly aggressive in passing legislation and implementing regulations designed to control prescription drug pricing, including price and marketing cost disclosure and transparency measures, and, in some cases, authorizing importation of prescription drugs from other countries. In addition, regional health care authorities and individual hospitals are increasingly using bidding procedures to determine what pharmaceutical products and which suppliers will be included in their prescription drug and other health care programs. These measures could reduce the ultimate demand for our products or put pressure on our product pricing. We expect that additional state healthcare reform measures will be adopted in the future, which could limit the amounts that state governments will pay for healthcare products and services and result in additional pricing pressures.

In addition, in some foreign countries, the proposed pricing for a prescription drug must be approved before the drug may be lawfully marketed. The requirements governing drug pricing vary widely from country to country. For example, the United Kingdom and many European Union member states have robust health technology assessment processes to determine pricing and reimbursement for pharmaceuticals through their national health insurance system. Many European Union members states also include either direct or indirect price referencing, or other price control mechanisms, in determining the price of a pharmaceutical in their market. There can be no assurance that any country that has price controls or reimbursement limitations for pharmaceutical drugs will allow favorable reimbursement and pricing arrangements for any of our products. Historically, drugs launched in the European Union do not follow price structures of the U.S. and generally tend to be significantly lower.

Other U.S. Healthcare Laws

We may also be subject to healthcare regulation and enforcement by the federal government and the states and foreign governments where we may market our product candidates, if approved. These laws include, without limitation: state and federal anti-kickback, fraud and abuse, false claims, privacy and security laws; laws governing interactions with healthcare professionals and related transparency requirements (such as the federal Sunshine Act and a range of state biopharmaceutical marketing and transparency laws); and requirements for manufacturers to report certain calculated product prices to the government or provide certain discounts or rebates to government

authorities or private entities, often as a condition of reimbursement under government healthcare programs. The compliance and enforcement landscape is informed by government enforcement precedent and settlement history, Advisory Opinions, and Special Fraud Alerts. The risks we face and our approach to compliance may evolve over time in light of these types of developments. The potential safe harbors available for, example, relative to the Anti-Kickback Statute, are subject to change through legislative and regulatory action, and we may decide to adjust our business practices or be subject to heightened scrutiny as a result.

The federal Anti-Kickback Statute prohibits, among other things, any person from knowingly and willfully offering, soliciting, receiving or paying remuneration, directly or indirectly, to induce either the referral of an individual, for an item or service or the purchasing or ordering of a good or service, for which payment may be made under federal healthcare programs such as the Medicare and Medicaid programs. The government has enforced the Anti-Kickback Statute to reach large settlements with healthcare companies based on research, consulting and other financial arrangements with physicians that the government alleged were not based on the provision of bona fide services and were intended as an inducement or reward. A person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation. In addition, the government may assert that a claim including items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the federal False Claims Act. The majority of states also have anti-kickback laws, which establish similar prohibitions and in some cases may apply to items or services reimbursed by any third-party payor, including commercial insurers.

In addition, the civil False Claims Act prohibits, among other things, knowingly presenting or causing the presentation of a false, fictitious or fraudulent claim for payment to the U.S. government. Actions under the False Claims Act may be brought by the Attorney General or as a qui tam action by a private individual in the name of the government. Violations of the False Claims Act can result in very significant monetary penalties and treble damages. The federal government is using the False Claims Act, and the accompanying threat of significant liability, in its investigation and prosecution of pharmaceutical and biotechnology companies throughout the U.S., for example, in connection with the promotion of products for unapproved uses and other sales and marketing practices. The government has obtained multi-million and multi-billion dollar settlements under the False Claims Act in addition to individual criminal convictions under applicable criminal statutes. Given the significant size of actual and potential settlements, it is expected that the government will continue to devote substantial resources to investigating healthcare providers' and manufacturers' compliance with applicable fraud and abuse laws.

The federal Health Insurance Portability and Accountability Act of 1996, or HIPAA, also created new federal criminal statutes that prohibit among other actions, knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program, including private third-party payors, knowingly and willfully embezzling or stealing from a healthcare benefit program, willfully obstructing a criminal investigation of a healthcare offense, and knowingly and willfully falsifying, concealing or covering up a material fact or making any materially false, fictitious or fraudulent statement in connection with the delivery of or payment for healthcare benefits, items or services. Similar to the federal Anti-Kickback Statute, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation.

There has also been a recent trend of increased federal and state regulation of payments made to physicians and other healthcare providers. The Affordable Care Act, among other things, imposes reporting requirements on drug manufacturers for payments made by them to physicians and teaching hospitals, as well as ownership and investment interests held by physicians and their immediate family members. Failure to submit required information may result in civil monetary penalties of up to an aggregate of $150,000 per year (or up to an aggregate of $1 million per year for "knowing failures"), for all payments, transfers of value or ownership or investment interests that are not timely, accurately and completely reported in an annual submission. Drug manufacturers are required to submit annual reports to the Centers for Medicare & Medicaid Services, which publicly posts the data on its website. Effective January 1, 2022, these reporting obligations will extend to include transfers of value made to certain non-physician providers such as physician assistants and nurse practitioners. Certain states also mandate implementation of compliance programs, impose restrictions on drug manufacturer marketing practices and/or require the tracking and reporting of gifts, compensation and other remuneration to physicians.

We may also be subject to data privacy and security regulation by both the federal government and the states in which we conduct our business. HIPAA, as amended by the Health Information Technology and Clinical Health Act, or HITECH, and their respective implementing regulations, including the final omnibus rule published on January 25, 2013, imposes specified requirements relating to the privacy, security and transmission of individually identifiable health information. Among other things, HITECH makes HIPAA's privacy and security standards directly applicable to "business associates," defined as independent contractors or agents of covered entities that create, receive, maintain or transmit protected health information in connection with providing a service for or on behalf of a covered entity. HITECH also increased the civil and criminal penalties that may be imposed against covered entities, business associates and possibly other persons, and gave state attorneys general new authority to file civil actions for damages or injunctions in federal courts to enforce the federal

HIPAA laws and seek attorney’s fees and costs associated with pursuing federal civil actions. In addition, according to the U.S. Federal Trade Commission, or the FTC, failing to take appropriate steps to keep consumers' personal information secure constitutes unfair acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act. The FTC expects a company's data security measures to be reasonable and appropriate in light of the sensitivity and volume of consumer information it holds, the size and complexity of its business, and the cost of available tools to improve security and reduce vulnerabilities. Medical data is considered sensitive data that merits stronger safeguards. The FTC's guidance for appropriately securing consumers' personal information is similar to what is required under HIPAA.

In addition, we may be subject to state law equivalents of each of the above federal laws, such as anti-kickback and false claims laws which may apply to items or services reimbursed by any third-party payor, including commercial insurers, and state laws governing the privacy and security of health information in certain circumstances, many of which differ from each other in significant ways, thus complicating compliance efforts. For example, the California Consumer Protection Act, or CCPA, which went into effect on January 1, 2020, established a privacy framework for covered businesses by creating an expanded definition of personal information, data privacy rights for consumers in California, and a potentially severe statutory damages framework for violations of the CCPA and for businesses that fail to implement reasonable security procedures and practices to prevent data breaches. The CCPA was recently amended by the California Privacy Rights Act (CPRA), expanding certain consumer rights such as the right to know. It remains unclear what, if any, additional modifications will be made to these laws by the California legislature or how these laws will be interpreted and enforced. The potential effects of the CCPA and CPRA are significant and may cause us to incur substantial costs and expenses to comply.

Rest of the World Healthcare Regulation

For other countries outside of the U.S. and the European Union, the requirements governing the conduct of clinical trials, drug licensing, sales and marketing, pricing and reimbursement vary from country to country. If we fail to comply with applicable foreign regulatory requirements, we may be subject to, among other things, fines, suspension or withdrawal of regulatory approvals, product recalls, seizure of products, operating restrictions and criminal prosecution.

European Union member states, the United Kingdom, Switzerland and other foreign jurisdictions have adopted data protection laws and regulations, which impose significant compliance obligations. In the European Union and the United Kingdom, the collection and use of personal data, including clinical trial data, is governed by the provisions of the General Data Protection Regulation, or GDPR. The GDPR, together with national legislation, regulations and guidelines of the European Union member states and the United Kingdom governing the processing of personal data, impose strict obligations and restrictions on the ability to collect, analyze and transfer personal data, including health data from clinical trials and adverse event reporting. In particular, these obligations and restrictions concern the consent of the individuals to whom the personal data relates, the information provided to the individuals, the transfer of personal data out of the European Union or the United Kingdom, security breach notifications, security and confidentiality of the personal data and imposition of substantial potential fines for breaches of the data protection obligations. Compliance with the GDPR is a rigorous and time-intensive process that may increase the cost of doing business to ensure full compliance. Furthermore, European data protection authorities may interpret the GDPR and national laws differently and impose additional requirements, which add to the complexity of processing personal data in or from the European Union or United Kingdom.

Human Capital

As of February 25, 2022, we had 286 full-time employees. None of our employees are represented by a collective bargaining agreement, and we have never experienced a work stoppage.

We believe that our future success largely depends upon our continued ability to attract and retain a diverse workforce of highly skilled and dedicated employees. We provide our employees with competitive salaries and bonuses and opportunities for equity ownership. In addition, we provide an inclusive and collaborative work environment with learning and development opportunities. We strive to foster a culture of diversity in backgrounds and ideas as we believe that diversity, equity, and inclusion are paramount to our success. We understand that in order to perform at maximum capacity, our workforce needs to cultivate a welcoming and inclusive environment wherein employees feel they can represent themselves fully. We pride ourselves on being an equal opportunity employer and strictly prohibit unlawful discrimination based on color, religion, gender, sexual orientation, gender identity/expression, national origin/ancestry, age, disability, marital and veteran status.

We expect to continue to grow our organization assuming we obtain FDA approval of U2 in CLL/SLL and ublituximab in RMS. We will continue to evaluate the business needs and market opportunities, balancing in-house expertise and core competencies with outsourced capacity.

Drug development and commercialization requires deep expertise across a broad array of disciplines. Pharmaceutical companies of all sizes compete for a limited number of qualified applicants to fill specialized positions. To attract qualified candidates, the Company offers an attractive total rewards package, consisting of base salary, cash bonus, a comprehensive benefit package, equity compensation, and 401(k) plan. Bonus opportunities and equity compensation increase as a percentage of total compensation based on level of responsibility, and actual bonus awards are based on performance.

ITEM 1A. RISK FACTORS.

You should carefully consider the following risk factors and the other information contained elsewhere in this Annual Report before making an investment in our securities. If any of the following risks occur, our business, financial condition or operating results could be materially harmed. An investment in our securities is speculative in nature, involves a high degree of risk, and should not be made by an investor who cannot bear the economic risk of its investment for an indefinite period of time and who cannot afford the loss of its entire investment. The risks described below are not the only ones that our business faces. Additional risks not currently known to us or that we currently deem to be immaterial may adversely impact our business in the future. Additionally, many of these risks and uncertainties are currently elevated by and may or will continue to be elevated by the COVID-19 pandemic.

Risks Related to the Development and Commercialization of U2 and UKONIQ® (umbralisib)

We face substantial uncertainty regarding whether FDA will approve U2 and whether we will be able to maintain approval of UKONIQ in its currently marketed indications in light of the FDA's plan to hold an ODAC meeting in March or April 2022 to discuss the benefit-risk of U2 in CLL and SLL and the benefit risk of UKONIQ in R/R FL and MZL. If we are unable to obtain regulatory approval for U2 or if we are unable to maintain current approvals of UKONIQ, our business will be materially harmed.

In November 2021, the Company announced that FDA plans to host a meeting of the Oncologic Drugs Advisory Committee (ODAC) in connection with its review of the pending Biologics License Application (BLA) and supplemental New Drug Application (sNDA) for U2 for the treatment of adult patients with CLL and SLL. The potential questions and discussion topics for the ODAC include: the benefit-risk of the U2 combination for the treatment of CLL or SLL, and the benefit-risk of UKONIQ for R/R MZL and FL. In addition, as part of the benefit-risk analysis, the overall safety profile of the U2 regimen, including adverse events (serious and Grade 3-4), discontinuations due to adverse events, and dose modifications, is expected to be reviewed. The FDA's concerns giving rise to the ODAC meeting stem from an early analysis of overall survival from the UNITY-CLL trial, which showed a possible increased risk of death in patients receiving U2 compared to the control arm of obinutuzumab plus chlorambucil.

Due to the concerns that prompted the ODAC meeting, the FDA also placed the Company's clinical trials investigating U2 and its components in CLL and NHL, on partial clinical hold in January 2022. As part of the partial clinical hold, no new patients may be enrolled to the impacted studies, however patients on these studies who are deriving clinical benefit can continue on therapy once they have been reconsented. Most studies included in the partial clinical hold were already closed to new enrollment or were on TG administrative hold to new enrollment at the time FDA imposed the partial clinical hold. TG expects to provide an update on the partial clinical hold only upon completion of the ODAC meeting.

Additionally, in February 2022, the FDA released a Drug Safety Communication in which it announced that it is investigating a possible increased risk of death with UKONIQ as a result of the initial UNITY-CLL overall survival results and is re-evaluating the benefit-risk profile of UKONIQ for its approved indications. The FDA encouraged healthcare providers to review patients' progress on UKONIQ and discuss with them the risks and benefits of continuing UKONIQ in the context of other available treatments. The communication also encouraged patients to speak with their healthcare providers about the risks and benefits of UKONIQ and possible alternative treatments.

The FDA's plan to convene an ODAC, issuance of a partial clinical hold on selected studies of U2 and its components, and release of the Drug Safety Communication have adversely affected our business, and we expect that these agency actions will continue to do so until the FDA makes a decision on the BLA/sNDA for U2 for the treatment of CLL and SLL. In light of the FDA's plan to hold an ODAC meeting, we face substantial uncertainty regarding whether FDA will approve U2 and whether we will be able to maintain approval of UKONIQ. The ODAC and the FDA may rely on a different data set from UNITY-CLL, have a different interpretation of the results of that study, and reach a different assessment of the benefit-risk profile of U2 and UKONIQ than we do. The ODAC may recommend against approving U2 and against maintaining the current approvals of UKONIQ or may provide advisory input that adversely impacts the commercial opportunity for U2 and UKONIQ. Although we anticipate that the ODAC meeting will be scheduled in March or April 2022, we do not know how long it will take after the ODAC convenes for the FDA to make a decision on our BLA/sNDA and the benefit-risk of UKONIQ in its approved indications. The full extent of the planned ODAC meeting is unknown. Even if the ODAC recommends approval of U2 and continued approval of UKONIQ, the FDA may not agree with that recommendation if it determines that the applicable regulatory criteria for approval are not satisfied or the FDA may require inclusion of warnings or limitations in the labeling that are not acceptable to patients or healthcare providers. If we are unable to obtain regulatory approval for U2 or maintain approval of UKONIQ, our business will be materially harmed. Furthermore, our business will be adversely affected if the partial clinical hold cannot be favorably resolved in a

timely manner or if such regulatory concerns lead to more burdensome clinical or preclinical studies that cause significant delay or expense in the research or development of U2 or UKONIQ.

Risks Related to Commercialization

If we obtain FDA approval of U2 in CLL/SLL or ublituximab in RMS and do not achieve broad market acceptance among physicians, patients, healthcare payors, and the medical community, the revenues that we generate from product sales will be limited.

We have one marketed product, UKONIQ, which received accelerated approval from the FDA on February 5, 2021 for the treatment of R/R MZL in adult patients who have received at least one prior anti-CD20-based regimen and R/R FL in adult patients who have received at least three prior lines of systemic therapy. The FDA is currently reviewing our BLA and sNDA requesting approval of U2 as a treatment for patients with CLL/SLL and our BLA for ublituximab for the treatment of RMS.

While we have initiated the commercial launch of UKONIQ in the U.S. and have started internal planning for potential commercialization of ublituximab, we have limited experience as a commercial company and our ability to successfully overcome the risks associated with commercializing drugs in the biopharmaceutical industry, including the risk that our products do not achieve an adequate level of acceptance, remains uncertain. UKONIQ as well as other drugs that we may bring to the market in the future, including ublituximab, may not gain market acceptance by physicians, patients, third-party payors and others in the healthcare community. If our products do not achieve an adequate level of acceptance, we may not generate significant revenues or meet our revenue projections or guidance, and we may not become profitable. The degree of market acceptance of UKONIQ, as well as any future product candidates for which we obtain approval such as U2 in CLL/SLL and ublituximab in RMS, will depend on a number of factors, including:

- the timing of our receipt of marketing approvals, the terms of such approvals, and the countries in which such approvals are obtained;
- the efficacy, safety and tolerability as demonstrated in clinical trials and as compared to alternative treatments;
- the timing of market introduction of any of our product candidates as well as competitive products;
- the indications for which our products are approved, and other aspects of the approved labeling for such products;
- acceptance by physicians, major operators of cancer or neurology clinics, and patients of our products as safe, tolerable and effective treatments;
- the potential and perceived advantages or disadvantages of our products compared to alternative treatments;
- our ability to offer our products for sale at competitive prices;
- the availability of adequate reimbursement by third-party payors and government authorities;
- the extent of patient cost-sharing obligations, including copays and deductibles;
- changes in regulatory requirements by government authorities for our products;
- relative convenience and ease of administration;
- the prevalence and severity of side effects and adverse events;
- the willingness of the target patient population to try new therapies and of physicians to prescribe these therapies;
- the effectiveness of our sales and marketing efforts;
- protecting our rights in our intellectual property portfolio;
- our ability to maintain a reliable supply of our products that meets market demand; and
- favorable or unfavorable publicity relating to our products or relating to the Company.

The COVID-19 pandemic continues to present a substantial global public health risk and economic challenge. The measures to control the spread of COVID-19 have impacted our approach to the commercial launch of UKONIQ and may impact our ability to successfully launch ublituximab, if approved. We initiated commercial sales of UKONIQ in February 2021 in an environment in which the measures taken by state and local governments as well as hospitals and oncology clinics to control the spread of COVID-19 significantly limited our opportunities for in-person interactions, including for example, interactions with physicians, hospitals, payors, and other customers at medical congresses. As a result of COVID-19 variants, many of the interactions our field personnel have with healthcare providers and other customers continue to be virtual. We cannot ensure that remote methods will be effective or as effective as in-person interactions. Other factors related to the COVID-19 pandemic that could impact commercialization of our products include delays in demand due to a reduction in medical visits by patients, impacts on the healthcare system and overall economy and increases in the number of uninsured or underinsured patients. Patients and healthcare providers have raised concerns that immunosuppressive products, like anti-CD20 antibodies and other B-cell targeted agents, may increase the risk of acquiring COVID-19 or lead to more severe complications upon

infection. These concerns may impact the commercial potential for ublituximab and other immunosuppressive products that we have in development. In addition, our office-based employees, consultants, vendors and certain customer segments are continuing to work remotely and many of our commercialization efforts are happening virtually. The length of time and full extent to which the COVID-19 pandemic directly or indirectly impacts our commercialization efforts depends on future developments that are highly uncertain, subject to change and are difficult to predict, including, whether, even after pandemic-related restrictions ease, there is a shift in how pharmaceutical field representatives interact with healthcare providers that could have a negative effect on our future business and operations. For a discussion of additional pandemic-related risks to our business, see below under the heading "**Risks Related to the COVID-19 Pandemic.**"

If UKONIQ or any future products for which we receive regulatory approval, including U2 in CLL/SLL and ublituximab in RMS, do not achieve an adequate level of acceptance by physicians, hospitals, healthcare payors and patients, we may not generate sufficient revenue from these products and we may not become or remain profitable, which would have a material adverse effect on our business.

We may be subject to limitations on the indicated uses or requirements to fulfill certain post-marketing requirements to the satisfaction of regulatory authorities or may be unable to maintain marketing approval for UKONIQ or future products that we may bring to market.

Regulatory approvals for any of our product candidates may be subject to limitations on the approved indicated uses for which the product may be marketed or contain requirements for potentially costly post-marketing testing, including Phase IV clinical trials, and surveillance to monitor the safety and efficacy of the approved product candidate. With respect to the FDA's approval of UKONIQ for relapsed or refractory MZL and FL, we received accelerated approval and are subject to certain post-approval requirements. For example, we will need to conduct a confirmatory clinical trial, which will involve a Phase 3 trial that may be expensive and time-consuming and difficult to complete with the time frame expected by the FDA. Moreover, the confirmatory clinical trial may not confirm the benefit making the MZL and FL indications for UKONIQ subject to withdrawal of continued approval by the FDA or voluntary withdrawal by the Company, which could significantly harm our business. In addition, we will need to conduct additional clinical studies to address post-marketing commitments and post-marketing requirements related to further assessing the drug-drug interaction profile of UKONIQ and its safety, efficacy, and pharmacokinetic properties in certain at-risk populations. These studies are highly specialized in their design and conduct and are associated with considerable expenses, and based on the outcome, could result in further labeling restrictions that could impair or restrict the way in which we are able to market UKONIQ, or negatively impact its overall clinical profile.

In addition, with respect to UKONIQ, and any product candidate that the FDA or a comparable foreign regulatory authority approves, the manufacturing processes, labeling, packaging, distribution, import, export, adverse event reporting, storage, advertising, promotion and recordkeeping for the product will be subject to extensive and ongoing regulatory requirements. These requirements include submissions of safety and other post-marketing information and reports, registration, as well as continued compliance with current Good Manufacturing Practices, or GMPs, with Good Clinical Practices, or GCPs, for any clinical trials that we conduct post-approval, and with Good Laboratory Practices, or GLPs, for any nonclinical studies. Later discovery of previously unknown problems with a product or with our third-party manufacturers or manufacturing processes, or failure to comply with regulatory requirements, may result in, among other things, restrictions on the marketing or manufacturing of the product, withdrawal of the product from the market, mandatory safety labeling changes or product recalls, suspension or revocation of product approvals, product seizure or detention, refusal to permit the import or export of products, and injunctions or the imposition of civil or criminal penalties, all of which would adversely affect our business, prospects and ability to achieve or sustain profitability.

UKONIQ, and any of our product candidates for which we in the future obtain approval, may after approval be found to cause undesirable side effects that could result in significant negative consequences following commercialization.

As UKONIQ or any future approved products are used more widely or for a longer duration after being brought to market, data may emerge from clinical studies, including confirmatory or other post-marketing studies, or from adverse event reporting that may affect the commercial potential of our products. For example, as additional patients are exposed for longer durations to UKONIQ in the commercial and clinical settings, it is unknown whether greater frequency and/or severity of adverse events are likely to occur or whether an acceptable safety and tolerability profile will continue to be demonstrated. If we or others identify unexpected side effects, caused by UKONIQ or our product candidates following introduction into the market, a number of potentially significant negative consequences could result, including:

- regulatory authorities may withdraw or limit the use (indication) of such products;
- regulatory authorities may require the addition of labeling statements, including warnings or boxed warnings, precautions, or contraindications that could diminish the usage of the product or otherwise limit the commercial success of the affected product;

- we may be required to change the way such drug candidates are distributed or administered, or to conduct additional clinical trials;
- regulatory authorities may require a Risk Evaluation and Mitigation Strategy (REMS), a plan to mitigate risks, which could include a Medication Guide, physician communication plans, or elements to assure safe use, such as restricted distribution methods, patient registries and other risk minimization tools;
- we may be subject to regulatory investigations and government enforcement actions;
- we may decide to remove such drug candidates from the marketplace;
- we may not be able to enter into collaboration agreements on acceptable terms and execute on our business model;
- we could be sued and held liable for injury caused to individuals exposed to or taking our products; and
- our reputation may suffer.

Any one or a combination of these events could prevent us from maintaining regulatory approval and achieving or maintaining market acceptance of the affected product or could substantially increase the costs and expenses of commercializing the affected product, which in turn could significantly impact our ability to successfully commercialize our drug candidates and generate revenues.

The incidence and prevalence for target patient populations of UKONIQ and our product candidates, including U2 in CLL/SLL and ublituximab in RMS, have not been established with precision. If the market opportunities for UKONIQ and our product candidates are smaller than we estimate or if any approval that we obtain is based on a narrower definition of the patient population, our revenue and ability to achieve profitability will be adversely affected, possibly materially.

The precise incidence and/or prevalence of R/R MZL after one prior anti-CD20-based regimen, R/R FL after three prior lines of systemic therapy, CLL, and RMS are unknown. Our projections of both the number of patients within our FDA-approved indications for UKONIQ and target indications for U2 in CLL/SLL and ublituximab in RMS, as well as the subset of these patients who have the potential to benefit from treatment with our products, are based on estimates. These estimates are typically based on one on one and group interactions with target physicians and other sources available at the time we make the estimates, including the scientific literature, healthcare utilization databases and market research. Although we believe our estimates are reasonable, many factors may limit their accuracy. For example, the sources we use to make the estimates may prove to be incorrect. Further, new studies may change the estimated incidence or prevalence of these diseases and the number of patients may turn out to be lower than expected.

The total addressable market opportunity for UKONIQ in MZL and FL, U2 in CLL/SLL, and ublituximab in RMS will ultimately depend upon, among other things, the scope of the final approved indication and other elements of the approved prescribing information, acceptance by the medical community, patient access, and drug pricing and reimbursement. The number of patients in major markets, including the number of addressable patients in those markets, may turn out to be lower than expected, patients may not be otherwise amenable to treatment with our drugs, new patients may become increasingly difficult to identify or gain access to, or patients and physicians may choose to utilize competitive products, all of which would adversely affect our results of operations and our business.

We face substantial competition, which may result in others commercializing drugs before or more successfully than we do resulting in the reduction or elimination of our commercial opportunity.

We operate in a highly competitive segment of the biotechnology and biopharmaceutical market. We face competition from numerous sources, including commercial pharmaceutical and biotechnology enterprises, academic institutions, government agencies, and private and public research institutions. Many of our competitors have significantly greater financial, product development, manufacturing and commercialization resources. Large pharmaceutical companies have extensive experience in clinical testing and obtaining regulatory approval for drugs. Additionally, many universities and private and public research institutes are active in cancer research, some in direct competition with us. We may also compete with these organizations to recruit scientists and clinical development personnel. Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies.

Our commercial opportunity could be reduced or eliminated if our competitors develop and commercialize drugs that are more effective, have fewer or less severe side effects, are more convenient or are priced or contracted differently than any drugs that we or our collaborators may develop. Our competitors also may obtain FDA or other regulatory approval for their drugs more rapidly than we may obtain approval for ours, which could result in our competitors establishing a strong market position before we or our collaborators are able to enter the market. In a competitive environment, a company's communications may also be subject to heightened scrutiny from regulators and competitors, under laws, regulations, and guidance about promotional communications (advertising and promotional labeling) and non-promotional communications (e.g., certain educational and scientific exchange); and with regard to potential competitor actions under federal law (the Lanham Act) and congruous state law, which protect businesses against the unfair competition of misleading advertising or labeling.

The key competitive factors affecting the success of all of our drug candidates, if approved, are likely to be their efficacy, safety, convenience, price, the level of generic competition and the availability of reimbursement from government and other third-party payors.

New developments, including the development of other pharmaceutical technologies and methods of treating disease, occur in the pharmaceutical and life sciences industries at a rapid pace. These developments may render our product candidates obsolete or noncompetitive. Compared to us, many of our potential competitors have substantially greater:

- research and development resources, including personnel and technology;
- regulatory experience;
- pharmaceutical development, clinical trial and pharmaceutical commercialization experience;
- experience and expertise in exploitation of intellectual property rights; and
- capital resources.

We will also face competition from these third parties in recruiting and retaining qualified personnel, establishing clinical trial sites, patient registration for clinical trials, and in identifying and in-licensing new product candidates.

UKONIQ, as well as any products that we are able to commercialize in the future, may become subject to unfavorable pricing regulations or third-party payor coverage and reimbursement policies, which would harm our business.

The regulations that govern regulatory approvals, pricing and reimbursement for new drugs vary widely from country to country. Some countries require approval of the sale price of a drug before it can be marketed. In many countries, the pricing review period begins after marketing approval is granted. In some foreign markets, prescription pharmaceutical pricing remains subject to continuing governmental control even after initial approval is granted. As a result, we might obtain marketing approval for a product in a particular country, but then be subject to price regulations that delay our commercial launch of the drug candidate, possibly for lengthy time periods, and negatively impact the revenues we are able to generate from the sale of the drug candidate in that country. Adverse pricing limitations may hinder our ability to recoup our investment in one or more products, even if our product candidates obtain marketing approval. Eligibility for reimbursement does not imply that any drug will be paid for in all cases or at a rate that covers our costs, including research, development, manufacture, sale and distribution. Interim reimbursement levels for new drugs, if applicable, may also not be sufficient to cover our costs and may not be made permanent. In addition, if we are successful in obtaining FDA approval for ublituximab for the treatment of CLL/SLL and RMS, we will need to identify and execute a pricing strategy that takes into account the value of the product in each indication independently to realize the product's full potential in both indications. If we are unable to identify and execute such a strategy, the pricing of ublituximab across indications may not be optimal, which may have a material adverse impact on the sales in one or both of the indications and on our overall business.

Our ability to commercialize any product successfully also will depend in part on the extent to which coverage and reimbursement for our products and related treatments will be available from government authorities, private health insurers and other organizations. Government authorities and third-party payors, such as private health insurers and health maintenance organizations, decide which medications they will pay for and establish reimbursement and co-payment levels. A primary trend in the U.S. healthcare industry and elsewhere is cost containment. Government authorities and third-party payors have attempted to control costs by restricting coverage and limiting the amount of reimbursement for particular drugs. Increasingly, third-party payors are requiring that drug companies provide them with predetermined discounts from list prices and are challenging the prices charged for drugs, examining the cost effectiveness of drugs in addition to their safety and efficacy. Third-party commercial payors often rely upon Medicare coverage policy and payment limitations in setting their own reimbursement policies. Payors may restrict coverage of some products by using formularies under which only selected drugs are covered, variable co-payments that make drugs that are not preferred by the payor more expensive for patients, and utilization management controls, such as requirements for prior authorization or failure first on another type of treatment. Payors may target higher-

priced drugs for imposition of these obstacles to coverage, and consequently our products may be subject to payer-driven restrictions. Additionally, in countries where patients have access to insurance, as in the U.S., insurance co-payment amounts or other benefit limits may represent a barrier to obtaining or continuing use of our products that receive regulatory approval. If we are unable to obtain or maintain coverage, or coverage is reduced in one or more countries, our product sales may be lower than anticipated and our financial condition could be harmed.

Net prices for drugs may be reduced by mandatory discounts or rebates required by government healthcare programs or private payors and by any future relaxation of laws that presently restrict imports of drugs from countries where they may be sold at lower prices. In the United States, for example, we must offer discounted pricing or rebates on purchases of pharmaceutical products under various federal and state healthcare programs, such as the Medicaid Drug Rebate Program, the 340B drug pricing program and the Medicare Part D Program. We must also report specific prices to government agencies under healthcare programs, such as the Medicaid Drug Rebate Program and Medicare Part B. The calculations necessary to determine the prices reported are complex and the failure to report prices accurately may expose us to penalties.

If, in the future, we are unable to expand our commercial operations, including sales and marketing capabilities or enter into agreements with third parties to sell and market our drug candidates, we may not be successful in commercializing our product candidates if and when they are approved, and we may not be able to generate any revenue.

We have made and continue to make significant investments in our commercial organization and infrastructure. We have hired and continue to hire marketing, sales, and medical support personnel and have built processes and systems to support the commercialization of UKONIQ in the U.S. We are expanding our commercialization team and infrastructure in planning for the potential commercial launches of U2 in CLL/SLL and ublituximab in RMS prior to knowing whether the FDA will accept or approve the necessary regulatory submissions. It is possible that either or both FDA approvals are unexpectedly delayed or are not received at all. For example, in November 2021, the FDA notified the Company that it planned to discuss the benefit-risk profile of U2 in CLL/SLL as well as UKONIQ in the approved indications during an ODAC meeting to be held in March or April 2022. Given the timing of the ODAC, the Company anticipates it is unlikely that the FDA will make a decision on the BLA/sNDA by the PDUFA goal date of March 25, 2022. See **"Risks Related to the Development and Commercialization of U2 and UKONIQ."** A significant delay in regulatory approval will cause us to incur delays that may impede or significantly delay our ability to generate revenue while incurring significant expenses, which would have a material adverse effect on the Company.

There are risks involved with establishing our own sales, marketing, and other commercialization capabilities. For example, recruiting and training a sales force is both expensive and time-consuming, and could potentially delay any drug launch. If the commercial launch of a product candidate (e.g., U2 in CLL/SLL or ublituximab in MS) for which we recruit a sales force and establish marketing capabilities is delayed or does not occur for any reason, we would have prematurely or unnecessarily incurred these commercialization expenses. This may be costly, and our investment would be lost if we cannot retain or reposition our sales and marketing personnel.

Factors that may inhibit our efforts to commercialize UKONIQ and our product candidates on our own and generate product revenues include:

- our inability to recruit and retain adequate numbers of effective sales and marketing personnel;
- the costs and time associated with the initial and ongoing training of sales and marketing personnel on the applicable disease states, products, competitors, and legal and regulatory compliance matters;
- the inability of sales personnel to obtain access to physicians or to effectively promote UKONIQ or any future drugs;
- the lack of complementary drugs to be offered by sales personnel, which may put us at a competitive disadvantage relative to companies with more extensive product lines;
- our ability to maintain a healthcare compliance program including effective mechanisms for compliance monitoring; and
- unforeseen costs and expenses associated with creating a sales and marketing organization.

In the future, we may choose to participate in sales activities with collaborators for some of our product candidates if and when they are approved. However, there are also risks with entering into these types of arrangements with third parties to perform sales, marketing and distribution services. For example, we may not be able to enter into such arrangements on terms that are favorable to us. Our drug revenues or the profitability of these drug revenues to us are likely to be lower than if we were to market and sell any product candidates that we develop ourselves. In addition, we likely will have little control over such third parties, and any of them may fail to devote the necessary resources and attention to sell and market our product candidates effectively. If we do not establish sales and marketing capabilities

successfully, either on our own or in collaboration with third parties, we will not be successful in commercializing our drug candidates. Further, our business, results of operations, financial condition and prospects will be materially adversely affected.

We are also planning for expansion into certain European markets. Building and maintaining an infrastructure outside the United States is expensive, complex, resource intensive and time consuming. Like the situation described above in the U.S., we will need to establish our infrastructure in planning for potential commercial launches in Europe prior to knowing whether the regulatory authorities will accept or approve our regulatory submissions or approve any of our products at an appropriate price. In either case we will incur delays that may impede or significantly delay our ability to generate revenue in those international markets and at the same time will incur significant expenses. If this were to occur, it could materially and adversely affect our business operations and financial condition.

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

We face an inherent risk of product liability exposure related to the testing of our product candidates in human clinical trials, and an even greater risk in connection with the commercialization of UKONIQ and any other product candidates for which we may receive marketing authorization in the future. If we cannot successfully defend ourselves against claims that UKONIQ or our product candidates caused injuries, we could incur substantial liabilities. Regardless of merit or eventual outcome, liability claims may result in:

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

Although we maintain product liability insurance coverage, it may not be adequate to cover all liabilities that we may incur. Insurance coverage is increasingly expensive. We may not be able to maintain insurance coverage at a reasonable cost or in an amount adequate to satisfy any liability that may arise.

Risks Related to Our Financial Position and Need for Additional Capital

We have incurred significant operating losses since our inception and anticipate that we will incur continued losses for the foreseeable future.

Biopharmaceutical drug development is a highly speculative undertaking and involves a substantial degree of risk. We commenced operations in January 2012. Our operations to date have been limited primarily to organizing and staffing our company, business planning, raising capital, developing our technology, identifying potential drug candidates, undertaking pre-clinical studies and clinical trials, commercializing our only marketed product UKONIQ, which received FDA approval in February 2021, and preparing for potential commercialization of ublituximab. We are transitioning from a company with a research and development focus to a company capable of supporting commercial activities, potentially across hematology and neurology as well as in the U.S. and outside the U.S. We may not be successful in such a transition.

Since inception, we have focused our efforts and financial resources on clinical trials, manufacturing of our drug candidates, and preparing to support a commercial product. To date, we have financed our operations primarily through public offerings of our common stock and a debt financing. Since inception, we have incurred significant operating losses. Substantially all our operating losses have resulted from costs incurred in connection with our research and development programs and from selling, general and administrative costs associated with our operations, including our commercialization activities. We expect to continue to incur significant expenses and operating losses for the foreseeable future. Our prior losses, combined with expected future losses, have had and will continue to have an adverse effect on our stockholders' deficit and working capital. Other than the FDA approval of UKONIQ, we have not obtained marketing approval for any of our product candidates, which are in preclinical or clinical development stages. We expect to continue to incur significant research and development expenses in connection with continuing our existing clinical trials and beginning additional clinical trials. In addition, we expect to continue to incur significant sales, marketing and outsourced-manufacturing expenses as we commercialize UKONIQ and plan for the possible commercialization of ublituximab in CLL/SLL and RMS, if approved. Because of the numerous risks and uncertainties associated

with developing pharmaceuticals, we are unable to predict the extent of any future losses or when we will become profitable, if at all. Even if we do become profitable, we may not be able to sustain or increase our profitability on a quarterly or annual basis. Our ability to become profitable depends upon our ability to generate substantial revenue.

To date, we have not generated any significant revenue from our product sales, and it is uncertain when and if we will generate any significant revenue from the sale of our products in the future. Furthermore, no assurance can be given that we will meet revenue projections or guidance. To obtain significant and sustained revenues and meet our revenue projections or guidance, we must succeed, either alone or with others, in (i) developing and obtaining regulatory approval for our product candidates, including ublituximab, and for additional indications of UKONIQ; and (ii) manufacturing and marketing our products and product candidates. Accordingly, we do not expect to generate significant and sustained revenue unless and until we obtain marketing approval of ublituximab and additional indications of UKONIQ and/or one of our other product candidates. Our ability to generate significant and sustained revenue or meet revenue projections or guidance depends on a number of factors, including, but not limited to, our ability to:

- successfully complete clinical trials that meet their clinical endpoints;
- initiate and successfully complete all safety, pharmacokinetic, biodistribution, and non-clinical studies required to obtain U.S. and foreign marketing approval for our product candidates;
- obtain approval from the FDA and foreign equivalents to market and sell our product candidates, including ublituximab in CLL /SLL and RMS, and maintain FDA approval of UKONIQ for relapsed or refractory MZL and FL;
- establish commercial manufacturing capabilities with third parties that are satisfactory to the regulatory authorities, cost effective, and that are capable of providing commercial supply of our product candidates, or, in the case of UKONIQ, maintain these capabilities;
- expand on our commercial infrastructure to commercialize ublituximab, our other product candidates, and additional indications of UKONIQ, if approved, by increasing the size of our sales force and commercialization infrastructure and/or entering into collaborations with third parties; and
- achieve market acceptance of UKONIQ and our product candidates, if approved, in the medical community and with third-party payors.

If we are unable to generate significant and sustained revenues, we will not become profitable and we will be unable to continue our operations without continued funding.

We will need to raise substantial additional funding. If we are unable to raise capital when needed, we would be forced to delay, reduce or eliminate some of our drug development programs or commercialization efforts.

The development of pharmaceuticals is capital-intensive. We are currently advancing our most advanced drug candidates, ublituximab, cosibelimab, TG-1701 and TG-1801, and UKONIQ for additional indications through clinical development. While we may experience short-term decreases in clinical trial expenses as our larger Phase 3 clinical trials complete and before our Phase 1 and 2 programs can advance into Phase 2 and 3, we do expect over time our overall expenses will increase in connection with our ongoing activities, particularly as we continue the research and development of, initiate or continue clinical trials of, seek marketing approval for, and expand our infrastructure to commercialize our product candidates and additional indications of UKONIQ. Moreover, in anticipation of potential regulatory approvals for UKONIQ and ublituximab in CLL/SLL and for ublituximab in RMS, we will need to expend substantial resources on BLA support, including preparation for the ODAC meeting on U2 in CLL and SLL over the next 6 to 12 months, and on manufacturing support over the next 12 to 18 months, which could exceed any cost savings associated with lower clinical trial expenses during the same period.

While this timing is our current estimate, the amount and timing of our future funding requirements will depend on many factors, including, but not limited to, the following:

- the progress of our clinical trials, including expenses to support the trials and milestone payments that may become payable under our license agreements;
- developments relating to the COVID-19 pandemic in the U.S. and around the world;
- the costs and timing of regulatory approvals;
- the costs and timing of clinical and commercial manufacturing supply arrangements for each product and product candidate;
- the costs of expanding our sales, distribution, and other commercialization capabilities;

- the success of the commercialization of UKONIQ and any product candidates, if approved;
- our ability to establish and maintain strategic collaborations, including licensing and other arrangements;
- the costs involved in enforcing or defending patent claims or other intellectual property rights; and
- the extent to which we in-license or invest in other indications or product candidates.

As a result, significant additional funding will be required. Additional sources of financing to continue our operations in the future might not be available on favorable terms, if at all. If we do not succeed in raising additional funds on acceptable terms, we might be unable to complete planned preclinical studies and clinical trials or obtain approval of any of our product candidates from the FDA or any foreign regulatory authorities. In addition, we could be forced to discontinue product development, reduce or forego sales, marketing and medical educational efforts that are required for successful commercialization of UKONIQ, ublituximab (if approved), or any of our other product candidates and otherwise forego attractive business opportunities. Any additional sources of financing will likely involve the issuance of our equity securities, which would have a dilutive effect to stockholders. Currently, other than UKONIQ, our products are investigational and have not been approved by the FDA or any foreign regulatory authority for sale. Therefore, for the foreseeable future, we will have to fund all of our operations and capital expenditures from sales of UKONIQ in the U.S., cash on hand and amounts raised in future offerings or financings. Accordingly, our prospects must be considered in light of the uncertainties, risks, expenses and difficulties frequently encountered by companies in the early stages of commercial operations and the competitive environment in which we operate.

Raising additional capital may cause dilution to our stockholders, restrict our operations or require us to relinquish rights to our technologies or drug candidates and occupy valuable management time and resources.

Until such time, if ever, as we can generate substantial drug revenues, we expect to finance our cash needs through a combination of public and private equity offerings, debt financings, collaborations, strategic alliances and licensing arrangements. We do not have any committed external source of funds, other than funds already borrowed under the loan and security agreement that we entered into with Hercules in February 2019, and which was expanded in December 2021 (see Note 6 to our consolidated financial statements for more information). To the extent that we raise additional capital through the sale of common stock or securities convertible or exchangeable into common stock, the ownership interest of our stockholders will be diluted, and the terms of these securities may include liquidation or other preferences that materially adversely affect the rights of our common stockholders. We may also seek funds through collaborations, strategic alliances or licensing arrangements with third parties at a time that is not desirable to us and we may be required to relinquish valuable rights to some intellectual property, future revenue streams, research programs or drug candidates or to grant licenses on terms that may not be favorable to us, any of which may have a material adverse effect on our business, operating results and prospects. Debt financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. See our risk factors below under the heading “Risks Related to Our Indebtedness.”

Additionally, fundraising efforts may divert our management from their day-to-day activities, which may adversely affect our ability to develop and commercialize our drug candidates. Dislocations in the financial markets have generally made equity and debt financing more difficult to obtain and may have a material adverse effect on our ability to meet our fundraising needs. We cannot guarantee that future financing will be available in sufficient amounts or on terms acceptable to us, if at all. Moreover, the issuance of additional securities, whether equity or debt, by us, or the possibility of such issuance, may cause the market price of our shares to decline.

Long-term commercialization and product candidate development timelines and projections in this report are based on the assumption of further financing.

The timelines and projections in this report are predicated upon the assumption that we will raise additional financing in the future to continue our long-term commercialization efforts and the development of our product candidates. In the event we do not successfully raise subsequent financing, such commercialization and product development activities may be curtailed commensurate with the magnitude of the shortfall. If our commercialization or product development activities are slowed or stopped, we would be unable to meet the timelines and projections outlined in this filing. Failure to progress our commercialization activities or the development of our product candidates as anticipated will have a negative effect on our business, future prospects, and ability to obtain further financing on acceptable terms, if at all, and the value of the enterprise.

Due to limited resources we may fail to capitalize on programs or product candidates that may present a greater commercial opportunity or for which there is a greater likelihood of success.

Because we have limited resources, we may forego or delay pursuit of opportunities with certain programs or product candidates or for indications that later prove to have greater commercial potential. Our estimates regarding the potential market for a product candidate could be inaccurate, and our spending on current and future research and development programs may not yield any commercially viable products. If we do not accurately evaluate the commercial potential for a particular product candidate, we may relinquish valuable rights to that product candidate through strategic collaboration, licensing or other arrangements in cases in which it would have been more advantageous for us to retain sole development and commercialization rights to such product candidate. Alternatively, we may allocate internal resources to a product candidate in a therapeutic area in which it would have been more advantageous to enter into a partnering arrangement.

If any of these events occur, we may be forced to abandon or delay our development efforts with respect to a particular product candidate or fail to develop a potentially successful product candidate, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

Our level of indebtedness and debt service obligations could adversely affect our financial condition and may make it more difficult for us to fund our operations.

In February 2019, we entered into a Loan and Security Agreement (the Loan Agreement), with Hercules Capital, Inc., a Maryland corporation (Hercules) and on December 30, 2021 (the First Amendment Closing Date), the Company entered into an Amended and Restated Loan and Security Agreement (the Amended Loan Agreement) with Hercules. Under the Amended Loan Agreement, Hercules increased the aggregate principal amount of the loan, available at the Company's option, from $60.0 million to $200.0 million (the Amended Term Loan) (see Note 6 to our consolidated financial statements for more information). A first advance of $70.0 was million drawn at the First Amendment Closing Date, a portion of which was used to refinance the current outstanding loan balance of approximately $7.8 million.

All obligations under the Amended Loan Agreement are secured by substantially all of our existing property and assets, excluding intellectual property. This indebtedness may create additional financing risk for us, particularly if our business or prevailing financial market conditions are not conducive to paying off or refinancing its outstanding debt obligations at maturity. This indebtedness could also have important negative consequences, including:

- we will need to repay the indebtedness by making payments of interest and principal, which will reduce the amount of money available to finance our operations, our research and development efforts and other general corporate activities; and
- our failure to comply with the restrictive covenants in the Amended Loan Agreement could result in an event of default that, if not cured or waived, would accelerate our obligation to repay this indebtedness, and Hercules could seek to enforce its security interest in the assets securing such indebtedness.

To the extent additional debt is added to our current debt levels, the risks described above could increase.

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

Failure to satisfy our current and future debt obligations under the Amended Loan Agreement, or the breach of any of its covenants, subject to specified cure periods with respect to certain breaches, could result in an event of default and, as a result, Hercules could accelerate all of the amounts due. In the event of an acceleration of amounts due under the Amended Loan Agreement as a result of an event of default, we may not have enough available cash or be able to raise additional funds through equity or debt financings to repay such indebtedness at the time of such acceleration. In that case, we may be required to delay, limit, reduce or terminate our product candidate development or commercialization efforts or grant to others rights to develop and market product candidates that we would otherwise prefer to develop and market ourselves. Hercules could also exercise its rights as collateral agent to take possession and dispose of the collateral securing the Term Loan for its benefit, which collateral includes substantially all of our property other than intellectual property. Our business, financial condition and results of operations could be materially adversely affected as a result of any of these events.

The Amended Loan Agreement imposes operating and other restrictions on the Company. Such restrictions will affect, and in many respects limit or prohibit, our ability and the ability of any future subsidiary to, among other things:

- dispose of certain assets;
- change its lines of business;
- engage in mergers, acquisitions or consolidations;
- incur additional indebtedness;
- create liens on assets;
- pay dividends and make contributions or repurchase our capital stock; and
- engage in certain transactions with affiliates.

The breach of any of these restrictive covenants could have a material adverse effect on our business and prospects.

Risks Related to Drug Development and Regulatory Approval

If we are unable to obtain regulatory approval for our product candidates and ultimately cannot commercialize one or more of them, or experience significant delays in doing so, our business will be materially harmed.

We have invested substantially all of our efforts and financial resources in the identification and pre-clinical and clinical development of UKONIQ and our product candidates, including ublituximab, cosibelimab, TG-1701 and TG-1801, and building a commercial infrastructure. Our ability to generate revenues from product sales will depend completely on the successful completion of our current and future Phase 3 and registration-directed clinical trials and commercialization of our product candidates, including ublituximab and additional indications of UKONIQ, which may never occur. Each of our product candidates will require additional non-clinical or clinical development, regulatory approval in multiple jurisdictions, and we will need to obtain sufficient clinical and commercial supply. The success of our development programs and achievement of regulatory approval of our product candidates will depend on several factors, including the following:

- successful completion of our clinical programs with positive results that support a finding of effectiveness and an acceptable safety profile of our product candidates in the intended populations within the timeframes we have projected;
- INDs and clinical trial applications, or CTAs, being cleared/approved such that our product candidates can commence clinical trials;
- successful initiation and completion of preclinical studies and successful initiation of, enrollment in and completion of clinical trials;
- sufficiency of our financial and other resources to complete the necessary preclinical studies and clinical trials;
- receipt of regulatory approvals from applicable regulatory authorities for our product candidates, including U2 in CLL and ublituximab in RMS;
- establishing commercially viable arrangements with third-party manufacturers for clinical supply and commercial manufacturing; and
- obtaining and maintaining patent and trade secret protection or regulatory exclusivity for our product candidates.

If we do not achieve one or more of these factors in a timely manner or at all, we could experience significant delays in our clinical programs and regulatory submission timelines and may not be able to obtain regulatory approval for our product candidates.

Because results of preclinical studies and early clinical trials are not necessarily predictive of future results, any product candidate we advance may not have favorable results in later clinical trials or receive regulatory approval. Moreover, interim, "top-line," and preliminary data from our clinical trials that we announce or publish may change, or the perceived product profile may be negatively impacted, as more patient data or additional endpoints (including efficacy and safety) are analyzed.

Pharmaceutical development has inherent risks. The outcome of preclinical development testing and early clinical trials may not be predictive of the outcome of later clinical trials, and interim results of a clinical trial do not necessarily predict final results. Moreover, preclinical and clinical data are often susceptible to varying interpretations and analyses, and many companies that have believed their product candidates performed satisfactorily in preclinical studies and clinical trials have nonetheless failed to obtain marketing approval of their product candidates. Once a product candidate has displayed sufficient preclinical data to warrant clinical investigation, we will be required to demonstrate through adequate and well-controlled clinical trials that our product candidates are effective with a favorable benefit-

risk profile for use in populations for their target indications before we can seek regulatory approvals for their commercial sale. Many drug candidates fail in the early stages of clinical development for safety and tolerability issues or for insufficient clinical activity, despite promising pre-clinical results. Accordingly, no assurance can be made that a safe and efficacious dose can be found for these compounds or that they will ever enter into advanced clinical trials alone or in combination with other product candidates. Moreover, success in early clinical trials does not mean that later clinical trials will be successful because product candidates in later-stage clinical trials may fail to demonstrate sufficient safety or efficacy despite having progressed through initial clinical testing. Companies frequently experience significant setbacks in advanced clinical trials, even after earlier clinical trials have shown promising results. There is an extremely high rate of failure of pharmaceutical candidates proceeding through clinical trials.

Individually reported outcomes of patients treated in clinical trials may not be representative of the entire population of treated patients in such studies. In addition, larger scale Phase 3 studies, which are often conducted internationally, are inherently subject to increased operational risks compared to earlier stage studies, including the risk that the results could vary on a region to region or country to country basis, which could materially adversely affect the outcome of the study or the opinion of the validity of the study results by applicable regulatory agencies.

From time to time, we may publicly disclose top-line or preliminary data from our clinical trials, which is based on a preliminary analysis of then available data, and the results and related findings and conclusions are subject to change following a more comprehensive review of the data related to the particular study or trial. We also make assumptions, estimations, calculations and conclusions as part of our analyses of such data, and we may not have received or had the opportunity to fully and carefully evaluate all data from the particular study or trial, including all endpoints and safety data. As a result, top-line or preliminary results that we report may differ from future results of the same studies, or different conclusions or considerations may qualify such results once additional data have been received and fully evaluated. Top-line or preliminary data also remain subject to audit and verification procedures that may result in the final data being materially different from the topline, interim, or preliminary data we previously published. When providing top-line results, we may disclose the primary endpoint of a study before all secondary endpoints have been fully analyzed. A positive primary endpoint does not translate to all, or any, secondary endpoints being met. As a result, top-line and preliminary data should be viewed with caution until the final data are available, including data from the full safety analysis and the final analysis of all endpoints.

Further, from time to time, we may also disclose interim data from our preclinical studies and clinical trials. Interim data from clinical trials that we may complete are subject to the risk that one or more of the clinical outcomes may materially change as patient enrollment continues and more patient data become available. For example, time-to-event based endpoints such as duration of response (DOR) and PFS have the potential to change, sometimes drastically, with longer follow-up. In addition, as patients continue on therapy, there can be no assurance given that the final safety data from studies, once fully analyzed, will be consistent with prior safety data presented, will be differentiated from other similar agents in the same class, will support continued development, or will be favorable enough to support regulatory approvals for the indications studied. Further, others, including regulatory agencies, may not accept or agree with our assumptions, estimates, calculations, conclusions or analyses or may interpret or weigh the importance of data differently, which could impact the value of the particular program, the approvability or commercialization of the particular product candidate or product and our company in general. The information we choose to publicly disclose regarding a particular study or clinical trial is based on what is typically extensive information, and regulators or others may not agree with what we determine is material or otherwise appropriate information to include in our disclosure. If the interim, top-line or preliminary data that we report differ from final results, or if others, including regulatory authorities, disagree with the conclusions we have reached, our ability to obtain approval for, or successfully commercialize, our product candidates may be harmed, which could harm our business, operating results, prospects or financial condition.

Many of the results reported in our early clinical trials rely on local investigator-assessed efficacy outcomes which may be subject to greater variability or subjectivity than results assessed in a blinded, independent, centrally reviewed manner, often required of later phase, adequate and well-controlled registration-directed clinical trials. If the results from our registration-directed trials are different from the results found in the earlier studies, we may need to terminate or revise our clinical development plan, which could extend the time for conducting our development program and could have a material adverse effect on our business.

Clinical drug development involves a lengthy and expensive process, with an uncertain outcome. We may incur additional costs or experience delays in completing, or ultimately be unable to complete, the development and commercialization of our product candidates.

Before obtaining marketing approval from regulatory authorities for the sale of any product candidate, we must complete pre-clinical studies and then conduct extensive clinical trials to demonstrate the safety and efficacy of our product candidates in humans. Clinical testing is expensive, difficult to design and implement, can take many years to complete and is uncertain as to outcome. It is impossible to predict when or if our product candidates will prove effective and safe in humans or will receive regulatory approval or will have a differentiated safety and tolerability profile. A failure of one or more clinical trials can occur at any stage of testing. Accordingly, our ongoing trials and future clinical trials may not be successful. Even if our clinical trials produce positive results, there can be no guarantee that the positive outcomes will be replicated in future studies either within the same indication as previously evaluated or in alternate indications and settings.

Successful completion of our clinical trials is a prerequisite to submitting a New Drug Application (NDA) or a BLA to the FDA and a Marketing Authorization Application (MAA) to the European Medicines Agency (EMA) for each product candidate and, consequently, the ultimate approval and commercial marketing of our product candidates. We do not know whether any of our ongoing or future clinical trials for our product candidates will be completed on schedule, if at all.

Whether or not and how quickly we complete clinical trials depends in part upon the rate at which we are able to engage clinical research/trial sites and, thereafter, the rate of enrollment of patients, and the rate at which we collect, clean, lock and analyze the clinical trial database. Patient enrollment is a function of many factors, including the size of the patient population, the proximity of patients to clinical sites, the eligibility criteria for the study, the existence of competitive clinical trials, and whether existing or new drugs are approved for the indication we are studying. We are aware that other companies are currently conducting or planning clinical trials that seek to enroll patients with the same diseases that we are studying. We may experience numerous unforeseen events, such as the COVID-19 pandemic, that could delay or prevent our ability to complete current clinical trials, initiate new trials, receive marketing approval or commercialize our product candidates, including:

- the FDA or other regulatory authorities may require us to submit additional data or impose other requirements before permitting us to initiate a clinical trial;
- the FDA or other regulatory authorities or institutional review boards (IRBs) or ethics committees (ECs) may not authorize us or our investigators to commence a clinical trial or conduct a clinical trial at a prospective trial site or in a country; we may experience delays in reaching, or fail to reach, agreement on acceptable terms with prospective trial sites and prospective CROs, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and trial sites;
- clinical trials of our drug candidates may produce negative or inconclusive results, and we may decide, or regulatory authorities may require us, to conduct additional pre-clinical studies or clinical trials or we may decide to abandon drug development programs;
- the number of patients required for clinical trials of our drug candidates may be larger than we anticipate, and enrollment in these clinical trials may be slower than we anticipate or participants may drop out of these clinical trials or fail to return for post-treatment follow-up at a higher rate than we anticipate;
- our third-party contractors, including our clinical trial sites, may fail to comply with regulatory requirements or meet their contractual obligations to us in a timely manner, or at all, or may deviate from the clinical trial protocol or drop out of the trial, which may require that we add new clinical trial sites or investigators;
- we may elect to or regulatory authorities or IRBs or ECs may require that we or our investigators suspend or terminate clinical research for various reasons, including noncompliance with regulatory requirements or a finding that the participants are being exposed to unacceptable health risks;
- the cost of clinical trials of our product candidates may be greater than we anticipate;
- the supply or quality of our product candidates or other materials necessary to conduct clinical trials of our product candidates may be insufficient or inadequate, including, without limitation, as a result of disruptions to our supply chains caused by the COVID-19 pandemic and related work stoppages across the globe;
- regulatory authorities may revise the requirements for approving our product candidates, or such requirements may not be as we anticipate; and
- our product candidates may have undesirable side effects or other unexpected characteristics, causing us or our investigators, regulatory authorities, IRBs or ECs to suspend or terminate the trials, or reports may arise from pre-clinical or clinical testing of other therapies in the same or a similar class that raise safety or efficacy concerns about our product candidates.

We also could encounter delays if a clinical trial is suspended or terminated by us, by the IRBs of the institutions in which such trials are being conducted, by the DSMB for such trial or by the FDA or other regulatory authorities. Such regulatory authorities may impose a suspension or termination due to a number of factors, including failure to conduct the clinical trial in accordance with regulatory requirements or our clinical protocols, inspection of the clinical trial operations or trial site by the FDA or other regulatory authorities resulting in the imposition of a clinical hold, unforeseen safety issues or adverse side effects, failure to demonstrate a benefit from using a drug, changes in governmental regulations or administrative actions or lack of adequate funding to continue the clinical trial. For example, in January 2022, the FDA imposed a partial clinical hold on the Company's clinical trials investigating UKONIQ and ublituximab in CLL and NHL as a result of concerns stemming from an initial overall survival analysis from the UNITY-CLL study that showed that a possible increased risk of death in patients receiving U2 compared to the control arm of obinutuzumab plus chlorambucil. See "**Risks Related to the Development and Commercialization of U2 and UKONIQ."** In addition to the FDA, the DSMB for our clinical trials may recommend modification to the study design or closure of the study entirely based on the DSMB's interpretation of the benefit-risk of the study. While we develop charters that guide the nature of the DSMB meetings, their analysis and interpretation of study data occurs independently from us and is wholly within their control. Even if the DSMB finds no safety concerns and recommends no modifications to the ongoing study, this does not mean the safety profile reported in the study may support a marketing approval or commercial acceptance if marketing approval is granted. Many of the factors that cause, or lead to, a delay in the commencement or completion of clinical trials may also ultimately lead to the denial of regulatory approval of our product candidates.

Negative or inconclusive results from the clinical trials we conduct or unanticipated adverse medical events could cause us to have to repeat or terminate the clinical trials. If we are required to repeat or conduct additional clinical trials or other testing of our drug candidates beyond those that we currently contemplate, if we are unable to successfully complete clinical trials of our drug candidates or other testing, if the results of these trials or tests are not positive or are only modestly positive or if there are safety concerns, we may:

- be delayed in obtaining marketing approval for our product candidates;
- not obtain marketing approval at all;
- obtain marketing approval in some countries and not others;
- obtain approval for indications or patient populations that are not as broad as intended or desired;
- be subject to post-marketing requirements or post-marketing commitments;
- be subject to increased pricing pressure; or
- have the drug removed from the market after obtaining marketing approval.

Our drug development costs will also increase if we experience delays in testing or regulatory approvals. Certain clinical trials are designed to continue until a pre-determined number of events have occurred in the patients enrolled. Trials such as this are subject to delays stemming from patient withdrawal and from lower-than-expected event rates. Significant clinical trial delays could also shorten any periods during which we may have the exclusive right to commercialize our product candidates or allow our competitors to bring products to market before we do and impair our ability to successfully commercialize our product candidates. Any delays in our pre-clinical or future clinical development programs may harm our business, financial condition and prospects significantly. We may also incur additional costs if enrollment is increased. All of our current Phase 3 and registration-directed clinical trials, such as UNITY-CLL, UNITY-NHL and ULTIMATE I and II, enrolled a larger number of patients than our initial projections, adding significant costs to those studies over and above what had been projected.

In addition, principal investigators for our clinical trials may serve as scientific advisors or consultants to us from time to time and receive compensation in connection with such services. If these relationships and any related compensation result in perceived or actual conflicts of interest, the integrity of the data generated at the applicable clinical trial site, or the FDA's willingness to accept such data, may be jeopardized.

Our product candidates may cause undesirable side effects that could delay or prevent their regulatory approval, or impact their availability and commercial potential after approval.

Unacceptable or undesirable adverse events caused by any of our product candidates that we take into clinical trials could cause either us, a DSMB, or regulatory authorities to interrupt, delay, modify or halt clinical trials and could result in a more restrictive label or the delay or denial of regulatory approval by the FDA or other regulatory authorities. This, in turn, could prevent us from commercializing the affected product candidate and generating revenues from its sale.

As is the case with all drugs, it is likely that there will be side effects associated with the use of our drug candidates. Results of our trials could reveal a higher than expected and unacceptable severity and prevalence of side effects. In such an event, our trials could be suspended or terminated and the FDA or comparable foreign regulatory authorities could order us to cease further development of or deny approval of our drug candidates for any or all targeted indications. The drug-related side effects could also affect patient recruitment or the ability of enrolled patients to complete the trial or result in potential product liability claims. In addition, data may emerge, from confirmatory or other post-marketing studies, or from pharmacovigilance reporting, as products are used more widely, or for a longer duration, after approval that may affect the commercial potential of our products. Any of these occurrences may harm our business, financial condition and prospects significantly. For example, as a result of concerns stemming from an initial overall survival analysis from the UNITY-CLL study that showed that a possible increased risk of death in patients receiving U2 compared to the control arm of obinutuzumab plus chlorambucil, the FDA took a number of regulatory actions, including placing selected clinical studies of U2 and UKONIQ on partial clinical hold and planning an ODAC meeting to discuss the approvability of U2 in CLL and SLL and UKONIQ in R/R MZL and FL. These developments have harmed our business and likely will continue to adversely impact our financial conditions and prospects until the FDA makes a decision on the approvability of U2 in CLL and SLL. See "**Risks Related to the Development and Commercialization of U2 and UKONIQ**."

Many compounds that initially showed promise in early-stage testing have later been found to cause side effects that prevented further development of the compound. Further, early clinical trials by their nature utilize a small sample of the potential patient population. With a limited number of patients and limited duration of exposure, rare and serious side effects of our drug candidates may only be uncovered when a significantly larger number of patients are exposed to the drug candidate in Phase 3 or registration-directed trials or when the drug candidate is on the market. If any of our product candidates cause unacceptable adverse events in clinical trials, we may not be able to obtain marketing approval and generate revenues from its sale, or even if approved for sale may lack differentiation from competitive products, which could have a material adverse impact on our business and operations.

Many of our ongoing and planned clinical studies involve combinations of two or more drugs. In drug combination clinical development, there is an inherent risk of drug-drug interactions between combination agents that may affect each component's individual pharmacologic properties and the overall efficacy and safety of the combination regimen. Both ublituximab and UKONIQ are being evaluated in combination with each other, as well as with a variety of other active anti-cancer agents, which may cause unforeseen toxicities, or impact the severity, duration, and incidence of adverse events observed compared to those seen in the single-agent studies of these agents. We also intend to explore multiple combination studies involving cosibelimab, TG-1701, and TG-1801. Further, with multi-drug combinations, it is often difficult to interpret or properly assign attribution of an adverse event to any one particular agent, introducing the risk that toxicity caused by a component of a combination regimen could have a material adverse impact on the development of our product candidates. There can be no assurances given that the combination regimens being studied will display tolerability or efficacy suitable to warrant further testing or produce data that is sufficient to obtain marketing approval.

Any product candidates we may advance through clinical development are subject to extensive regulation, which can be costly and time consuming, cause unanticipated delays or prevent the receipt of the required approvals.

The clinical development, manufacturing, labeling, packaging, storage, record-keeping, advertising, promotion, import, export, marketing and distribution, and pharmacovigilance and adverse event reporting of our product candidates or any future product candidates are subject to extensive regulation by the FDA in the United States and by comparable regulatory authorities worldwide. In the United States, we are not permitted to market a product candidate until we receive approval of a BLA or NDA from the FDA. The process of obtaining a BLA or NDA approval is expensive, often takes many years, and can vary substantially based upon the type, complexity and novelty of the products involved. In addition, approval policies or regulations may change over time. If we fail to gain approval to commercialize our product candidates from the FDA and other foreign regulatory authorities in the timelines we project or at all, we may be unable to generate the revenues that we may project or generate revenues at levels sufficient to sustain our business.

The FDA and foreign regulatory authorities have substantial discretion in the pharmaceutical product approval process, including the ability to delay, limit or deny approval of a product candidate for many reasons. During the regulatory review process, the FDA or other regulatory authorities may disagree with or not accept our clinical trial design, may have questions about the potential impact of our study design on conclusions that can be drawn from the data, may interpret results differently than we do, and may change its view on the criteria that must be met for approval. This could happen even for a protocol that has received a SPA. In September 2015, we announced a Phase 3 clinical trial for U2 for patients with CLL, which is being conducted pursuant to a SPA with the FDA (UNITY-CLL). In addition to the SPA for UNITY-CLL, in August 2017 we announced SPAs for the ULTIMATE I and II studies evaluating ublituximab in RMS. There have been examples of companies that have been granted SPAs and have ultimately failed to obtain final approval to market their drugs. Even if the primary endpoint in a Phase 3 clinical trial is achieved, a SPA does not guarantee approval. In the UNITY-CLL study, the primary endpoint

of progression-free survival was achieved, however, the FDA is planning an ODAC meeting to discuss an initial overall survival analysis, which was not included as a secondary endpoint in the study's statistical analysis plan. Despite the SPA and the achievement of the primary endpoint in the UNITY-CLL study, the approvability of U2 in CLL and SLL remains highly uncertain. See "**Risks Related to the Development and Commercialization of U2 and UKONIQ."**

Furthermore, some of our clinical trials may be conducted as open-label studies, meaning that trial participants, investigators, site staff, some employees of our contract research organizations, and our field-level employees (e.g., clinical research associates and monitors), among others, have knowledge of treatment arm assignments on a patient-level, which has the potential to introduce bias into study conduct. Further, even when our clinical trials are double-blind, double-dummy studies, unblinding of treatment arm assignment may occur from time to time, for example, on the occurrence of unexpected safety events which may necessitate understanding of study treatment. While we believe we have put in place adequate firewalls to prevent inappropriate unblinding of study data consistent with standard industry practice for these types of studies, no assurance can be given that issues related to study conduct will not be raised. The FDA may raise issues of safety, study conduct, bias, deviation from the protocol, statistical power, patient completion rates, changes in scientific or medical parameters or internal inconsistencies in the study design or data prior to making its final decision. The FDA may also seek the guidance of an outside advisory committee in evaluating (among other things) clinical data and safety and effectiveness considerations prior to making its final decision. These issues could cause a delay in the FDA's review or lead the FDA to deny approval.

Other reasons that the FDA or regulatory authorities around the world may delay, limit or deny approval of a product candidate, include:

- we may be unable to demonstrate to the satisfaction of the FDA or comparable foreign regulatory authorities that a product candidate is tolerable and effective for an indication;
- the FDA may not accept clinical data from trials conducted by individual investigators or in countries where the standard of care is potentially different from that of the United States;
- the results of clinical trials may not meet the level of statistical significance required by the FDA or comparable foreign regulatory authorities for approval;
- we may be unable to demonstrate that a product candidate's clinical and other benefits outweigh its safety risks;
- the FDA or comparable foreign regulatory authorities may disagree with our interpretation of data from preclinical studies and/or clinical trials;
- the data collected from clinical trials of our product candidates may not be sufficient to support the submission of a BLA, NDA or other marketing authorization submission to obtain regulatory approval in the United States or elsewhere;
- the FDA or comparable foreign regulatory authorities may not approve the manufacturing processes or facilities of third-party manufacturers with which we or our collaborators currently contract for clinical supplies and plan to contract for commercial supplies;
- during the course of review, the FDA or foreign regulatory authorities may raise issues and request or require additional preclinical, clinical, chemistry, manufacturing, and control (CMC), or other data and information, and the development and provision of these data and information may be time consuming. We may not be able to generate the data within the time period necessary to obtain approval within the established regulatory review timelines, such as by a PDUFA goal date or at all to satisfy the FDA or foreign regulatory authorities;
- the approval policies or regulations of the FDA or comparable foreign regulatory authorities may significantly change in a manner rendering our clinical data insufficient for approval; or
- interruptions or delays in the operations of the FDA and foreign regulatory authorities as a result of the COVID-19 pandemic may negatively impact review, inspection, and approval timelines.

Even if we succeed in obtaining regulatory approval, the FDA may require post-marketing studies, including additional clinical trials such as those necessary to assess drug interactions or activity of a product in specific populations which also may be costly. For example, as part of the accelerated approval of UKONIQ for relapsed or refractory MZL and FL, continued approval for those indications is contingent upon verification and description of clinical benefit in a confirmatory trial. The outcomes of post-marketing studies may also impact product labeling and therefore there can be no guarantee that the product attributes contained in the initial prescribing information will be maintained as future studies produce data. This includes, without limitation, additional results from studies evaluating drug-drug interactions and patients with certain comorbidities (e.g., hepatic or renal impairment or cardiac risks) among others that may restrict the use of an approved product in select populations or introduce dose modifications or contraindicated concomitant medications that have the potential to impact the utility of a product or its perceived product profile among prescribers. Post-marketing studies may also lead to the introduction of new warnings in the product prescribing information. For example, post-marketing studies may lead to the addition of a

boxed warning for UKONIQ. The inclusion of a boxed warning or other required warning language or the addition of limitations to the use of the product within the indicated population could significantly impact our ability to successfully market our product candidates. Finally, the FDA may require adoption of a REMS program requiring prescriber training or a post-marketing registry or may restrict the marketing and dissemination of our products. Any requirements to conduct post-approval studies or fulfill special post-approval requirements could impact our ability to commercialize our product candidates and increase our costs.

A Breakthrough Therapy or Fast Track designation by the FDA may not actually lead to a faster development or regulatory review or approval process.

We may seek Breakthrough Therapy or Fast Track designation for some of our drug candidates. For example, in January 2019, the FDA granted Breakthrough Therapy designation to UKONIQ for the treatment of adult patients with MZL who have received at least one prior anti-CD20 regimen, and in October 2020, the FDA granted Fast Track designation to the investigation of ublituximab in combination with UKONIQ for the treatment of adult patients with CLL. If a drug is intended for the treatment of a serious or life-threatening condition, and the drug demonstrates the potential to address an unmet medical need for this condition, the Sponsor may apply for Fast Track designation or Breakthrough Therapy designation, the latter of which has more significant requirements. The FDA has broad discretion whether or not to grant these designations, so even if we believe a particular drug candidate is eligible for such a designation, we cannot be sure that the FDA would decide to grant it. Even if we receive Breakthrough Therapy or Fast Track designation for a drug candidate, we may not experience a faster development process, review or approval compared to conventional FDA procedures. A drug that receives Fast Track designation is eligible for more frequent interactions with the FDA, priority review if relevant criteria are met, and rolling submission of the BLA or NDA. Even if rolling review is allowed, there is no guarantee that the FDA will have commenced or completed review of the BLA or NDA modules submitted earlier in the rolling review process. Neither Breakthrough Therapy nor Fast Track designation guarantees Priority Review of an NDA or BLA application. Despite receiving Fast Track designation for U2 for the treatment of adult patients with CLL, the FDA granted the BLA a standard review timeline. The FDA may also withdraw a Breakthrough Therapy or Fast Track designation if it believes that the designation is no longer supported by data from our clinical development program.

We have received orphan drug designation for some of our drug candidates for specified indications, and we may seek additional orphan drug designations for other indications and some of our other drug candidates. However, we may be unsuccessful in obtaining or may be unable to maintain the benefits associated with orphan drug designation, including the potential for market exclusivity.

Ublituximab as monotherapy received orphan drug designation from the FDA for the treatment of MZL (nodal and extranodal) in September 2013, for the treatment of CLL in August 2010, and received orphan drug designation by the EMA for the treatment of CLL in November 2009. We also obtained orphan drug designation for umbralisib as monotherapy for the treatment of CLL in August 2016, all three types of MZL (nodal, extranodal and splenic) in April 2019, and FL in March 2020. In January 2017, we announced that the FDA granted orphan drug designation covering the combination of ublituximab and umbralisib for the treatment of patients with CLL and DLBCL. As part of our business strategy, we may seek orphan drug designation for our other drug candidates; however, we may be unsuccessful. Regulatory authorities in some jurisdictions, including the United States, the European Union, and the United Kingdom, may designate drugs for relatively small patient populations as orphan drugs. Under the U.S. Orphan Drug Act, the FDA may designate a drug as an orphan drug if it is a drug intended to treat a rare disease or condition, which is generally defined as a patient population of fewer than 200,000 individuals annually in the United States, or a patient population greater than 200,000 in the United States where there is no reasonable expectation that the cost of developing the drug will be recovered from sales in the United States. In the United States, orphan drug designation entitles a party to financial incentives such as opportunities for grant funding towards clinical trial costs, tax advantages and user-fee waivers. Orphan drug designations are required to be maintained through annual reporting and are subject to re-evaluation. Based on the evolving data and development plans for our product candidates and changing incidence and prevalence rates for our intended indications, there can be no guarantee that we will be able to successfully maintain our orphan drug designations for any of our products.

Generally, if a product with an orphan drug designation subsequently receives the first marketing approval for the indication for which it has such designation, the product is entitled to a period of marketing exclusivity, which precludes FDA or EMA from approving another marketing application for the same drug or biologic for that time period. Even if we obtain orphan drug exclusivity for a drug, that exclusivity may not effectively protect the designated drug from competition because different drugs can be approved for the same condition. Even after an orphan drug is approved, the FDA can subsequently approve another product that meets the definition of a "same drug" under 21 C.F.R. 316.3 for the same condition if the FDA concludes that the later product is clinically superior in that it is shown to be safer, more effective or makes a major contribution to patient care. In addition, a designated orphan drug may not receive orphan drug exclusivity if it is approved for a use that is broader than the indication for which it received orphan drug designation. Moreover, orphan drug exclusive marketing rights in the United States may be lost if the FDA exercises its authority to revoke orphan drug designation, which it may do on a variety of grounds, including that the request contained an untrue statement of material fact or omitted material information, or that the drug in fact was not eligible for orphan drug designation. Orphan drug designation neither shortens the development time or regulatory review time of a drug nor gives the drug any advantage in the regulatory review or approval process. While we intend to seek additional orphan drug designation for our other drug candidates, we may never receive such designations. Even if we receive orphan drug designation for any of our drug candidates, there is no guarantee that we will enjoy the benefits of those designations or obtain orphan drug exclusivity. In addition, the U.S. Orphan Drug Act may be subject to amendments that could reduce the period of marketing exclusivity or change the qualifications for orphan drug designation, which could adversely impact our products or product candidates that have or may be eligible for orphan drug designation.

We are conducting clinical trials, and anticipate additional clinical trials, for product candidates at sites outside the United States, and the FDA may not accept data from trials conducted in such locations or clinical trial activities in such locations may be impacted by political conditions, including international conflict.

Many of our Phase 3 and registration-directed clinical trials across our MS and oncology programs, including UNITY-CLL, UNITY-NHL and ULTIMATE I and II and related extension studies, utilize international clinical research sites. We work with what we believe are reputable CROs and clinical research sites in conducting our studies internationally. Nevertheless, there can be heightened challenges to monitoring and oversight of global clinical trials and sponsors are subject to the risk that fraud, misconduct, incompetence, unexpected patient variability and other issues affecting the reliability, quality, and outcome of studies. The geographic variability of the COVID-19 pandemic also introduces increased risk in the conduct of clinical research in certain countries and territories where vaccination rates and available standard of care anti-viral therapy varies significantly. Such problems, if they were to occur, could negatively impact trial results, and depending on the circumstances and scope of concerns could potentially even prevent a trial from being useful or acceptable for regulatory approval. If such events were to occur with respect to any of our trials (and in particular with respect to registration-directed studies), they would have a substantial negative impact on our business.

In addition, our clinical studies with sites outside the United States may be adversely impacted by international conflict. For example, tensions between Ukraine and Russia have escalated in recent months, culminating in Russia's recent invasion of Ukraine. In one or both countries, as well as neighboring countries that may be impacted by this conflict (e.g. Poland, Slovakia, Belarus, Georgia), we have clinical trial sites for our RMS and/or oncology programs. The political and physical conditions in these countries may disrupt our ability to supply investigational drug product to impacted sites, impact patients' ability to partake in the clinical trial, or result in suspension of clinical trial activities at impacted sites. While we do not believe this conflict will have a material impact on our current regulatory submissions for approval of ublituximab in RMS or U2 in CLL or our overall business, given the rapidly evolving situation and the potential to expand beyond Ukraine and Russia, the full impact of the conflict remains uncertain.

An approval of one of our product candidates in the United States would not assure approval of that candidate in foreign jurisdictions.

We intend to seek product approvals in certain countries outside of the United States. The approval procedures for pharmaceuticals vary among countries and obtaining approval in one jurisdiction does not guarantee approval in another jurisdiction. For example, even if the FDA grants approval of a product candidate, comparable regulatory authorities in foreign jurisdictions may not approve the same product candidate or may require additional evidence for approval. The time required to obtain approval in other countries might differ from that required to obtain FDA approval. In many countries outside the United States, the product must be approved for reimbursement before it can be marketed. As a general matter, however, the foreign regulatory approval process involves a lengthy and challenging process with risks similar or identical to the risks associated with the FDA approval discussed above. Therefore, we cannot guarantee that we, or future collaborators, will obtain approvals of our product candidates in any foreign jurisdiction on a timely basis, if at all. Failure to receive approval in certain foreign markets could significantly impact the full market potential of our product candidates and may negatively impact the regulatory process in other countries. Furthermore, if we obtain regulatory approval for a product candidate in a foreign jurisdiction, we will

be subject to the burden of complying with complex regulatory, legal, and other requirements that could be costly and could subject us to additional risks and uncertainties.

We have product candidates still under development and are also preparing for commercial manufacturing activities, and as such clinical and commercial manufacturing site additions, scale-up and process improvements implemented in the production of those product candidates may affect their ultimate activity or function.

Many of our product candidates are currently manufactured in relatively small batches for use in pre-clinical and clinical studies. Process improvements implemented to date have changed, and process improvements in the future may change, the activity and/or analytical profile of the product candidates, which may affect the safety and efficacy of the products. For instance, the manufacturing process for ublituximab has undergone several process improvements during the clinical trial process which have resulted in analytical differences between the materials. Such process improvements continued during the conduct of the Phase 3 study and materials from more than one manufacturing process were utilized in the Phase 3 UNITY-CLL trial and the Phase 3 ULTIMATE I and II trials. While analytical differences exist between those materials, we do not believe the differences will alter the safety or efficacy profile of ublituximab. However, it is possible that additional and/or different adverse events may appear among patients exposed to drug product manufactured under one process compared to the other, or that adverse events may arise with greater frequency, intensity and duration among patients exposed to drug product manufactured under one process compared to the other. Additionally, the efficacy of ublituximab may also be negatively impacted by such process changes. Given the uncertainty of the impact on product specifications, quality and performance, process improvements made during Phase 3 development carry a higher level of risk than those made prior to Phase 3 development. If there are significant differences in product attributes between the two materials, we may need to conduct additional analyses of the Phase 3 study(ies) to confirm that there is no difference in safety or efficacy between the product made by each process in order to allow us to utilize data from all enrolled patients, as well as be able to integrate clinical safety and/or efficacy results across studies to support any potential marketing application. There can be no assurance given that such analyses will be successful in demonstrating that there are no clinical differences between these drug products, which could substantially impact the approvability of the combination of UKONIQ and ublituximab based on the results of the UNITY-CLL study. In such circumstances, that would have a material adverse effect on the Company.

Further, no assurance can be given that the material manufactured from any future optimized processes, if any, for ublituximab or any of our product candidates will perform comparably to the product candidates as manufactured to date which could result in an unexpected safety or efficacy outcome as compared to the data published or presented to date. Similarly, following each round of process improvements, if any, for any of our drug candidates, future clinical trial results conducted with the new material will be subject to uncertainty related to the effects, if any, of those additional process improvements that were made.

In addition, with the FDA approval of UKONIQ and as we move closer to commercialization of ublituximab, we are scaling-up production to ensure adequate commercial supply. This is an expensive process and there can be no assurance given that such scale-up will be successful in providing pharmaceutical product that is of sufficient quantity, or of a quality that is consistent with our previously established specifications, or that meets the requirements set by regulatory agencies under which we may seek approval of our product candidates. If scale-up were not to succeed, our ability to supply our anticipated market at a reasonable cost of goods would be negatively impacted. In such an event, that would have a material adverse effect on the Company. Scale up could also require additional process improvement that might be required to accommodate new and larger equipment utilized in the scaled-up process. If that were to occur and we could not demonstrate to the FDA that the materials were analytically substantially similar, we might be required to run additional clinical testing to demonstrate that they are substantially similar. That would entail a significant delay and significant increase in total cost, all of which would have a material adverse effect on the Company.

Risks Related to Governmental Regulation of Pharmaceutical Industry and Legal Compliance Matters

We are subject to new legislation, regulatory proposals and third-party payor initiatives that may increase our costs of compliance and adversely affect our ability to market our products, obtain collaborators and raise capital.

In both the United States and certain foreign countries, there have been a number of legislative and regulatory changes or proposed changes to the healthcare system, many of which have focused on prescription drug pricing and lowering overall healthcare costs, that could impact our ability to sell our products profitably and support future innovation. We expect prescription drug pricing and other healthcare costs to continue to be subject to intense political and social pressures on a global basis.

In the United States, the President, federal and state legislatures, health agencies and third-party payors continue to focus on containing the cost of healthcare and addressing public concern over access and affordability of prescription drugs. The Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010 (collectively, the ACA) was enacted in 2010 and made significant changes to the U.S. healthcare system. ACA changes included expanding healthcare coverage through Medicaid expansion and implementation of the individual health insurance mandate; changing coverage and reimbursement of drug products under government healthcare programs; imposing an annual fee on manufacturers of branded drugs; and expanding government enforcement authority. Although the ACA has been the subject of a number of legislative and litigation challenges since it passed, it is expected that the Biden Administration will seek to strengthen and expand the ACA. We cannot predict what effect further changes to the ACA would have on our business.

Beyond the ACA, there has been increasing legislative, regulatory and enforcement interest with respect to prescription drug pricing practices. With the election of President Biden and changes in make-up of the Senate following the 2020 election, we face uncertainties with respect to executive and legislative actions relating to drug pricing. Proposals that may garner bipartisan legislative support or become legislation through reconciliation include adding a cap on out-of-pocket spending under Medicare Part D, authorizing Medicare to negotiate certain drugs covered by Medicare Parts D and B directly with manufacturers, and imposing limits on increases in drug prices. In addition, President Biden may take executive action to introduce new drug pricing models and other drug pricing initiatives. The Biden Administration also may propose substantial changes to the U.S. healthcare system, including expanding government-funded health insurance options. We are uncertain of the impact or outcome of potential Executive Orders, rescission of rules and policy statements, or new legislation, especially any relative impact on the healthcare regulatory and policy landscape, or the impact they may have on our business. We expect drug pricing will continue to be a focus of the Biden Administration. At the state level, legislatures have increasingly passed legislation and implemented regulations designed to control pharmaceutical pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing.

There have been several recent U.S. Congressional inquiries and proposed and enacted legislation designed to bring more transparency to drug pricing, reduce the cost of prescription drugs under Medicare, limit price increases, evaluate the relationship between pricing and manufacturer patient programs, and reform government health care program reimbursement methodologies for prescription drugs. For example, the Bipartisan Budget Act of 2018 (the BBA) increased manufacturer point-of-sale discounts off negotiated prices of applicable brand drugs in the Medicare Part D coverage gap from 50% to 70% effective as of January 1, 2019, ultimately increasing the liability for brand drug manufacturers. We expect that health care reform measures that may be adopted in the future, may result in more rigorous coverage criteria, increase manufactured financial liability, and additional downward pressure on the price that we may receive for any of our product candidates, if approved. Any reduction in reimbursement from Medicare or other government health care programs may result in a similar reduction in payments from private payors.

There continue to be efforts to lower drug prices through increased competition, with policy proposals seeking to facilitate generic and biosimilar approval and marketing authorization. For example, in 2018, the FDA announced the Biosimilar Action Plan and sought input on how the agency can best facilitate greater availability of biosimilar products, including input on whether changes to an approved biologic (e.g., a new indication) would be protected by the remainder of the statutory 12-year exclusivity period (commonly referred to as “umbrella exclusivity”). In the event there is a modification to the biologic exclusivity period or other steps taken to facilitate biosimilar or generic approvals, we could experience biosimilar/generic competition of any products for which we receive FDA approval at an earlier time than currently anticipated.

At the state level, individual states are experiencing significant economic pressure within their state Medicaid programs and responding to public concern over the cost of healthcare. The economic impact of the COVID-19 pandemic has further exacerbated state budgetary pressures. States, including California, Florida, Nevada and Maine, among others, have responded to these pressures with a range of legislative enactments and policy proposals designed to control prescription drug prices by, for example, allowing importation of pharmaceutical products from jurisdictions outside the U.S., imposing price controls on state drug purchases, consolidating state drug purchasing to a single purchaser, and imposing transparency measures around prescription drug prices and marketing costs. These measures, which vary by state, could reduce the ultimate demand for our products, if approved, or put pressure on our product pricing.

In addition, other legislative changes have been adopted that could have an adverse effect upon, and could prevent, our products' or product candidates' commercial success. More broadly, the Budget Control Act of 2011, as amended, or the Budget Control Act, includes provisions intended to reduce the federal deficit, including reductions in Medicare payments to providers through 2030 (except May 1, 2020 to December 31, 2020). Any significant spending reductions affecting Medicare, Medicaid or other publicly funded or subsidized health programs, or any significant taxes or fees imposed as part of any broader deficit reduction effort or legislative replacement to the Budget Control Act, or otherwise, could have an adverse impact on our anticipated product revenues.

Furthermore, legislative and regulatory proposals have been made to expand post-approval requirements and restrict sales and promotional activities for drugs. We cannot be sure whether additional legislative changes will be enacted, or whether the FDA regulations, guidance or interpretations will be changed, or what the impact of such changes on the marketing approvals of our product candidates, if any, may be. In addition, increased scrutiny by Congress of the FDA's approval process may significantly delay or prevent marketing approval, as well as subject us to more stringent product labeling and post-marketing testing and other requirements.

In many international markets, including the European Union, the government regulates prescription drug prices, patient access, and/or reimbursement levels to control the biopharmaceutical budget of their government-sponsored healthcare system. The European Union and some individual countries have announced or implemented measures and may in the future implement new or additional measures, to reduce biopharmaceutical costs to contain the overall level of healthcare expenditures. These measures vary by country and may include, among other things, non-coverage decisions, patient access restrictions, international price referencing, mandatory discounts or rebates, and cross-border sales of prescription drugs. These measures may adversely affect our ability to generate revenues or commercialize our product candidates in certain international markets.

There likely will continue to be pressure on prescription drug prices globally and legislative and regulatory proposals, including at the federal and state levels in the U.S., directed at broadening the availability of health care and containing or lowering the cost of health care products and services. We cannot predict the initiatives that may be adopted in the future. The continuing efforts of the government, health insurance companies, managed care organizations and other payors of health care services to contain or reduce costs of health care may adversely affect, among other things:

- our ability to generate revenues and achieve or maintain profitability;
- the demand for any products for which we may obtain regulatory approval;
- our ability to set a price that we believe is fair for our products;
- the level of taxes that we are required to pay; and
- the availability of capital.

In addition, governments may impose price controls, which may adversely affect our future profitability.

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

With the FDA approval of UKONIQ in February 2021, we became subject to additional extensive healthcare statutory and regulatory requirements and oversight by the federal government and the states and foreign governments in which we conduct our business. Healthcare providers and third-party payors play a primary role in the recommendation and prescription of any drug candidates for which we obtain marketing approval. Our past, current and future relationships, arrangements and interactions with these professionals and entities, as well as with patients and patient advocacy organizations will expose us to broadly applicable fraud and abuse and other healthcare laws and regulations that may constrain the business or financial arrangements and relationships through which we market, sell and distribute our drug candidates for which we obtain marketing approval. Restrictions under applicable federal and state healthcare laws and regulations include the following:

- the federal Anti-Kickback Statute prohibits, among other things, persons from knowingly and willfully soliciting, offering, receiving or providing remuneration, directly or indirectly, in cash or in kind, to induce or reward either the referral of an individual for, or the purchase, order or recommendation of, any good or service, for which payment may be made under federal and state healthcare programs such as Medicare and Medicaid. A person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation;
- the federal False Claims Act imposes civil penalties, including through civil whistleblower or qui tam actions, against individuals or entities for, among other things, knowingly presenting, or causing to be presented, to the federal government, claims for payment that are false or fraudulent or making a false statement to avoid, decrease or conceal an obligation to pay money to the federal government. In addition, the government may assert that a claim including items and services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the False Claims Act;
- the federal Health Insurance Portability and Accountability Act of 1996 (or HIPAA) imposes criminal and civil liability for executing a scheme to defraud any healthcare benefit program, or knowingly and willfully falsifying, concealing or covering up a material fact or making any materially false statement in connection with the delivery of or payment for healthcare benefits, items or services; similar to the federal Anti-Kickback Statute, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation;
- the so-called federal "Sunshine Act" under the Affordable Care Act requires manufacturers of drugs, devices, biologics and medical supplies that are reimbursable under Medicare, Medicaid, or the Children's Health Insurance Program to monitor and report information related to payments and other transfers of value to and the ownership and investment interests of physicians and teaching hospitals (and additional categories of healthcare providers beginning with reports submitted in 2022) to the federal government for redisclosure to the public;
- HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act of 2009 and its implementing regulations, which also imposes obligations on certain covered entity healthcare providers, health plans, and healthcare clearinghouses as well as their business associates that perform certain services involving the use or disclosure of individually identifiable health information, including mandatory contractual terms, with respect to safeguarding the privacy, security and transmission of individually identifiable health information;
- a wide range of federal and state consumer protection and unfair competition laws, which broadly regulate marketplace activities and activities that potentially harm consumers including those related to privacy;
- the Federal Food, Drug, and Cosmetic Act and its implementing regulations, which among other things, strictly regulate drug product marketing and prohibit manufacturers from promotion and marketing of products prior to approval or for uses inconsistent with the FDA-required labeling;
- federal laws, including the Medicaid Drug Rebate Program, that require pharmaceutical manufacturers to report certain calculated product prices to the government or provide certain discounts or rebates to government authorities or private entities, often as a condition of reimbursement under government healthcare programs;
- the Drug Supply Chain Security Act, or DSCSA, which imposes obligations on entities in the commercial product supply chain, including manufacturers, to identify and track prescription drugs as they are distributed in the U.S.; and
- state law equivalents of some of the above federal laws, such as anti-kickback and false claims laws that may apply to items or services reimbursed by any third-party payor, including commercial insurers, state transparency laws, state laws limiting interactions between pharmaceutical manufacturers and members of the healthcare industry, and state laws governing the privacy and security of health information in certain circumstances, many of which differ from each other in significant ways and often are not preempted by federal laws, thus complicating compliance efforts.

In the U.S., to help patients who have no or inadequate insurance coverage of UKONIQ, we have a patient support program that we administer in conjunction with a patient support program vendor and other third parties. There has been heightened governmental scrutiny over the scope of patient support programs and the manner in which drug manufacturers and their vendors operate such programs. We cannot ensure that our compliance controls, policies, and procedures will be sufficient to protect against acts of our employees, business partners or vendors that may violate the laws, regulations, or evolving government guidance on patient support programs. A government investigation, regardless of its outcome, could impact our business practices, harm our reputation, divert attention of management, increase our expenses and reduce availability of assistance to patients. If we or our vendors are deemed to fail to comply with relevant laws, regulations or government guidance in the operation of these programs, we could be subject to damages, fines, penalties or other criminal, civil or administrative sanctions or enforcement actions.

Ensuring that our future business arrangements with third parties comply with applicable healthcare laws and regulations will involve substantial costs. It is possible that governmental authorities will conclude that our business practices do not comply with current or future statutes, regulations or case law involving applicable fraud and abuse or other healthcare laws and regulations. The compliance and enforcement landscape, and related risk, is informed by government enforcement precedent and settlement history, Advisory Opinions, and Special Fraud Alerts. Our approach to compliance may evolve over time in light of these types of developments. Additionally, the potential safe harbors available under the AKS are subject to change through legislative and regulatory action, and we may decide to adjust our business practices or be subject to heightened scrutiny as a result. If our operations, including anticipated activities to be conducted by our sales team, were to be found to be in violation of any of these laws or any other governmental regulations that may apply to us, we may be subject to significant civil, criminal and administrative penalties, damages, fines, exclusion from government-funded healthcare programs, such as Medicare and Medicaid, qui tam actions brought by individual whistleblowers in the name of the government, and the curtailment or restructuring of our operations.

If we violate applicable data privacy and security laws, we may be subject to penalties, including civil and criminal penalties, damages, fines and the curtailment or restructuring of our operations.

We may be subject to privacy and security laws in the various jurisdictions in which we operate, obtain or store personally identifiable information. The legislative and regulatory landscape for privacy and data protection continues to evolve, and there has been an increasing focus on privacy and data protection issues with the potential to affect our business.

Within the United States, various federal and state laws regulate the privacy and security of personal information and so may affect our business operations. For example, at the federal level, our operations may be affected by the data privacy and security provisions of HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act and its implementing regulations. Although we are not currently directly subject to HIPAA, HIPAA affects the ability of healthcare providers and other entities with which we may interact, including clinical trial sites, to disclose patient health information to us. Under Section 5(a) of the Federal Trade Commission Act, or the FTCA, the FTC expects a company's data security measures to be reasonable and appropriate in light of the sensitivity and volume of consumer information it holds, the size and complexity of its business, and the cost of available tools to improve security and reduce vulnerabilities. Medical data is considered sensitive data that merits stronger safeguards. States may also impose requirements, for example the California Consumer Privacy Act, or the CCPA, went into effect in January 2020 creating data privacy obligations for covered companies and providing privacy rights to California residents, including the right to opt out of certain disclosures of their information.

Numerous other jurisdictions regulate the privacy and security of personally identifiable data. For example, the processing of personal data in the European Economic Area, or the EEA, is subject to the General Data Protection Regulation, or the GDPR, which took effect in May 2018. The GDPR increases obligations with respect to clinical trials conducted in the EEA, such as in relation to the provision of fair processing notices, exercising data subject rights and reporting certain data breaches to regulators and affected individuals, as well as how we document our relationships with third parties that process GDPR-covered personal data on our behalf. The GDPR also increases the scrutiny applied to transfers of personal data from the EEA (including from clinical trial sites in the EEA) to countries that are considered by the European Commission to lack an adequate level of data protection, such as the United States. In July 2020, the Court of Justice of the European Union invalidated the EU-U.S. Privacy Shield framework, one of the mechanisms used to legitimize the transfer of personal data from the EEA to the U.S., which decision may lead to increased scrutiny on data transfers from the EEA to the U.S. generally and increase our costs of compliance with data privacy legislation.

If our operations are found to be in violation of any data privacy and security laws, rules or regulations that apply to us, we may be subject to penalties, including civil and criminal penalties, damages, fines and the curtailment or restructuring of our operations, which could adversely affect our ability to operate our business and our financial results. Although compliance programs can mitigate the risk of investigation and prosecution for violations of these laws, rules or regulations, we cannot be certain that our program will address all areas of potential exposure and the risks in this area cannot be entirely eliminated, particularly because the requirements and government interpretations of the requirements in this space are constantly evolving. Any action against us for violation of these laws, rules or regulations, even if we successfully defend against it, could cause us to incur significant legal expenses and divert our management's attention from the operation of our business, as well as damage our business or reputation. Moreover, achieving and sustaining compliance with applicable federal and state privacy, security, fraud and reporting laws may prove costly.

If we fail to adequately understand and comply with the local laws and customs as we expand into new international markets, these operations may incur losses or otherwise adversely affect our business and results of operations.

We expect to operate a portion of our business in certain countries through subsidiaries or through supply, marketing, and distributor arrangements. In those countries where we have limited experience in operating subsidiaries and in reviewing equity investees, we will be subject to additional risks related to complying with a wide variety of national and local laws, including restrictions on the import and export of certain intermediates, drugs, technologies and multiple and possibly overlapping tax laws. In addition, we may face competition in certain countries from companies that may have more experience with operations in such countries or with international operations generally. We may also face difficulties integrating new facilities in different countries into our existing operations, as well as integrating employees hired in different countries into our existing corporate culture. If we do not effectively manage our operations in these subsidiaries and review equity investees effectively, or if we fail to manage our alliances, we may lose money in these countries, and it may adversely affect our business and results of our operations. In all interactions with foreign regulatory authorities and other government agencies, we are exposed to liability risks under the Foreign Corrupt Practices Act or similar anti-bribery laws.

Any product for which we obtain marketing approval could be subject to restrictions or withdrawal from the market and we may be subject to penalties if we fail to comply with regulatory requirements or if we experience unanticipated problems with products.

Any regulatory approvals that we receive for our drug candidates may be subject to limitations on the indicated uses for which the drug may be marketed or to conditions of approval that may require potentially costly post-marketing clinical trials or surveillance to monitor safety and efficacy of the drug candidate. In addition, any product for which we obtain marketing approval, along with the manufacturing processes and facilities, post-approval clinical data, labeling, advertising and promotional activities for such product, will be subject to continual requirements of, and review by, the FDA and comparable regulatory authorities. These requirements include submissions of safety and other post-marketing information and reports, registration requirements, current Good Manufacturing Practice (cGMP) requirements relating to quality control, quality assurance and corresponding maintenance of records and documents, and requirements regarding promotional interactions with healthcare professionals.

Failure to comply with these regulatory requirements or later discovery of previously unknown problems with products, manufacturers, or manufacturing processes, may result in actions such as:

- restrictions on product manufacturing, distribution or use;
- restrictions on the labeling or marketing of a product;
- requirements to conduct post-marketing studies or clinical trials;
- warning letters;
- withdrawal of the products from the market;
- refusal to approve pending applications or supplements to approved applications that we or our subsidiaries submit;
- recalls;
- suspension or termination of ongoing clinical trials;
- fines, restitutions, or disgorgement of profits or revenues;
- refusal to permit the import or export of products;
- product seizure or detentions;
- injunctions or the imposition of civil or criminal penalties; and
- adverse publicity.

Any government investigation of alleged violations of law could require us to expend significant time and resources in response and could generate negative publicity. In addition, the FDA’s regulations, policies or guidance may change and new or additional statutes or government regulations may be enacted that could prevent or delay regulatory approval of our product candidates or further restrict or regulate post-approval activities. We also cannot predict the likelihood, nature, or extent of adverse government regulation that may arise from pending or future legislation or administrative action, either in the United States or abroad.

If we, or our respective suppliers, third-party contractors, clinical investigators or collaborators are slow to adapt, or are unable to adapt, to changes in existing regulatory requirements or adoption of new regulatory requirements or policies, we, our subsidiaries, or our respective collaborators may be subject to the actions listed above, including losing marketing approval for products, resulting in decreased revenue from milestones, product sales or royalties.

Our third-party manufacturers may use hazardous materials in the production of UKONIQ and our product candidates and if so, they must comply with environmental laws and regulations, which can be expensive and restrict how we or they do business.

Manufacturing activities for the production of UKONIQ and our product candidates involve the controlled storage, use, and disposal of hazardous materials, including the components of our product candidates, and other hazardous compounds. Our third-party manufacturers and we are subject to federal, state, and local laws and regulations governing the use, manufacture, storage, handling, release, disposal of, and exposure to, these hazardous materials. Violation of these laws and regulations could lead to substantial fines and penalties. Although we believe that our safety procedures, and those of our third-party manufacturers, for handling and disposing of these materials comply with the standards prescribed by these laws and regulations, we cannot eliminate the risk of accidental contamination or injury from these materials. In the event of an accident, state or federal authorities may curtail our use of these materials and interrupt our business operations. In addition, we could become subject to potentially material liabilities relating to the investigation and cleanup of any contamination, whether currently unknown or caused by future releases.

Risks Related to Our Dependence on Third Parties

We rely on third parties to generate clinical, preclinical and other data necessary to support the regulatory applications needed to conduct clinical trials and submit for marketing approval. We rely on third parties to help conduct our planned clinical trials. If these third parties do not perform their services as required, we may not be able to obtain regulatory approval for or commercialize our product candidates when expected or at all.

In order to submit an Investigational New Drug application (IND), BLA, or NDA to the FDA and maintain these applications, it is necessary to submit all information on the clinical, non-clinical, chemistry, manufacturing, controls and quality aspects of the product candidate. Clinical trial applications and marketing authorization applications for foreign regulatory bodies have substantially similar requirements. We rely on our third-party contractors and our licensing partners to provide portions of this data. If we are unable to obtain this data, or the data is not sufficient to meet the regulatory requirements, we may experience significant delays in our development programs.

Additionally, we use CROs to assist in the conduct of our current clinical trials and expect to use such services for future clinical trials and we rely upon medical institutions, clinical investigators and contract laboratories to conduct our trials in accordance with our clinical protocols and appropriate regulations. Our current and future CROs, investigators and other third parties play a significant role in the conduct of our trials and the subsequent collection and analysis of data from the clinical trials. There is no guarantee that any CROs, investigators and other third parties will devote adequate time and resources to our clinical trials or perform as contractually required. If any third parties upon whom we rely for administration and conduct of our clinical trials fail to meet expected deadlines, fail to adhere to its clinical protocols or otherwise perform in a substandard manner, our clinical trials may be extended, delayed or terminated, and we may not be able to commercialize our product candidates. In addition to the third parties identified above, we are also heavily reliant on the conduct of our patients enrolled to our studies by our third-party investigators. We rely on our clinical trial sites and investigators to properly identify and screen eligible candidates for our clinical trials, and for them to ensure participants adhere to our clinical protocol requirements. The majority of our clinical trial conduct occurs in the outpatient setting, where patients are expected to continue to adhere to our study protocol specified requirements. The ability of our enrolled patients to properly identify, document, and report adverse events; take protocol specified study drugs at the correct quantity, time, and setting, as applicable; avoid contraindicated medications; and comply with other protocol specified procedures such as returning to the trial site for scheduled laboratory and disease assessments, is wholly out of our control. Deviations from protocol procedures, such as those identified previously, could materially affect the quality of our clinical trial data, and therefore ultimately affect our ability to develop and commercialize our drug candidates. If any of our clinical trial sites terminates for any reason, we may experience the loss of follow-up information on patients enrolled in our ongoing clinical trials unless we are able to transfer the care of those patients to another qualified clinical trial site. If any of our clinical trial sites is required by the FDA or IRB to close down due to data management or patient management or any other issues, we may lose patients.

Whether conducted through a CRO or through our internal staff, we are solely responsible for ensuring that each of our clinical trials is conducted in accordance with the applicable protocol, legal and regulatory requirements and scientific standards, and our reliance on CROs will not relieve us of our regulatory responsibilities. For any violations of laws and regulations during the conduct of our clinical trials, we could be subject to warning letters or other enforcement actions that may include civil penalties up to and including criminal prosecution. We and our CROs are required to comply with regulations, including GCP guidelines for conducting, monitoring, recording and reporting the results of clinical trials to ensure that the data and results are scientifically credible and accurate, and that the trial patients are adequately informed of the potential risks of participating in clinical trials and their rights are protected. These regulations are enforced by the FDA, the Competent Authorities of the Member States of the European Economic Area and comparable foreign regulatory authorities

for any drug candidates in clinical development. The FDA enforces GCP regulations through periodic inspections of clinical trial sponsors, clinical investigators, CROs, institutional review boards, and non-clinical laboratories. If we, our CROs, our investigators or other third parties fail to comply with applicable GCPs, the clinical data generated in our clinical trials may be deemed unreliable and the FDA or comparable foreign regulatory authorities may require us to perform additional clinical trials before approving our marketing applications. We cannot assure you that, upon inspection, the FDA will determine that our current or future clinical trials comply with GCPs. In addition, our clinical trials must be conducted with drug candidates produced under cGMP regulations. Our failure or the failure of our CROs or CMOs to comply with these regulations may require us to repeat clinical trials, which would delay the regulatory approval process and could also subject us to enforcement action. We also are required to register most ongoing clinical trials and post the results of completed clinical trials on government-sponsored databases, e.g., ClinicalTrials.gov, within certain timeframes. Failure to do so can result in fines, adverse publicity and civil and criminal sanctions.

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

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

These factors may materially adversely affect the willingness or ability of third parties to conduct our clinical trials and may subject us to unexpected cost increases that are beyond our control. If the CROs do not perform clinical trials in a satisfactory manner, breach their obligations to us or fail to comply with regulatory requirements, the development, regulatory approval and commercialization of our drug candidates may be delayed, we may not be able to obtain regulatory approval and commercialize our drug candidates, or our development program may be materially and irreversibly harmed. If we are unable to rely on clinical data collected by our CROs, we could be required to repeat, extend the duration of, or increase the size of any clinical trials we conduct, and this could significantly delay commercialization and require significantly greater expenditures.

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

We contract with third parties for the manufacture of UKONIQ for commercial supply and of our product candidates for pre-clinical development and clinical trials, and we expect to continue to do so, including for commercial supply of ublituximab. This reliance on third parties increases the risk that we will not have sufficient quantities of our products or product candidates or such quantities at an acceptable cost or quality, which could delay, prevent or impair our development or commercialization efforts.

We do not currently own or operate, nor do we have any plans to establish in the future, any manufacturing facilities. We rely, and expect to continue to rely, on third parties for the manufacture, packaging and labeling of any products that we commercialize and our product candidates for pre-clinical development and clinical testing. In some circumstances, our licensor has entered into arrangements with contract manufacturers to supply product for our clinical and commercial demand. Our reliance on third parties increases the risk that we will not have sufficient quantities of our products or product candidates or such quantities at an acceptable cost or quality, which could delay, prevent or impair our development or commercialization efforts.

The facilities used by contract manufacturers to manufacture our drug candidates typically undergo inspections by the FDA or a comparable foreign regulatory to verify compliance with applicable cGMP regulations. Such inspections may be conducted after we submit our marketing applications to or receive marketing approval from the FDA or a comparable foreign regulatory authority. Although the FDA and other regulators impose requirements regarding our selection, qualification, oversight, and monitoring of our contract manufacturers and hold us responsible for the ultimate compliance of our products, we do not directly control the manufacturing process of our third-party contract manufacturers and are subject to risks associated with their ability to comply with cGMPs in connection with the manufacture of our products and product candidates. If our contract manufacturers cannot successfully manufacture material that conforms to our specifications and the strict regulatory requirements of the FDA or others and the compliance concerns cannot be resolved, remediated, or otherwise addressed to the FDA's satisfaction in a timely manner during the review of our NDAs or BLAs, it may negatively impact our ability to obtain regulatory approval for our drug candidates or obtain approval within projected timelines. We cannot guarantee the ability of our third-party manufacturers to maintain compliance with cGMP regulations, including having adequate quality control, quality assurance and qualified personnel. Further, our failure, or the failure of our third-party manufacturers, to comply with applicable regulations could result in sanctions being imposed on us, including clinical holds, fines, injunctions, civil penalties, delays, suspension or withdrawal of approvals, license revocation, seizures or recalls of products or product candidates, operating restrictions and criminal prosecutions, any of which could significantly and adversely affect our business and supplies of our products or product candidates.

For umbralisib and certain of our product candidates, we do not have long-term supply agreements with contract manufacturers. For these product candidates, we purchase our required drug supply, including the drug product and drug substance on a purchase order basis. We may be unable to establish or maintain agreements with third-party manufacturers for these products or product candidates or do so on acceptable terms. No assurance can be given that long-term, scalable manufacturers can be identified or that they can make clinical and commercial supplies of our product candidates that meet the product specifications of previously manufactured batches, or are of a sufficient quality, or at an appropriate scale and cost to make it commercially feasible. If they are unable to do so, it could have a material adverse impact on our business.

Even if we are able to establish and maintain long-term agreements with third-party manufacturers as we have with ublituximab, reliance on third-party manufacturers entails additional risks, including:

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

Moreover, our current long-term supply agreement for ublituximab contains certain minimum purchases in what are commonly referred to as a "take or pay" provision, and it is possible that future supply agreements could contain such provisions. To the extent our demand does not meet the minimum supply required amounts, we would be forced to pay more than desired. This could create a situation where we are spending more than required and could impact our on-going operations and entail curtailing other important research and development or commercialization efforts, all of which could have a material adverse effect on the Company. In negotiating our supply agreement for ublituximab, there is no guarantee that we have foreseen all eventualities or that our third-party manufacturer will be able to accommodate unforeseen changes in business direction in a timely fashion or at all. Scheduling of manufacturing at our third-party manufacturer is governed by contractual terms that require us to make investments in inventory of materials, with limited shelf-life, in advance of regulatory approval and based on preliminary commercial forecasting, and such inventory may not be used if timelines and supply needs shift.

Our drug candidates and any drugs that we may develop may compete with other drug candidates and approved drugs for access to manufacturing facilities. There are a limited number of manufacturers that operate under cGMP regulations and that might be capable of manufacturing for us. Any third-party manufacturer with which we contract will have other clients, and our relative importance as a customer may adversely impact contractual terms or the performance of services in a satisfactory manner or on a timely basis.

Any performance failure on the part of our existing or future manufacturers could delay clinical development or marketing approval or interrupt commercial distribution. If our current contract manufacturers cannot perform as agreed, we may be required to replace such manufacturers causing additional costs and delays in identifying and qualifying any such replacement. If a new contract manufacturer is not successful in replicating the product or experiences delays, or if regulatory authorities impose unforeseen requirements with respect to product comparability from multiple manufacturing sources, we may experience delays in clinical development or an interruption in our commercial supply. No assurance can be given that any new manufacturer will be successful or that material manufactured by a new

manufacturer will perform comparably to UKONIQ or ublituximab as manufactured to date or that the relevant regulatory agencies will agree with our interpretation of comparability. Any significant delays or gaps in supply of UKONIQ, ublituximab, or other product candidates may adversely affect our clinical development program, our ability to commercialize any drugs that receive marketing approval on a timely and competitive basis, and our future profit margins.

We also rely on other third parties to store and distribute drug supplies for our clinical trials and for commercial demand for UKONIQ and expect to continue to do so for any other product candidates that may receive approval, including ublituximab. Any performance failure on the part of our distributors could delay clinical development or marketing approval of any future product candidates or commercialization of our products, producing additional losses and depriving us of potential product revenue.

The third parties upon whom we rely for the supply of starting materials, intermediates, active pharmaceutical ingredient (API)/drug substance, drug product, and other materials used in our drug candidates are our sole source of supply, and the loss or disruption of any of these suppliers, including as a result of the COVID-19 pandemic, could significantly harm our business.

The starting materials, intermediates, API/drug substance, and drug product used in many of our drug candidates are currently supplied to us from single-source suppliers. Our ability to successfully develop our drug candidates, supply our drug candidates for clinical trials and to ultimately supply our commercial drugs in quantities sufficient to meet the market demand, depends in part on our ability to obtain starting materials, intermediates, API/drug substance, and drug product for these drugs in accordance with regulatory requirements and in sufficient quantities for clinical testing and commercialization. It is expected that many of our manufacturing partners will be sole source suppliers from single site locations for the foreseeable future. Various raw materials, components, and testing services required for our products may also be single sourced. We are not certain that our single-source suppliers will be able to supply sufficient quantities of their products or on the timelines necessary to meet our needs, either because of the nature of our agreements with those suppliers, our limited experience with those suppliers, our relative importance as a customer to those suppliers, international political conflicts that may impact trade or the supply chain within a particular region, public health emergencies such as the COVID-19 pandemic or natural disasters that may cause those suppliers to stop work for a period of time or lead to a sudden increase in demand for selected materials resulting in short-term unavailability of such materials. If any of our suppliers ceases its operations for any reason or is unable or unwilling to supply starting materials, intermediates, API/drug substance, and drug product in sufficient quantities or on the timelines necessary to meet our needs, it could significantly and adversely affect our business, the supply of our drug candidates and our financial condition. In addition, if our current or future supply of any of our products or product candidates should fail to meet specifications during its stability program there could be a voluntary or mandatory product recall if the product is approved and, even in the absence of a recall, there could be significant interruption of our supply of drug, which would adversely affect the clinical development and commercialization of the product.

The COVID-19 pandemic has caused strain on the global supply chain. Although the pandemic has not had a material adverse effect on our supply chain to date, no assurance can be given that it will not in the future if the situation persists or worsens. UKONIQ is manufactured in India, ublituximab is manufactured in South Korea, and TG-1701 is manufactured in China. Each of these countries continues to be, or has been, subject to government-imposed quarantines and travel restrictions due to the COVID-19 pandemic, which, in some cases, have resulted in reduced operations at manufacturing and research locations and time-limited shutdowns. Our contract manufacturers for UKONIQ and ublituximab are continuing operations at varying levels of capacity. We have worked closely with our contract manufacturer for UKONIQ to plan for anticipated commercial supply needs. We also are working closely with our contract manufacturer for ublituximab to plan for our anticipated commercial supply needs if we are successful in obtaining FDA approval of the product. In addition to potential disruptions at our contract manufacturers, there may be unfavorable changes in the availability or cost of raw materials, intermediates or other materials that we need for clinical and commercial production, which may result in higher costs or supply chain interruptions. We will continue to monitor the situation very closely with our contract manufacturers and suppliers.

We continually evaluate our supply chains to identify potential risks and needs for additional manufacturers and other suppliers for the production of our products and product candidates. Establishing additional or replacement suppliers for the API/drug substance, drug product, and certain raw materials, if required, may not be accomplished quickly or at all and may involve significant expense. If we are able to find a replacement supplier, we would need to evaluate and qualify such replacement supplier and its ability to meet quality and compliance standards. Any change in suppliers or the manufacturing process could require additional regulatory approval and result in operational delays. While we seek to maintain adequate inventory of materials necessary for the production of our products and product candidates, any supply interruption or delay, or our inability to identify alternate sources at acceptable prices in a timely manner could impede, delay, limit or prevent our commercialization and development efforts, which could harm our business, results of operations, financial condition and prospects.

Because we have in-licensed UKONIQ and our product candidates from third parties, any dispute with or non-performance by our licensors will adversely affect our ability to develop and commercialize the applicable product or product candidate.

Because we license UKONIQ and our product candidates from third parties and we expect to continue to in-license additional product candidates, if there is any dispute between us and our licensor regarding our rights under a license agreement, our ability to develop and commercialize the applicable product or product candidate may be adversely affected. Disputes may arise with the third parties from whom we license our products and product candidates for a variety of reasons, including:

- the scope of rights granted under the license agreement and other interpretation-related issues;
- the extent to which our technology and processes infringe on intellectual property of the licensor that is not subject to the license agreement;
- the sublicensing of patent and other rights under our collaborative development relationships and obligations associated with sublicensing;
- our diligence obligations under the license agreement and what activities satisfy those diligence obligations;
- the ownership of inventions and know-how resulting from the joint creation or use of intellectual property by our licensors and us and our partners; and
- the priority of invention of patented technology.

In addition, the agreements under which we currently license UKONIQ and our product candidates from third parties are complex, and certain provisions in such agreements may be susceptible to multiple interpretations, or may conflict in such a way that puts us in breach of one or more agreements, which would make us susceptible to lengthy and expensive disputes with one or more of our licensing partners. The resolution of any contract interpretation disagreement that may arise could narrow what we believe to be the scope of our rights to the relevant intellectual property or technology, or increase what we believe to be our financial or other obligations under the relevant agreement, either of which could have a material adverse effect on our business, financial condition, results of operations, and prospects. Moreover, if disputes over intellectual property that we have licensed prevent or impair our ability to maintain our current licensing arrangements on commercially acceptable terms, we may be unable to successfully develop and commercialize the affected product or product candidate, which could have a material adverse effect on our business, financial conditions, results of operations, and prospects.

If conflicts arise between us and our future collaborators or strategic partners, these parties may act in a manner adverse to us and could limit our ability to implement our strategies.

If conflicts arise between our future corporate or academic collaborators or strategic partners and us, the other party may act in a manner adverse to us and could limit our ability to implement our strategies. Future collaborators or strategic partners, may develop, either alone or with others, products in related fields that are competitive with the products or potential products that are the subject of these collaborations. Competing products, either developed by the collaborators or strategic partners or to which the collaborators or strategic partners have rights, may result in the withdrawal of partner support for any future product candidates. Our current or future collaborators or strategic partners may preclude us from entering into collaborations with their competitors, fail to obtain timely regulatory approvals, terminate their agreements with us prematurely, or fail to devote sufficient resources to the development and commercialization of products. Any of these developments could harm any future product development efforts.

We may seek to establish additional collaborations, and if we are not able to establish them on commercially reasonable terms, we may have to alter our development and commercialization plans.

Our drug development programs and the potential commercialization of our drug candidates will require substantial additional cash to fund expenses. For some of our drug candidates, we may decide to collaborate with additional pharmaceutical and biotechnology companies for the development and potential commercialization of those drug candidates.

We face significant competition in seeking appropriate collaborators. Whether we reach a definitive agreement for a collaboration will depend, among other things, upon our assessment of the collaborator’s resources and expertise, the terms and conditions of the proposed collaboration, and the proposed collaborator’s evaluation of a number of factors. Those factors may include the design or results of our clinical trials, the likelihood of approval by the FDA or similar regulatory authorities outside the United States, the potential market for the subject product candidate, the costs and complexities of manufacturing and delivering such product candidate to patients, the potential of competing drugs, the existence of uncertainty with respect to our ownership of technology, which can exist if there is a challenge to such ownership without regard to the merits of the challenge, and industry and market conditions generally. The collaborator may also consider alternative product candidates or technologies for similar indications that may be available to collaborate on and whether such a collaboration could be more attractive than the one with us for our product candidate. The terms of any additional collaborations or other arrangements that we may establish may not be favorable to us.

We may be restricted under our collaboration agreements from entering into future agreements on certain terms with potential collaborators. Collaborations are complex and time-consuming to negotiate and document. In addition, there have been a significant number of recent business combinations among large pharmaceutical companies that have resulted in a reduced number of potential future collaborators.

We may not be able to negotiate additional collaborations on a timely basis, on acceptable terms, or at all. If we are unable to do so, we may have to curtail the development of the product candidate for which we are seeking to collaborate, reduce or delay its development program or one or more of our other development programs, delay its potential commercialization or reduce the scope of any sales or marketing activities, or increase our expenditures and undertake development or commercialization activities at our own expense. If we elect to increase our expenditures to fund development or commercialization activities on our own, we may need to obtain additional capital, which may not be available to us on acceptable terms or at all. If we do not have sufficient funds, we may not be able to further develop our product candidates or bring them to market and generate revenue from their sales.

Any future collaborations that we enter into may not be successful. The success of our collaboration arrangements will depend heavily on the efforts and activities of our collaborators. Collaborators generally have significant discretion in determining the efforts and resources that they will apply to these collaborations. Disagreements between parties to a collaboration arrangement regarding clinical development and commercialization matters can lead to delays in the development process or commercializing the applicable product candidate and, in some cases, termination of the collaboration arrangement. These disagreements can be difficult to resolve if neither of the parties has final decision-making authority. Collaborations with pharmaceutical or biotechnology companies and other third parties often are terminated or allowed to expire by the other party. Any termination or expiration of any future collaboration agreement could adversely affect us financially or harm our business reputation.

Risks Relating to Our Intellectual Property

Our success depends upon our ability to obtain and protect our intellectual property and proprietary technologies. If the scope of our patent protection obtained is not sufficiently broad, our competitors could develop and commercialize technology and drugs similar or identical to ours, and our ability to successfully commercialize our technology and drugs may be impaired.

Our commercial success in part depends on obtaining and maintaining patent protection and trade secret protection in the United States and other countries with respect to any product we commercialize, including UKONIQ, our product candidates, their formulations and uses and the methods we use to manufacture them, as well as successfully defending these patents against third-party challenges. We seek to protect our proprietary and intellectual property position by filing patent applications in the United States and abroad related to our novel technologies and product candidates, and by maintenance of our trade secrets through proper procedures. Because we in-license our products and product candidates, we also rely on our licensors to protect the patent and other intellectual property rights necessary for commercialization.

We will only be able to protect our technologies from unauthorized use by third parties to the extent that valid and enforceable patents or trade secrets cover them in the market they are being used or developed. The degree of patent protection we require to successfully commercialize our products and product candidates may be unavailable or severely limited in some cases and may not adequately protect our rights or permit us to gain or keep any competitive advantage. We cannot provide any assurances that any of our patents have, or that any of our pending patent applications that mature into issued patents will include, claims with a scope sufficient to protect any of our products. In addition, the laws of foreign countries may not protect our rights to the same extent as the laws of the United States.

Furthermore, patents have a limited lifespan. In the United States, the natural expiration of a patent is generally twenty years after it is filed. Various extensions may be available; however, the life of a patent, and the protection it affords, is limited. Given the amount of time required for the development, testing and regulatory review of new drug candidates, patents protecting such candidates might expire before or shortly after such candidates are commercialized. As a result, our owned patent portfolio may not provide us with adequate and continuing patent protection sufficient to exclude others from commercializing drugs similar or identical to our product candidates, including generic versions of such drugs.

Currently, the composition of matter patent for ublituximab and UKONIQ are granted in both the United States and EU, among other countries. A method of use patent covering the combination of ublituximab and UKONIQ has also been granted in the United States, Europe, Japan, and several other territories. Additionally, several method of use patents for ublituximab and UKONIQ in various indications and settings have also been applied for but have not yet been issued or have been issued in certain territories but not under all jurisdictions in which such applications have been filed. There can be no guarantee that any patents for which an application has already been filed, nor

any patents filed in the future, for cosibelimab, TG-1701 and TG-1801 or for our pre-clinical product candidates will be granted in any or all jurisdictions in which they were filed, or that all claims initially included in such patent applications will be allowed in the final patent that is issued. The patent application process is subject to numerous risks and uncertainties, and there can be no assurance that we or our partners will be successful in protecting our product candidates by obtaining and defending patents, or what the scope of an issued patent may ultimately be.

These risks and uncertainties include the following:

- the patent applications that we or our licensors file may not result in any patents being issued;
- patents that may be issued or in-licensed may be challenged, invalidated, modified, revoked or circumvented, or otherwise may not provide any competitive advantage;
- as of March 16, 2013, the United States converted from a first to invent to a first to file system. If we do not win the filing race, we will not be entitled to inventive priority;
- our competitors, many of which have substantially greater resources than we do, and many of which have made significant investments in competing technologies, may seek, or may already have obtained, patents that will limit, interfere with, or eliminate its ability to file new patent applications or make, use, and sell our potential products either in the United States or in international markets;
- there may be significant pressure on the United States government and other international governmental bodies to limit the scope of patent protection both inside and outside the United States for disease treatments that prove successful as a matter of public policy regarding worldwide health concerns; and
- countries other than the United States may have less restrictive patent laws than those upheld by United States courts, allowing foreign competitors the ability to exploit these laws to create, develop, and market competing products.

If patents are not issued that protect our products or product candidates, it could have a material adverse effect on our financial condition and results of operations.

In addition, the patent prosecution process is expensive and time-consuming, and we may not be able to file and prosecute all necessary or desirable patent applications at a reasonable cost or in a timely manner. Further, with respect to some of the pending patent applications covering our drug candidates, prosecution has yet to commence. Patent prosecution is a lengthy process, during which the scope of the claims initially submitted for examination by the USPTO have been significantly narrowed by the time they issue, if at all. It is also possible that we will fail to identify any patentable aspects of our research and development output and methodology, and, even if we do, an opportunity to obtain patent protection may have passed. Given the uncertain and time-consuming process of filing patent applications and prosecuting them, it is possible that our product(s) or process(es) originally covered by the scope of the patent application may have changed or been modified, leaving our product(s) or process(es) without patent protection. Moreover, in some circumstances, we do not have the right to control the preparation, filing and prosecution of patent applications, or to maintain the patents, covering technology that we license from third parties. Therefore, these patents and applications may not be prosecuted and enforced in a manner consistent with the best interests of our business. If our licensors or we fail to appropriately prosecute and maintain patent protection or trade secret protection for one or more products or product candidates, our ability to develop and commercialize such drugs may be adversely affected and we may not be able to prevent competitors from making, using and selling competing products. This failure to properly protect the intellectual property rights relating to these product candidates could impair our ability to compete in the market and adversely affect our ability to generate revenues and achieve profitability, which would have a material adverse effect on our financial condition and results of operations. Furthermore, should we enter into other collaborations, including out-licensing or partnerships, we may be required to consult with or cede control to collaborators regarding the prosecution, maintenance and enforcement of licensed patents. Therefore, these patents and applications may not be prosecuted and enforced in a manner consistent with the best interests of our business.

The patent position of biotechnology and pharmaceutical companies generally is highly uncertain, involves complex legal and factual questions, and has in recent years been the subject of much litigation. In addition, no consistent policy regarding the breadth of claims allowed in pharmaceutical or biotechnology patents has emerged to date in the United States. The patent situation outside the United States is even more uncertain. The laws of foreign countries may not protect our rights to the same extent as the laws of the United States, and we may fail to seek or obtain patent protection in all major markets. For example, European patent law restricts the patentability of methods of treatment of the human body more than United States law does. Our pending and future patent applications may not result in patents being issued which protect our technology or products, in whole or in part, or which effectively prevent others from commercializing competitive technologies and products. Changes in either the patent laws or interpretation of the patent laws in the U.S. and other countries may diminish the value of our patents or narrow the scope of our patent protection. For example, the federal courts of the United States have taken an

increasingly dim view of the patent eligibility of certain subject matter, such as naturally occurring nucleic acid sequences, amino acid sequences and certain methods of utilizing same, which include their detection in a biological sample and diagnostic conclusions arising from their detection. Such subject matter, which had long been a staple of the biotechnology and biopharmaceutical industry to protect their discoveries, is now considered, with few exceptions, ineligible in the first instance for protection under the patent laws of the United States. Accordingly, we cannot predict the breadth of claims that may be allowed or enforced in our patents or in those licensed from a third-party.

In addition, U.S. patent laws may change, which could prevent or limit us, our subsidiaries, or our licensors from filing patent applications or patent claims to protect products and/or technologies or limit the exclusivity periods that are available to patent holders, as well as affect the validity, enforceability, or scope of issued patents. For example, on September 16, 2011, the Leahy-Smith America Invents Act was signed into law. The Leahy-Smith Act includes a number of significant changes to United States patent law. These include changes to transition from a first-to-invent system to a first-to-file system and to the way issued patents are challenged. The formation of the Patent Trial and Appeal Board now provides a quicker and less expensive process for challenging issued patents.

We may be subject to a third-party pre-issuance submission of prior art to the USPTO, or become involved in opposition, derivation, reexamination, inter parties review, post-grant review or interference proceedings challenging our patent rights or the patent rights of others. The costs of these proceedings could be substantial, and it is possible that our efforts to establish priority of invention would be unsuccessful, resulting in a material adverse effect on our U.S. patent position. An adverse determination in any such submission, patent office trial, proceeding or litigation could reduce the scope of, render unenforceable, or invalidate, our patent rights, allow third parties to commercialize our technology or products and compete directly with us, without payment to us, or result in our inability to manufacture or commercialize products without infringing third-party patent rights. In addition, if the breadth or strength of protection provided by patents and patent applications for our drug candidates is threatened, it could dissuade companies from collaborating with us to license, develop or commercialize current or future product candidates.

The issuance of a patent does not foreclose challenges to its inventorship, scope, validity or enforceability. Therefore, our owned and licensed patents may be challenged in the courts or patent offices in the U.S. and abroad. Such challenges may result in loss of exclusivity or in patent claims being narrowed, invalidated or held unenforceable, in whole or in part, which could limit our ability to stop others from using or commercializing similar or identical technology and products, or limit the duration of the patent protection of our technology and products. Given the amount of time required for the development, testing and regulatory review of new product candidates, patents protecting such product candidates might expire before or shortly after such product candidates are commercialized. As a result, our owned and licensed patent portfolio may not provide us with enough rights to exclude others from commercializing products similar or identical to ours.

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

In addition, we may in the future be subject to claims by our former employees or consultants asserting an ownership right in our patents or patent applications, as a result of the work they performed on our behalf. Although we have entered into agreements with many of our employees, consultants and advisors and any other third parties who have access to our proprietary know-how, information or technology to assign or grant similar rights to their inventions to us, we cannot be certain that we have executed such agreements with all parties who may have contributed to our intellectual property, nor can we be certain that our agreements with such parties will be upheld in the face of a potential challenge, or that they will not be breached, for which we may not have an adequate remedy. An adverse determination in any such submission or proceeding may result in loss of exclusivity or freedom to operate or in patent claims being narrowed, invalidated or held unenforceable, in whole or in part, which could limit our ability to stop others from using or commercializing similar or identical technology and drugs, without payment to us, or could limit the duration of the patent protection covering our technology and drug candidates. Such challenges may also result in our inability to manufacture or commercialize our products and product candidates without infringing third-party patent rights. In addition, if the breadth or strength of protection provided by our patents and patent applications is threatened, it could dissuade companies from collaborating with us to license, develop or commercialize current or future drug candidates.

Patent protection and other intellectual property protection are crucial to the success of our business and prospects, and there is a substantial risk that such protections will prove inadequate.

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

The USPTO and various foreign governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other similar provisions during the patent application process. In addition, periodic maintenance fees on issued patents often must be paid to the USPTO and foreign patent agencies over the lifetime of the patent. While an unintentional lapse can in many cases be cured by payment of a late fee or by other means in accordance with the applicable rules, there are situations in which noncompliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction.

Non-compliance events that could result in abandonment or lapse of a patent or patent application include, but are not limited to, failure to respond to official actions within prescribed time limits, non-payment of fees and failure to properly legalize and submit formal documents. If we fail to maintain the patents and patent applications covering our drugs or procedures, we may not be able to stop a competitor from marketing drugs that are the same as or similar to our products or product candidates, which would have a material adverse effect on our business.

If we do not obtain patent term extensions under the Hatch-Waxman Amendments and similar foreign legislation extending the terms of our licensed patents and any future patents we may own, our business may be materially harmed.

Depending on the timing, duration, and specifics of any FDA regulatory approval for our drug candidates, one or more of our licensed U.S. patents or future U.S. patents that we may license or own may be eligible for limited patent term restoration under the Hatch-Waxman Amendments. The Hatch-Waxman Amendments permit a patent term extension of up to five years as compensation for patent term lost during the FDA regulatory review process. A patent term extension cannot extend the remaining term of a patent beyond 14 years from the date of product approval by the FDA, and only one patent covering the approved product may be extended.

The application for a patent term extension is subject to approval by the USPTO, in conjunction with the FDA. We may not be granted an extension because of, for example, failing to apply within applicable deadlines, failing to apply prior to expiration of relevant patents or otherwise failing to satisfy applicable requirements. Moreover, the applicable time period or the scope of the patent protection afforded could be less than we request. If we are unable to obtain patent term extension or any term of such extension is less than we request, the period during which we will have the right to exclusively market our product will be shortened and our competitors may obtain earlier approval of competing products, and our ability to generate revenues could be materially adversely affected.

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

Filing, prosecuting and defending patents on drug candidates throughout the world would be prohibitively expensive. Competitors may use our licensed and owned technologies in jurisdictions where we have not licensed or obtained patent protection to develop their own products and, further, may export otherwise infringing products to territories where we may obtain or license patent protection, but where patent enforcement is not as strong as that in the United States. These products may compete with our products in jurisdictions where we do not have any issued or licensed patents and any future patent claims or other intellectual property rights may not be effective or sufficient to prevent them from so competing.

Moreover, our ability to protect and enforce our intellectual property rights may be adversely affected by unforeseen changes in foreign intellectual property laws. Additionally, laws of some countries outside of the United States and Europe do not afford intellectual property protection to the same extent as the laws of the United States and Europe. Many companies have encountered significant problems in protecting and defending intellectual property rights in certain foreign jurisdictions. The legal systems of some countries, including India, China and other developing countries, do not favor the enforcement of patents and other intellectual property rights. This could make it difficult for us to stop the infringement of our patents or the misappropriation of our other intellectual property rights. For example, many foreign countries have compulsory licensing laws under which a patent owner must grant licenses to third parties. Consequently, we may not be able to prevent third parties from practicing our inventions in certain countries outside the United States and Europe.

Proceedings to enforce our future patent rights, if any, in foreign jurisdictions could result in substantial cost and divert our resources and attention from other aspects of our business. Moreover, such proceedings could put our patents at risk of being invalidated or interpreted narrowly and our patent applications at risk of not issuing and could provoke third parties to assert claims against us. We may not prevail in

any lawsuits that we initiate, and the damages or other remedies awarded, if any, may not be meaningful. Furthermore, while we intend to protect our intellectual property rights in major markets for our products, we cannot ensure that we will be able to initiate or maintain similar efforts in all jurisdictions in which we may wish to market our products. Accordingly, our efforts to protect our intellectual property rights in such countries may be inadequate.

We may be involved in lawsuits to protect or enforce our patents or the patents of our licensors, which could be expensive, time consuming and unsuccessful.

Competitors may infringe our patents or the patents of our licensors. To counter infringement or unauthorized use, we may be required to file infringement claims, which typically are very expensive, time-consuming and disruptive of day-to-day business operations. Any claims we assert against accused infringers could provoke these parties to assert counterclaims against us alleging invalidity of our or certain of our subsidiaries patents or that we infringe their patents; or provoke those parties to petition the USPTO to institute inter parties review against the asserted patents, which may lead to a finding that all or some of the claims of the patent are invalid. In addition, in an infringement proceeding, a court may decide that a patent of ours or our licensors is not valid or is unenforceable or may refuse to stop the other party from using the technology at issue on the grounds that our patents do not cover the technology in question. An adverse result in any litigation or defense proceedings could put one or more of our pending patents at risk of being invalidated, held unenforceable, or interpreted narrowly.

In patent litigation in the United States, defendant counterclaims challenging the validity, enforceability or scope of asserted patents are commonplace. In addition, third parties may initiate legal proceedings against us to assert such challenges to our intellectual property rights. The outcome of any such proceeding is generally unpredictable. Grounds for a validity challenge could be an alleged failure to meet any of several statutory requirements, including lack of novelty, obviousness or non-enablement. Patents may be unenforceable if someone connected with prosecution of the patent withheld relevant information from the USPTO or made a misleading statement during prosecution. It is possible that prior art of which we and the patent examiner were unaware during prosecution exists, which could render our patents invalid. Moreover, it is also possible that prior art may exist that we are aware of but do not believe is relevant to our current or future patents, but that could nevertheless be determined to render our patents invalid.

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

In addition, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. Furthermore, adverse results on United States patents may affect related patents in our global portfolio. The adverse result could also put related pending patent applications at risk of not issuing. Additionally, there could be public announcements of the results of hearings, motions or other interim proceedings or developments. If securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock.

Interference proceedings provoked by third parties or brought by the USPTO may be necessary to determine the priority of inventions with respect to our patents or pending patent applications or those of our collaborators or licensors. An unfavorable outcome could require us to cease using the related technology or to attempt to license rights to it from the prevailing party. The costs of these proceedings could be substantial. As a result, the issuance, scope, validity, enforceability and commercial value of our or any of our respective licensors patent rights are highly uncertain. Our business could be harmed if the prevailing party does not offer us a license on commercially reasonable terms. Litigation or interference proceedings may fail and, even if successful, may result in substantial costs and distract our management and other employees. We may not be able to prevent, alone or with our licensors, misappropriation of our trade secrets or confidential information, particularly in countries where the laws may not protect those rights as fully as in the United States.

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

If we or our partners are sued for infringing intellectual property rights of third parties, it will be costly and time consuming, and an unfavorable outcome in that litigation would have a material adverse effect on our business.

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

Our competitors or other third parties may assert infringement claims against us, alleging that our drugs are covered by their patents. Given the vast number of patents in our field of technology, we cannot be certain that we do not infringe existing patents or that we will not infringe patents that may be granted in the future. Numerous United States and foreign issued patents and pending patent applications, which are owned by third parties, exist in the fields in which we are developing products, some of which may be directed at claims that overlap with the subject matter of our intellectual property. In addition, because patent applications can take many years to issue, there may be currently pending applications, unknown to us, which may later result in issued patents that our product candidates or proprietary technologies may infringe. Similarly, there may be issued patents relevant to our product candidates of which we are not aware. Publications of discoveries in the scientific literature often lag behind the actual discoveries, and patent applications in the United States and other jurisdictions are typically not published until 18 months after a first filing, or in some cases not at all. Therefore, we cannot know with certainty whether we or our licensors were the first to make the inventions claimed in patents or pending patent applications that we own or licensed, or that we or our licensors were the first to file for patent protection of such inventions.

We are aware of certain patents that may pose issues for our commercialization of our drug candidates. If we decide to initiate proceedings to challenge the validity of these patents in the future, we may be unsuccessful, as courts or patent offices in the United States and abroad could uphold the validity of any such patents. If we were to challenge the validity of any issued United States patent in court, we would need to overcome a statutory presumption of validity that attaches to every United States patent. This means that in order to prevail, we would have to present clear and convincing evidence as to the invalidity of the patent's claims. If we are unable to do so, we may be forced to delay the launch of our product candidates or launch at the risk of litigation for patent infringement, which may have a material adverse effect on our business and results of operations.

If a third-party claims that we or any collaborators of ours infringe their intellectual property rights, we may have to defend litigation or administrative proceedings which may be costly whether we win or lose, and which could result in a substantial diversion of our financial and management resources. If we are found to infringe a third party's intellectual property rights, we could be required to obtain a license from such third party to continue developing and marketing our drug candidates and technology. However, we may not be able to obtain any required license on commercially reasonable terms or at all. Even if we were able to obtain such a license, it could be granted on non-exclusive terms, thereby providing our competitors and other third parties access to the same technologies licensed to us. Without such a license, we could be forced, including by court order, to cease developing and commercializing the infringing technology or drug candidates. In addition, we could be found liable for monetary damages, including treble damages and attorney's fees if we are found to have willfully infringed such third-party patent rights. A finding of infringement could prevent us from commercializing our drug candidates or force us to cease some of our business operations, which could materially harm our business.

No assurance can be given that patents issued to third parties do not exist, have not been filed, or could not be filed or issued, which contain claims covering its products, technology or methods that may encompass all or a portion of our products and methods. Given the number of patents issued and patent applications filed in our technical areas or fields, we believe there is a risk that third parties may allege they have patent rights encompassing our products or methods.

Other product candidates that we may in-license or acquire could be subject to similar risks and uncertainties.

We may need to license certain intellectual property from third parties, and such licenses may not be available or may not be available on commercially reasonable terms.

A third party may hold intellectual property, including patent rights that are important or necessary to the development and commercialization of our products. It may be necessary for us to use the patented or proprietary technology of third parties to commercialize our products, in which case we would be required to obtain a license from these third parties, whom may or may not be interested in granting such a license, on commercially reasonable terms, or our business could be harmed, possibly materially. For example, we engage extensively with third parties, including academic institutions, to conduct non-clinical and clinical research on our product candidates. While we seek to ensure all material transfer and service agreements governing this research provide us with favorable terms covering newly generated intellectual property, a general principle under which much of this research with academic institutions is conducted provides third-party ownership of newly generated intellectual property, with an exclusive option available for us to obtain a license to such intellectual property. Through the conduct of this research, it is possible that valuable intellectual property could be developed by a third party, which we will then need to license in order to better develop or commercialize our products. No assurance can be given that we will be able to successfully negotiate such a license on commercially reasonable terms, or at all. Further, should we fail to successfully negotiate a license to such intellectual property, most institutions are then free to license such intellectual property to any other third party, including potentially direct competitors of ours. Should we fail to adequately secure a license to any newly generated intellectual property, our ability to successfully develop or commercialize our products may be hindered, possibly materially.

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

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

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

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

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

Risks Related to Our Business Organization and Governance, Strategy, Employees and Growth Management

If we fail to attract and keep key management, commercial, and clinical development personnel, we may be unable to successfully develop or commercialize our product candidates.

We are highly dependent on the research and development, commercialization, manufacturing, quality, financial and legal expertise of our senior management team as well as the other principal members of our management. Although we have entered into an employment agreement with our chief executive officer and employment letters with our senior managers, each of our executive officers may terminate their employment with us at any time. We do not maintain key person insurance for any of our executives or other employees. In addition, we rely on consultants and advisors, including scientific and clinical advisors, to assist us in formulating our research and development and commercialization strategy. Our consultants and advisors may be employed by employers other than us and may have commitments under consulting or advisory contracts with other entities that may limit their availability to us. If we are unable to continue to attract and retain high quality personnel, our ability to pursue our growth strategy will be limited.

Recruiting and retaining qualified scientific, clinical, manufacturing and sales and marketing personnel, particularly in MS, will be critical to our success. The loss of the services of our chief executive officer or other key employees could impede the achievement of our research, development and commercialization objectives and seriously harm our ability to successfully implement our business strategy. Furthermore, replacing key employees may be difficult and may take an extended period of time because of the limited number of individuals in our industry with the breadth of skills and experience required to successfully develop, gain regulatory approval of and commercialize products. Competition to hire from this limited pool is intense, and we may be unable to hire, train, retain or motivate these key personnel on acceptable terms given the competition among numerous pharmaceutical and biotechnology companies for similar personnel. We anticipate that the uncertainty around the approvability of U2 in CLL and SLL stemming from the FDA plan to hold an ODAC meeting may make it more challenging to recruit and retain qualified personnel across functions. See "**Risks Related to the Development and Commercialization of U2 and UKONIQ."** In January 2022, we engaged in a streamlining exercise across the Company, reducing headcount and external expenses. That streamlining effort may make retention of key personnel more difficult. If we are not able to attract and retain the necessary personnel to accomplish our business objectives, we may experience constraints that will significantly impede the achievement of our development and commercialization objectives, our ability to raise additional capital, and our ability to implement our business strategy.

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

We may attempt to expand our business by acquiring additional businesses or drugs, forming strategic alliances or creating joint ventures with third parties. We may encounter numerous difficulties in developing, manufacturing and marketing any new products resulting from any such arrangement or transaction that may delay or prevent us from realizing their expected benefits. If we are unable to successfully integrate such acquired businesses with our existing operations and company culture, we may never realize the benefits of such acquisitions or strategic alliances. We cannot assure you that, following any such transaction, we will achieve the expected synergies to justify the transaction.

Expanding our business will increase our operating needs. As of February 8, 2022, we had 291 full -time employees. We expect to increase our number of employees and expand the scope of our operations focused on preparing for potential commercialization of ublituximab in RMS. In addition, in the event the FDA approves U2 for the treatment of CLL and SLL, we will need to expand our operations supporting hematology. Our management and medical, commercial, and scientific personnel, systems and facilities currently in place may not be adequate to support our anticipated future growth. To manage our anticipated future growth, we must continue to implement and improve our managerial, operational and financial systems, expand our facilities and continue to recruit and train additional qualified personnel. Also, our management may need to divert a disproportionate amount of its attention away from its day-to-day activities and devote a substantial amount of time to managing these development activities. Due to our limited resources, we may not be able to effectively manage the expansion of our operations or recruit and train additional qualified personnel. This may result in weaknesses in our infrastructure, give rise to operational mistakes, loss of business opportunities, loss of employees and reduced productivity among remaining employees. To accommodate growth, additional physical expansion of our operations in the future may lead to significant costs, including capital expenditures, and may divert financial resources from other projects, such as the development of our drug candidates. If our management is unable to effectively manage our expected development and expansion, our expenses may increase more than expected, our ability to generate or increase our revenue could be reduced and we may not be able to implement our business strategy. Our future financial performance and our ability to commercialize our drug candidates, if approved, and compete effectively will depend, in part, on our ability to effectively manage the future development and expansion of our business.

Additionally, to help manage the expanding needs, we may utilize the services of outside vendors or consultants to perform tasks including clinical trial management, statistics and analysis, regulatory affairs, formulation development, chemistry, manufacturing, controls, and other pharmaceutical development functions. Our growth strategy may also entail expanding our group of contractors or consultants to implement these tasks going forward. Because we rely on a substantial number of consultants, effectively outsourcing many key functions of our business, we will need to be able to effectively manage these consultants to ensure that they successfully carry out their contractual obligations and meet expected deadlines. However, if we are unable to effectively manage our outsourced activities or if the quality or accuracy of the services provided by consultants is compromised for any reason, our clinical trials may be extended, delayed or terminated, and we may not be able to obtain regulatory approval for our product candidates or otherwise advance our business. There can be no assurance that we will be able to manage our existing consultants or find other competent outside contractors and consultants on economically reasonable terms, or at all. If we are not able to effectively expand our organization by hiring new employees and expanding our groups of consultants and contractors, we may be unable to successfully implement the tasks necessary to advance the commercialization of UKONIQ and further develop and commercialize our product candidates and, accordingly, may not achieve our research, development and commercialization goals.

Certain anti-takeover provisions in our governing documents and Delaware law could make a third-party acquisition of us difficult. This could limit the price investors might be willing to pay in the future for our common stock.

Certain provisions in our amended and restated certificate of incorporation and restated bylaws may make it more difficult for a third party to acquire us, or discourage a third party from attempting to acquire or control us and may limit the price that certain investors might be willing to pay in the future for shares of our common stock. For example, our amended and restated certificate of incorporation allows us to issue preferred stock without the approval of our stockholders, the issuance of which could decrease the amount of earnings and assets available for distribution to, or affect the rights and powers (including voting rights) of, of our common stockholders. In certain circumstances, such issuance could have the effect of decreasing the market price of our common stock. In addition, our restated bylaws eliminate the right of stockholders to call a special meeting of stockholders, which could make it more difficult for stockholders to effect certain corporate actions. Any of these provisions could also have the effect of delaying or preventing a change in control.

On July 18, 2014, the Board of Directors declared a distribution of one right for each outstanding share of common stock. The rights may have certain anti-takeover effects. The rights will cause substantial dilution to a person or group that attempts to acquire us on terms not approved by the Board of Directors unless the offer is conditioned on a substantial number of rights being acquired. However, the rights should not interfere with any merger, statutory share exchange or other business combination approved by the Board of Directors since the rights may be terminated by us upon resolution of the Board of Directors. Thus, the rights are intended to encourage persons who may seek to acquire control of the Company to initiate such an acquisition through negotiations with the Board of Directors. However, the effect of the rights may be to discourage a third party from making a partial tender offer or otherwise attempting to obtain a substantial equity position in the equity securities of, or seeking to obtain control of, the Company. To the extent any potential acquirers are deterred by the rights, the rights may have the effect of preserving incumbent management in office.

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

Under Section 382 of the Internal Revenue Code of 1986, as amended, if a corporation undergoes an ownership change (generally defined as a greater than 50% change (by value) in the ownership of its equity over a three-year period), the corporation's ability to use its pre-change net operating loss carryforwards and certain other pre-change tax attributes to offset its post-change income may be limited. We may have experienced such ownership changes in the past, and we may experience ownership changes in the future as a result of shifts in our stock ownership, some of which are outside our control. As of December 31, 2021, we had federal net operating loss carryforwards of approximately $1,294 million, and our ability to utilize those net operating loss carryforwards could be limited by an ownership change as described above, which could result in increased tax liability to us. In addition, pursuant to the Tax Act, we may not use net operating loss carry-forwards to reduce our taxable income in any year by more than 80%, and we may not carry back any net operating losses to prior years. On March 27, 2020, the "CARES Act" was signed by the U.S. President. Certain provisions of the CARES Act alter the rules regarding net-operating losses for such losses arising in 2018, 2019 and 2020. Such losses may be carried back for five years. We cannot assure you, however, of our ability to utilize these favorable offset rules within the applicable time period. These rules apply regardless of the occurrence of an ownership change.

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

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

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

Our internal information technology systems, or those of our third-party CROs, CMOs, or other contractors or consultants, may fail or suffer security breaches, which could result in a material disruption of our drug candidates' development programs and our commercialization of any products for which we receive regulatory approval.

Despite the implementation of security measures, our internal information technology systems and those of our third-party CROs, CMOs, and other contractors and consultants are vulnerable to damage from computer viruses, unauthorized access, cyber-attacks or cyber-intrusions over the Internet, natural disasters, terrorism, war and telecommunication and electrical failures. Although we have been the targets of cyber-attacks and cyber-intrusions, the impact on our operations and financial condition has not been material. We expect such cybersecurity threats to continue and become more sophisticated. A significant cyber-attack or cyber-intrusion could cause our systems to fail, leakage of confidential information, or business interruption, which could result in a material disruption of our operations, financial loss, or reputational harm. For example, the loss of clinical trial data for our drug candidates could result in delays in our regulatory approval efforts and significantly increase our costs to recover or reproduce the data. We have invested in protections and monitoring practices of our data and information technology systems to reduce these risks and expect to continue do so as our information technology systems increase in magnitude and complexity. However, there can be no assurance that our efforts and investments will prevent breakdowns or breaches in our systems that could adversely affect our business.

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

Our results of operations could be adversely affected by general conditions in the global economy and in the global financial markets. For example, the COVID-19 pandemic has caused extreme volatility and disruptions in the capital and credit markets. A severe or prolonged economic downturn could result in a variety of risks to our business, including, weakened demand for our drug candidates and our ability to raise additional capital when needed on acceptable terms, if at all. A weak or declining economy could also strain our suppliers, possibly resulting in supply disruption, or cause our customers to delay making payments for our services.

Our employees, principal investigators, CROs, CMOs and consultants may engage in misconduct or other improper activities, including non-compliance with regulatory standards and requirements and insider trading, which could have a material adverse effect on our business.

We are exposed to the risk that our employees, principal investigators, CROs, CMOs, and consultants may engage in fraudulent conduct or other illegal activity. Misconduct by these parties could include intentional failures to comply with FDA regulations, provide accurate information to the FDA, comply with manufacturing standards we have established, comply with federal and state healthcare fraud and abuse laws and regulations, report financial information or data accurately or disclose unauthorized activities to us. In particular, sales, marketing and business arrangements in the healthcare industry are subject to extensive laws and regulations intended to prevent fraud, misconduct, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. Activities subject to these laws also involve the improper use of information obtained in the course of clinical trials or creating fraudulent data in our pre-clinical studies or clinical trials, which could result in regulatory sanctions and cause serious harm to our reputation. We have adopted a code of ethics applicable to all of our employees and have implemented a compliance program, but it is not always possible to identify and deter misconduct by employees and other third parties, and the precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to comply with these laws or regulations. In addition, we are subject to the risk that a person could allege such fraud or other misconduct, even if none occurred. If any such actions are instituted against us, regardless of the outcome, our reputation and our business may suffer. If we are not successful in defending ourselves or asserting our rights, those actions could lead to imposition of civil, criminal and administrative penalties, damages, monetary fines, possible exclusion from participation in Medicare, Medicaid and other federal healthcare programs, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of our operations, any of which could adversely affect our ability to operate our business.

We may acquire businesses or drugs, or form strategic alliances, in the future, and we may not realize the benefits of such acquisitions.

We may acquire additional businesses or drugs, form strategic alliances or create joint ventures with third parties that we believe will complement or augment our existing business. If we acquire businesses with promising markets or technologies, we may not be able to realize the benefit of acquiring such businesses if we are unable to successfully integrate them with our existing operations and company culture. We may encounter numerous difficulties in developing, manufacturing and marketing any new products resulting from a strategic alliance or acquisition that delay or prevent us from realizing their expected benefits or enhancing our business. We cannot assure you that, following any such acquisition, we will achieve the expected synergies to justify the transaction.

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

The rules dealing with U.S. federal, state and local income taxation are constantly under review by persons involved in the legislative process and by the IRS and the U.S. Treasury Department. Changes to tax laws (which changes may have retroactive application) could adversely affect our stockholders or us. In recent years, many such changes have been made and changes are likely to continue to occur in the future. We cannot predict whether, when, in what form, or with what effective dates, tax laws, regulations and rulings may be enacted, promulgated or decided, which could result in an increase in our, or our stockholders, tax liability or require changes in the manner in which we operate in order to minimize increases in our tax liability.

On December 22, 2017, legislation commonly referred to as the Tax Act was signed into law and is generally effective after December 31, 2017. The Tax Act makes significant changes to the United States federal income tax rules for taxation of individuals and business entities. Most of the changes applicable to individuals are temporary and apply only to taxable years beginning after December 31, 2017 and before January 1, 2026. For corporations, the Tax Act reduces the top corporate income tax rate to 21% and repeals the corporate alternative minimum tax, limits the deduction for net interest expense, limits the deduction for net operating losses and eliminates net operating loss carrybacks, modifies or repeals many business deductions and credits, shifts the United States toward a more territorial tax

system, and imposes new taxes to combat erosion of the U.S. federal income tax base. The Tax Act makes numerous other large and small changes to the federal income tax rules that may affect potential investors and may directly or indirectly affect us. We continue to examine the impact this tax reform legislation may have on our business. However, the effect of the Tax Act on us, whether adverse or favorable, is uncertain, and may not become evident for some period of time. This document does not discuss such legislation or the manner in which it might affect us or purchasers of our common stock. Prospective investors are urged to consult with their legal and tax advisors with respect to the Tax Act and any other regulatory or administrative developments and proposals, and their potential effects on them based on their unique circumstances.

Risks Related to the COVID-19 Pandemic

Major public health issues, and specifically the pandemic caused by COVID-19, could have an adverse impact on our financial condition and results of operations and other aspects of our business.

In December 2019, a novel strain of coronavirus which causes a disease referred to as COVID-19, was first detected in Wuhan, China, and has since spread around the world. On March 11, 2020, the World Health Organization declared that the rapidly spreading COVID-19 outbreak had evolved into a pandemic. In response to the pandemic, many governments around the world have implemented a variety of control measures to reduce the spread of COVID-19, including travel restrictions and bans, instructions to residents to practice social distancing, quarantine advisories, shelter-in-place orders and required closures of non-essential businesses.

The COVID-19 pandemic has negatively impacted the global economy, disrupted global supply chains, and created significant volatility and disruption of financial markets. The extent to which the COVID-19 pandemic impacts our business and operating results will depend on future developments that are highly uncertain and cannot be accurately predicted, including new information that may emerge concerning the rates of vaccination and efficacy of approved vaccines against the virus and any variant strains of the virus, other actions to contain the virus or treat its impact, and how quickly and to what extent normal economic and operating conditions can resume if and when the pandemic subsides, among others.

Should the COVID-19 pandemic persist or worsen and government restrictions continue, our business operations could be materially delayed or interrupted. For instance, our ongoing clinical trials may be delayed or compromised; our ability to conduct new clinical trials may be adversely impacted; our supply chain may be disrupted; health authority inspections of clinical sites or manufacturing facilities, or review of our regulatory submissions may be delayed, and our commercialization efforts may be impacted. For example, during the course of the pandemic the FDA has at points delayed both domestic and foreign facility inspections or conducted “remote interactive evaluations,” which in a variety of circumstances are inclusive of Pre-Approval Inspections (PAIs). We expect the impact of COVID-19 on the FDA’s operations will continue to evolve. It is unknown how long these disruptions could continue, were they to occur. Any delay in our clinical trials, PAIs or in the regulatory review of our pending BLA submission for ublituximab resulting from such disruptions could materially affect the development and commercialization of our product candidates.

We currently rely on third parties for certain functions or services in support of our clinical trials and key areas of our operations. These third parties include contract research organizations (CROs), medical institutions and clinical investigators, contract manufacturing organizations, suppliers, and external business partners supporting commercialization of UKONIQ. If these third parties themselves are adversely impacted by restrictions resulting from the COVID-19 outbreak, we will likely experience delays and/or realize additional costs. As a result, our efforts to commercialize UKONIQ and obtain regulatory approvals for, and to commercialize, our product candidates may be delayed or disrupted.

In addition, to protect the health of our workforce, starting in March 2020 we asked our office-based employees to work remotely. Although many of the social distancing guidelines and capacity restrictions have been lifted, our office-based employees have continued to work remotely as we plan for office reopening. Third parties on which we rely may also be continuing to use remote working arrangements that they had implemented in response to COVID-19. Our increased reliance on personnel working remotely may negatively impact productivity, including our ability to monitor clinical trials, prepare regulatory applications, and conduct data analysis, or disrupt, delay, or otherwise adversely impact our business. In addition, remote working could increase our cybersecurity risk and make us more susceptible to communication disruptions, any of which could adversely impact our business operations or delay necessary interactions with local and federal regulators, manufacturing sites, research or clinical trial sites and contractors.

Our ability to successfully commercialize UKONIQ, and any of our product candidates for which we in the future obtain regulatory approval, also may be adversely impacted by restrictions and safety measures instituted due to COVID-19 and reductions in patient visits to HCPs. For example, reduced access to healthcare providers and institutions as a result of COVID-19 safety protocols has impacted our commercialization activities, including, the manner in which our field teams engage with healthcare providers and facilities. Our compliance monitoring and oversight of interactions and communications with HCPs, payors, and other stakeholders also has been impacted by the remote work environment.

The potential economic impact brought by and the duration of the pandemic may be difficult to assess or predict. However, it has already caused, and is likely to result in further, significant disruption of global financial markets. It is likely that the pandemic will cause an economic slowdown of potentially extended duration, and it is possible that it could cause a global recession. This disruption may reduce our ability to access capital either at all or on favorable terms. In addition, a recession, depression or other sustained adverse market event resulting from the spread of COVID-19 could materially and adversely affect our business and the value of our common stock.

The ultimate impact of the current pandemic, or any other health epidemic, is highly uncertain and subject to change. We do not yet know the full extent of potential delays or impacts on our business, our clinical trials, our research programs, healthcare systems or the global economy as a whole. However, these effects could have a material adverse effect on our business, financial condition and results of operations.

To the extent the COVID-19 pandemic materially adversely affects our business and financial results, it may also have the effect of significantly heightening many of the other risks described in this Risk Factors section.

The COVID-19 pandemic could have a material adverse effect on our clinical development program if the pandemic and associated government control measures continue.

The ongoing COVID-19 pandemic has presented substantial public health challenges and is impacting the global healthcare system, including the conduct of clinical trials in the U.S. and other parts of the world. New variants continue to circulate, and uncertainty remains as to whether additional restrictions may be implemented to address the spread of new variants. As a result of the COVID-19 pandemic, we may encounter delays in our clinical development program. The majority of our clinical trials involve patients with cancer or those receiving ongoing immunosuppressive therapy who may be at higher risk of infection. These patients are thus more likely to be subject to travel restrictions and self-quarantining and may be more likely to withdraw from our clinical trials or unable to complete study assessments, which may affect our ability to meet our projected timelines.

Further, we may not be able to complete our clinical trials that we initiated more recently and for which we have not yet completed enrollment in the time frame that we had previously planned. In addition, the pandemic may adversely affect our ability to conduct new trials. Some factors from the COVID-19 outbreak that may delay or otherwise adversely affect our clinical trial programs, as well as adversely impact our business generally, include:

- delays or difficulties in clinical site initiation, including difficulties in recruiting and retaining clinical sites, impacts on compliance with clinical study protocols, delays enrolling patients in our clinical trials, decreased enrollment in our clinical trials or increased rates of patients withdrawing from our clinical trials following enrollment, in each case, as a result of patients contracting COVID-19, being forced to quarantine, experiencing reluctance to seek medical attention in a healthcare facility setting, or otherwise not being able or willing to complete study assessments, particularly for older patients or others with a higher risk of contracting COVID-19;
- impacts to clinical results, including an increased number of observed adverse events, as a result of participants enrolled in our clinical trials contracting COVID-19;
- prioritization by healthcare providers, facilities, lawmakers, and regulators of COVID-19-related healthcare needs or, when the pandemic subsides, to address the potential backlog of patients who have deferred medical procedures during the pendency of the pandemic, which may reduce availability of professionals and resources for clinical trials in other disease areas;
- limitations on travel, including limitations on domestic and international travel, and government-imposed quarantines or restrictions imposed by key third parties that could interrupt key trial activities, such as clinical trial site initiations and monitoring, which could impact the reliability or integrity of subject data and clinical study endpoints;
- interruption of, or delays in receiving, supplies of our product candidates from our contract manufacturing organizations due to staffing shortages, production slowdowns or stoppages or interruption in global shipping that may affect the transport of clinical trial materials;

- disruptions and delays caused by potential workplace, laboratory and office closures and an increased reliance on employees working from home across the healthcare system;
- disruptions in or delays to regulatory reviews, responses, inspections, or other regulatory activities, including review of marketing applications and approvals of protocol changes or amendments to SPAs, as a result of the spread of COVID-19 affecting the operations of the FDA or other regulatory authorities;
- changes in local regulations as part of a response to the COVID-19 pandemic which may require us to change the ways in which clinical trials are conducted, which may result in unexpected costs, or to discontinue the clinical trials altogether;
- refusal of the FDA to accept data from clinical trials in affected geographies outside the United States; and
- negative effects on the quality, completeness, integrity, interpretability and cost of our clinical study data.

The potential disruptions discussed above and other consequences of the COVID-19 pandemic could result in missed study visits or study procedures in our clinical trials, which could lead to an abundance of protocol deviations that impact the interpretability of the trial results. A significant number of deviations may call into question whether the execution of a clinical trial was consistent with the protocol, which is of particular importance where study designs were agreed to as part of a SPA as in the case of our Phase 3 clinical trial for the combination of ublituximab plus UKONIQ for patients with CLL (UNITY-CLL) and our registration program for ublituximab in RMS (ULTIMATE I and II). In extreme cases, significant deviations from the protocol may be considered a violation of the SPA and result in potential rescindment of the SPA agreement, which could adversely affect our ability to use the results of the impacted study to support a future regulatory application.

We will continue to monitor the potential impact of COVID-19 on our clinical trial program, however, the full extent to which the COVID-19 pandemic may directly or indirectly impact the progress of our current and planned trials will depend on future developments that are highly uncertain and cannot be accurately predicted.

General Risks

Risks Related to Our Common Stock and Being a Publicly-Traded Company

Our stock price is, and we expect it to remain, volatile, which could limit investors' ability to sell stock at a profit.

The trading price of our common stock has been and is likely to continue to be highly volatile and subject to wide fluctuations in price in response to various factors, many of which are beyond our control. These factors include:

- publicity regarding actual or potential clinical results relating to products under development by our competitors or us;
- delay or failure in initiating, completing or analyzing nonclinical or clinical trials or the unsatisfactory design or results of these trials;
- achievement or rejection of regulatory approvals by our competitors or us;
- announcements of technological innovations or new commercial products by our competitors or us;
- developments concerning proprietary rights, including patents;
- developments concerning our collaborations;
- regulatory developments in the United States and foreign countries;
- economic or other crises and other external factors such as the disruptions in the global economy caused by the COVID-19 pandemic;
- period-to-period fluctuations in our revenues and other results of operations;
- failure to meet our revenue projections or guidance;
- changes in financial estimates by securities analysts; and
- sales of our common stock by us.

We will not be able to control many of these factors, and we believe that period-to-period comparisons of our financial results will not necessarily be indicative of our future performance.

In addition, the stock market in general, and the market for biotechnology companies in particular, has experienced extreme price and volume fluctuations that may have been unrelated or disproportionate to the operating performance of individual companies. These broad market and industry factors may seriously harm the market price of our common stock, regardless of our operating performance.

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

We have never declared or paid cash dividends on our capital stock. We currently intend to retain all of our future earnings, if any, to finance the growth and development of our business. In addition, under the Amended Loan Agreement with Hercules, we are currently restricted from paying cash dividends, and we expect these restrictions to continue in the future. Furthermore, the terms of any future debt agreements may continue to preclude us from paying dividends. As a result, capital appreciation, if any, of our common stock will be the sole source of gain for our stockholders for the foreseeable future.

An active trading market for our common stock may not be sustained, and investors may not be able to resell their shares at or above the price they paid.

Although we have listed our common stock on the Nasdaq Capital Market, an active trading market for our shares may not be sustained. In the absence of an active trading market for our common stock, investors may not be able to sell their common stock at or above the price at which they acquired their shares or at the time that they would like to sell. An inactive trading market may also impair our ability to raise capital to continue to fund operations by selling shares and may impair our ability to acquire other companies or technologies by using our shares as consideration.

If equity research analysts do not publish research or reports about our business or if they publish negative evaluations of or downgrade our common stock, the price of our common stock could decline.

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

We incur significant increased costs as a result of operating as a public company, and our management is required to devote substantial time to compliance initiatives.

As a public company, we incur significant legal, accounting and other expenses under the Sarbanes-Oxley Act of 2002, as well as rules subsequently implemented by the SEC, and the rules of any stock exchange on which we are listed. These rules impose various requirements on public companies, including requiring establishment and maintenance of effective disclosure and financial controls and appropriate corporate governance practices. Our team has devoted and will continue to devote a substantial amount of time to these compliance initiatives. Moreover, these rules and regulations increase our legal and financial compliance costs and make some activities more time-consuming and costly. For example, these rules and regulations make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for us to attract and retain qualified persons to serve on our Board of Directors, our Board committees or as executive officers.

The Sarbanes-Oxley Act of 2002 requires, among other things, that we maintain effective internal control over financial reporting and disclosure controls and procedures. As a result, we are required to periodically perform an evaluation of our internal control over financial reporting to allow management to report on the effectiveness of those controls, as required by Section 404 of the Sarbanes-Oxley Act. Additionally, our independent auditors are required to perform a similar evaluation and report on the effectiveness of our internal control over financial reporting. These efforts to comply with Section 404 will require the commitment of significant financial and managerial resources. While we anticipate maintaining the integrity of our internal control over financial reporting and all other aspects of Section 404, we cannot be certain that a material weakness will not be identified when we test the effectiveness of our control systems in the future. If a material weakness is identified, we could be subject to sanctions or investigations by the SEC or other regulatory authorities, which would require additional financial and management resources, costly litigation or a loss of public confidence in our internal control over financial reporting, which could have an adverse effect on the market price of our stock.

Volatility in the price of our common stock may subject us to securities and shareholder derivative litigation, which could cause us to incur substantial costs and divert management's attention, financial resources and other company assets.

In the past, securities class action and shareholder derivative litigation has often been brought against a company following periods of volatility in the market price of its securities. This risk is especially relevant for us because pharmaceutical companies have experienced significant stock price volatility in recent years. Past lawsuits and any future lawsuits to which we may become a party are subject to inherent uncertainties and will likely be expensive and time-consuming to investigate, defend and resolve, and will divert our management's attention and financial and other resources. The outcome of litigation is necessarily uncertain, and we could be forced to expend significant resources in the defense of these and other suits, and we may not prevail. Any litigation to which we are a party may result in an onerous or unfavorable judgment that may not be reversed upon appeal or in payments of substantial monetary damages or fines, or we may decide to settle this or other lawsuits on similarly unfavorable terms, which could adversely affect our business, financial condition, results of operations or stock price.

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

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

ITEM 2. PROPERTIES.

We maintain corporate and executive space in New York, New York, and Edison, New Jersey. We are also currently leasing small office spaces in Raleigh, and North Carolina. We believe that our existing facilities are adequate to meet our current requirements. We do not own any real property.

ITEM 3. LEGAL PROCEEDINGS.

We, and our subsidiaries, are not a party to, and our property is not the subject of, any material pending legal proceedings.

ITEM 4. MINE SAFETY DISCLOSURES.

None.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES.

Market Information

Our common stock is listed on the Nasdaq Capital Market and trades under the symbol "TGTX".

Holders

The number of record holders of our common stock as of February 23, 2022 was 220.

Dividends

We have never declared or paid any cash dividends on our common stock and do not anticipate paying any cash dividends in the foreseeable future. Any future determination to pay dividends will be at the discretion of our board of directors.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table provides information as of December 31, 2021, regarding the securities authorized for issuance under our equity compensation plan, the TG Therapeutics, Inc. Amended and Restated 2012 Incentive Plan.

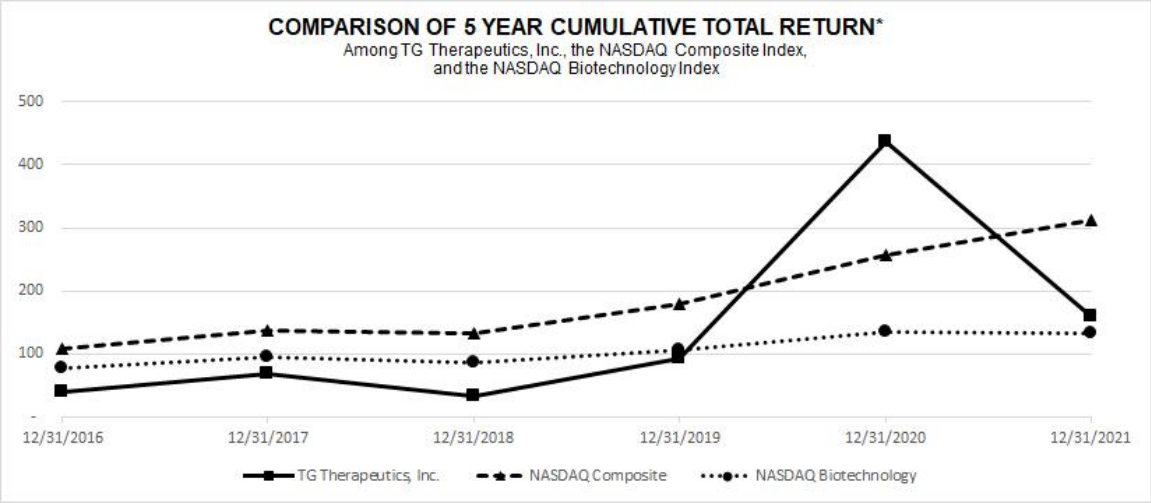
Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column 1)
Equity compensation plans approved by security holders	2,467,537	$ 7.06	1,511,105
Equity compensation plans not approved by security holders	—	—	—
Total	2,467,537	$ 7.06	1,511,105

For information about all of our equity compensation plans see Note 5 to our Consolidated Financial Statements included in this report.

COMMON STOCK PERFORMANCE GRAPH

The following graph compares the cumulative total stockholder return on our common stock for the period from December 31, 2016 through December 31, 2021, with the cumulative total return over such period on (i) the U.S. Index of The Nasdaq Stock Market and (ii) the Biotechnology Index of The Nasdaq Stock Market. The graph assumes an investment of $100 on December 31, 2016, in our common stock (at the adjusted closing market price) and in each of the indices listed above, and assumes the reinvestment of all dividends. Measurement points are December 31 of each year.



*** $100 invested on December 31, 2016 in stock or index, including reinvestment of dividends. Fiscal Years ending December 31.**

ITEM 6. REMOVED AND RESERVED

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The following discussion and analysis contains forward-looking statements about our plans and expectations of what may happen in the future. Forward-looking statements are based on a number of assumptions and estimates that are inherently subject to significant risks and uncertainties, and our results could differ materially from the results anticipated by our forward-looking statements as a result of many known or unknown factors, including, but not limited to, those factors discussed in "Risk Factors." See also the "Special Cautionary Notice Regarding Forward-Looking Statements" set forth at the beginning of this report.

You should read the following discussion and analysis in conjunction with "Item 8. Financial Statements and Supplementary Data," and our consolidated financial statements beginning on page F-1 of this report.

Overview

TG Therapeutics is a fully-integrated, commercial stage biopharmaceutical company focused on the acquisition, development and commercialization of novel treatments for B-cell malignancies and autoimmune diseases. In addition to an active research pipeline including five investigational medicines across these therapeutic areas, we have received accelerated approval from the U.S. Food and Drug Administration (FDA) for UKONIQ (umbralisib), for the treatment of adult patients with relapsed or refractory marginal zone lymphoma who have received at least one prior anti-CD20-based regimen and relapsed or refractory follicular lymphoma who have received at least three prior lines of systemic therapies. Currently, we have two programs in Phase 3 development for the treatment of patients with relapsing forms of multiple sclerosis (RMS) and patients with chronic lymphocytic leukemia (CLL) and several investigational medicines in Phase 1 clinical development. We also actively evaluate complementary products, technologies and companies for in-licensing, partnership, acquisition and/or investment opportunities.

Following FDA approval of UKONIQ on February 5, 2021, we commenced commercial sales of UKONIQ in the US and began generating product revenue. During the year ended December 31, 2021, our only sources of product revenues were from the sales of UKONIQ. Product revenues are recorded net of estimates of variable consideration. For further discussion of our revenue recognition policy, see "Critical Accounting Policies and Significant Judgements and Estimates" below.

Cost of product revenue consists primarily of materials and third-party manufacturing costs, as well as freight and royalties owed to our licensing partner for UKONIQ sales. Based on our policy to expense costs associated with the manufacture of our products prior to regulatory approval, the manufacturing costs of UKONIQ units recognized as revenue during the year ended December 31, 2021 were expensed prior to receipt of FDA approval on February 5, 2021, and therefore are not included in costs of product revenue during the current period.

Our other research and development expenses consist primarily of expenses relating to the design, development, manufacture, testing and enhancement of our drug candidates and technologies, milestone expenses related to in-licensing of new product candidates, fees paid to consultants and outside service providers for clinical and laboratory development, personnel expenses and other facilities-related expenses. We expense our research and development costs as they are incurred. Research and development expenses for the years ended December 31, 2021, 2020 and 2019 were approximately $198.5 million, $151.9 million and $148.4 million, respectively, excluding noncash compensation expenses related to research and development.

The following table sets forth the research and development expenses per project, exclusive of noncash compensation expenses, for the periods presented.

(in thousands)	2021	2020	2019
Ublituximab	$ 112,522	$ 72,400	$ 93,302
Umbralisib	63,033	66,495	46,074
Early Clinical Pipeline & Pre-Clinical	22,977	13,039	8,993
Total	$ 198,532	$ 151,934	$ 148,369

RESULTS OF OPERATIONS

Comparison of the Years Ended December 31, 2021 and 2020

The following table summarizes the results of operations for the years ended December 31, 2021 and 2020:

(in thousands)	2021	2020
Product revenue, net	$ 6,537	$ —
License Revenue	152	152
Total Revenue	$ 6,689	$ 152
Costs and expenses:		
Cost of product revenue	790	—
Research and development:		
Noncash compensation	24,047	13,962
Other research and development	198,532	151,934
Total research and development	222,579	165,896
Selling, General and administrative:		
Noncash compensation	37,227	66,327
Other selling, general and administrative	90,863	41,523
Total selling, general and administrative	128,090	107,850
Total costs and expenses	351,459	273,746
Interest expense	5,638	6,329
Other income	(2,307)	(542)
Total other expense, net	3,331	5,787
Net Loss	(348,101)	$ (279,381)

Revenues. Total revenue for the year ended December 31, 2021 increased compared to the comparable periods ended December 31, 2020 and 2019, due to net product revenues from U.S. sales of our sole commercial product, UKONIQ, which was approved by the FDA on February 5, 2021.

Cost of Product Revenue. Cost of product revenue consists primarily of freight and royalties on net sales of UKNOIQ owed to our licensing partner. During the year ended December 31, 2021, the cost of product revenue was $0.8 million. Based on our policy to expense costs associated with the manufacture of our products prior to regulatory approval, the manufacturing costs of UKONIQ units recognized as revenue during the year ended December 31, 2021 were expensed as research and development expenses prior to receipt of FDA approval on February 5, 2021, and therefore are not included in costs of product revenue during the current period. We expect the cost of product revenues to remain low, as we sell through certain inventory that was expensed prior to FDA approval of UKONIQ in February 2021.

Noncash Compensation Expense (Research and Development). Noncash compensation expense (research and development) related to equity incentive grants totaled $24.0 million for the year ended December 31, 2021, as compared to $14.0 million during the comparable period in 2020. The increase in noncash compensation expense was primarily due to vesting of milestone-based grants, an increase in research and development personnel and the vesting of grants at a higher stock price during the year ended December 31, 2021.

Other Research and Development Expense. Other research and development expense increased for the year ended December 31, 2021 by approximately $46.6 million to $198.5 million as compared to the comparable period ended December 31, 2020. The increase in research and development expense is primarily attributable to increased manufacturing expense of approximately $34.4 million in preparation for commercialization and for our Phase 3 clinical trials. Additionally, an increase in personnel expense of $9.5 million associated with the buildout of our regulatory and late-stage development groups.

Noncash Compensation Expense (Selling, General and Administrative). Noncash compensation expense (selling, general and administrative) related to equity incentive grants totaled $37.2 million for the year ended December 31, 2021, as compared to $66.3 million during the comparable period in 2020. The decrease in noncash compensation expense was primarily related to more milestone-based vesting of restricted stock granted to executive personnel occurring during the year ended December 31, 2020.

Other Selling, General and Administrative. Other selling, general and administrative expenses increased for the year ended December 31, 2021 by approximately $49.3 million to $90.9 million as compared to the comparable period ended December 31, 2020. The increase in selling, general and administrative expense is primarily attributable to increased personnel and other selling, general and administrative costs associated with execution of the launch of UKONIQ and planning for the potential launches of U2 in CLL and ublituximab in RMS.

Interest Expense. Interest expense for the year ended December 31, 2021 was $5.6 million compared to $6.3 million for the comparable period ended December 31, 2020. The $0.7 million decrease is mainly due to an increase in interest expense related to administrative fees in connection with contract manufacturing costs during the year ended December 31, 2020.

Other Income. Other income increased by $1.9 million to $2.3 million for the year ended December 31, 2021, as compared to $0.5 million for the year ended December 31, 2020. The increase is mainly due to greater interest income and an increase in the change in fair value of notes payable during the year ended December 31, 2021.

Comparison of the Years Ended December 31, 2020 and 2019

The following table summarizes the results of operations for the years ended December 31, 2020 and 2019:

(in thousands)	2020	2019
License Revenue	152	152
Total Revenue	152	152
Costs and expenses:		
Research and development:		
Noncash stock expense associated with in-licensing agreements	—	100
Noncash compensation	13,962	5,811
Other research and development	151,934	148,269
Total research and development	165,896	154,180
General and administrative:		
Noncash compensation	66,327	5,523
Other general and administrative	41,523	9,504
Total general and administrative	107,850	15,027
Total costs and expenses	273,746	169,207
Interest expense	6,329	5,287
Other income	(542)	(1,471)
Total other expense, net	5,787	3,816
Net Loss	$ (279,381)	$ (172,871)

Revenues. License revenue was approximately $0.2 million for each of the years ended December 31, 2020 and 2019. License revenue is related to the amortization of an upfront payment of $2.0 million associated with our license agreement with Ildong.

Noncash compensation expense (research and development). Noncash compensation expense (research and development) related to equity incentive grants totaled $14.0 million for the year ended December 31, 2020, as compared to $5.8 million during the comparable

period in 2019. The increase in noncash compensation expense was primarily due to an increase in research and development personnel and the vesting of grants with a higher stock price during the year ended December 31, 2020.

Other Research and Development Expense. Other research and development expense increased for the year ended December 31, 2020 by approximately $3.6 million to $151.9 million compared to the comparable period ended December 31, 2019. The increase in research and development expense is primarily attributable to the achievement of various license agreement milestones, offset by a decrease in manufacturing expense during the year ended December 31, 2020.

Noncash Compensation Expense (General and Administrative). Noncash compensation expense (general and administrative) related to equity incentive grants totaled $66.3 million for the year ended December 31, 2020, as compared to $5.5 million during the comparable period in 2019. The increase in noncash compensation expense was primarily related to more milestone-based vesting of restricted stock granted to executive personnel occurring during the year ended December 31, 2020.

Other General and Administrative. Other general and administrative expenses increased for the year ended December 31, 2020 by approximately $32.0 million to $41.5 million compared to the comparable period ended December 31, 2019. The increase was due primarily to commercial costs, including personnel, incurred in preparation for the launch of UKONIQ.

Interest Expense. Interest expense increased by $1.0 million to $6.3 million for the year ended December 31, 2020, as compared to expense of $5.3 million for year ended December 31, 2019. The increase is mainly due to interest expense related to administrative fees in connection with contract manufacturing costs during the year ended December 31, 2020.

Other Income. Other income decreased by $1.0 million to $0.5 million for the year ended December 31, 2020, as compared to $1.5 million for the year ended December 31, 2019. The decrease in other income is mainly due to a decrease in interest income during the year ended December 31, 2020. We expect our other income to remain at a comparable level during 2021.

LIQUIDITY AND CAPITAL RESOURCES

Our major sources of cash have been proceeds from private placement and public offering of equity securities, and from our loan and security agreements executed with Hercules Capital, Inc. (Hercules) (see Note 6 for more information). In February of 2021, umbralisib, now referred to as UKONIQ, was granted accelerated approval in the United States for the treatment of adult patients with relapsed or refractory MZL who have received at least one prior anti-CD20 based regimen and adult patients with relapsed or refractory FL who have received at least three prior lines of systemic therapy. Commercial sales of UKONIQ commenced in the first quarter of 2021. We have generated limited revenues to date from product sales. Even with the commercialization of UKONIQ and the potential future commercialization of our other drug candidates, we may not become profitable. Our ability to achieve profitability depends on many factors, including our ability to generate revenue, our ability to obtain regulatory approvals for our drug candidates, our ability to successfully complete any post-approval regulatory obligations and our ability to successfully commercialize our drug candidates. We may continue to incur substantial operating losses even as we begin to generate revenues from product sales.

As of December 31, 2021, we had $350.3 million in cash and cash equivalents, and investment securities. We anticipate that our cash and cash equivalents, and investment securities as of December 31, 2021 will provide sufficient liquidity for more than a twelve-month period from the date of filing this Annual Report on Form 10-K. The actual amount of cash that we will need to operate is subject to many factors, including, but not limited to, the timing, design and conduct of clinical trials for our drug candidates. We are dependent upon significant future financing to provide the cash necessary to execute our current operations, including the commercialization of any of our drug candidates.

Discussion of Cash Flows

The following table summarizes our cash flows for the years ended December 31, 2021 and 2020:

(in thousands)	2021	2020
Net cash used in operating activities	$ (295,634)	$ (214,507)
Net cash used in investing activities	$ (332)	$ (24,510)
Net cash provided by financing activities	$ 41,419	$ 679,827

Cash used in operating activities for the year ended December 31, 2021 was $295.6 million as compared to $214.5 million for the year ended December 31, 2020. The increase in cash used in operating activities was due primarily to increased expenditures associated with execution of the launch of UKONIQ, our scale-up for manufacturing, ongoing clinical development programs and paydown of accounts payable and accrued expenses.

For the year ended December 31, 2021, net cash used in investing activities was $0.3 million as compared to cash used in investing activities of $24.5 million for the year ended December 31, 2020. The decrease in net cash used in investing activities was primarily due to greater investment in short-term securities during the year ended December 31, 2020.

For the year ended December 31, 2021, net cash provided by financing activities was $41.4 million as compared to net cash provided by financing activities of $679.8 million for the year ended December 31, 2020. The decrease in net cash provided by financing activities related to net proceeds from the issuance of common stock as part of our ATM program and public offerings that took place during the year ended December 31, 2020.

ATM Program

In May 2017, we filed a shelf registration statement on Form S-3 (the 2017 S-3), which was declared effective in June 2017. Under the 2017 S-3, we may sell up to a total of $300 million of securities. In connection with the 2017 S-3, we entered into an At-the-Market Issuance Sales Agreement (the 2017 ATM) with Jefferies LLC, Cantor Fitzgerald & Co., FBR Capital Markets & Co., SunTrust Robinson Humphrey, Inc., Raymond James & Associates, Inc., Ladenburg Thalmann & Co. Inc. and H.C. Wainwright & Co., LLC (each a 2017 Agent and collectively, the 2017 Agents), relating to the sale of shares of our common stock. Under the 2017 ATM we paid the 2017 Agents a commission rate of up to 3.0% of the gross proceeds from the sale of any shares of common stock.

During the year ended December 31, 2019, we sold a total of 13,620,165 shares of common stock under the 2017 ATM for aggregate total gross proceeds of approximately $99.3 million at an average selling price of $7.29 per share, resulting in net proceeds of approximately $97.5 million after deducting commissions and other transactions costs.

On September 5, 2019, we filed an automatic “shelf registration” statement on Form S-3 (the 2019 WKSI Shelf) as a “well-known seasoned issuer” as defined in Rule 405 under the Securities Act, which registered an unlimited and indeterminate amount of debt or equity securities for future issuance and sale. The 2019 WKSI Shelf was declared effective in September 2019. In connection with the 2019 WKSI Shelf, we entered into an At-the-Market Issuance Sales Agreement (the 2020 ATM) with Jefferies LLC, Cantor Fitzgerald & Co. and B. Riley Securities, Inc. (each a 2020 Agent and collectively, the 2020 Agents), relating to the sale of shares of our common stock. Under the 2020 ATM, we paid the 2020 Agents a commission rate of up to 3.0% of the gross proceeds from the sale of any shares of common stock. In November 2020, we entered into an At-the-Market Issuance Sales Agreement (the 2021 ATM) with the same terms and agents (each a 2021 Agent and collectively, the 2021 Agents) as the 2020 ATM.

During the year ended December 31, 2020, we sold a total of 8,528,286 shares of common stock under the 2020 ATM for aggregate total gross proceeds of approximately $187.5 million at an average selling price of $21.99 per share, resulting in net proceeds of approximately $184.2 million after deducting commissions and other transactions costs.

During the year ended December 31, 2020, we sold a total of 804,100 shares of common stock under the 2021 ATM for aggregate total gross proceeds of approximately $33.9 million at an average selling price of $42.18 per share, resulting in net proceeds of approximately $33.3 million after deducting commissions and other transactions costs.

During the year ended December 31, 2021, we sold a total of 72,000 shares of common stock under the 2021 ATM for aggregate total gross proceeds of approximately $2.5 million at an average selling price of $34.25 per share, resulting in net proceeds of approximately $2.4 million after deducting commissions and other transactions costs.

The 2019 WKSI Shelf is currently our only active shelf-registration statement. We may offer any combination of the securities registered under the 2019 WKSI Shelf from time to time in response to market conditions or other circumstances if we believe such a plan of financing is in the best interests of our stockholders. We believe that the 2019 WKSI Shelf provides us with the flexibility to raise additional capital to finance our operations as needed.

Equity Financings

On March 1, 2019, we completed a public offering of 4,100,000 shares of our common stock (plus a 30-day underwriter overallotment option to purchase up to an additional 615,000 shares of common stock, which was exercised) at a price of $5.87 per share. Proceeds from this offering, including the overallotment, after underwriting discounts and offering expenses were approximately $27.5 million.

On December 22, 2019, we completed a securities purchase agreement with an institutional investor in which we agreed to sell 5,434,783 shares of our common stock at a price of $9.20 per share. Net proceeds from this offering were approximately $50.0 million.

In May 2020, we completed an underwritten public offering of 8,500,000 shares of our common stock (plus an underwriter option to purchase up to an additional 1,275,000 shares of common stock, which was exercised) at a price of $18 per share. Net proceeds from this offering, including the overallotment, were approximately $165.1 million, net of underwriting discounts and offering expenses of approximately $10.8 million.

On December 17, 2020, we completed a public offering of 6,320,000 shares of our common stock (plus a 30-day underwriter overallotment option to purchase up to an additional 948,000 shares of common stock, which was exercised) at a price of $43.50 per share. Net proceeds from this offering, including the overallotment, were approximately $297.2 million after underwriting discounts and offering expenses of approximately $19.0 million.

Debt Financings

On February 28, 2019 (the Closing Date), we entered into a term loan facility of up to $60.0 million (Term Loan) with Hercules Capital, Inc. (Hercules), the proceeds of which were used for research and development programs and for general corporate purposes. The Term Loan is governed by a loan and security agreement, dated February 28, 2019 (the Loan Agreement), which provides for up to four separate advances. The first advance of $30.0 million was drawn on the Closing Date. An additional $30.0 million was available with different milestones and time points that have lapsed.

On December 30, 2021 (the First Amendment Closing Date), the Company entered into an Amended and Restated Loan and Security Agreement (the Amended Loan Agreement) with Hercules Capital, Inc. The Amended Loan Agreement amended the terms of the Loan Agreement to, among other things, (i) increase the aggregate principal amount of the loan, available at the Company's option, from $60.0 million to $200.0 million (the Amended Term Loan), (ii) issue a first advance of $70.0 million drawn at the First Amendment Closing date, a portion of which was used to refinance the current outstanding loan balance of approximately $7.8 million and pay for expenses incurred by the Lender in executing the agreements, (iii) change the draw amounts and dates available in Tranche 2 through Tranche 4 including increasing the amount available under Tranche 2 subject to the achievement of performance milestones from $10.0 million to $20.0 million, increasing the amount available under Tranche 3 subject to the achievement of performance milestones from $10.0 million to $45.0 million, and increasing the amount under Tranche 4 subject to the approval of Hercules' investment committee from $10.0 million to $65.0 million, (iv) extend the maturity date of the facility from the original March 1, 2022 to January 1, 2026, (v) reset and extend the interest only period from April 1, 2021 to February 1, 2025 and extendable to August 1, 2025 subject to the achievement of certain performance milestones, and (vi) modify the cash interest rate to be the greater of either (a) the "prime rate" as reported in The Wall Street Journal plus 2.15%, and (b) 5.40%. The performance milestones are based on achievement of certain U.S. Food and Drug Administration approvals and impact the potential extension of the interest only period, access to future advances under the Loan Agreement and minimum cash levels required under the Amended Loan Agreement.

The Amended Loan Agreement contains financial covenants from and after October 15, 2022 that require the Company to maintain certain levels of unrestricted cash and additional financial covenants related to market capitalization and unrestricted cash commencing on July 1, 2023 at any time when the Amended Term Loan advances made under the Amended Loan Agreement are greater than $70 million.

The Amended Loan Agreement also contains warrant coverage of 2.95% of the total amount funded. A warrant (the Warrant) was issued by the Company to Hercules to purchase 115,042 shares of common stock with an exercise price of $17.95 for the initial amount funded at closing. The Warrant shall be exercisable for seven years from the date of issuance. Hercules may exercise the Warrant either by (a) cash or check or (b) through a net issuance conversion.

In addition, the Company is required to pay a final payment fee equal to 5.95% of the aggregate principal amount of the Term Loan Advances.

The Company may, at its option, prepay the Amended Term Loan in full or in part, subject to a prepayment penalty equal to (i) 2.0% of the principal amount prepaid if the prepayment occurs prior to the first anniversary of the First Amendment Closing Date, (ii) 1.5% of the principal amount prepaid if the prepayment occurs on or after the first anniversary and prior to the second anniversary of the First Amendment Closing Date, and (iii) 1.0% of the principal amount prepaid if the prepayment occurs on or after the second anniversary and prior to the third anniversary of the First Amendment Closing Date.

Leases

In October 2014, we entered into an agreement (the Office Agreement) with Fortress Biotech, Inc. (FBIO) to occupy approximately 45% of the 24,000 square feet of New York City office space leased by FBIO. The Office Agreement requires us to pay our respective share of the average annual rent and other costs of the 15-year lease. We approximate an average annual rental obligation of $1.4 million under the Office Agreement. We began to occupy this new space in April 2016, with rental payments beginning in the third quarter of 2016. At January 1, 2020, we recognized a lease liability and corresponding right of use (ROU) asset based on the present value of the remaining lease payments for all of our leased office spaces, the majority of which is comprised of our New York City office space. The present values of our lease liability and corresponding ROU asset are $11.3 million and $8.6 million, respectively, as of December 31, 2021. Our leases have remaining lease terms of 2 years to 10 years. One lease has a renewal option to extend the lease for an additional term of two years.

Under the Office Agreement, we agreed to pay FBIO our portion of the build-out costs, which have been allocated to us at the 45% rate mentioned above. The allocated build-out costs have been recorded in Leasehold Interest, net on the Company’s consolidated balance sheets and will be amortized over the 15-year term of the Office Agreement. The initial commitment period of the 45% rate was for a period of three (3) years. We and FBIO currently determine actual office space utilization annually and if our utilization differs from the amount we have been billed, we will either receive credits or be assessed incremental utilization charges. As of December 31, 2021, the allocation rate is 63% and will be evaluated again in August 2022 for the following rent year. Also, in connection with this lease, in October 2014 we pledged $0.6 million to secure a line of credit as a security deposit for the Office Agreement, which has been recorded as restricted cash in the accompanying consolidated balance sheets. Additional collateral of $0.6 million was pledged in April 2018 to increase the letter of credit for the office space.

In October 2019, we finalized a five-year lease for office space in New Jersey (the NJ Lease). We approximate an average annual rental obligation of $0.3 million under the NJ Lease. We took possession of this space in October 2019, with rental payments beginning in November 2019.

In October 2021, we finalized a five-year lease for office space in North Carolina (the NC Lease). We approximate an average annual rental obligation of $0.2 million under the NC Lease. We took possession of this space in February 2022, with rental payments beginning in April 2022.

Total rental expense was approximately $2.2 million, $2.7 million and 2.7 million for the years ended December 31, 2021, 2020 and 2019, respectively.

Future minimum lease commitments as of December 31, 2021 total, in the aggregate, approximately $18.5 million through December 31, 2032. Our future minimum lease commitments include our office leases in New York, New Jersey and North Carolina as of December 31, 2021.

OFF-BALANCE SHEET ARRANGEMENTS

We have not entered into any transactions with unconsolidated entities whereby we have financial guarantees, subordinated retained interests, derivative instruments or other contingent arrangements that expose us to material continuing risks, contingent liabilities, or any other obligations under a variable interest in an unconsolidated entity that provides us with financing, liquidity, market risk or credit risk support.

CRITICAL ACCOUNTING POLICIES AND SIGNIFICANT JUDGMENTS AND ESTIMATES

The discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with U.S. generally accepted accounting principles. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amount of assets and liabilities and related disclosure of contingent assets and liabilities at the date of our financial statements and the reported amounts of revenues and expenses during the applicable period. Actual results may differ from these estimates under different assumptions or conditions.

We define critical accounting policies as those that are reflective of significant judgments and uncertainties and which may potentially result in materially different results under different assumptions and conditions. In applying these critical accounting policies, our management uses its judgment to determine the appropriate assumptions to be used in making certain estimates. These estimates are subject to an inherent degree of uncertainty. Our critical accounting policies include the following:

Revenue Recognition. Pursuant to Topic 606, we recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To achieve this core principle, Topic 606 includes provisions within a five-step model that includes i) identifying the contract with a customer, ii) identifying the performance obligations in the contract, iii) determining the transaction price, iv) allocating the transaction price to the performance obligations, and v) recognizing revenue when, or as, an entity satisfies a performance obligation.

At contract inception, we assess the goods or services promised within each contract and assess whether each promised good or service is distinct and determine those that are performance obligations. We then recognize as revenue the amount of the transaction price that is allocated to the respective performance obligation when the performance obligation is satisfied.

Product Revenue, Net – The Company recognizes product revenues, net of variable consideration related to certain allowances and accruals, when the customer takes control of the product, which is typically upon delivery to the customer. Product revenue is recorded at the net sales price, or transaction price. The Company records product revenue reserves, which are classified as a reduction in product revenues, to account for the components of variable consideration. Variable consideration includes the following components, which are described below: chargebacks, government rebates, trade discounts and allowances, product returns, and co-payment assistance.

These reserves are based on estimates of the amounts earned or to be claimed on the related sales and are classified as reductions of accounts receivable (if the amount is expected to be settled with a credit against the Company's customer account) or a liability (if the amount is expected to be settled with a cash payment). The Company's estimates of reserves established for variable consideration are calculated based upon a consistent application of the expected value method, which is the sum of probability-weighted amounts in a range of possible consideration amounts. These estimates reflect the Company's current contractual and statutory requirements, specific known market events and trends, industry data, and forecasted customer buying and payment patterns. The amount of variable consideration that is included in the transaction price may be subject to constraint and is included in net product revenues only to the extent that it is probable that a significant reversal in the amount of the cumulative revenue recognized will not occur in a future period. Actual amounts of consideration received may ultimately differ from the Company's estimates. If actual results vary, the Company adjusts these estimates, which could have an effect on earnings in the period of adjustment. For a complete discussion of the accounting for product revenue, see Note 1 – Organization and Summary of Significant Accounting Policies in the Notes to Consolidated Financial Statements.

Stock Compensation. We have granted stock options and restricted stock to employees, directors and consultants, as well as warrants to other third parties. For employee, director and consultant grants the value of each option award is estimated on the date of grant using the Black-Scholes option-pricing model. The Black-Scholes model takes into account volatility in the price of our stock, the risk-free interest rate, the estimated life of the option, the closing market price of our stock and the exercise price. We base our estimates of our stock price volatility on the historical volatility of our common stock and our assessment of future volatility; however, these estimates are neither predictive nor indicative of the future performance of our stock. For purposes of the calculation, we assumed that no dividends would be

paid during the life of the options and warrants. The estimates utilized in the Black-Scholes calculation involve inherent uncertainties and the application of management judgment. In addition, because some of the options, restricted stock and warrants issued to employees, consultants and other third parties vest upon the achievement of certain milestones, the total expense is uncertain. Compensation expense for such awards that vest upon the achievement of milestones is recognized when the achievement of such milestones becomes probable.

Accrued Research and Development Expenses. As part of the process of preparing our financial statements, we are required to estimate our accrued expenses. This process involves reviewing open contracts, communicating with our personnel to identify services that have been performed on our behalf and estimating the level of service performed and the associated cost incurred for the service when we have not yet been invoiced or otherwise notified of the actual cost. The majority of our service providers invoice us monthly for services performed or when contractual milestones are met. We make estimates of our accrued expenses as of each balance sheet date in our financial statements based on facts and circumstances known to us at that time. We periodically confirm the accuracy of our estimates with the service providers and make adjustments, if necessary. Examples of estimated accrued research and development expenses include:

- fees paid to contract research organizations (CROs) in connection with clinical studies;
- fees paid to contract manufacturing organizations (CMOs);
- fees paid to trial sites in connection with clinical studies; and
- fees paid to vendors associated with licenses/milestones.

We base our expenses related to clinical studies on our estimates of the services received and efforts expended pursuant to contracts with multiple CROs that conduct and manage clinical studies on our behalf. The financial terms of these agreements are subject to an initial negotiation, vary from contract to contract and may result in uneven payment flows. There may be instances in which payments made to our vendors will exceed the level of services provided and result in a prepayment of the clinical expense. Payments under some of these contracts depend on factors such as the successful enrollment of patients and the completion of clinical trial milestones. In accruing certain service fees, we estimate the time period over which services will be performed, enrollment of patients, number of sites activated and the level of effort to be expended in each period. If the actual timing of the performance of services or the level of effort varies from our estimate, we adjust the accrual or prepaid accordingly. Although we do not expect our estimates to be materially different from amounts actually incurred, our understanding of the status and timing of services performed relative to the actual status and timing of services performed may vary and may result in us reporting amounts that are too high or too low in any particular period.

RECENTLY ISSUED ACCOUNTING STANDARDS

Management does not believe that any recently issued, but not yet effective, accounting pronouncements, if currently adopted, would have an effect on the Company’s financial statements.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK.

The primary objective of our investment activities is to preserve principal while maximizing our income from investments and minimizing our market risk. We currently invest in government and investment-grade corporate debt in accordance with our investment policy, which we may change from time to time. The securities in which we invest have market risk. This means that a change in prevailing interest rates, and/or credit risk, may cause the fair value of the investment to fluctuate. For example, if we hold a security that was issued with a fixed interest rate at the then-prevailing rate and the prevailing interest rate later rises, the fair value of our investment will probably decline. As of December 31, 2021, our portfolio of financial instruments consists of cash equivalents and short-term interest-bearing securities, including government debt and money market funds. The average duration of all of our held-to-maturity investments held as of December 31, 2021, was less than 24 months. Due to the relatively short-term nature of these financial instruments, we believe there is no material exposure to interest rate risk, and/or credit risk, arising from our portfolio of financial instruments.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

Our consolidated financial statements and the notes thereto, included in Part IV, Item 14(a), part 1, are incorporated by reference into this Item 8.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURES.

Not applicable.

ITEM 9A. CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures. As of December 31, 2021, management carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer and our Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the Exchange Act)). Our disclosure controls and procedures are designed to provide reasonable assurance that information we are required to disclose in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in applicable rules and forms. Based upon that evaluation, our Chief Executive and Chief Financial Officers concluded that, as of December 31, 2021, our disclosure controls and procedures were effective.

Management's Annual Report on Internal Control over Financial Reporting. Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) or Rule 15d-15(f) under the Exchange Act). Our management assessed the effectiveness of our internal control over financial reporting as of December 31, 2021. In making this assessment, our management used the criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission, or COSO Framework. Our management has concluded that, as of December 31, 2021, our internal control over financial reporting was effective based on these criteria.

The effectiveness of our internal control over financial reporting as of December 31, 2021 was audited by KPMG LLP, our independent registered public accounting firm, as stated in their report.

Changes in Internal Control Over Financial Reporting. There were no changes in our internal control over financial reporting during the quarter ended December 31, 2021 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitations on the Effectiveness of Controls. Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within our Company have been detected.

ITEM 9B. OTHER INFORMATION.

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE.

The information required by this Item is incorporated herein by reference from our Proxy Statement for our 2022 Annual Meeting of Stockholders.

ITEM 11. EXECUTIVE COMPENSATION.

The information required by this Item is incorporated herein by reference from our Proxy Statement for our 2022 Annual Meeting of Stockholders.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

The information required by this Item is incorporated herein by reference from our Proxy Statement for our 2022 Annual Meeting of Stockholders.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE.

The information required by this Item is incorporated herein by reference from our Proxy Statement for our 2022 Annual Meeting of Stockholders.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES.

The information required by this Item is incorporated herein by reference from our Proxy Statement for our 2022 Annual Meeting of Stockholders.

PART IV

ITEM 15. EXHIBITS and FINANCIAL STATEMENT SCHEDULES.

1. Consolidated Financial Statements

The following consolidated financial statements of TG Therapeutics, Inc. are filed as part of this report.

2. Consolidated Financial Statement Schedules

All schedules are omitted as the information required is inapplicable or the information is presented in the consolidated financial statements or the related notes.

3. Exhibits

Exhibit Number	Exhibit Description
3.1	Amended and Restated Certificate of Incorporation of TG Therapeutics, Inc. dated April 26, 2012 (incorporated by reference to Exhibit 3.1 to the Registrant's Form 10-Q for the quarter ended June 30, 2012).
3.2	Certificate of Amendment to Amended and Restated Certificate of Incorporation of TG Therapeutics, Inc. dated June 9, 2014 (incorporated by reference to Exhibit 3.2 to the Registrant's Form 10-Q for the quarter ended June 30, 2014).
3.3	Certificate of Amendment to Amended and Restated Certificate of Incorporation of TG Therapeutics, Inc. dated June 16, 2021 (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed on June 21, 2021).
3.4	Amended and Restated Bylaws of TG Therapeutics, Inc. dated July 18, 2014 (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed on July 21, 2014).
4.1	Specimen common stock certificate (incorporated by reference to Exhibit 4.1 to the Registrant's Form 10-K for the year ended December 31, 2011).
4.2	Stockholder Protection Rights Agreement, dated July 18, 2014 between TG Therapeutics, Inc. and American Stock Transfer & Trust Company, LLC, as Rights Agent (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed on July 21, 2014).
4.3	Description of Securities of TG Therapeutics, Inc. (incorporated by reference to Exhibit 4.5 of the Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 2020).

10.1	Employment Agreement, effective December 29, 2011, between the Registrant and Michael Weiss (incorporated by reference to Exhibit 10.30 to the Registrant's Form 10-K for the fiscal year ended December 31, 2011). †
10.2	Restricted Stock Subscription Agreement, effective December 29, 2011, between the Registrant and Michael Weiss (incorporated by reference to Exhibit 10.31 to the Registrant's Form 10-K for the fiscal year ended December 31, 2011). †
10.3	Amendment to Restricted Stock Agreement, dated July 12, 2013, by and between TG Therapeutics, Inc. and Michael S. Weiss (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed on July 16, 2013). †
10.4	Amendment to Restricted Stock Agreements, dated December 31, 2014, by and between TG Therapeutics, Inc. and Michael S. Weiss (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed on January 7, 2015). †
10.5	Employment Agreement, effective December 29, 2011, between the Registrant and Sean Power (incorporated by reference to Exhibit 10.32 to the Registrant's Form 10-K for the fiscal year ended December 31, 2011). †
10.6	Restricted Stock Subscription Agreement, effective December 29, 2011 between the Registrant and Sean Power (incorporated by reference to Exhibit 10.33 to the Registrant's Form 10-K for the fiscal year ended December 31, 2011). †
10.7	Amendment to Restricted Stock Agreement, dated July 12, 2013, by and between TG Therapeutics, Inc. and Sean A. Power (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed on July 16, 2013). †
10.8	Amendment to Restricted Stock Agreements, dated December 31, 2014, by and between TG Therapeutics, Inc. and Sean A. Power (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed on January 7, 2015). †
10.9	License Agreement dated January 30, 2012, by and among the Registrant, GTC Biotherapeutics, Inc., LFB Biotechnologies S.A.S. and LFB/GTC LLC (incorporated by reference to Exhibit 10.35 to the Registrant's Form 10-K for the fiscal year ended December 31, 2011). *
10.10	TG Therapeutics, Inc. Amended and Restated 2012 Incentive Plan, dated May 14, 2012 (incorporated by reference to Exhibit 10.1 to the Registrant's Form 10-Q/A for the quarter ended March 31, 2012). †
10.11	First Amendment to TG Therapeutics, Inc. Amended and Restated 2012 Incentive Plan, filed with the Registrant's Definitive Proxy Statement for the Annual Meeting of Stockholders on June 4, 2015, filed on April 24, 2015, and incorporated herein by reference. †
10.12	Second Amendment to TG Therapeutics, Inc. Amended and Restated 2012 Incentive Plan (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed on June 24, 2020). †
10.13	Sublicense Agreement between TG Therapeutics, Inc. and Ildong Pharmaceutical Co. Ltd., dated November 13, 2012 (incorporated by reference to Exhibit 10.37 to the Registrant's Form 10-K for the fiscal year ended December 31, 2012). *
10.14	License Agreement between TG Therapeutics, Inc. and Ligand Pharmaceuticals Incorporated, dated June 23, 2014 (incorporated by reference to Exhibit 10.1 to the Registrant's Form 10-Q for the quarter ended June 30, 2014).*
10.15	License Agreement between TG Therapeutics, Inc. and Rhizen Pharmaceuticals SA, dated September 22, 2014 (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed on January 20, 2015). *
10.16	Collaboration Agreement between TG Therapeutics, Inc. and Checkpoint Therapeutics, Inc., dated March 3, 2015 (incorporated by reference to Exhibit 10.1 to the Registrant's Form 10-Q for the quarter ended March 31, 2015). *
10.17	Sublicense Agreement between TG Therapeutics, Inc. and Checkpoint Therapeutics, Inc., dated May 27, 2016, (incorporated by reference to Exhibit 10.1 to the Registrant's Form 10-Q for the quarter ended June 30, 2016). *

10.18	Amendment to Employment Agreement, effective January 1, 2017, between TG Therapeutics, Inc. and Michael S. Weiss (incorporated by reference to Exhibit 10.18 to the Registrant's Form 10-K/A for the year ended December 31, 2016). †
10.19	Advisory Agreement, effective January 1, 2017, between TG Therapeutics, Inc. and Caribe BioAdvisors, LLC (incorporated by reference to Exhibit 10.19 to the Registrant's Form 10-K/A for the year ended December 31, 2016).
10.20	License Agreement between TG Therapeutics, Inc. and Jiangsu Hengrui Medicine Co., dated January 8, 2018 (incorporated by reference to Exhibit 10.20 to the Registrant's Form 10-K for the year ended December 31, 2017). *
10.21	Joint Venture and License Option Agreement by and between TG Therapeutics, Inc. and Novimmune S.A., dated June 18, 2018 (incorporated by reference to Exhibit 10.20 to the Registrant's Form 10-Q for the quarter ended June 30, 2018). *
10.22	Master Services Agreement between Samsung Biologics Co., Ltd. And TG Therapeutics, Inc., effective February 21, 2018 (incorporated by reference to the Exhibit 10.2 to the Registrant's Form 10-Q for the quarter ended June 30, 2019). *
10.23	Loan and Security Agreement, dated February 28, 2019, by and among TG Therapeutics, Inc., TG Biologics, Inc. and Hercules Capital, Inc. (incorporated by reference to the Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed on March 5, 2019).
10.24	Warrant Agreement, dated February 28, 2019, by and between TG Therapeutics, Inc. and Hercules Capital, Inc. (incorporated by reference to the Exhibit 10.3 to the Registrant's Current Report on Form 8-K filed on March 5, 2019).
10.25	Warrant Agreement, dated February 28, 2019, by and between TG Therapeutics, Inc. and Hercules Technology III, L.P. (incorporated by reference to the Exhibit 10.4 to the Registrant's Current Report on Form 8-K filed on March 5, 2019).
10.26	Amended and Restated Collaboration Agreement by and between TG Therapeutics, Inc. and Checkpoint Therapeutics, Inc., dated June 19, 2019 (incorporated by reference to Exhibit 10.1 to the Registrant's Form 10-Q for the quarter ended June 30, 2019). *
10.27	Amended and Restated Employment Agreement by and between TG Therapeutics, Inc. and Michael S. Weiss, dated June 18, 2021 (incorporated by reference to Exhibit 10.1 to the Registrant's Form 10 Q for the quarter ended June 30, 2021). †
10.28	Amended and Restated Loan and Security Agreement, dated December 30, 2021, by and among TG Therapeutics, Inc., TG Biologics, Inc. and Hercules Capital, Inc. #
10.29	Warrant Agreement, dated December 30, 2021, by and between TG Therapeutics, Inc. and Hercules Capital Inc. #
10.30	Warrant Agreement, dated December 30, 2021, by and between TG Therapeutics, Inc. and Hercules Private Credit Fund I L.P. #
10.31	Warrant Agreement, dated December 30, 2021, by and between TG Therapeutics, Inc. and Hercules Private Global Venture Growth Fund I L.P. #
21.1	Subsidiaries of TG Therapeutics, Inc. #
23.1	Consent of Independent Registered Public Accounting Firm (KPMG, LLP). #
23.2	Consent of Independent Registered Public Accounting Firm (CohnReznick, LLP). #
31.1	Certification of Principal Executive Officer. #
31.2	Certification of Principal Financial Officer. #

32.1	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. #
32.2	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. #
101	The following financial information from TG Therapeutics, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2021, formatted in iXBRL (Inline eXtensible Business Reporting Language): (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Operations, (iii) Consolidated Statements of Stockholders' Equity, (iv) Consolidated Statements of Cash Flows, (v) the Notes to Consolidated Financial Statements.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

Filed Herewith.
† Indicates management contract or compensatory plan or arrangement.
* Certain portions of this exhibit have been omitted pursuant to Item 601(b)(10) of Regulation S-K.

TG Therapeutics, Inc.

Consolidated Financial Statements

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
TG Therapeutics, Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheet of TG Therapeutics, Inc. and subsidiaries (the Company) as of December 31, 2021, the related consolidated statements of operations, changes in stockholders' equity, and cash flows for the year ended December 31, 2021, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021, and the results of its operations and its cash flows for the year ended December 31, 2021, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2021, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated March 1, 2022 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

Critical Audit Matters

Critical audit matters are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. We determined that there are no critical audit matters.

/s/ KPMG LLP

We have served as the Company's auditor since 2021.

New York, New York
March 1, 2022

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
TG Therapeutics, Inc.:

Opinion on Internal Control Over Financial Reporting

We have audited TG Therapeutics, Inc. and subsidiaries' (the Company) internal control over financial reporting as of December 31, 2021, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2021, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheet of the Company as of December 31, 2021, the related consolidated statements of operations, changes in stockholders' equity, and cash flows for the year ended December 31, 2021, and the related notes (collectively, the consolidated financial statements), and our report dated March 1, 2022 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP
New York, New York
March 1, 2022

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders
TG Therapeutics, Inc.

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of TG Therapeutics, Inc. (the "Company") as of December 31, 2020, and the related consolidated statements of operations, stockholders' equity and cash flows for each of the two years in the period ended December 31, 2020, and the related notes (collectively referred to as the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2020, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

Critical audit matters are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. We determined that there are no critical audit matters.

/s/ CohnReznick LLP

We served as the Company's auditor from 2003 to 2020.

New York, New York

March 1, 2022

TG Therapeutics, Inc. and Subsidiaries
Consolidated Balance Sheets as of December 31
(in thousands, except share and per share amounts)

	2021	2020
Assets		
Current assets:		
Cash and cash equivalents	$ 298,887	$ 553,439
Short-term investment securities	15,876	51,987
Accounts receivable, net	1,389	—
Prepaid research and development	11,929	5,231
Other current assets	2,884	1,083
Total current assets	330,965	611,740
Restricted cash	1,264	1,259
Long-term investment securities	35,533	—
Right of use assets	8,629	9,312
Leasehold interest, net	1,839	2,051
Equipment, net	600	481
Goodwill	799	799
Total assets	$ 379,629	$ 625,642
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable and accrued expenses	$ 51,294	$ 37,014
Other current liabilities	1,512	18,236
Loan payable – current portion	975	22,179
Lease liability – current portion	1,437	1,669
Accrued compensation	10,166	8,456
Total current liabilities	65,384	87,554
Deferred revenue, net of current portion	457	610
Loan payable – non-current	66,788	7,716
Lease liability – non-current	9,847	10,412
Total liabilities	142,476	106,292
Commitments and contingencies		
Stockholders' equity:		
Common stock, $0.001 par value per share (175,000,000 shares authorized, 143,292,043 and 140,617,606 shares issued, 143,250,734 and 140,576,297 shares outstanding at December 31, 2021 and December 31, 2020, respectively)	143	141
Additional paid-in capital	1,565,942	1,500,040
Treasury stock, at cost, 41,309 shares at December 31, 2021 and December 31, 2020	(234)	(234)
Accumulated deficit	(1,328,698)	(980,597)
Total stockholders' equity	237,153	519,350
Total liabilities and stockholders' equity	$ 379,629	$ 625,642

The accompanying notes are an integral part of the consolidated financial statements.

TG Therapeutics, Inc. and Subsidiaries
Consolidated Statements of Operations for the Years Ended December 31
(in thousands, except share and per share amounts)

	2021	2020	2019
Revenue:			
Product revenue, net	$ 6,537	$ —	$ —
License revenue	152	152	152
Total revenue	6,689	152	152
Costs and expenses:			
Cost of product revenue	790	—	—
Research and development:			
Noncash stock expense associated with in-licensing agreements	—	—	100
Noncash compensation	24,047	13,962	5,811
Other research and development	198,532	151,934	148,269
Total research and development	222,579	165,896	154,180
Selling, general and administrative:			
Noncash compensation	37,227	66,327	5,523
Other selling, general and administrative	90,863	41,523	9,504
Total selling, general and administrative	128,090	107,850	15,027
Total costs and expenses	351,459	273,746	169,207
Operating loss	(344,770)	(273,594)	(169,055)
Other expense (income):			
Interest expense	5,638	6,329	5,287
Other income	(2,307)	(542)	(1,471)
Total other expense (income), net	3,331	5,787	3,816
Net loss	$ (348,101)	$ (279,381)	$ (172,871)
Basic and diluted net loss per common share	$ (2.63)	$ (2.42)	$ (1.96)
Weighted-average shares used in computing basic and diluted net loss per common share	132,222,753	115,333,693	88,368,844

The accompanying notes are an integral part of the consolidated financial statements.

TG Therapeutics, Inc. and Subsidiaries
Consolidated Statements of Stockholders' Equity for the Years Ended December 31
(in thousands, except share amounts)

	Common Stock		Additional paid-in	Treasury Stock		Accumulated	
	Shares	Amount	capital	Shares	Amount	Deficit	Total
Balance at January 1, 2019	83,911,855	84	552,531	41,309	(234)	(528,345)	24,036
Issuance of restricted stock	1,851,520	1	(1)	—	—	—	—
Warrants issued with debt financing	—	—	993	—			993
Forfeiture of restricted stock	(116,463)	*	*	—	—	—	—
Issuance of common stock in offerings (net of offering costs of $0.2 million)	10,149,783	10	77,465	—	—	—	77,475
Issuance of common stock in At-the-Market offerings (net of offering costs of $2.0 million)	13,620,165	14	97,533	—	—	—	97,547
Compensation in respect of restricted stock granted to employees, directors and consultants	—	—	11,335	—	—	—	11,335
Shares issued in connection with in-licensing agreements	8,383	*	100	—	—	—	100
Net loss	—	—	—	—	—	(172,871)	(172,871)
Balance at December 31, 2019	109,425,243	109	739,956	41,309	(234)	(701,216)	38,615
Issuance of common stock in connection with exercise of options	35,814	*	146				146
Issuance of restricted stock	4,909,829	5	(5)	—	—	—	—
Forfeiture of restricted stock	(128,666)	*	—	—	—	—	—
Issuance of common stock in offerings (net of offering costs of $29.9 million)	17,043,000	17	462,212	—	—	—	462,229
Issuance of common stock in At-the-Market offerings (net of offering costs of $4.0 million)	9,332,386	10	217,442	—	—	—	217,452
Compensation in respect of restricted stock granted to employees, directors and consultants	—	—	80,289	—	—	—	80,289
Net loss	—	—	—	—	—	(279,381)	(279,381)
Balance at December 31, 2020	140,617,606	$ 141	$ 1,500,040	41,309	$ (234)	$ (980,597)	$ 519,350
Issuance of common stock in connection with exercise of options	52,694	*	216	—	—	—	216
Issuance of restricted stock	2,738,974	2	(2)	—	—	—	—
Warrants issued with debt financing	—	—	2,195	—	—	—	2,195
Forfeiture of restricted stock	(189,231)	*	—	—	—	—	—
Offering costs paid	—	—	(204)	—	—	—	(204)
Issuance of common stock in At-the-Market offerings (net of offering costs of $0.1 million)	72,000	*	2,423	—	—	—	2,423
Compensation in respect of restricted stock granted to employees, directors and consultants	—	—	61,274	—	—	—	61,274
Net loss	—	—	—	—	—	(348,101)	(348,101)
Balance at December 31, 2021	143,292,043	$ 143	$ 1,565,942	41,309	$ (234)	$ (1,328,698)	$ 237,153

** Amount less than one thousand dollars.*

The accompanying notes are an integral part of the consolidated financial statements.

TG Therapeutics, Inc. and Subsidiaries
Consolidated Statements of Cash Flows for the Years Ended December 31
(in thousands)

	2021	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss	$ (348,101)	$ (279,381)	$ (172,871)
Adjustments to reconcile net loss to net cash used in operating activities:			
Noncash stock compensation expense	61,274	80,289	11,335
Shares issued in connection with in-licensing agreement	—	—	100
Depreciation and amortization	282	158	100
Amortization of premium on investment securities	517	(30)	(257)
Amortization of debt issuance costs	1,080	925	772
Amortization of leasehold interest	212	216	182
Noncash change in lease liability and right of use asset	1,896	2,325	2,519
Change in fair value of notes payable	(578)	748	124
Changes in assets and liabilities:			
(Increase) decrease in other current assets	(8,508)	2,257	1,384
Increase in accounts receivable	(1,389)	—	—
Increase (decrease) in accounts payable and accrued expenses	15,991	11,631	(4,795)
Decrease in lease liabilities	(2,012)	(1,988)	(1,548)
(Decrease) increase in other current liabilities	(16,146)	(31,505)	30,301
Decrease in deferred revenue	(152)	(152)	(152)
Net cash used in operating activities	(295,634)	(214,507)	(132,806)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from maturity of short-term securities	55,600	43,250	29,250
Investment in held-to-maturity securities	(55,531)	(67,403)	(29,837)
Purchases of PPE	(401)	(357)	(131)
Net cash used in investing activities	(332)	(24,510)	(718)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of loan payable	(30,000)	—	—
Proceeds from sale of common stock, net	2,219	679,680	175,021
Proceeds from exercise of options	216	147	—
Proceeds from debt financings	70,000	—	29,987
Financing costs paid	(1,016)	—	(795)
Net cash provided by financing activities	41,419	679,827	204,213
NET (DECREASE) INCREASE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	(254,547)	440,810	70,689
CASH, CASH EQUIVALENTS AND RESTRICTED CASH AT BEGINNING OF PERIOD	554,698	113,888	43,199
CASH, CASH EQUIVALENTS AND RESTRICTED CASH AT END OF PERIOD	$ 300,151	$ 554,698	$ 113,888
Reconciliation to amounts on consolidated balance sheets:			
Cash and cash equivalents	$ 298,887	$ 553,439	$ 112,637
Restricted cash	1,264	1,259	1,251
Total cash, cash equivalents and restricted cash	$ 300,151	$ 554,698	$ 113,888
Cash paid for:			
Interest	$ 3,466	$ 4,501	$ 2,622
NONCASH TRANSACTIONS			
Deferred financing costs	$ 4,165	$ —	$ 988
Warrants issued with debt financing	$ 2,196	$ —	$ 993
Shares issued in connection with in-licensing	$ —	$ —	$ 100

The accompanying notes are an integral part of the consolidated financial statements.

TG Therapeutics, Inc. and Subsidiaries
Notes to Consolidated Financial Statements

Unless the context requires otherwise, references in this report to "TG," "Company," "we," "us" and "our" refer to TG Therapeutics, Inc. and our subsidiaries.

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

DESCRIPTION OF BUSINESS

TG Therapeutics is a fully-integrated, commercial stage biopharmaceutical company focused on the acquisition, development and commercialization of novel treatments for B-cell malignancies and autoimmune diseases. In addition to an active research pipeline including five investigational medicines across these therapeutic areas, we have received accelerated approval from the U.S. Food and Drug Administration (FDA) for UKONIQ® (umbralisib), for the treatment of adult patients with relapsed or refractory marginal zone lymphoma who have received at least one prior anti-CD20-based regimen and relapsed or refractory follicular lymphoma who have received at least three prior lines of systemic therapies. Currently, we have three programs in Phase 3 development for the treatment of patients with relapsing forms of multiple sclerosis (RMS) and patients with chronic lymphocytic leukemia (CLL) and several investigational medicines in Phase 1 clinical development. We also actively evaluate complementary products, technologies and companies for in-licensing, partnership, acquisition and/or investment opportunities.

LIQUIDITY AND CAPITAL RESOURCES

We have incurred operating losses since our inception, and expect to continue to incur operating losses for the foreseeable future and may never become profitable. As of December 31, 2021, we have an accumulated deficit of $1.3 billion.

Our major sources of cash have been proceeds from private placement and public offering of equity securities, and from our loan and security agreements executed with Hercules Capital, Inc. (Hercules) (see Note 6 for more information). In February of 2021, umbralisib, now referred to as UKONIQ, was granted accelerated approval in the United States for the treatment of adult patients with relapsed or refractory MZL who have received at least one prior anti-CD20 based regimen and adult patients with relapsed or refractory FL who have received at least three prior lines of systemic therapy. Commercial sales of UKONIQ commenced in the first quarter of 2021. We have generated limited revenues to date from product sales. Even with the commercialization of UKONIQ and the potential future commercialization of our other drug candidates, we may not become profitable. Our ability to achieve profitability depends on many factors, including our ability to generate revenue, our ability to obtain regulatory approvals for our drug candidates, our ability to successfully complete any post-approval regulatory obligations and our ability to successfully commercialize our drug candidates. We may continue to incur substantial operating losses even as we begin to generate revenues from product sales.

As of December 31, 2021, we had $350.3 million in cash and cash equivalents, and investment securities. We anticipate that our cash and cash equivalents, and investment securities as of December 31, 2021 will provide sufficient liquidity for more than a twelve-month period from the date of filing this Annual Report on Form 10-K. The actual amount of cash that we will need to operate is subject to many factors, including, but not limited to, the timing, design and conduct of clinical trials for our drug candidates. We are dependent upon significant future financing to provide the cash necessary to execute our current operations, including the commercialization of any of our drug candidates.

Our common stock is quoted on the Nasdaq Capital Market and trades under the symbol "TGTX."

RECENTLY ISSUED ACCOUNTING STANDARDS

Management does not believe that any recently issued, but not yet effective, accounting pronouncements, if currently adopted, would have an effect on the Company's financial statements.

TG Therapeutics, Inc. and Subsidiaries
Notes to Consolidated Financial Statements

USE OF ESTIMATES

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (GAAP) requires management to make estimates and judgments that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the applicable reporting period. On an ongoing basis, we evaluate our estimates and judgments, including those related to revenue, accrued clinical trial expenses and stock-based compensation. Actual results could differ from those estimates. Such differences could be material to the financial statements.

CASH AND CASH EQUIVALENTS

We treat liquid investments with original maturities of less than three months when purchased as cash and cash equivalents.

RESTRICTED CASH

We record cash pledged or held in trust as restricted cash. As of December 31, 2021 and 2020, we have approximately $1.3 million of restricted cash pledged to secure a line of credit as a security deposit for an Office Agreement (see Note 7).

INVESTMENT SECURITIES

Investment securities at December 31, 2021 and 2020 consist of short-term and long-term government securities. We classify these securities as held-to-maturity. Held-to-maturity securities are those securities in which we have the ability and intent to hold the security until maturity. Held-to-maturity securities are recorded at amortized cost, adjusted for the amortization or accretion of premiums or discounts. Premiums and discounts are amortized or accreted over the life of the related held-to-maturity security as an adjustment to yield using the effective interest method.

A decline in the market value of any investment security below cost that is deemed to be other than temporary, results in a reduction in the carrying amount to fair value. The impairment is charged to operations and a new cost basis for the security is established. Other-than-temporary impairment charges are included in interest and other income (expense), net. Dividend and interest income are recognized when earned.

CREDIT RISK

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents and short-term investments. The Company maintains its cash and cash equivalents and short-term investments with high-credit quality financial institutions. At times, such amounts may exceed federally-insured limits.

REVENUE RECOGNITION

Pursuant to Topic 606, we recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To achieve this core principle, Topic 606 includes provisions within a five-step model that includes i) identifying the contract with a customer, ii) identifying the performance obligations in the contract, iii) determining the transaction price, iv) allocating the transaction price to the performance obligations, and v) recognizing revenue when, or as, an entity satisfies a performance obligation.

At contract inception, we assess the goods or services promised within each contract and assess whether each promised good or service is distinct and determine those that are performance obligations. We then recognize as revenue the amount of the transaction price that is allocated to the respective performance obligation when the performance obligation is satisfied.

TG Therapeutics, Inc. and Subsidiaries
Notes to Consolidated Financial Statements

Product Revenue, Net – The Company recognizes product revenues, net of variable consideration related to certain allowances and accruals, when the customer takes control of the product, which is typically upon delivery to the customer. Product revenue is recorded at the net sales price, or transaction price. The Company records product revenue reserves, which are classified as a reduction in product revenues, to account for the components of variable consideration. Variable consideration includes the following components, which are described below: chargebacks, government rebates, trade discounts and allowances, product returns, and co-payment assistance.

These reserves are based on estimates of the amounts earned or to be claimed on the related sales and are classified as reductions of accounts receivable (if the amount is expected to be settled with a credit against the Company's customer account) or a liability (if the amount is expected to be settled with a cash payment). The Company's estimates of reserves established for variable consideration are calculated based upon a consistent application of the expected value method, which is the sum of probability-weighted amounts in a range of possible consideration amounts. These estimates reflect the Company's current contractual and statutory requirements, specific known market events and trends, industry data, and forecasted customer buying and payment patterns. The amount of variable consideration that is included in the transaction price may be subject to constraint and is included in net product revenues only to the extent that it is probable that a significant reversal in the amount of the cumulative revenue recognized will not occur in a future period. Actual amounts of consideration received may ultimately differ from the Company's estimates. If actual results vary, the Company adjusts these estimates, which could have an effect on earnings in the period of adjustment.

Chargebacks and Administrative Fees: Chargebacks for discounts represent the Company's estimated obligations resulting from contractual commitments to sell product to qualified healthcare providers and government agencies at prices lower than the list prices charged to the customers who directly purchase the product from the Company. The customers charge the Company for the difference between what the customers pay the Company for the product and the customers' ultimate contractually committed or government required lower selling price to the qualified healthcare providers. As part of the Company's contractual commitments to sell product to qualified healthcare providers, the Company pays fees for administrative services, such as account management and data reporting.

Government Rebates: Government rebates consist of Medicare, Tricare, and Medicaid rebates. These reserves are recorded in the same period the related revenue is recognized. For Medicare, the Company also estimates the number of patients in the prescription drug coverage gap for whom it will owe a rebate under the Medicare Part D program.

GPO and Payor Rebates: The Company contracts with various private payor organizations and group purchasing organizations (GPO), primarily insurance companies, pharmacy benefit managers and clinics, for the payment of rebates with respect to utilization of our product. The Company estimates these rebates and records such estimates in the same period the related revenue is recognized, resulting in a reduction of product revenue and the establishment of a current liability.

Trade Discounts and Allowances: The Company provides its customers with discounts that are explicitly stated in the contracts and are recorded in the period the related product revenue is recognized. In addition, the Company also receives sales order management, inventory management, and data services from its customers in exchange for certain fees.

Product Returns: Consistent with industry practice, the Company generally offers customers a limited right of return for product that has been purchased from the Company. The Company estimates the amount of its product sales that may be returned by its customers and records this estimate in the period the related product revenue is recognized. The Company currently estimates product return liabilities based on data from similar products and other qualitative considerations, such as visibility into the inventory remaining in the distribution channel.

Subject to certain limitations, the Company's return policy allows for eligible returns of UKONIQ for credit under the following circumstances:

- receipt of damaged product;
- shipment errors that were a result of an error by the Company;
- expired product that is returned during the period beginning three months prior to the product's expiration and ending six months after the expiration date;
- product subject to a recall; and
- product that the Company, at its sole discretion, has specified can be returned for credit.

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As of December 31, 2021, the Company has not received any returns.

Co-Payment Assistance Programs: Co-payment assistance is provided to qualified patients, whereby the Company may provide financial assistance to patients with prescription drug co-payments required by the patient's insurance provider. Reserves for co-payment assistance are recorded in the same period the related revenue is recognized.

ACCOUNTS RECEIVABLE

In general, accounts receivable consists of amounts due from customers, net of customer allowances for cash discounts, product returns and chargebacks. Our contracts with customers have standard payment terms. We analyze accounts that are past due for collectability, and regularly evaluate the creditworthiness of our customers so that we can properly assess and respond to changes in their credit profiles. As of December 31, 2021, we determined an allowance for expected credit losses related to outstanding accounts receivable was currently not required based upon our review of contractual payment terms and individual customer circumstances.

COST OF PRODUCT REVENUE

Cost of product revenue consists primarily of materials and third-party manufacturing costs, as well as freight and royalties owed to our licensing partner for UKONIQ sales. Based on our policy to expense costs associated with the manufacture of our products prior to regulatory approval, the manufacturing costs of UKONIQ units recognized as revenue during the year ended December 31, 2021 were expensed prior to receipt of FDA approval on February 5, 2021, and therefore are not included in costs of product revenue during the current period.

INVENTORY

Prior to regulatory approval, we expense costs relating to the production of inventory as research and development expense in the period incurred. Following regulatory approval, costs to manufacture those approved products will be capitalized. Inventories are stated at the lower of cost or estimated net realizable value with cost based on the first-in-first-out method. Inventory that can be used in either the production of clinical or commercial products is expensed as research and development costs when identified for use in clinical trials.

Prior to the approval of UKONIQ, all manufacturing and other potential costs related to the commercial launch of UKONIQ were expensed to research and development expense in the period incurred.

RESEARCH AND DEVELOPMENT COSTS

Generally, research and development costs are expensed as incurred. Research and development expenses consist primarily of costs incurred to third-party service providers for the conduct of research, preclinical and clinical studies, contract manufacturing costs, license milestone fees, personnel costs for our research and development employees, consulting, and other related expenses. We recognize research, preclinical and clinical study expenses based on services performed, pursuant to contracts with third-party research and development organizations that conduct and manage research, preclinical and clinical activities on our behalf. We accrue these expenses based on the progress or stage of completion of services and the contracted fees to be paid for such services. If the actual timing of the performance of services or the level of effort varies from the original accrual, we will adjust the accrual accordingly. With respect to clinical trial costs, the financial terms of these agreements are subject to an initial negotiation and vary from contract to contract. Payments under these contracts may be uneven and depend on factors such as the achievement of certain events, the successful recruitment of patients, the completion of portions of the clinical trial or similar conditions. As such, certain expense accruals related to clinical site costs are recognized based on the degree of performance of the event or events specified in the specific clinical study or trial contract.

Prepaid research and development in our consolidated balance sheets includes, among other things, costs related to agreements with CROs, certain costs to third-party service providers related to development and manufacturing services as well as clinical development. These agreements often require payments in advance of services performed or goods received. Accordingly, as of December 31, 2021 and December 31, 2020, we recorded approximately $11.9 million and $5.2 million, respectively, in prepaid research and development related to such advance agreements.

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INCOME TAXES

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases, operating losses and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in operations in the period that includes the enactment date. If the likelihood of realizing the deferred tax assets or liability is less than "more likely than not," a valuation allowance is then created.

We, and our subsidiaries, file income tax returns in the U.S. federal jurisdiction and in various states. We have tax net operating loss carryforwards that are subject to examination for a number of years beyond the year in which they were generated for tax purposes. Since a portion of these net operating loss carryforwards may be utilized in the future, many of these net operating loss carryforwards will remain subject to examination. We recognize interest and penalties related to uncertain income tax positions in income tax expense. Refer to Note 8 for further information on impact of tax reform.

The Coronavirus Aid, Relief, and Economic Security Act of 2020 ("CARES Act") was enacted on March 27, 2020 in response to the economic fallout of the COVID-19 pandemic in the United States. There are several provisions of the CARES Act that were considered in the December 31, 2021 year-end tax provision. However, the Company chose not to utilize any provisions or participate in certain programs due to lack of a benefit to the Company.

STOCK-BASED COMPENSATION

The Company measures employee and non-employee stock-based compensation based on the grant date fair value of the stock-based compensation award. The Company grants stock options at exercise prices equal to the fair value of the Company's common stock on the date of grant, based on observable market prices. The Company uses the Black-Scholes option-pricing model to measure the fair value of stock option awards. We recognize all stock-based payments to employees and non-employee directors (as compensation for service) as noncash compensation expense in the consolidated financial statements. Stock-based compensation expense recognized each period is based on the value of the portion of stock-based payment awards that is ultimately expected to vest during the period. Forfeitures are recognized as they occur.

In addition, because some of the options, restricted stock and warrants issued to employees, consultants and other third parties vest upon achievement of certain milestones, the total expense is uncertain. Compensation expense for such awards that vest upon the achievement of milestones is recognized when the achievement of such milestones becomes probable.

BASIC AND DILUTED NET LOSS PER COMMON SHARE

Basic net loss per share of our common stock is calculated by dividing net loss applicable to the common stock by the weighted-average number of our common stock outstanding for the period. Diluted net loss per share of common stock is the same as basic net loss per share of common stock since potentially dilutive securities from stock options, stock warrants and convertible preferred stock would have an antidilutive effect either because we incurred a net loss during the period presented or because such potentially dilutive securities were out of the money and the Company realized net income during the period presented. The amounts of potentially dilutive securities excluded from the calculation were 13,280,608, 11,976,276 and 8,361,739 at December 31, 2021, 2020 and 2019, respectively. During the years ended December 31, 2021, 2020 and 2019, the Company incurred a net loss; therefore, all of the securities are antidilutive and excluded from the computation of diluted loss per share.

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The following table summarizes our potentially dilutive securities at December 31, 2021, 2020 and 2019:

	December 31,		
	2021	2020	2019
Unvested restricted stock	10,532,029	9,285,020	5,591,786
Options	2,467,537	2,526,166	2,605,730
Warrants	262,100	147,058	147,058
Shares issuable upon note conversion	18,942	18,032	17,165
Total	13,280,608	11,976,276	8,361,739

LONG-LIVED ASSETS AND GOODWILL

Long-lived assets are reviewed for potential impairment when circumstances indicate that the carrying value of long-lived tangible and intangible assets with finite lives may not be recoverable. Management's policy in determining whether an impairment indicator exists, a triggering event, comprises measurable operating performance criteria as well as qualitative measures. If an analysis is necessitated by the occurrence of a triggering event, we make certain assumptions in determining the impairment amount. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized.

Goodwill is reviewed for impairment annually, or earlier when events arise that could indicate that an impairment exists. We test for goodwill impairment using a two-step process. The first step compares the fair value of the reporting unit with the unit's carrying value, including goodwill. When the carrying value of the reporting unit is greater than fair value, the unit's goodwill may be impaired, and the second step must be completed to measure the amount of the goodwill impairment charge, if any. In the second step, the implied fair value of the reporting unit's goodwill is compared with the carrying amount of the unit's goodwill. If the carrying amount is greater than the implied fair value, the carrying value of the goodwill must be written down to its implied fair value. We will continue to perform impairment tests annually, at December 31, and whenever events or changes in circumstances suggest that the carrying value of an asset may not be recoverable. There was no impairment to goodwill as of December 31, 2021.

NOTE 2 - REVENUE RECOGNITION

Gross-to-Net Sales Adjustments

To date our only source of product revenue has been from the U.S. sales of UKONIQ, which we began shipping to our customers in February 2021. We record our best estimate for sales discounts and allowances to which customers are likely to be entitled. The reconciliation of gross product sales to net product sales by each significant category of gross-to-net adjustments was as follows for the year ended December 31, 2021:

(in thousands)	Year ended December 31, 2021
Gross product revenue	$ 8,172
Gross-to-net adjustments:	
Chargebacks and administrative fees	(840)
Trade discounts and allowances	(383)
Government rebates and co-payment assistance	(372)
Sales returns and allowances	(40)
Total gross-to-net adjustments[1]	$ (1,635)
Net product revenue	$ 6,537

(1) As of December 31, 2021, approximately $0.4 million of estimated gross-to-net-accruals have been recorded as a reduction of accounts receivable, net and within accounts payable and accrued expenses on the consolidated balance sheets.

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NOTE 3 – INVESTMENT SECURITIES

Our investments as of December 31, 2021 and 2020 are classified as held-to-maturity. Held-to-maturity investments are recorded at amortized cost.

The following tables summarize our investment securities at December 31, 2021 and 2020:

	December 31, 2021			
(in thousands)	Amortized cost, as adjusted	Gross unrealized holding gains	Gross unrealized holding losses	Estimated fair value
Short-term investments:				
Obligations of domestic governmental agencies (maturing between January 2022 and April 2022) (held-to-maturity)	$ 15,876	$ —	$ 4	$ 15,872
Long-term investments:				
Obligations of domestic governmental agencies (maturing between February 2023 and June 2023) (held-to-maturity)	35,533	—	160	35,373
Total short-term and long-term investment securities	$ 51,409	$ —	$ 164	$ 51,245

	December 31, 2020			
	Amortized cost, as adjusted	Gross unrealized holding gains	Gross unrealized holding losses	Estimated fair value
Short-term investments:				
Obligations of domestic governmental agencies (maturing between January 2021 and December 2021) (held-to-maturity)	$ 51,987	$ 1	$ 4	$ 51,984
Total short-term investment securities	$ 51,987	$ 1	$ 4	$ 51,984
Long-term investments:				
Obligations of domestic governmental agencies (held-to-maturity)	$ —	$ —	$ —	$ —
Total long-term investment securities	$ —	$ —	$ —	$ —

NOTE 4 – FAIR VALUE MEASUREMENTS

We measure certain financial assets and liabilities at fair value on a recurring basis in the financial statements. The fair value hierarchy ranks the quality and reliability of inputs, or assumptions, used in the determination of fair value and requires financial assets and liabilities carried at fair value to be classified and disclosed in one of the following three categories:

- Level 1 – quoted prices in active markets for identical assets and liabilities;
- Level 2 – inputs other than Level 1 quoted prices that are directly or indirectly observable; and
- Level 3 – unobservable inputs that are not corroborated by market data.

As of December 31, 2021 and 2020, the fair values of cash and cash equivalents, restricted cash, accounts receivable, and notes and interest payable approximate their carrying value.

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At the time of our merger (we were then known as Manhattan Pharmaceuticals, Inc. (Manhattan)) with Ariston Pharmaceuticals, Inc. (Ariston) in March 2010, Ariston issued $15.5 million of five-year 5% notes payable (the 5% Notes) in satisfaction of several note payable issuances. The 5% Notes and accrued and unpaid interest thereon are convertible at the option of the holder into common stock at the conversion price of $1,125 per share. We have no obligations under the 5% Notes aside from the conversion feature.

The following tables provide the fair value measurements of applicable financial liabilities as of December 31, 2021 and 2020:

(in thousands)	Financial liabilities at fair value as of December 31, 2021			
	Level 1	Level 2	Level 3	Total
5% Notes	$ —	$ —	$ 360	$ 360
Total	$ —	$ —	$ 360	$ 360

	Financial liabilities at fair value as of December 31, 2020			
	Level 1	Level 2	Level 3	Total
5% Notes	$ —	$ —	$ 938	$ 938
Total	$ —	$ —	$ 938	$ 938

The Level 3 amounts above represent the fair value of the 5% Notes and related accrued interest.

The Company's financial instruments include cash, cash equivalents consisting of money market funds, accounts receivable, accounts payable and debt. Cash, cash equivalents, accounts payable and debt are stated at their respective historical carrying amounts, which approximate fair value due to their short-term nature.

The following table summarizes the changes in Level 3 instruments for the years ended December 31, 2020 and 2021:

(in thousands)	
Balance at January 1, 2020	$ 190
Interest accrued on face value of 5% Notes	976
Change in fair value of Level 3 liabilities	(228)
Balance at December 31, 2020	938
Interest accrued on face value of 5% Notes	1,023
Change in fair value of Level 3 liabilities	(1,601)
Balance at December 31, 2021	$ 360

The change in the fair value of the Level 3 liabilities is reported in other (income) expense in the accompanying consolidated statements of operations.

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NOTE 5 – STOCKHOLDERS' EQUITY

Preferred Stock

Our amended and restated certificate of incorporation authorizes the issuance of up to 10,000,000 shares of preferred stock, $0.001 par value, with rights senior to those of our common stock, issuable in one or more series. Upon issuance, the Company can determine the rights, preferences, privileges and restrictions thereof. These rights, preferences and privileges could include dividend rights, conversion rights, voting rights, terms of redemption, liquidation preferences, sinking fund terms and the number of shares constituting any series or the designation of such series, any or all of which may be greater than the rights of common stock.

Stockholder Rights Plan

On July 18, 2014, we adopted a stockholder rights plan. The stockholder rights plan is embodied in the Stockholder Protection Rights Agreement dated as of July 18, 2014 (the Rights Agreement), between us and American Stock Transfer & Trust Company, LLC, as rights agent (the Rights Agent).

Accordingly, the Board of Directors declared a distribution of one right (a "Right") for each outstanding share of common stock, to stockholders of record at the close of business on July 28, 2014, for each share of common stock issued (including shares distributed from Treasury) by us thereafter and prior to the Separation Time (as defined in the Rights Agreement), and for certain shares of common stock issued after the Separation Time. Following the Separation Time, each Right entitles the registered holder to purchase from us one one-thousandth (1/1,000) of a share of Series A Junior Participating Preferred Stock, par value $0.001 per share (the Preferred Stock), at a purchase price of $100.00 (the Exercise Price), subject to adjustment. The description and terms of the Rights are set forth in the Rights Agreement. Each one one-thousandth of a share of Preferred Stock has substantially the same rights as one share of common stock. Subject to the terms and conditions of the Rights Agreement, Rights become exercisable ten days after the public announcement that a "Person" has become an "Acquiring Person" (as each such term is defined in the Rights Agreement). Any Rights held by an Acquiring Person are void and may not be exercised.

The Rights Agreement was approved by our Board of Directors on July 18, 2014. The Rights will expire at the close of business on its ten-year anniversary, unless earlier exchanged or terminated by us.

Common Stock

Our amended and restated certificate of incorporation authorizes the issuance of up to 175,000,000 shares of $0.001 par value common stock.

In May 2017, we filed a shelf registration statement on Form S-3 (the 2017 S-3), which was declared effective in June 2017, replacing the 2015 S-3. Under the 2017 S-3, we may sell up to a total of $300 million of securities. In connection with the 2017 S-3, we entered into an At-the-Market Issuance Sales Agreement (the 2017 ATM) with Jefferies LLC, Cantor Fitzgerald & Co., FBR Capital Markets & Co., SunTrust Robinson Humphrey, Inc., Raymond James & Associates, Inc., Ladenburg Thalmann & Co. Inc. and H.C. Wainwright & Co., LLC (each a "2017 Agent" and collectively, the 2017 Agents), relating to the sale of shares of our common stock. Under the 2017 ATM we pay the 2017 Agents a commission rate of up to 3.0% of the gross proceeds from the sale of any shares of common stock.

During the year ended December 31, 2019, we sold a total of 13,620,165 shares of common stock under the 2017 ATM for aggregate total gross proceeds of approximately $99.3 million at an average selling price of $7.29 per share, resulting in net proceeds of approximately $97.5 million after deducting commissions and other transactions costs.

On March 1, 2019, we completed a public offering of 4,100,000 shares of our common stock (plus a 30-day underwriter overallotment option to purchase up to an additional 615,000 shares of common stock, which was exercised) at a price of $5.87 per share. Net proceeds from this offering, including the overallotment, were approximately $27.5 million after underwriting discounts and offering expenses of approximately $0.2 million.

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On September 5, 2019, we filed an automatic "shelf registration" statement on Form S-3 (the 2019 WKSI Shelf) as a "well-known seasoned issuer" as defined in Rule 405 under the Securities Act, which registered an unlimited and indeterminate amount of debt or equity securities for future issuance and sale. The 2019 WKSI Shelf was declared effective in September 2019. In connection with the 2019 WKSI Shelf, we entered into an At-the-Market Issuance Sales Agreement (the 2020 ATM) with Jefferies LLC, Cantor Fitzgerald & Co. and B. Riley Securities, Inc. (each a 2020 Agent and collectively, the 2020 Agents), relating to the sale of shares of our common stock. Under the 2020 ATM, we pay the 2020 Agents a commission rate of up to 3.0% of the gross proceeds from the sale of any shares of common stock. In November 2020, we entered into an At-the-Market Issuance Sales Agreement (the 2021 ATM) with the same terms and agents (each a 2021 Agent and collectively, the 2021 Agents) as the 2020 ATM.

During the year ended December 31, 2020, we sold a total of 8,528,286 shares of common stock under the 2020 ATM for aggregate total gross proceeds of approximately $187.5 million at an average selling price of $21.99 per share, resulting in net proceeds of approximately $184.2 million after deducting commissions and other transactions costs.

During the year ended December 31, 2020, we sold a total of 804,100 shares of common stock under the 2021 ATM for aggregate total gross proceeds of approximately $33.9 million at an average selling price of $42.18 per share, resulting in net proceeds of approximately $33.3 million after deducting commissions and other transactions costs.

During the year ended December 31, 2021, we sold a total of 72,000 shares of common stock under the 2021 ATM for aggregate total gross proceeds of approximately $2.5 million at an average selling price of $34.25 per share, resulting in net proceeds of approximately $2.4 million after deducting commissions and other transactions costs.

On December 22, 2019, we completed a securities purchase agreement with an institutional investor in which we agreed to sell 5,434,783 shares of our common stock at a price of $9.20 per share. Net proceeds from this offering were approximately $50.0 million.

In May 2020, we completed an underwritten public offering of 8,500,000 shares of our common stock (plus an underwriter option to purchase up to an additional 1,275,000 shares of common stock, which was exercised) at a price of $18 per share. Net proceeds from this offering, including the overallotment, were approximately $165.1 million, net of underwriting discounts and offering expenses of approximately $10.8 million.

On December 17, 2020, we completed a public offering of 6,320,000 shares of our common stock (plus a 30-day underwriter overallotment option to purchase up to an additional 948,000 shares of common stock, which was exercised) at a price of $43.50 per share. Net proceeds from this offering, including the overallotment, were approximately $297.2 million after underwriting discounts and offering expenses of approximately $19.0 million.

The 2019 WKSI Shelf is currently our only active shelf-registration statement. We may offer any combination of the securities registered under the 2019 WKSI Shelf from time to time in response to market conditions or other circumstances if we believe such a plan of financing is in the best interests of our stockholders. We believe that the 2019 WKSI Shelf provides us with the flexibility to raise additional capital to finance our operations as needed.

Treasury Stock

As of December 31, 2021 and 2020, 41,309 shares of common stock are being held in Treasury, at a cost of approximately $0.2 million, representing the fair market value on the date the shares were surrendered to the Company to satisfy employee tax obligations.

Equity Incentive Plans

The TG Therapeutics, Inc. Amended and Restated 2012 Incentive Plan (2012 Incentive Plan) was approved by stockholders in June 2020. Pursuant to this amendment, 8,000,000 shares were added to the 2012 Incentive Plan. As of December 31, 2021 and 2020, 12,032,040 and 10,785,034 shares of restricted stock and 2,467,537 and 2,526,166 options, respectively, were outstanding and up to an additional 1,511,105 shares may be issued under the 2012 Incentive Plan.

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Stock Options

The estimated fair value of the options granted in the year ended December 31, 2020 and 2019 was determined utilizing the Black-Scholes option-pricing model at the date of grant. The following table summarizes stock option activity for the years ended December 31, 2021, 2020 and 2019:

	Number of shares	Weighted-average exercise price	Weighted-average contractual term (in years)	Aggregate intrinsic value
Outstanding at January 1, 2019	1,916,900	—	—	$ —
Granted	815,000	6.50		
Exercised	—	—		
Forfeited	(126,170)	6.10		
Expired	—	—		
Outstanding at December 31, 2019	2,605,730	$ 6.73	8.92	$ 11,706,110
Granted	75,000	8.21		
Exercised	(35,814)	4.10		
Forfeited	(118,750)	10.16		
Expired	—	—		
Outstanding at December 31, 2020	2,526,166	$ 6.99	8.10	$ 115,472,832
Granted	—	—		
Exercised	(52,694)	4.10		
Forfeited	(5,935)	4.10		
Expired	—			
Outstanding at December 31, 2021	2,467,537	$ 7.06	6.99	$ 29,503,551
Exercisable at December 31, 2021	1,368,106	$ 6.57	7.05	$ 17,023,532

Total expense associated with the stock options was approximately $2.9 million, $6.0 million and $3.5 million during the years ended December 31, 2021, 2020 and 2019, respectively. As of December 31, 2021, there was approximately $0.2 million of total unrecognized compensation cost related to unvested time-based stock options, which is expected to be recognized over a weighted-average period of 1.0 year. As of December 31, 2021, the stock options outstanding include options granted to both employees and non-employees which are both time-based and milestone-based. Stock-based compensation for milestone-based options will be recorded if and when a milestone occurs. We recognized stock-based compensation expense of $1.4 million during the year ended December 31, 2021 for these stock options. We did not grant any options for the year ended December 31, 2021.

The fair value of the Company's option awards were estimated using the assumptions below:

	Year Ended	
	December 31, 2021	December 31, 2020
Volatility	0	186.91-191.05
Expected term (in years)	0	5.0-6.25
Risk-free rate	— %	0.34-0.54 %
Expected dividend yield	— %	— %

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Restricted Stock

Certain employees, directors and consultants have been awarded restricted stock. The restricted stock vesting consists of milestone and time-based vesting. The following table summarizes restricted share activity for the years ended December 31, 2021, 2020 and 2019:

	Number of shares	Weighted-average grant date fair value
Outstanding at January 1, 2019	6,095,692	$ 8.07
Granted	1,851,520	12.95
Vested	(738,960)	9.08
Forfeited	(116,463)	7.96
Outstanding at December 31, 2019	7,091,789	7.78
Granted	4,909,829	20.34
Vested	(1,087,918)	8.40
Forfeited	(128,666)	8.70
Outstanding at December 31, 2020	10,785,034	13.38
Granted	2,738,974	39.49
Vested	(1,302,737)	18.14
Forfeited	(189,231)	21.8
Outstanding at December 31, 2021	12,032,040	$ 18.67

Total compensation expense associated with restricted stock grants was $58.4 million, $74.2 million and $7.8 million during the years ended December 31, 2021, 2020 and 2019, respectively. As of December 31, 2021, there was approximately $50.7 million of total unrecognized compensation expense related to unvested time-based restricted stock, which is expected to be recognized over a weighted-average period of 1 year. This amount does not include, as of December 31, 2021, 4,016,281 shares of restricted stock outstanding which are milestone-based and vest upon certain corporate milestones; and 1,088,750 shares of restricted stock outstanding issued to non-employees. Milestone-based noncash compensation expense will be measured and recorded if and when a milestone becomes probable.

Warrants

The Company's only outstanding warrants are the warrants issued to Hercules as part of our debt agreement to purchase 147,058 and 115,042 shares of common stock with exercise prices of $4.08 and $17.95, respectively. See Note 6 for further details. There will not be any ongoing stock compensation expense volatility associated with these warrants.

NOTE 6 – LOAN PAYABLE

On February 28, 2019 (the Closing Date), we entered into a term loan facility of up to $60.0 million (Term Loan) with Hercules Capital, Inc. (Hercules), the proceeds of which were used for research and development programs and for general corporate purposes. The Term Loan is governed by a loan and security agreement, dated February 28, 2019 (the Loan Agreement), which provides for up to four separate advances. The first advance of $30.0 million was drawn on the Closing Date. An additional $30.0 million was available with different milestones and time points that have lapsed.

On December 30, 2021 (the First Amendment Closing Date), the Company entered into an Amended and Restated Loan and Security Agreement (the Amended Loan Agreement) with Hercules Capital, Inc. The Amended Loan Agreement amended the terms of the Loan Agreement to, among other things, (i) increase the aggregate principal amount of the loan, available at the Company's option, from $60.0 million to $200.0 million (the Amended Term Loan), (ii) issue a first advance of $70.0 million drawn at the First Amendment Closing date, a portion of which was used to refinance the current outstanding loan balance of approximately $7.8 million and pay for expenses incurred by the Lender in executing the agreements, (iii) change the draw amounts and dates available in Tranche 2 through Tranche 4 including increasing the amount available under Tranche 2 subject to the achievement of performance milestones from $10.0 million to

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$20.0 million, increasing the amount available under Tranche 3 subject to the achievement of performance milestones from $10.0 million to $45.0 million, and increasing the amount under Tranche 4 subject to the approval of Hercules' investment committee from $10.0 million to $65.0 million, (iv) extend the maturity date of the facility from the original March 1, 2022 to January 1, 2026, (v) reset and extend the interest only period from April 1, 2021 to February 1, 2025 and extendable to August 1, 2025 subject to the achievement of certain performance milestones, and (vi) modify the cash interest rate to be the greater of either (a) the "prime rate" as reported in The Wall Street Journal plus 2.15%, and (b) 5.40%. The performance milestones are based on achievement of certain U.S. Food and Drug Administration approvals and impact the potential extension of the interest only period, access to future advances under the Loan Agreement and minimum cash levels required under the Amended Loan Agreement.

The Amended Loan Agreement contains financial covenants from and after October 15, 2022 that require the Company to maintain certain levels of unrestricted cash and additional financial covenants related to market capitalization and unrestricted cash commencing on July 1, 2023 at any time when the Amended Term Loan advances made under the Amended Loan Agreement are greater than $70 million.

The Amended Loan Agreement also contains warrant coverage of 2.95% of the total amount funded. A warrant (the Warrant) was issued by the Company to Hercules to purchase 115,042 shares of common stock with an exercise price of $17.95 for the initial amount funded at closing. The Warrant shall be exercisable for seven years from the date of issuance. Hercules may exercise the Warrant either by (a) cash or check or (b) through a net issuance conversion.

In addition, the Company is required to pay a final payment fee equal to 5.95% of the aggregate principal amount of the Term Loan Advances.

The Company may, at its option, prepay the Amended Term Loan in full or in part, subject to a prepayment penalty equal to (i) 2.0% of the principal amount prepaid if the prepayment occurs prior to the first anniversary of the First Amendment Closing Date, (ii) 1.5% of the principal amount prepaid if the prepayment occurs on or after the first anniversary and prior to the second anniversary of the First Amendment Closing Date, and (iii) 1.0% of the principal amount prepaid if the prepayment occurs on or after the second anniversary and prior to the third anniversary of the First Amendment Closing Date.

The Company evaluated whether the Amended Term Loan entered into in December 2021 represented a debt modification or extinguishment of the Term Loan in accordance with ASC 470-50, Debt – Modifications and Extinguishments. As a result of the repayment and retirement of the Term Loan, the Term Loan was accounted for by the Company under the extinguishment accounting model. The Company recorded a loss on extinguishment of debt of approximately $0.2 million on the Company's statement of operations for the twelve months ended December 31, 2021, representing the write-off of deferred financing costs.

The Company estimated the fair value of the Warrant using the Black-Scholes model based on the following key assumptions:

	Amended Term Loan
Exercise price	$ 17.95
Common share price on date of issuance	$ 19.35
Volatility	184.4 %
Risk-free interest rate	1.44 %
Expected dividend yield	— %
Contractual term (in years)	7.00 years

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The Company incurred financing expenses of $7.4 million (including the fair value of the Warrant) related to the Amended Loan Agreement which are recorded as debt issuance costs and as an offset to loan payable on the Company's consolidated balance sheet. The debt issuance costs are being amortized over the term of the debt using the straight-line method, which approximates the effective interest method, and will be included in interest expense in the Company's consolidated statements of operations. Amortization of debt issuance costs was $1.1 million, $0.9 million and $0.8 million for the years ended December 31, 2021, 2020 and 2019, respectively. At December 31, 2021, the remaining unamortized balance of debt issuance costs was $7.4 million.

The loan payable as of December 31, 2021 and 2020, is as follows:

(in thousands)	December 31, 2021	December 31, 2020
Loan payable	$ 70,000	$ 30,000
End of term fee	5,140	975
	75,140	30,975
Less: unamortized debt issuance costs	(7,377)	(1,080)
	67,763	29,895
Less: principal payments	—	—
Total loan payable	67,763	29,895
Less: current portion	(975)	(22,179)
Loan payable non-current	$ 66,788	$ 7,716

NOTE 7 – LEASES

In October 2014, we entered into an agreement (the Office Agreement) with Fortress Biotech, Inc. (FBIO) to occupy approximately 45% of the 24,000 square feet of New York City office space leased by FBIO. The Office Agreement requires us to pay our respective share of the average annual rent and other costs of the 15-year lease. We approximate an average annual rental obligation of $1.4 million under the Office Agreement. We began to occupy this new space in April 2016, with rental payments beginning in the third quarter of 2016. At January 1, 2019, we recognized a lease liability and corresponding ROU asset of $9.5 million and $8.1 million, respectively, based on the present value of the remaining lease payments for all of our leased office spaces, the majority of which is comprised of our New York City office space. The present values of our lease liability and corresponding ROU asset are $11.3 million and $8.6 million, respectively, as of December 31, 2021. Our leases have remaining lease terms of approximately 3 years to 10 years. One lease has a renewal option to extend the lease for an additional term of five years.

The initial commitment period of the 45% rate was for a period of three (3) years. We and FBIO currently determine actual office space utilization annually and if our utilization differs from the amount we have been billed, we will either receive credits or be assessed incremental utilization charges. As of December 31, 2021, the allocation rate is 63% and will be evaluated again in August 2022 for the following rent year. Also in connection with this lease, in October 2014 we pledged $0.6 million to secure a line of credit as a security deposit for the Office Agreement, which has been recorded as restricted cash in the accompanying consolidated balance sheets. Additional collateral of $0.6 million was pledged in April 2018 to increase the letter of credit for the office space.

In October 2019, we finalized a five-year lease for office space in New Jersey (the NJ Lease). We approximate an average annual rental obligation of $0.3 million under the NJ Lease. We took possession of this space in October 2019, with rental payments beginning in November 2019.

In October 2021, we finalized a five-year lease for office space in North Carolina (the NC Lease). We approximate an average annual rental obligation of $0.2 million under the NC Lease. We took possession of this space in February 2022, with rental payments beginning in April 2022.

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The following components of lease expense are included in the Company's consolidated statements of operations for the years ended December 31, 2021, 2020, and 2019:

(in thousands)	Year ended December 31, 2021	2020	2019
Operating lease cost	$ 2,154	$ 2,656	$ 2,651
Net lease cost	$ 2,154	$ 2,656	$ 2,651

As of December 31, 2021, the weighted-average remaining operating lease term was 7.9 years and the weighted-average discount rate for operating leases was 10.25%. Cash paid for amounts included in the measurement of operating lease liabilities during the year ended December 31, 2021 was $2.0 million.

The balance sheet classification of lease liabilities was as follows:

(in thousands)	December 31, 2021	December 31, 2020
Liabilities		
Lease liability current portion	$ 1,437	$ 1,669
Lease liability non-current	9,847	10,412
Total lease liability	$ 11,284	$ 12,081

As of December 31, 2021, the maturities of lease liabilities were as follows:

(in thousands)	Operating leases
2022	$ 2,035
2023	2,040
2024	1,924
2025	1,653
2026	1,678
After 2026	8,219
Total lease payments	17,549
Less: interest	(6,265)
Present value of lease liabilities(*)	$ 11,284

(*) As our leases do not provide an implicit rate, we use our incremental borrowing rate based on the information available at commencement date and considering the term of the lease to determine the present value of lease payments. We used the incremental borrowing rate of 10.25% on February 28, 2019, for all operating leases, including those that commenced prior to that date.

NOTE 8 – INCOME TAXES

We account for income taxes under the asset and liability method. Deferred tax assets and liabilities are determined based on differences between the financial reporting and tax basis of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. A valuation allowance is established when necessary to reduce deferred tax assets to the amount expected to be realized. In determining the need for a valuation allowance, management reviews both positive and negative evidence, including current and historical results of operations, future income projections and the overall prospects of our business. Based upon management's assessment of all available evidence, we believe that it is more-likely-than-not that the deferred tax assets will not be realizable, and therefore, a valuation allowance has been established. The valuation allowance for deferred tax assets was approximately $367.4 million and $276.7 million as of December 31, 2021 and 2020, respectively.

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The Coronavirus Aid, Relief, and Economic Security Act of 2020 ("CARES Act") was enacted on March 27, 2020 in response to the economic fall out of the COVID-19 pandemic in the United States. The CARES Act allows employers to defer the deposit and payment of the employer's share of Social Security taxes during the payroll tax deferral period of March 27, 2020 through December 31, 2020. The CARES Act provides for half of the deferred payroll taxes to be paid by December 31, 2021 and the second half to be paid by December 31, 2022. The Company did not participate in this deferral program.

As of December 31, 2021, we have U.S. net operating loss carryforwards of approximately $1.3 billion, research and development credit carryforwards ("R&D credits") of approximately $35.7 million and business interest expense carryforward of $9.8 million. For income tax purposes, these NOLs and R&D credits will expire in various amounts through 2038. NOLs generated after 2017 and the business interest expense carryforwards do not expire. The Tax Reform Act of 1986 contains provisions which limit the ability to utilize net operating loss carryforwards and R&D credit carryforwards in the case of certain events including significant changes in ownership interests. The Exchange Transaction with TG Bio may have resulted in a "change in ownership" as defined by IRC Section 382 of the Internal Revenue Code of 1986, as amended. Additionally, stock issuance activities may have resulted in a "change in ownership" as defined by IRC Section 382 of the Internal Revenue Code of 1986, as amended. Accordingly, a substantial portion of the Company's NOLs above may be subject to annual limitations in reducing any future year's taxable income, and a substantial portion of the R&D Credit carryforwards may be subject to annual limitations in reducing any future year's tax.

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities at December 31, 2021 and 2020 are presented below.

(in thousands)	2021	2020
Deferred tax assets:		
Net operating loss carryforwards	$ 295,985	$ 223,685
Research and development credit	35,665	27,558
Noncash compensation	32,356	22,381
Disallowed interest	2,434	1,855
Other	1,006	1,224
Deferred tax asset, excluding valuation allowance	367,446	276,703
Less valuation allowance	(367,446)	(276,703)
Net deferred tax assets	$ —	$ —

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There was no current or deferred income tax expense for the year ended December 31, 2021. Income tax expense differed from amounts computed by applying the US Federal income tax rate of 21% for the years ending December 31, 2021, 2020 and 2019, to pretax loss as follows:

(in thousands)	For the year ended December 31, 2021	2020	2019
Loss before income taxes, as reported in the consolidated statements of operations	$ (348,101)	$ (279,381)	$ (172,871)
Computed “expected” tax benefit	$ (73,101)	$ (58,670)	$ (36,303)
Increase (decrease) in income taxes resulting from:			
Expected benefit from state and local taxes	(3,445)	(10,801)	(2,128)
Research and development credits	(8,337)	(5,265)	(7,266)
Other	867	1,065	641
Stock options	(6,726)	(1,558)	1,292
Enactment of federal tax reform	—	(14,763)	—
Change in the balance of the valuation allowance for deferred tax assets	90,742	89,992	43,764
	$ —	$ —	$ —

We file income tax returns in the U.S Federal and various state and local jurisdictions. With certain exceptions, the Company is no longer subject to U.S. Federal and state income tax examinations by tax authorities for years prior to 2018. However, NOLs and tax credits generated from those prior years could still be adjusted upon audit.

The Company would recognize interest and penalties, if any, to uncertain tax position in income tax expense in the statement of operations. There was no accrual for interest and penalties related to uncertain tax positions for 2021. We do not believe that there will be a material change in our unrecognized tax positions over the next twelve months. All of the unrecognized tax benefits, if recognized, would be offset by the valuation allowance

NOTE 9 – LICENSE AGREEMENTS

TG-1101 (Ublituximab)

In November 2012, we entered into an exclusive (within the territory) sublicense agreement with Ildong Pharmaceutical Co. Ltd. (Ildong) relating to the development and commercialization of ublituximab in South Korea and Southeast Asia. Under the terms of the sublicense agreement, Ildong has been granted a royalty bearing, exclusive right, including the right to grant sublicenses, to develop and commercialize ublituximab in South Korea, Taiwan, Singapore, Indonesia, Malaysia, Thailand, Philippines, Vietnam, and Myanmar.

An upfront payment of $2.0 million, which was received in December 2012, net of $0.3 million of income tax withholdings, is being recognized as license revenue on a straight-line basis over the life of the agreement, which is through the expiration of the last licensed patent right or 15 years after the first commercial sale of a product in such country, unless the agreement is earlier terminated, and represents the estimated period over which we will have certain ongoing responsibilities under the sublicense agreement. We recorded license revenue of approximately $0.2 million for each of the years ended December 31, 2021, 2020 and 2019, and, at December 31, 2021 and 2020, have deferred revenue of approximately $0.6 million and $0.8 million, respectively, associated with this $2 million payment (approximately $0.2 million of which has been classified in current liabilities at December 31, 2021 and 2020).

We may receive up to an additional $5.0 million in payments upon the achievement of pre-specified milestones. In addition, upon commercialization, Ildong will make royalty payments to us on net sales of ublituximab in the sublicense territory.

In January 2012, we entered into an exclusive license agreement with LFB Biotechnologies, GTC Biotherapeutics and LFB/GTC LLC, all wholly-owned subsidiaries of LFB Group, relating to the development of ublituximab (the LFB License Agreement). Under the

terms of the LFB License Agreement, we have acquired the exclusive worldwide rights (exclusive of France/Belgium) for the development and commercialization of ublituximab. For the period ended December 31, 2021, we incurred approximately $7.0 million in expense related to the achievement of certain milestones of the LFB License Agreement. These expenses are included in other research and development expenses in the accompanying consolidated statements of operations. As of December 31, 2021, we had approximately zero recorded in accounts payable related to the LFB License Agreement.

LFB Group is eligible to receive payments of up to an aggregate of approximately $31.0 million upon our successful achievement of certain clinical development, regulatory, and sales milestones, in addition to royalty payments on net sales of ublituximab at a royalty rate that escalates from mid-single digits to high-single digits. The license will terminate on a country-by-country basis upon the expiration of the last licensed patent right or 15 years after the first commercial sale of a product in such country, unless the agreement is earlier terminated (i) by LFB if the Company challenges any of the licensed patent rights, (ii) by either party due to a breach of the agreement, or (iii) by either party in the event of the insolvency of the other party.

TGR-1202 (Umbralisib or UKONIQ)

On September 22, 2014, we exercised our option to license the global rights to umbralisib, thereby entering into an exclusive licensing agreement (the TGR-1202 License) with Rhizen Pharmaceuticals, SA (Rhizen) for the development and commercialization of umbralisib.

Under the terms of the TGR-1202 License, Rhizen received a $4.0 million cash payment and 371,530 shares of our common stock as an upfront license fee. For the year ended December 31, 2021, we paid Rhizen $12.0 million as part of a primary indication approval milestone for launch of product in the US in accordance with the terms of the Umbralisib License. Rhizen will be eligible to receive additional approval and sales-based milestone payments in the aggregate of approximately $175 million payable upon approval in multiple jurisdictions for up to two oncology indications and one non-oncology indication and attaining certain sales milestones. In addition, if umbralisib is co-formulated with another drug to create a new product (a "New Product"), Rhizen will be eligible to receive similar regulatory approval and sales-based milestone payments for such New Product. Additionally, Rhizen receives tiered royalties that escalate from high single digits to low double digits on any net sales of umbralisib and any New Product. During the year ended December 31, 2021, the Company recorded $0.5 million related to the worldwide royalty due under the Umbralisib License in cost of product revenue based on U.S. sales of UKONIQ and as of December 31, 2021, $0.2 million in royalties were payable under the Umbralisib License. Rhizen shall also be eligible to participate in sublicensing revenue, if any, based on a percentage that decreases as a function of the number of patients treated in clinical trials following the exercise of the license option. Rhizen will retain global manufacturing rights to umbralisib, provided that they are price competitive with alternative manufacturers. The license will terminate on a country-by-country basis upon the expiration of the last licensed patent right or any other exclusivity right in such country, unless the agreement is earlier terminated (i) by us for any reason, or (ii) by either party due to a breach of the agreement.

TG-1501: PDL1 (Cosibelimab)

In March 2015, we entered into a Global Collaboration Agreement (Collaboration Agreement) with Checkpoint for the development and commercialization of anti-PD-L1 and anti-GITR antibody research programs in the field of hematological malignancies. The Collaboration Agreement was amended in June 2019 and in March of 2020. We incurred expenses of approximately $0.1 million, $1.1 million and $4.1 million for the years ended December 31, 2021, 2020 and 2019, respectively, the majority of which relates to manufacturing expenses and milestone payments of PD-L1. The relevant expenses are recorded in other research and development in the accompanying consolidated statements of operations.

TG-1601: BET

In May 2016, as part of a broader agreement with Jubilant Biosys (Jubilant), we entered into a sub-license agreement (JBET Agreement) with Checkpoint Therapeutics, Inc. (Checkpoint) (see Note 10), for the development and commercialization of Jubilant’s novel BET inhibitor program in the field of hematological malignancies.

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Under the terms of the agreement, we paid Checkpoint an up-front licensing fee of $1.0 million and will make additional payments contingent on certain preclinical, clinical, and regulatory milestones, including commercial milestones totaling up to approximately $177 million and a single-digit royalty on net sales. TG will also provide funding to support certain targeted research efforts at Jubilant.

TG-1701: BTK

In January 2018, we entered into a global exclusive license agreement with Jiangsu Hengrui Medicine Co. (Hengrui), to acquire worldwide intellectual property rights, excluding Asia but including Japan, and for the research, development, manufacturing, and commercialization of products containing or comprising of any of Hengrui's Bruton's Tyrosine Kinase inhibitors containing the compounds of either TG-1701 (SHR1459 or EBI1459) or TG1702 (SHR1266 or EBI1266). Hengrui is eligible to receive milestone payments totaling approximately $350 million upon and subject to the achievement of certain milestones. Various provisions allow for payments in conjunction with the agreement to be made in cash or our common stock, while others limit the form of payment. In July 2019, we paid Hengrui the first milestone of $0.1 million in our common stock recorded to noncash stock expense associated with in-licensing agreements in our consolidated statement of operations. In July 2020, we paid Hengrui $2.0 million as part of a milestone in accordance with the license agreement. Royalty payments in the low double digits are due on net sales of licensed products and revenue from sublicenses.

TG-1801: anti-CD47/anti-CD19

In June 2018, we entered into a Joint Venture and License Option Agreement with Novimmune SA (Novimmune) to collaborate on the development and commercialization of Novimmune's novel first-in-class anti-CD47/anti-CD19 bispecific antibody known as TG-1801 (previously NI-1701). The companies will jointly develop the product on a worldwide basis, focusing on indications in the area of hematologic B-cell malignancies. We serve as the primary responsible party for the development, manufacturing and commercialization of the product. Milestone payments will be paid based on early clinical development, and the Company will be responsible for the costs of clinical development of the product through the end of the Phase 2 clinical trials, after which the Company and Novimmune will be jointly responsible for all development and commercialization costs. The Company and Novimmune will each maintain an exclusive option, exercisable at specific times during development, for the Company to license the rights to TG-1801, in which case Novimmune is eligible to receive additional milestone payments totaling approximately $185 million as well as tiered royalties on net sales in the high single to low double digits upon and subject to the achievement of certain milestones.

NOTE 10 – RELATED PARTY TRANSACTIONS

In July 2015, we entered into a Shared Services Agreement (the Shared Services Agreement) with FBIO to share the cost of certain services such as facilities use, personnel costs and other overhead and administrative costs. This Shared Services Agreement requires us to pay our respective share of services utilized. In connection with the Shared Services Agreement, we incurred expenses of approximately $0.9 million, $0.8 million, and $0.9 million for shared services for the years ended December 31, 2021, 2020 and 2019, respectively, primarily related to shared personnel. Mr. Weiss, our Chairman and Chief Executive Officer, also serves as a director and Executive Vice Chairman, Strategic Development of FBIO.

In March 2015, we entered into the Collaboration Agreement with Checkpoint, a subsidiary of FBIO, for the development and commercialization of anti-PD-L1 and anti-GITR antibody research programs in the field of hematological malignancies. In May 2016, as part of a broader agreement with Jubilant, we entered into a sublicense agreement (JBET Agreement) with Checkpoint for the development and commercialization of Jubilant's novel BET inhibitor program in the field of hematological malignancies. Mr. Weiss also serves as Chairman of the Board of Directors of Checkpoint.

Please refer to Note 7 - Leases for details regarding the Office Agreement with FBIO, as well as Note 9 - License Agreements for details regarding the Collaboration Agreement and JBET Agreement with Checkpoint.

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NOTE 11 – COMMITMENTS AND CONTINGENCIES

As of December 31, 2021, we have known contractual obligations; commitments and contingencies of $93.6 million related to our short- and long-term liabilities and operating lease obligations.

Payment due by period (in thousands)	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Contractual obligations					
Operating leases	$ 18,454	$ 2,063	$ 4,290	$ 3,831	$ 8,270
Loan payable	75,140	975	—	74,165	—
Total	$ 93,594	$ 3,038	$ 4,290	$ 77,996	$ 8,270

Leases

See Note 7 - leases for a detailed description of our lease arrangements in New York, New Jersey and North Carolina. Total rental expense was approximately $2.2 million, $2.7 million and $2.7 million for the years ended December 31, 2021, 2020, and 2019, respectively.

Future minimum lease commitments as of December 31, 2021, in the aggregate total approximately $18.5 million through December 31, 2032. The preceding table shows future minimum lease commitments, which include our office leases in New York, New Jersey, and North Carolina by year as of December 31, 2021.

Loan Payable

See Note 6 – Loan payable for a detail description of our loan agreement.

SIGNATURES

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

TG THERAPEUTICS, INC.

Date: March 1, 2022

By: /s/ Michael S. Weiss
Michael S. Weiss
Chairman and Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints each of Michael S. Weiss and Sean A. Power, his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and his name, place and stead, in any and all capacities, to sign any or all amendments to this annual report on Form 10-K, and to file the same, with all exhibits thereto and other documents in connection therewith, with the SEC, granting unto said attorney-in-fact and agent, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent or any of his substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this Form 10-K has been signed by the following persons on behalf of the Registrant on March 1, 2022, and in the capacities indicated:

Signatures	Title
/s/ Michael S. Weiss Michael S. Weiss	Chairman and Chief Executive Officer
/s/ Sean A. Power Sean A. Power	Chief Financial Officer (principal financial and accounting officer)
/s/ Laurence N. Charney Laurence N. Charney	Director
/s/ Yann Echelard Yann Echelard	Director
/s/ Kenneth Hoberman Kenneth Hoberman	Director
/s/ Daniel Hume Daniel Hume	Director
/s/ Sagar Lonial Sagar Lonial	Director

Certain identified information has been excluded from the document because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

Exhibit 10.28

Execution Version

AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT

THIS AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT is made and dated as of December 30, 2021 and is entered into by and among TG THERAPEUTICS, INC., a Delaware corporation (the "Parent"), TG BIOLOGICS, INC., a Delaware corporation ("TG Bio"; together with Parent and each of Parent's Subsidiaries that delivers a Joinder Agreement pursuant to Section 7.13 of this Agreement, individually and collectively, jointly and severally, the "Borrower"), the several banks and other financial institutions or entities from time to time parties to this Agreement (collectively, referred to as "Lender") and HERCULES CAPITAL, INC., a Maryland corporation, in its capacity as administrative agent and collateral agent for itself and the Lender (in such capacity, the "Agent"). This Agreement amends and restates (without novation and solely pursuant to the terms herein) that certain Loan and Security Agreement dated as of February 28, 2019 (the "Prior Closing Date") by among the Borrower, Agent and the banks and other financial institutions party thereto from time to time (such banks and other financial institutions party thereto immediately prior to the effectiveness of this Agreement, collectively, the "Existing Lender") (as amended, restated, supplemented or otherwise modified prior to the date hereof, the "Existing Loan Agreement").

RECITALS

A. As of the Closing Date, the outstanding principal balance under the Existing Loan Agreement equals Seven Million, Eight Hundred Twenty-One Thousand and Seventy-Seven Dollars ($7,821,077) (the "Existing Term Loan");

B. Borrower has requested Lender to make available to Borrower one or more term loans in an aggregate principal amount of up to Two Hundred Million Dollars ($200,000,000) (collectively, the "Term Loans"); and

C. Lender is willing to make the Term Loans on the terms and conditions set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, Borrower, Agent and Lender agree as follows:

SECTION 1. DEFINITIONS AND RULES OF CONSTRUCTION

1.1 Unless otherwise defined herein, the following capitalized terms shall have the following meanings:

"Account Control Agreement(s)" means any agreement entered into by and among the Agent, Borrower and a third party bank or other institution (including a Securities Intermediary) in which Borrower maintains a Deposit Account or an account holding Investment Property and which perfects Agent's first priority security interest in the subject account or

accounts, including, without limitation, any such agreements entered into in connection with the Existing Loan Agreement.

"ACH Authorization" means the ACH Debit Authorization Agreement in substantially the form of Exhibit I, which account numbers shall be redacted for security purposes if and when filed publicly by the Borrower.

"Advance(s)" means a Term Loan Advance.

"Advance Date" means the funding date of any Advance.

"Advance Request" means a request for an Advance submitted by Borrower to Agent in substantially the form of Exhibit A, which account numbers shall be redacted for security purposes if and when filed publicly by the Borrower.

"Affiliate" means (a) any Person that directly or indirectly controls, is controlled by, or is under common control with the Person in question, (b) any Person directly or indirectly owning, controlling or holding with power to vote twenty percent (20%) or more of the outstanding voting securities of another Person, or (c) any Person twenty percent (20%) or more of whose outstanding voting securities are directly or indirectly owned, controlled or held by another Person with power to vote such securities. As used in the definition of "Affiliate," the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.

"Agent" has the meaning assigned to such term in the preamble to this Agreement.

"Agreement" means this Amended and Restated Loan and Security Agreement, as amended, restated, amended and restated, supplemented or otherwise modified from time to time.

"Amortization Date" means February 1, 2025 (the "Initial Amortization Date"); provided however that so long as no Event of Default has occurred (i) if Performance Milestone I is achieved prior to the Initial Amortization Date, then August 1, 2025 and (ii) if either (A) Performance Milestone II is achieved prior to the Initial Amortization Date (whether or not Performance Milestone I is achieved) or (B) if Performance Milestone I is achieved prior to the Initial Amortization Date, and Performance Milestone II is achieved prior to August 1, 2025, then the Term Loan Maturity Date.

"Anti-Corruption Laws" means all laws, rules, and regulations of any jurisdiction applicable to Borrower or any of its Affiliates from time to time concerning or relating to bribery or corruption, including without limitation the United States Foreign Corrupt Practices Act of 1977, as amended, the UK Bribery Act 2010 and other similar legislation in any other jurisdictions.

"Anti-Terrorism Laws" means any laws, rules, regulations or orders relating to terrorism or money laundering, including without limitation Executive Order No. 13224

(effective September 24, 2001), the USA PATRIOT Act, the laws comprising or implementing the Bank Secrecy Act, and the laws administered by OFAC.

"Ariston" means Ariston Pharmaceuticals, Inc., a Delaware corporation.

"Ariston Notes" means those certain 5% Convertible Promissory Notes issued by Ariston to the holders thereof, in an initial aggregate principal amount outstanding not in excess of $15,500,000.

"Assignee" has the meaning assigned to such term in Section 11.13.

"Biologics License Application" means an application for licensure of a biological product submitted to the FDA under 42 U.S.C. § 262 for permission to introduce, or deliver for introduction, a biologic product into interstate commerce, and all supplements or amendments thereto.

"Blocked Person" means any Person: (a) listed in the annex to, or is otherwise subject to the provisions of, Executive Order No. 13224, (b) a Person owned or controlled by, or acting for or on behalf of, any Person that is listed in the annex to, or is otherwise subject to the provisions of, Executive Order No. 13224, (c) a Person with which any Lender is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law, (d) a Person that commits, threatens or conspires to commit or supports "terrorism" as defined in Executive Order No. 13224, or (e) a Person that is named a "specially designated national" or "blocked person" on the most current list published by OFAC or other similar list.

"Borrower Products" means all products, software, service offerings, technical data or technology currently being designed, manufactured or sold by Borrower or which Borrower intends to sell, license, or distribute in the future including any products or service offerings under development, collectively, together with all products, software, service offerings, technical data or technology that have been sold, licensed or distributed by Borrower since its incorporation.

"Business Day" means any day other than Saturday, Sunday and any other day on which banking institutions in the State of California are closed for business.

"Cash" means all cash, cash equivalents (including Cash Equivalents) and liquid funds.

"Cash Equivalents" means: (a) marketable direct obligations issued or unconditionally guaranteed by the United States of America or any agency or any State thereof maturing within one year from the date of acquisition thereof having a rating of at least A-2 or P-2 from either Standard & Poor's Corporation or Moody's Investors Services at the time of acquisition; (b) commercial paper maturing no more than one year from the date of creation thereof and having a rating of at least A-2 or P-2 from either Standard & Poor's Corporation or Moody's Investors Service at the time of acquisition; (c) certificates of deposit issued by any bank with assets of at least Five Hundred Million Dollars ($500,000,000) maturing no more than one

year from the date of investment therein; (d) money market accounts; (e) repurchases of stock from former employees, directors, or consultants of Borrower under the terms of applicable repurchase agreements at the original issuance price of such securities in an aggregate amount not to exceed Seven Hundred Fifty Thousand Dollars ($750,000) in any fiscal year, provided that no Event of Default has occurred, is continuing or could exist after giving effect to the repurchases; and (f) any other Investments in cash equivalents as described in Borrower's investment policy, as such investment policy has been approved by Agent in writing.

"Change in Control" means any reorganization, recapitalization, consolidation or merger (or similar transaction or series of related transactions) of Borrower, sale or exchange of outstanding shares (or similar transaction or series of related transactions) of Borrower in which the holders of Borrower's outstanding shares immediately before consummation of such transaction or series of related transactions do not, immediately after consummation of such transaction or series of related transactions, retain shares representing more than fifty percent (50%) of the voting power of the surviving entity of such transaction or series of related transactions (or the parent of such surviving entity if such surviving entity is wholly owned by such parent), in each case without regard to whether Borrower is the surviving entity.

"Claims" has the meaning assigned to such term in Section 11.10.

"Closing Date" means the date of this Agreement.

"Code" means the Internal Revenue Code of 1986, as amended.

"Collateral" means the property described in Section 3.

"Compliance Certificate" has the meaning assigned to such term in Section 7.1(d).

"Confidential Information" has the meaning assigned to such term in Section 11.12.

"Contingent Obligation" means, as applied to any Person, any direct or indirect liability, contingent or otherwise, of that Person with respect to (i) any Indebtedness, lease, dividend, letter of credit or other obligation of another, including any such obligation directly or indirectly guaranteed, endorsed, co-made or discounted or sold with recourse by that Person, or in respect of which that Person is otherwise directly or indirectly liable; (ii) any obligations with respect to undrawn letters of credit, corporate credit cards or merchant services issued for the account of that Person; and (iii) all obligations arising under any interest rate, currency or commodity swap agreement, interest rate cap agreement, interest rate collar agreement, or other agreement or arrangement designated to protect a Person against fluctuation in interest rates, currency exchange rates or commodity prices; provided, however, that the term "Contingent Obligation" shall not include endorsements for collection or deposit in the ordinary course of business. The amount of any Contingent Obligation shall be deemed to be an amount equal to the stated or determined amount of the primary obligation in respect of which such Contingent Obligation is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by such Person in good faith; provided, however, that such

amount shall not in any event exceed the maximum amount of the obligations under the guarantee or other support arrangement.

"Copyright License" means any written agreement granting any right to use any Copyright or Copyright registration, now owned or hereafter acquired by Borrower or in which Borrower now holds or hereafter acquires any interest.

"Copyrights" means all copyrights, whether registered or unregistered, held pursuant to the laws of the United States of America, any State thereof, or of any other country.

"Default" means any event, circumstance or condition that has occurred or exists, that could, with the passage of time or the requirement that notice be given or both, unless cured or waived by Agent in its sole discretion, become an Event of Default.

"Deposit Accounts" means any "deposit accounts," as such term is defined in the UCC, and includes any checking account, savings account, or certificate of deposit.

"Disqualified Lender" means any financial institutions, investors or competitors (and any Affiliates thereof clearly identifiable as such solely on the basis of the name thereof) designated in writing by Borrower to the Agent on or prior to the Closing Date; provided that any such modification after the Closing Date to such list shall be subject to approval at the reasonable discretion of Agent, and any additional direct competitors of Borrower and its Subsidiaries that are separately identified in writing by Borrower to the Agent (and made available to Lender upon request) from time to time; provided that any subsequent designation of a competitor as a "Disqualified Lender" hereunder shall not retroactively apply to disqualify any Persons that have acquired an interest in the Loans prior to the date of such designation; provided further that Disqualified Lenders shall exclude any Person that Borrower has designated as no longer being a Disqualified Lender by written notice delivered to the Agent from time to time. Notwithstanding anything to the contrary contained in this Agreement, (a) the Agent shall not be responsible or have any liability for, or have any duty to ascertain, inquire into, monitor or enforce, compliance with the provisions hereof relating to Disqualified Lenders and (b) each of Borrower and Lender acknowledge and agree that the Agent shall have no obligation to determine whether any Lender or potential Lender is a Disqualified Lender and that the Agent shall have no liability with respect to any assignment or participation made to a Disqualified Lender.

"Domestic Subsidiary" means any Subsidiary that is not a Foreign Subsidiary.

"End of Term Charge" means any end of term charge payable pursuant to Section 2.6(b).

"Equity Interests" means, with respect to any Person, the capital stock, partnership or limited liability company interests, all warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock, partnership or limited liability company interests or other equity securities or equity ownership interests of such Person.

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

"Event of Default" has the meaning assigned to such term in Section 9.

"Excluded Accounts" means any Deposit Accounts, securities accounts or other similar accounts (i) into which there are deposited no funds other than those intended solely to cover wages for employees (and related contributions to be made on behalf of such employees to health and benefit plans) plus balances for outstanding checks for wages from prior periods provided that the aggregate amounts deposited in all such accounts shall not exceed the amount reasonably expected to be due and payable for the next two (2) succeeding pay periods; (ii) constituting Israel Discount Bank account ending [*] into which there are deposited no funds other than funds constituting cash collateral and not to exceed One Million Five Hundred Thousand Dollars ($1,500,000) at any time; (iii) into which there are deposited no funds other than those that are deposited for employee benefits (e.g. health insurance, flexible spending, retirement savings plans, etc.); (iv) zero balance accounts; and (v) other Deposit Accounts, securities accounts or similar accounts maintained in Australia by TG Australia if the amount on deposit and value in security in such account does not exceed Four Hundred Thousand Dollars ($400,000) in the aggregate at any time, after the payment of any expenses paid or to be paid within the then-next thirty (30) days pursuant to invoiced accounts payable, with any amounts on deposit in such Deposit Accounts, securities accounts or similar accounts.

"Excluded Foreign Subsidiary" means (a) any Foreign Subsidiary and (b) any Subsidiary directly or indirectly owning any Foreign Subsidiary so long as such Subsidiary's sole assets are the shares of such Foreign Subsidiary for which a guarantee or pledge by such Subsidiary or Subsidiaries would result in a material adverse tax consequence to Borrower, Parent or such Subsidiary under Section 956 of the Code, as determined by Borrower in good faith and in consultation with the Agent and Lenders.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Term Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Term Commitment or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.9, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient's failure to comply with Section 2.9(g) and (d) any withholding Taxes imposed under FATCA.

"Existing End of Term Charge" has the meaning assigned to such term in Section 2.6(a).

"Existing Lender" has the meaning assigned to such term in the preamble to this Agreement.

"Existing Loan Agreement" has the meaning assigned to such term in the preamble to this Agreement.

"Existing Loan Documents" has the meaning assigned to such term in Section 11.20.

"Existing Term Loan" has the meaning assigned to such term in the Recitals to this Agreement.

"FATCA" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention among governmental authorities and implementing such Sections of the Code.

"FDA" means the U.S. Food and Drug Administration or any successor thereto or any other comparable Governmental Authority.

"Financial Statements" has the meaning assigned to such term in Section 7.1.

"Forecast" means the projections for Borrower as delivered and accepted by Agent on November 8, 2021; provided however, that Borrower may from time to time update the Forecast with projections approved by Borrower's board of directors, subject to the consent of Agent in its sole discretion.

"Foreign Lender" means any Lender that is not a U.S. Person.

"Foreign Subsidiary" means any Subsidiary other than a Subsidiary organized under the laws of any state within the United States of America.

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

"Indebtedness" means (a) all indebtedness for borrowed money or the deferred purchase price of property or services (excluding trade credit entered into in the ordinary course of business due within one hundred and twenty (120) days or being contested, challenged or discussed in good faith), including reimbursement and other obligations with respect to surety bonds and letters of credit, (b) all obligations evidenced by notes, bonds, debentures or similar

instruments, (c) all capital lease obligations, (d) equity securities of any Person subject to repurchase or redemption other than at the sole option of such Person, (e) "earnouts," purchase price adjustments, profit sharing arrangements, deferred purchase money amounts and similar payment obligations or continuing obligations of any nature arising out of purchase and sale contracts, in each case that in accordance with GAAP would be shown on the liabilities side of the balance sheet of such Person, (f) obligations arising under bonus, deferred compensation, incentive compensation or similar arrangements (other than those arising in the ordinary course of business), (g) non-contingent obligations to reimburse any bank or Person in respect of amounts paid under a letter of credit, banker's acceptance or similar instrument, and (h) all Contingent Obligations (other than for the avoidance of doubt, any Contingent Obligations of the nature set forth in clause (e) above).

"Indemnified Taxes" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of the Borrower under any Loan Document and (b) to the extent not otherwise described in clause (a), Other Taxes.

"Initial Amortization Date" has the meaning assigned to such term in the definition of "Amortization Date".

"Initial Facility Charge" means a fee payable to Agent in an amount equal to Nine Hundred Twenty Seven Thousand Five Hundred Dollars ($927,500), fully earned and due and payable on the Closing Date.

"Insolvency Proceeding" is any proceeding by or against any Person under the United States Bankruptcy Code, or any other bankruptcy or insolvency law, including assignments for the benefit of creditors, compositions, extensions generally with its creditors, or proceedings seeking reorganization, arrangement, or other similar relief.

"Intellectual Property" means all of Borrower's Copyrights; Trademarks; Patents; Licenses; trade secrets and inventions; mask works; Borrower's applications therefor and reissues, extensions, or renewals thereof; and Borrower's goodwill associated with any of the foregoing, together with Borrower's rights to sue for past, present and future infringement of Intellectual Property and the goodwill associated therewith.

"Intercompany Subordination Agreement" means that certain Omnibus Intercompany Subordination Agreement, dated as of March 7, 2019, by and among Agent, Borrower, and each of Borrower's Subsidiaries, as amended, amended and restated, supplemented or otherwise modified from time to time.

"Investment" means any beneficial ownership (including stock, partnership or limited liability company interests) of or in any Person, or any loan, advance or capital contribution to any Person or the acquisition of all or substantially all of the assets of another Person.

"IRS" means the United States Internal Revenue Service.

"Joinder Agreements" means for each Subsidiary formed or acquired after the Closing Date in accordance with Section 7.13, a completed and executed Joinder Agreement in substantially the form attached hereto as Exhibit G.

"Lender" has the meaning assigned to such term in the preamble to this Agreement.

"License" means any Copyright License, Patent License, Trademark License or other license of rights or interests.

"Lien" means any mortgage, deed of trust, pledge, hypothecation, assignment for security, security interest, encumbrance, levy, lien or charge of any kind, whether voluntarily incurred or arising by operation of law or otherwise, against any property, any conditional sale or other title retention agreement, and any lease in the nature of a security interest.

"Loan" means the Advances made under this Agreement.

"Loan Documents" means this Agreement, the Notes (if any), the ACH Authorization, the Account Control Agreements, the Joinder Agreements, all UCC financing statements, the Warrant, the Pledge Agreement, the Existing Loan Documents and any other documents executed in connection with the Secured Obligations or the transactions contemplated hereby, as the same may from time to time be amended, restated, amended and restated, supplemented or otherwise modified.

"Market Capitalization" means, as of any date of determination, the product of (a) the number of outstanding shares of common stock publicly disclosed in the most recent filing of Borrower with the United States Securities Exchange Commission as outstanding as of such date of determination and (b) the closing price of Borrower's common stock (as quoted on Bloomberg L.P.'s page or any successor page thereto of Bloomberg L.P. or if such page is not available, any other commercially available source).

"Material Adverse Effect" means a material adverse effect upon: (i) the business, operations, properties, assets or financial condition of Borrower and its Subsidiaries taken as a whole; or (ii) the ability of Borrower taken as a whole to perform or pay the Secured Obligations in accordance with the terms of the Loan Documents, or the ability of Agent or Lender to enforce any of its rights or remedies with respect to the Secured Obligations; or (iii) the Collateral or Agent's Liens on the Collateral or the priority of such Liens.

"Maximum Term Loan Amount" means Two Hundred Million and No/100 Dollars ($200,000,000).

"Maximum Rate" has the meaning assigned to such term in Section 2.3.

"New Drug Application" means a new drug application submitted to the FDA pursuant to 21 U.S.C. § 355 for authorization for permission to introduce, or deliver for

introduction, a drug product into interstate commerce, and all supplements or amendments thereto. "Note(s)" means a Term Note.

"OFAC" means the U.S. Department of Treasury Office of Foreign Assets Control.

"OFAC Lists" means, collectively, the Specially Designated Nationals and Blocked Persons List maintained by OFAC pursuant to Executive Order No. 13224, 66 Fed. Reg. 49079 (Sept. 25, 2001) and/or any other list of terrorists or other restricted Persons maintained pursuant to any of the rules and regulations of OFAC or pursuant to any other applicable executive orders.

"Other Connection Taxes" means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

"Other Taxes" means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment.

"Parent" has the meaning assigned to such term in the preamble to this Agreement.

"Patent License" means any written agreement granting any right with respect to any invention on which a Patent is in existence or a Patent application is pending, in which agreement Borrower now holds or hereafter acquires any interest.

"Patents" means all letters patent of, or rights corresponding thereto, in the United States of America or in any other country, all registrations and recordings thereof, and all applications for letters patent of, or rights corresponding thereto, in the United States of America or any other country.

"Performance Covenant" means maintenance of T3M Net Product Revenue for the applicable monthly period (determined as of the last day of such month) greater than the lesser of (a) 70% of the T3M Net Product Revenue included in the Forecast for the applicable monthly period and (b) the outstanding amount of Secured Obligations as of the applicable date of determination, divided by 3.50.

"Performance Covenant Waiver Conditions" means as of any time of determination either (a) both Borrower's (i) Market Capitalization at such time is greater than $1,200,000,000 and (ii) Unrestricted Cash at such time is greater than or equal to fifty percent (50%) of the amount of Secured Obligations then outstanding plus the amount of Borrower's

accounts payable under GAAP not paid after the 180th day following the due date for such accounts payable, and not contested, challenged or discussed in good faith or (b) Borrower's Unrestricted Cash at such time is greater than or equal to eighty-five percent (85%) of the amount of Secured Obligations then outstanding plus the amount of Borrower's accounts payable under GAAP not paid after the 180th day following the due date for such accounts payable, and not contested, challenged or discussed in good faith.

"Performance Milestone I" means satisfaction of each of the following events: (a) no Default or Event of Default shall have occurred and be continuing; and (b) the FDA has approved: (i) a supplemental New Drug Application with respect to umbralisib; and (ii) a Biologics License Application for ublituxumab, such that the combination of ublituximab and umbralisib may be commercialized in the United States for the treatment of chronic lymphocytic leukemia with an approved label that is acceptable to Agent in its discretion (where such label supports a product profile and on-label patient population which, in Agent's discretion, support a differentiated and competitive oncology product launch).

"Performance Milestone II" means satisfaction of each of the following events: (a) no Default or Event of Default shall have occurred and be continuing; and (b) the FDA has approved the a Biologics License Application for the use of ublituximab for the treatment of relapsing forms of multiple sclerosis with an approved label that is generally consistent with that sought in Borrower's original Biologics License Application submission.

"Permitted Acquisition" shall mean any acquisition (including by way of merger) by Borrower of all or substantially all of the assets of another Person, or of a division or line of business of another Person, or capital stock of another Person, in each case located entirely within the United States of America or other such jurisdiction as approved by Agent in its reasonable discretion, which is conducted in accordance with the following requirements:

(a) such acquisition is of a business or Person engaged in a line of business related to that of the Borrower or its Subsidiaries;

(b) if such acquisition is structured as a stock acquisition, then the Person so acquired shall either (i) become a wholly-owned Subsidiary of Borrower or of a Subsidiary and the Borrower shall comply, or cause such Subsidiary to comply, with 7.13 hereof or (ii) such Person shall be merged with and into Borrower (with the Borrower being the surviving entity);

(c) if such acquisition is structured as the acquisition of assets, such assets shall be acquired by Borrower, and shall be free and clear of Liens other than Permitted Liens;

(d) the Borrower shall have delivered to Lender not less than ten (10) nor more than forty-five (45) days prior to the date of such acquisition, notice of such acquisition together with pro forma projected financial information, copies of all material documents relating to such acquisition, and historical financial statements for such acquired entity, division or line of business, in each case in form and substance reasonably satisfactory to Lender and

demonstrating compliance with the covenants set forth in Section 7.21 hereof on a pro forma basis as if the acquisition occurred on the first day of the most recent measurement period;

(e) both immediately before and after such acquisition no Default or Event of Default shall have occurred and be continuing;

(f) the sum of the cash portion of the purchase price of such proposed new acquisition, computed on the basis of total acquisition consideration paid or incurred, or to be paid or incurred, by Borrower with respect thereto, including the amount of Permitted Indebtedness assumed or to which such assets, businesses or business or ownership interest or shares, or any Person so acquired, is subject (excluding Indebtedness comprised of performance- based milestones, earnouts, or royalties that qualify as Indebtedness pursuant to clause (e) or (h) of the definition of Indebtedness so long as no payments with respect to such Indebtedness are paid or scheduled to be paid prior to the Term Loan Maturity Date), shall not be greater than Seven Million Five Hundred Thousand Dollars ($7,500,000) for all such acquisitions during the term of this Agreement; and

(g) the sum of any consideration for all such acquisitions paid in Equity Interests of Borrower shall not exceed Seven Million Five Hundred Thousand Dollars ($7,500,000) for all such acquisitions during the term of this Agreement.

"Permitted Convertible Debt Financing" means issuance by Parent of convertible notes in an aggregate principal amount of not more than Four Hundred Million Dollars ($400,000,000); provided that such convertible notes shall (a) have a scheduled maturity date no earlier than one hundred eighty (180) days after the Term Loan Maturity Date, (b) be unsecured, (c) not be guaranteed by any Subsidiary of Parent that is not a Borrower, (d) contain usual and customary subordination terms for underwritten offerings of senior subordinated convertible notes and (e) shall specifically designate this Agreement and all Secured Obligations as "designated senior indebtedness" or similar term so that the subordination terms referred to in clause (d) of this definition specifically refer to such notes as being subordinated to the Secured Obligations pursuant to such subordination terms.

"Permitted Indebtedness" means: (i) Indebtedness of Borrower in favor of Lender or Agent arising under this Agreement or any other Loan Document; (ii) Indebtedness existing on the Closing Date which is disclosed in Schedule 1A; (iii) Indebtedness of up to One Million Two Hundred Fifty Thousand Dollars ($1,250,000) outstanding at any time secured by a Lien described in clause (vii) of the defined term "Permitted Liens," provided such Indebtedness does not exceed the cost of the Equipment or the software or the intellectual property financed with such Indebtedness; (iv) Indebtedness to trade creditors incurred in the ordinary course of business, including vendor financing, the deferred purchase price for goods and services rendered under contract manufacturing and/or licensing arrangements, in each case in the ordinary course of business, or Indebtedness incurred in the ordinary course of business with corporate credit cards; (v) Indebtedness that also constitutes a Permitted Investment; (vi) Subordinated Indebtedness; (vii) reimbursement obligations in connection with letters of credit that are secured by Cash and issued on behalf of the Borrower or a Subsidiary thereof in an amount not to exceed One Million

Dollars ($1,000,000) at any time outstanding; (viii) other unsecured Indebtedness in an amount not to exceed Two Million Dollars ($2,000,000) at any time outstanding; (ix) intercompany Indebtedness subject to the Intercompany Subordination Agreement; (x) Permitted Convertible Debt Financing; (xi) Indebtedness owed to any Person (including obligations in respect of letters of credit for the benefit of such Person) providing workers' compensation, health, disability or other employee benefits or property, casualty, liability insurance, self-insurance, pursuant to reimbursement or indemnification obligations to such Person, in each case incurred in the ordinary course of business, not to exceed Five Hundred Thousand Dollars ($500,000) at any time outstanding; (xii) Indebtedness in respect of or guarantee of performance bonds, bid bonds, appeal bonds, surety bonds, performance and completion guarantees, workers' compensation claims, letters of credit, bank guarantees and banker's acceptances, warehouse receipts or similar instruments and similar obligations (other than in respect of other Indebtedness for borrowed money) including those incurred to secure health, safety and environmental obligations, in each case provided in the ordinary course of business, not to exceed Five Hundred Thousand Dollars ($500,000) at any time outstanding; (xiii) Indebtedness consisting of the financing of insurance premiums in an aggregate amount not exceeding Three Million Dollars ($3,000,000) at any time outstanding; (xiv) endorsement of instruments or other payment items for deposit in the ordinary course of business and Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn against insufficient funds in the ordinary course of business; (xv) Contingent Obligations in respect of Indebtedness otherwise constituting Permitted Indebtedness; (xvi) any Indebtedness assumed or acquired in accordance with clause (f) of the definition of Permitted Acquisition; (xvii) Indebtedness with respect of Permitted Royalty Transactions and (xviii) extensions, refinancings and renewals of any items of Permitted Indebtedness, provided that the principal amount is not increased (except by an amount equal to the lesser of (A) the existing unutilized commitments thereunder, accrued but unpaid interest thereon and a reasonable premium paid, and fees and expenses reasonably incurred, in connection with such extension, refinancing or renewal (including any fees and original issue discount incurred in respect of such resulting Indebtedness) and (B) five percent (5%) of such principal amount) or the terms modified to impose materially more burdensome terms upon Borrower or its Subsidiary, as the case may be.

"Permitted Investment" means: (i) Investments existing on the Closing Date which are disclosed in Schedule 1B; (ii) Cash Equivalents; (iii) to the extent constituting Investments, any transactions permitted pursuant to Section 7.7 or Section 7.9; (iv) Investments accepted in connection with Permitted Transfers; (v) Investments (including debt obligations) received in connection with the bankruptcy or reorganization of customers or suppliers and in settlement of delinquent obligations of, and other disputes with, customers or suppliers arising in the ordinary course of Borrower's business; (vi) Investments consisting of notes receivable of, or prepaid royalties and other credit extensions, to customers and suppliers who are not Affiliates, in the ordinary course of business, provided that this subparagraph (vi) shall not apply to Investments of Borrower in any Subsidiary; (vii) Investments consisting of loans not involving the net transfer on a substantially contemporaneous basis of cash proceeds to employees, officers or directors relating to the purchase of capital stock of Borrower pursuant to employee stock purchase plans or other similar agreements approved by Borrower's board of directors; (viii) Investments consisting of travel advances in the ordinary course of business; (ix) Investments in newly-

formed Domestic Subsidiaries, provided that each such Subsidiary enters into a Joinder Agreement promptly after its formation by Borrower and execute such other documents as shall be reasonably requested by Agent; (x) Investments in Foreign Subsidiaries approved in advance in writing by Agent; (xi) joint ventures, co-promote agreements, strategic alliances, collaboration arrangements or non-exclusive licensing arrangements with strategic pharmaceutical partners in the ordinary course of Borrower's business consisting of the nonexclusive licensing of technology, the development of technology or the providing of technical support, provided that any cash Investments by Borrower do not exceed Two Million Five Hundred Thousand Dollars ($2,500,000) in the aggregate in any fiscal year; (xii) Permitted Acquisitions; (xiii) Investments between and among Borrowers; (xiv) Investments by any Borrower in TG Australia; provided that prior to and immediately after giving effect to each such Investment, Borrower is in compliance with Section 7.14 and such Investments are used solely to fund research and development activities of TG Australia; (xv) Investments made by any Subsidiary that is not a Borrower in any Borrower; (xvi) Investments of any Person existing at the time such Person becomes a Subsidiary or consolidates, amalgamates or merges with any Borrower or any Subsidiary; provided that such Investment otherwise qualifies as a Permitted Investment and was not made in contemplation of such Person becoming a Subsidiary or such consolidation or merger; (xvii) loans or advances to officers, partners, directors, consultants and employees of any Borrower or any Subsidiary for relocation, entertainment, travel expenses, or similar expenditures in an aggregate amount not to exceed Five Hundred Thousand Dollars ($500,000) at any time outstanding; (xviii) Investments in connection with in-licensing transactions that do not exceed an aggregate amount equal to Seven Million Five Hundred Thousand Dollars ($7,500,000) *minus* the aggregate amount of all consideration paid for Permitted Acquisitions pursuant to clause (f) of the definition of Permitted Acquisition, (xix) additional Investments (excluding Investments in connection with in-licensing transactions) that do not exceed an aggregate amount equal to Two Million Five Hundred Thousand Dollars ($2,500,000) and (xx) other Investments described in Borrower's investment policy, as such investment policy has been approved by Agent in writing.

"Permitted Liens" means any and all of the following: (i) Liens in favor of Agent or Lender; (ii) Liens existing on the Closing Date which are disclosed in Schedule 1C; (iii) Liens for taxes, fees, assessments or other governmental charges or levies, either not delinquent or not overdue by more than 30 days or being contested in good faith by appropriate proceedings; provided, that Borrower maintains adequate reserves therefor in accordance with GAAP; (iv) Liens securing claims or demands of materialmen, artisans, mechanics, carriers, warehousemen, landlords and other like Persons arising in the ordinary course of Borrower's business and imposed by law or without action of such parties; provided, that the payment thereof is either not yet required or not overdue by more than 30 days or being contested in good faith by appropriate proceedings; (v) Liens arising from judgments, decrees or attachments in circumstances which do not constitute an Event of Default hereunder; (vi) the following deposits, to the extent made in the ordinary course of business: deposits under worker's compensation, unemployment insurance, social security and other similar laws, or to secure the performance of bids, tenders or contracts (other than for the repayment of borrowed money) or to secure indemnity, performance or other similar bonds for the performance of bids, tenders or contracts (other than for the repayment of borrowed money) or to secure statutory obligations (other than Liens arising under ERISA or environmental Liens) or surety or appeal bonds, or to secure

indemnity, performance or other similar bonds; (vii) Liens on Equipment or software or other intellectual property constituting purchase money Liens and Liens in connection with capital leases securing Indebtedness permitted by clause (iii) of the definition of Permitted Indebtedness; (viii) Liens incurred in connection with Subordinated Indebtedness; (ix) leasehold interests in leases or subleases; (x) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of custom duties that are promptly paid on or before the date they become due; (xi) Liens on insurance proceeds securing the payment of financed insurance premiums that are promptly paid on or before the date they become due (provided that such Liens extend only to such insurance proceeds and not to any other property or assets); (xii) statutory and common law rights of set-off and other similar rights as to deposits of cash and securities in favor of banks, other depository institutions and brokerage firms; (xiii) easements, zoning restrictions, rights-of-way and similar encumbrances on real property imposed by law or arising in the ordinary course of business so long as they do not materially impair the value or marketability of the related property; (xiv) (A) Liens on Cash or Cash Equivalents securing obligations permitted under clause (vii) of the definition of Permitted Indebtedness and (B) security deposits in connection with real property leases, the combination of (A) and (B) in an aggregate amount not to exceed Two Million Five Hundred Thousand Dollars ($2,500,000) at any time; (xv) any Lien existing on any property or asset prior to the acquisition thereof by the Borrower or any Subsidiary or existing on any property or asset of any Person that became or becomes a Subsidiary after the Closing Date prior to the time such Person became or becomes a Subsidiary, in each case as contemplated by the definition of Permitted Acquisition and solely to the extent otherwise constituting Permitted Liens; (xvi) Liens of a collecting bank arising in the ordinary course of business under Section 4-208 or Section 4-210, as applicable, of the Uniform Commercial Code in effect in the relevant jurisdiction covering only the items being collected upon; (xvii) the filing of Uniform Commercial Code (or equivalent) financing statements solely as a precautionary measure in connection with operating leases provided that such Liens and collateral descriptions in such financing statements be limited to such specific operating leases and not all assets or substantially all assets of any Borrower or Subsidiary; (xviii) licenses or sublicenses permitted hereunder; (xix) Liens solely on the royalty interest pursuant to Permitted Royalty Transactions and proceeds thereof; and (xx) Liens incurred in connection with the extension, renewal or refinancing of the Indebtedness secured by Liens of the type described in clauses (i) through (xix) above; provided, that any extension, renewal or replacement Lien shall be limited to the property encumbered by the existing Lien and the principal amount of the Indebtedness being extended, renewed or refinanced (as may have been reduced by any payment thereon) does not increase, except for the lesser of (A) an amount equal to any accrued but unpaid interest (including any portion thereof which is payable in kind in accordance with the terms of such extended, renewed or replaced Indebtedness) and premium payable by the terms of such obligations thereon and reasonable fees and expenses associated therewith and (B) five percent (5%) of such principal amount.

"Permitted Royalty Transaction" means any synthetic royalty participations (and not royalty purchases or buyouts) with respect to Borrower's product candidates whereby Borrower receives upfront Unrestricted Cash (including, not subject to any redemption, clawback, escrow or similar encumbrance or restriction) in exchange for rights to participation payments based on net sales of such product candidates; provided that such royalty participation shall (a) to

the extent required by the Agent, be subordinated to the Secured Obligations pursuant to an agreement among lenders, subordination or intercreditor agreement in form and substance satisfactory to Agent in its sole discretion (including, without limitation that this Agreement and all Secured Obligations shall be designated as "designated senior indebtedness" or similar term under the applicable subordination provisions), (b) not have a scheduled maturity date earlier than one hundred eighty (180) days after the Term Loan Maturity Date, (c) not be secured by any Lien or other security interest on any Intellectual Property and (d) otherwise be on terms and with a purchaser satisfactory to Agent.

"Permitted Transfers" means (i) sales of Inventory in the ordinary course of business; (ii) non-exclusive licenses and similar arrangements for the use of Intellectual Property in the ordinary course of business (including in the context of joint ventures, strategic alliances, collaboration arrangements or licensing arrangements) and licenses that could not result in a legal transfer of title of the licensed property but that may be exclusive in respects other than territory and that may be exclusive as to territory only as to discreet geographical areas outside of the United States of America in the ordinary course of business; (iii) dispositions of worn-out, obsolete or surplus Equipment at fair market value in the ordinary course of business; (iv) other transfers of assets having a fair market value of not more than One Million Dollars ($1,000,000) in the aggregate in any fiscal year; (v) any issuance or sale by Borrower or any Subsidiary of its Equity Interests or other securities, in each case to the extent otherwise permitted pursuant to this Agreement; (vi) sales, transfers, leases and other dispositions of property to the extent that such property constitutes an Investment that is a Permitted Investment; (vii) sales, transfers, leases and other dispositions of property to any Borrower; (viii) leases or licenses or subleases or sublicenses entered into in the ordinary course of business (other than in respect of Intellectual Property), in each case, in connection with real property; (ix) any distributions, dividends, repurchases or redemptions permitted pursuant to Section 7.7; (x) converting any Indebtedness to equity interests; (xi) transfers of Cash pursuant to transactions not prohibited herein and in the ordinary course of business; and (xii) Permitted Royalty Transactions.

"Person" means any individual, sole proprietorship, partnership, joint venture, trust, unincorporated organization, association, corporation, limited liability company, institution, other entity or government. "Pledge Agreement" means the Pledge Agreement, dated as of the Prior Closing Date, between Borrower and Agent, as the same may from time to time be amended, restated, amended and restated, supplemented or otherwise modified.

"Prepayment Charge" has the meaning assigned to such term in Section 2.5.

"Prior Closing Date" has the meaning assigned to such term in the preamble to this Agreement.

"Receivables" means (i) all of Borrower's Accounts, Instruments, Documents, Chattel Paper, Supporting Obligations, letters of credit, proceeds of any letter of credit, and Letter of Credit Rights, and (ii) all customer lists, software, and business records related thereto.

"Recipient" means (a) the Agent, or (b) any Lender.

"Register" has the meaning assigned to such term in Section 11.7.

"Related Parties" means, with respect to any specified Person, such Person's Affiliates and the respective partners, directors, officers, employees, trustees, agents and advisors of such Person and such Person's Affiliates.

"Required Lenders" means at any time, the holders of more than 50% of the sum of the aggregate unpaid principal amount of the Term Loans then outstanding.

"Restricted License" is any material License or other agreement with respect to which Borrower is the licensee (a) that prohibits or otherwise restricts Borrower from granting a security interest in Borrower's interest in such License or agreement or any other property, or (b) for which a default under or termination of could interfere with the Agent's right to sell any Collateral.

"Safety Notices" has the meaning assigned to such term in Section 5.11.

"Sanctioned Country" means, at any time, a country or territory which is the subject or target of any Sanctions.

"Sanctioned Person" means, at any time, (a) any Person listed in any Sanctions- related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, or by the United Nations Security Council, the European Union or any EU member state, (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person controlled by any such Person.

"Sanctions" means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, or (b) the United Nations Security Council, the European Union or Her Majesty's Treasury of the United Kingdom.

"SBA" has the meaning assigned to such term in Section 7.16.

"SBIC" has the meaning assigned to such term in Section 7.16.

"SBIC Act" has the meaning assigned to such term in Section 7.16.

"SEC" means the Securities and Exchange Commission.

"Secured Obligations" means Borrower's obligations under this Agreement and any Loan Document (other than the Warrant), including any obligation to pay any amount now owing or later arising.

"Securities Act" means the Securities Act of 1933, as amended.

"Subordinated Indebtedness" means Indebtedness subordinated to the Secured Obligations in amounts and on terms and conditions satisfactory to Agent in its sole discretion and subject to a subordination agreement in form and substance satisfactory to Agent in its sole discretion.

"Subsequent Financing" means the closing of any Borrower financing which becomes effective after the Closing Date.

"Subsidiary" means an entity, whether corporate, partnership, limited liability company, joint venture or otherwise, in which Borrower owns or controls 50% or more of the outstanding voting securities, including each entity listed on Schedule 1 hereto. Unless otherwise specifically set forth herein, reference to a Subsidiary shall be deemed to be a reference to a Subsidiary of Parent.

"T3M Net Product Revenue" means Borrower's net product revenue (as determined in accordance with GAAP) solely from the sale of ublituximab and umbralisib and any other proprietary assets of the Borrower (which may include royalty, profit sharing, or sales- based milestone revenue recognized in accordance with GAAP, but which shall not include any upfront or non-sales-based milestone payments under business development or licensing transactions), measured on a trailing three-month basis as of the date of the most recently delivered monthly financial statement in accordance with Section 7.1(a). For the avoidance of doubt, net product revenue shall not include any of the following to the extent not recognizable as revenue in accordance with GAAP (i) trade, quantity and cash discounts allowed by Borrower, (ii) discounts, refunds, rebates, charge backs, retroactive price adjustment and any other allowances which effectively reduce net selling price, (iii) product returns and allowances, (iv) allowances for shipping or other distribution expenses, (v) set-offs and counterclaims, and (vi) any other similar and customary deductions that are typically deducted from gross revenue and not included in net revenue in accordance with GAAP. Notwithstanding anything to the contrary herein, T3M Net Product Revenue shall not include any royalty payments associated with a Permitted Royalty Transaction or otherwise.

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any governmental authority responsible for the assessment and collection of taxes, including any interest, additions to tax or penalties applicable thereto.

"Term Commitment" means as to any Lender, the obligation of such Lender, if any, to make a Term Loan Advance to the Borrower in a principal amount not to exceed the amount set forth under the heading "Term Commitment" opposite such Lender's name on Schedule 1.1.

"Term Loan Advance" means each Tranche 1 Advance, Tranche 2 Advance, Tranche 3 Advance, Tranche 4 Advance and any other Term Loan funds advanced under this Agreement.

"Term Loan Cash Interest Rate" means, for any day a per annum rate of interest equal to the greater of either (i) the "prime rate" as reported in The Wall Street Journal plus 2.15%, and (ii) 5.40%.

"Term Loan PIK Interest" has the meaning set forth in Section 2.2(c)(ii).

"Term Loan PIK Interest Rate" means, for any day a per annum rate of interest equal to 3.45%.

"Term Loan Maturity Date" means January 1, 2026.

"Term Note" means a secured term promissory note in substantially the form of Exhibit B.

"TG Australia" means TG Therapeutics AUS Pty Ltd, a proprietary limited company organized under the laws of Australia.

"TG Bio" has the meaning assigned to such term in the preamble to this Agreement.

"Trademark License" means any written agreement granting any right to use any Trademark or Trademark registration, now owned or hereafter acquired by Borrower or in which Borrower now holds or hereafter acquires any interest.

"Trademarks" means all trademarks (registered, common law or otherwise) and any applications in connection therewith, including registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States of America, any State thereof or any other country or any political subdivision thereof.

"Tranche 1 Advance" has the meaning assigned to such term in Section 2.2(a).

"Tranche 2 Advance" has the meaning assigned to such term in Section 2.2(a).

"Tranche 2 Facility Charge" means one half of one percent (0.50%) of the aggregate Tranche 2 Advances, which is payable to Lender in accordance with Section 4.2(d).

"Tranche 3 Advance" has the meaning assigned to such term in Section 2.2(a).

"Tranche 3 Facility Charge" means one half of one percent (0.50%) of the aggregate Tranche 3 Advances, which is payable to Lender in accordance with Section 4.2(e).

"Tranche 4 Advance" has the meaning assigned to such term in Section 2.2(a).

"Tranche 4 Facility Charge" means three quarters of one percent (0.75%) of the aggregate Tranche 4 Advances, which is payable to Lender in accordance with Section 4.2(f).

"UCC" means the Uniform Commercial Code as the same is, from time to time, in effect in the State of California; provided, that in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection or priority of, or remedies with respect to, Agent's Lien on any Collateral is governed by the Uniform Commercial Code as the same is, from time to time, in effect in a jurisdiction other than the State of California, then the term "UCC" shall mean the Uniform Commercial Code as in effect, from time to time, in such other jurisdiction solely for purposes of the provisions thereof relating to such attachment, perfection, priority or remedies and for purposes of definitions related to such provisions.

"Unrestricted Cash" means unrestricted Cash held by Borrower in account(s) subject to an Account Control Agreement in favor of Agent.

"U.S. Person" means any Person that is a "United States person" as defined in Section 7701(a)(30) of the Code.

"Warrant" means any warrant entered into in connection with the Existing Term Loan or the Loan, in each case as may be amended, restated, amended and restated, supplemented or otherwise modified from time to time.

"Withholding Agent" means the Borrower and the Agent.

Unless otherwise specified, all references in this Agreement or any Annex or Schedule hereto to a "Section," "subsection," "Exhibit," "Annex," or "Schedule" shall refer to the corresponding Section, subsection, Exhibit, Annex, or Schedule in or to this Agreement. Unless otherwise specifically provided herein, any accounting term used in this Agreement or the other Loan Documents shall have the meaning customarily given such term in accordance with GAAP, and all financial computations hereunder shall be computed in accordance with GAAP, consistently applied. Unless otherwise defined herein or in the other Loan Documents, terms that are used herein or in the other Loan Documents and defined in the UCC shall have the meanings given to them in the UCC. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Equity Interests at such time.

SECTION 2. THE LOAN

2.1 [Reserved.]

2.2 Term Loan.

(a) Advances.

(i) Agent, Lender and Borrower acknowledge that prior to the Closing Date, Borrower has drawn the Existing Term Loan.

(ii) Subject to the terms and conditions of this Agreement, Lender will severally (and not jointly) make in an amount not to exceed its respective Term Commitment, and Borrower agrees to draw, a Term Loan Advance of Seventy Million Dollars ($70,000,000) on the Closing Date (the "Tranche 1 Advance"), a portion of which shall be used by Borrower on the Closing Date to repay the Existing Term Loan in full pursuant to Section 4.1(h). Subject to the terms and conditions of this Agreement, beginning on the date Borrower achieves Performance Milestone I and continuing through December 31, 2022, Borrower may request and Lender shall make an additional Term Loan Advance in a principal amount of Twenty Million Dollars ($20,000,000) (the "Tranche 2 Advance"). Subject to the terms and conditions of this Agreement, beginning on the date Borrower achieves Performance Milestone II and continuing through March 31, 2023, Borrower may request and Lender shall make up to two additional Term Loan Advances in an aggregate principal amount of up to Forty- Five Million Dollars ($45,000,000) with a minimum initial increment of Twenty- Five Million Dollars ($25,000,000) (each a "Tranche 3 Advance"); provided that the principal amount of the second Tranche 3 Advance (if any) shall equal Forty-Five Million Dollars ($45,000,000) *minus* the principal amount of the initial Tranche 3 Advance. Subject to the terms and conditions of this Agreement, and conditioned on approval by Lenders' investment committee in its sole discretion, prior to the Amortization Date, Borrower may request additional Term Loan Advances in an aggregate principal amount of up to Sixty-Five Million Dollars ($65,000,000), in minimum increments of Five Million Dollars ($5,000,000) (each, a "Tranche 4 Advance"). The aggregate outstanding Term Loan Advances may be up to but shall not exceed the Maximum Term Loan Amount plus, for the avoidance of doubt, any amount equal to the Term Loan PIK Interest added to principal pursuant to Section 2.2(c)(ii).

(b) Advance Request. To obtain a Term Loan Advance, Borrower shall complete, sign and deliver an Advance Request at least five (5) Business Days before the proposed Advance Date (other than the Tranche 1 Advance to be made on the Closing Date, for which Borrower shall complete, sign and deliver an Advance Request at least one (1) Business Day prior to the Closing Date) to Agent. Lender shall fund the Term Loan Advance in the manner requested by the Advance Request provided that each of the conditions precedent to such Term Loan Advance is satisfied as of the requested Advance Date.

(c) Interest.

(i) Term Loan Cash Interest Rate. In addition to interest accrued pursuant to the Term Loan PIK Interest Rate, the principal balance (including, for the avoidance of doubt, any amount equal to the Term Loan PIK Interest added to

principal pursuant to Section 2.2(c)(ii)) of each Term Loan Advance shall bear interest thereon from such Advance Date (or from the date such amount equal to the Term Loan PIK Interest is added to the principal) at the Term Loan Cash Interest Rate) based on a year consisting of 360 days, with interest computed daily based on the actual number of days elapsed. The Term Loan Cash Interest Rate will float and change on the day the "prime rate" as reported in the Wall Street Journal changes from time to time.

(ii) Term Loan PIK Interest Rate. In addition to interest accrued pursuant to the Term Loan Cash Interest Rate, the principal balance of each Term Loan Advance shall bear interest thereon from such Advance Date at the Term Loan PIK Interest Rate based on a year consisting of 360 days, with interest computed daily based on the actual number of days elapsed (the "Term Loan PIK Interest"), which amount shall be added to the outstanding principal balance and so capitalized so as to increase the outstanding principal balance of such Term Loan Advance on each payment date for such Advance and which amount shall be payable when the principal amount of the applicable Advance is payable in accordance with Section 2.2(d).

(d) Payment. Borrower will pay interest on the Term Loan Advance on the first (1st) Business Day of each month, beginning on the first (1st) Business Day of the month after the Advance Date continuing until the Amortization Date. Borrower shall repay the principal balance of the Term Loan Advance that is outstanding as of the day immediately preceding the Amortization Date, in equal monthly installments of principal and interest beginning on the Amortization Date and continuing on the first (1st) Business Day of each month thereafter until the Secured Obligations are repaid; provided, that if the Term Loan Cash Interest Rate is adjusted in accordance with its terms, or the Amortization Date or the Term Loan Maturity Date is extended, the amount of each subsequent monthly installment shall be recalculated so that the remaining payments shall be equal monthly installments of principal and interest beginning on the first (1st) Business Day of the month following such recalculation and continuing on the first (1st) Business Day of each month thereafter until the Secured Obligations are repaid in full. The entire remaining principal balance of the Term Loan Advance and all accrued but unpaid interest hereunder, shall be due and payable on the Term Loan Maturity Date. Borrower shall make all payments under this Agreement without setoff, recoupment or deduction and regardless of any counterclaim or defense. Lender will initiate debit entries to the Borrower's account as authorized on the ACH Authorization (i) on each payment date of all periodic obligations payable to Lender with respect to the Term Loan Advance and (ii) out-of-pocket legal fees and costs incurred by Agent or Lender in connection with Section 11.11 of this Agreement; provided that, with respect to clause (i) above, in the event that Lender or Agent informs Borrower that Lender will not initiate a debit entry to such Borrower's account for a certain amount of the periodic obligations due on a specific payment date, Borrower shall pay to Lender such amount of periodic obligations in full in immediately available funds on such payment date; provided, further, that, with respect to clause (i) above, if Lender or Agent informs Borrower that

Lender will not initiate a debit entry as described above later than the date that is three (3) Business Days prior to such payment date, Borrower shall pay to Lender such amount of periodic obligations in full in immediately available funds on the date that is three (3) Business Days after the date on which Lender or Agent notifies Borrower thereof; provided, further, that, with respect to clause (ii) above, in the event that Lender or Agent informs Borrower that Lender will not initiate a debit entry to a Borrower's account for specified out-of-pocket legal fees and costs incurred by Agent or Lender, Borrower shall pay to Lender such amount in full in immediately available funds within three (3) Business Days.

2.3 Maximum Interest. Notwithstanding any provision in this Agreement or any other Loan Document, it is the parties' intent not to contract for, charge or receive interest at a rate that is greater than the maximum rate permissible by law that a court of competent jurisdiction shall deem applicable hereto (which under the laws of the State of California shall be deemed to be the laws relating to permissible rates of interest on commercial loans) (the "Maximum Rate"). If a court of competent jurisdiction shall finally determine that Borrower has actually paid to Lender an amount of interest in excess of the amount that would have been payable if all of the Secured Obligations had at all times borne interest at the Maximum Rate, then such excess interest actually paid by Borrower shall be applied as follows: first, to the payment of the Secured Obligations consisting of the outstanding principal; second, after all principal is repaid, to the payment of Lender's accrued interest, costs, expenses, professional fees and any other Secured Obligations; and third, after all Secured Obligations are repaid, the excess (if any) shall be refunded to Borrower.

2.4 Default Interest. In the event any payment is not paid on the scheduled payment date, an amount equal to four percent (4%) of the past due amount shall be payable on demand. In addition, upon the occurrence and during the continuation of an Event of Default hereunder, all Secured Obligations, including principal, interest, compounded interest, and professional fees, shall bear interest at a rate per annum equal to the rate set forth in Section 2.2(c), plus four percent (4%) per annum. In the event any interest is not paid when due hereunder, delinquent interest shall be added to principal and shall bear interest on interest, compounded at the rate set forth in Section 2.2(c) or Section 2.4, as applicable.

2.5 Prepayment. At its option upon written notice to Agent, Borrower may prepay all or any portion of the outstanding Advances by paying the entire principal balance (or portion thereof, which portion shall include a proportionate amount of initial principal of the applicable Advances being prepaid, and principal attributable to Term Loan PIK Interest added to the outstanding principal balance of such Advances pursuant to Section 2.2(c)(ii)), all accrued and unpaid interest thereon, together with a prepayment charge equal to the following percentage of the Advance amount being prepaid: (a) with respect to the initial principal amount of each Advance being prepaid, if such Advance amounts are prepaid on or prior to the first (1st) anniversary of the Closing Date, 2.00%; after the first (1st) anniversary but on or prior to the second (2nd) anniversary of the Closing

Date, 1.50%; after the second (2nd) anniversary but on or prior to the third (3rd) anniversary of the Closing Date, 1.00%; and thereafter, 0.00% and (b) with respect to the principal attributable to Term Loan PIK Interest added to the outstanding principal balance of the Advances pursuant to Section 2.2(c)(ii), if such Advance amounts are prepaid on or prior to the thirty (30) month anniversary of the Closing Date, 1.00%; and thereafter, 0.00% (clauses (a) and (b), collectively, the "Prepayment Charge"). Borrower agrees that the Prepayment Charge is a reasonable calculation of Lender's lost profits in view of the difficulties and impracticality of determining actual damages resulting from an early repayment of the Advances. Borrower shall prepay the outstanding amount of all principal and accrued interest through the prepayment date and the Prepayment Charge upon the occurrence of a Change in Control. Notwithstanding the foregoing, no Prepayment Charge will be required to be paid in connection with any prepayment if such prepayment is made in connection with a refinancing of the Advances with Agent and Lender (such refinancing to be made in Agent and Lenders' sole and absolute discretion) prior to the Term Loan Maturity Date. Any amounts paid under this Section shall be applied by Agent to the then unpaid amount of any Secured Obligations (including principal and interest) in such order and priority as Agent may choose in its sole discretion.

2.6 End of Term Charge.

(a) On the earliest to occur of (i) March 1, 2022, (ii) the date that Borrower prepays the outstanding Secured Obligations (other than any inchoate indemnity obligations and any other obligations which, by their terms, are to survive the termination of this Agreement) in full, or (iii) the date that the Secured Obligations become due and payable, Borrower shall pay Existing Lender a charge equal to Nine Hundred Seventy- Five Thousand Dollars ($975,000) in respect of the Existing Term Loan, which payment will, for the avoidance of doubt, satisfy the "End of Term Charge" referred to in the Existing Loan Agreement. Notwithstanding the required payment date of such charge, it shall be deemed earned by Existing Lender as of the Prior Closing Date (the "Existing End of Term Charge").

(b) On the earliest to occur of (i) the Term Loan Maturity Date, (ii) the date that Borrower prepays the outstanding Secured Obligations (other than any inchoate indemnity obligations and any other obligations which, by their terms, are to survive the termination of this Agreement) in full, or (iii) the date that the Secured Obligations become due and payable, Borrower shall pay Lender a charge equal to 5.95% of the aggregate principal amount of the Term Loan Advances. Notwithstanding the required payment date of such charge, the applicable pro rata portion of the End of Term Charge shall be deemed earned by Lender as of the applicable Advance Date.

2.7 Notes. If so requested by Lender by written notice to Borrower, then Borrower shall execute and deliver to Lender (and/or, if applicable and if so specified in such notice, to any Person who is an assignee of Lender pursuant to Section 11.13) (promptly after the Borrower's receipt of such notice) a Note or Notes to evidence Lender's Loans.

2.8 Pro Rata Treatment. Each payment (including prepayment) on account of any fee and any reduction of the Term Loans shall be made pro rata according to the Term Commitments of the relevant Lender.

2.9 Taxes.

(a) Defined Terms. For purposes of this Section, the term "applicable law" includes FATCA.

(b) Payments Free of Taxes. Any and all payments by or on account of any obligation of the Borrower under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by a Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant governmental authority in accordance with applicable law and, if such Tax is an Indemnified Tax, then the sum payable by the Borrower shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding of Indemnified Taxes been made.

(c) Payment of Other Taxes by Borrower. The Borrower shall timely pay to the relevant governmental authority in accordance with applicable law, or at the option of the Agent timely reimburse it for the payment of, any Other Taxes.

(d) Indemnification by Borrower. The Borrower shall indemnify each Recipient, within 10 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant governmental authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender (with a copy to the Agent), or by the Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(e) Indemnification by the Lenders. Each Lender shall severally indemnify the Agent, within 10 days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that the Borrower has not already indemnified the Agent for such Indemnified Taxes and without limiting the obligation of the Borrower to do so), and (ii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were

correctly or legally imposed or asserted by the relevant governmental authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Agent to the Lender from any other source against any amount due to the Agent under this paragraph (e).

(f) Evidence of Payments. As soon as practicable after any payment of Taxes by the Borrower to a governmental authority pursuant to this Section, the Borrower shall deliver to the Agent the original or a certified copy of a receipt issued by such governmental authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Agent.

(g) Status of Lenders.

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower and the Agent, at the time or times reasonably requested by the Borrower or the Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Agent as will enable the Borrower or the Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in paragraphs (g)(ii)(1), (ii)(2) and (iv) of this Section) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing, in the event that the Borrower is a U.S. Person,

1. any Lender that is a U.S. Person shall deliver to the Borrower and the Agent on or before the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding Tax;

2. any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Agent (in such number of

copies as shall be requested by the recipient) on or before the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Agent), whichever of the following is applicable:

A. in the case of a Foreign Lender claiming the benefits of an income Tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such Tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such Tax treaty;

B. executed copies of IRS Form W-8ECI;

C. in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit K-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, or a "controlled foreign corporation" related to the Borrower as described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) executed copies of IRS Form W- 8BEN or IRS Form W 8BEN-E; or

D. to the extent a Foreign Lender is not the beneficial owner, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN, IRS Form W 8BEN-E, a U.S. Tax Compliance Certificate substantially in the form of Exhibit K-2 or Exhibit K-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit K-4 on behalf of each such direct and indirect partner;

(iii) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Agent (in such number of copies as shall be

requested by the recipient) on or about the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Agent), executed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower or the Agent to determine the withholding or deduction required to be made; and

(iv) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Agent as may be necessary for the Borrower and the Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount, if any, to deduct and withhold from such payment. Solely for purposes of this clause (iv), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(h) Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Agent in writing of its legal inability to do so.

(i) Treatment of Certain Refunds. If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section (including by the payment of additional amounts pursuant to this Section), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant governmental authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (i) (plus any penalties, interest or other charges imposed by the relevant governmental authority) in the event that such indemnified party is required to repay such refund to such governmental authority. Notwithstanding anything to the contrary in this paragraph (i), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (i) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax

subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(j) Survival. Each party's obligations under this Section shall survive the resignation or replacement of the Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Term Commitment and the repayment, satisfaction or discharge of all obligations under any Loan Document.

2.10 Borrower agrees that the Existing End of Term Charge, any Prepayment Charge and any End of Term Charge (collectively, the "Prepayment and End of Term Charges") payable shall be presumed to be the liquidated damages sustained by each Lender as the result of the early termination, and Borrower agrees that it is reasonable under the circumstances existing as of the Closing Date (and, with respect to the Existing End of Term Charge as of the Prior Closing Date). The Prepayment and End of Term Charges shall also be payable in the event the Secured Obligations (and/or this Agreement) are satisfied or released by foreclosure (whether by power of judicial proceeding), deed in lieu of foreclosure, or by any other means. Borrower expressly waives (to the fullest extent it may lawfully do so) the provisions of any present or future statute or law that prohibits or may prohibit the collection of the foregoing Prepayment and End of Term Charges in connection with any such acceleration. Borrower agrees (to the fullest extent that each may lawfully do so): (a) each of the Prepayment and End of Term Charges is reasonable and is the product of an arm's length transaction between sophisticated business people, ably represented by counsel; (b) each of the Prepayment and End of Term Charges shall be payable notwithstanding the then prevailing market rates at the time payment is made; (c) there has been a course of conduct between the Lenders and Borrower giving specific consideration in this transaction for such agreement to pay each of the Prepayment and End of Term Charges as a charge (and not interest) in the event of prepayment or acceleration; (d) Borrower shall be estopped from claiming differently than as agreed to in this paragraph. Borrower expressly acknowledges that their agreement to pay each of the Prepayment Charge and the End of Term Charge to the Lenders as herein described was on the Closing Date (and, with respect to the Existing End of Term Charge as of the Prior Closing Date), and continues to be, a material inducement to the Lenders to provide the Term Loans.

SECTION 3. <u>SECURITY INTEREST</u>

3.1 As security for the prompt and complete payment when due (whether on the payment dates or otherwise) of all the Secured Obligations, Borrower grants, and reaffirms the grant provided under the Existing Loan Agreement and all Existing Loan Documents, to Agent a security interest in all of Borrower's right, title, and interest in, to and under all of Borrower's personal property and other assets (other than any Intellectual Property) including without limitation the following (except as set forth herein) whether now owned

or hereafter acquired (collectively, the "Collateral"): (a) Receivables; (b) Equipment; (c) Fixtures; (d) General Intangibles (other than Intellectual Property); (e) Inventory; (f) Investment Property; (g) Deposit Accounts; (h) Cash; (i) Goods; and all other tangible and intangible personal property of Borrower whether now or hereafter owned or existing, leased, consigned by or to, or acquired by, Borrower and wherever located, and any of Borrower's property in the possession or under the control of Agent; and, to the extent not otherwise included, all Proceeds of each of the foregoing and all accessions to, substitutions and replacements for, and rents, profits and products of each of the foregoing; provided, however, that the Collateral shall include all Accounts and General Intangibles that consist of rights to payment and proceeds from the sale, licensing or disposition of all or any part, or rights in, the Intellectual Property (the "Rights to Payment"). Notwithstanding the foregoing, if a judicial authority (including a U.S. Bankruptcy Court) holds that a security interest in the underlying Intellectual Property is necessary to have a security interest in the Rights to Payment, then the Collateral shall automatically, and effective as of the date of this Agreement, include the Intellectual Property to the extent necessary to permit perfection of Agent's security interest in the Rights to Payment.

3.2 Notwithstanding the broad grant of the security interest set forth in Section 3.1 above, the Collateral shall not include (a) licenses or other contracts, which by their terms require the consent of the licensor thereof or another party for a grant of a security interest therein or the assignment thereof or in any assets subject thereto (but only to the extent such prohibition on transfer is enforceable under applicable law, including, without limitation, Sections 9406, 9407 and 9408 of the UCC), (b) any property and assets the pledge of which would require governmental consent, approval, license or authorization or is prohibited or restricted by applicable law (after giving effect to the applicable anti-assignment provisions of the UCC or other applicable law), (c) Equipment or other assets otherwise constituting Collateral owned by Borrower on the date hereof or hereafter acquired that is subject to a Lien securing purchase money Indebtedness or capital lease obligations permitted to be incurred pursuant to the provisions of this Agreement if the contract or other agreement in which such Lien is granted (or the documentation providing for such purchase money Indebtedness or capital lease obligations) validly prohibits the creation of any other Lien on such Equipment or such other asset, (d) Excluded Accounts, or (e) more than 65% of the presently existing and hereafter arising issued and outstanding shares of capital stock owned by Borrower of any Excluded Foreign Subsidiary which shares entitle the holder thereof to vote for directors or any other matter; provided that with respect to clauses (a), (b) and (c), upon termination of such prohibition, such interest shall immediately become Collateral without any action by Borrower, Agent or Lender.

SECTION 4. CONDITIONS PRECEDENT TO LOAN

The obligations of Lender to make the Loan hereunder are subject to the satisfaction by Borrower of the following conditions:

4.1 Closing Date Advance. On or prior to the Closing Date, Borrower shall have delivered to Agent the following:

(a) executed copies of the Loan Documents (including the Warrant; provided that an original of the Warrant shall be delivered to Agent within three (3) Business Days of the Closing Date), Account Control Agreements with respect to each of Borrower's Deposit Accounts and securities accounts as of the Closing Date (subject to Section 7.22(a) and other than Excluded Accounts), all other documents and instruments reasonably required by Agent to effectuate the transactions contemplated hereby or to create and perfect the Liens of Agent with respect to all Collateral, in all cases in form and substance reasonably acceptable to Agent;

(b) a legal opinion of Borrower's counsel, in form and substance reasonably acceptable to Agent;

(c) certified copy of resolutions of Borrower's board of directors evidencing approval of (i) the Loan and other transactions evidenced by the Loan Documents; and (ii) the Warrant and transactions evidenced thereby;

(d) certified copies of the Certificate of Incorporation and the Bylaws, as amended through the Closing Date, of Borrower;

(e) a certificate of good standing for Borrower from its state of incorporation and similar certificates from all other jurisdictions in which it is qualified to do business and where the failure to be so qualified could reasonably be expected to have a Material Adverse Effect;

(f) payment of the Initial Facility Charge and reimbursement of Agent's and Lender's current expenses reimbursable pursuant to this Agreement, which amounts may be deducted from the Tranche 1 Advance;

(g) all certificates of insurance and copies of each insurance policy required pursuant to Section 6.1 and 6.2 hereof;

(h) payment in full of the Existing Term Loan and all other Secured Obligations (as defined in the Existing Loan Agreement) in respect of the Existing Loan Agreement and the other Existing Loan Documents (other than, for the avoidance of doubt, the Existing End of Term Charge), which amounts may be deducted from the Tranche 1 Advance;

(i) such other documents as Agent may reasonably request.

4.2 All Advances. On each Advance Date:

(a) Agent shall have received (i) an Advance Request for the relevant Advance as required by Section 2.2(b), each duly executed by Borrower's Chief Executive Officer or Chief Financial Officer, and (ii) any other documents Agent may reasonably request.

(b) The representations and warranties set forth in this Agreement shall be true and correct in all material respects (or, if such representations and warranties are already qualified by materiality, in all respects) on and as of the Advance Date with the same effect as though made on and as of such date, except to the extent such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall be true and correct in all material respects (or, if such representations and warranties are already qualified by materiality, in all respects) on and as of such earlier date.

(c) With respect to any Tranche 2 Advance, Tranche 3 Advance and Tranche 4 Advance, a Warrant (provided that an original of the Warrant shall be delivered to Agent within three (3) Business Days of such Advance Date) covering 2.95% of any such Advance in a manner consistent with the Warrant issued on the Closing Date, in form and substance reasonably acceptable to Agent.

(d) With respect to any Tranche 2 Advance, the Borrower shall have paid the Tranche 2 Facility Charge.

(e) With respect to any Tranche 3 Advance, the Borrower shall have paid the applicable Tranche 3 Facility Charge.

(f) With respect to any Tranche 4 Advance, the Borrower shall have paid the applicable Tranche 4 Facility Charge.

(g) Each Advance Request shall be deemed to constitute a representation and warranty by Borrower on the relevant Advance Date as to the matters specified in paragraph (b) of this Section 4.2 and Section 4.3, and as to the matters set forth in the Advance Request.

4.3 No Default. As of the Closing Date and each Advance Date, both before and after giving effect to the making of the applicable Advance, (i) no Default or Event of Default shall be continuing and (ii) no event that has had or could reasonably be expected to have a Material Adverse Effect has occurred and is continuing.

SECTION 5. REPRESENTATIONS AND WARRANTIES OF BORROWER

Borrower represents and warrants that:

5.1 Corporate Status. Each Borrower is a corporation duly organized, legally existing and in good standing under the laws of the State of Delaware, and is duly qualified as a foreign corporation in all jurisdictions in which the nature of its business or location of its properties require such qualifications and where the failure to be qualified could reasonably be expected to have a Material Adverse Effect. Each Borrower's present name, former names (if any), locations, place of formation, Tax identification number, organizational identification number and other information are correctly set forth in

Exhibit C, as may be updated by such Borrower in a written notice (including any Compliance Certificate) provided to Agent after the Closing Date.

5.2 Collateral. Each Borrower owns the applicable Collateral and the Intellectual Property, free of all Liens, except for Permitted Liens. Each Borrower has the power and authority to grant to Agent a Lien in the Collateral as security for the Secured Obligations.

5.3 Consents. Each Borrower's execution, delivery and performance of this Agreement and all other Loan Documents, and Parent's execution of the Warrant, (i) have been duly authorized by all necessary corporate action of such Borrower or the Parent, as applicable, (ii) will not result in the creation or imposition of any Lien upon the Collateral, other than Permitted Liens and the Liens created by this Agreement and the other Loan Documents, (iii) do not (x) violate any provisions of such Borrower's Certificate or Articles of Incorporation (as applicable) and bylaws, or (y) any material law, material regulation, material order, material injunction, material judgment, material decree or material writ to which such Borrower is subject and (iv) except as described on Schedule 5.3, do not violate any material contract or material agreement or require the material consent or material approval of any other Person which has not already been obtained. The individual or individuals executing the Loan Documents and the Warrant are duly authorized to do so.

5.4 Material Adverse Effect. No event that has had or could reasonably be expected to have a Material Adverse Effect has occurred and is continuing. No Borrower is aware of any event likely to occur that is reasonably expected to result in a Material Adverse Effect.

5.5 Actions Before Governmental Authorities. There are no actions, suits or proceedings at law or in equity or by or before any governmental authority now pending or, to the knowledge of any Borrower, threatened against or affecting any Borrower or its property, that is reasonably expected to result in a Material Adverse Effect.

5.6 Laws. No Borrower nor any of its Subsidiaries is in violation of any law, rule or regulation, or in default with respect to any judgment, writ, injunction or decree of any governmental authority, where such violation or default is reasonably expected to result in a Material Adverse Effect. To the knowledge of Borrower, no Borrower is in default in any manner under any provision of any agreement or instrument evidencing material Indebtedness, or any other material agreement to which it is a party or by which it is bound.

No Borrower nor any of its Subsidiaries is an "investment company" or a company "controlled" by an "investment company" under the Investment Company Act of 1940, as amended. No Borrower nor any of its Subsidiaries is engaged as one of its important activities in extending credit for margin stock (under Regulations X, T and U of the Federal Reserve Board of Governors). Each Borrower and each of its Subsidiaries has

complied in all material respects with the Federal Fair Labor Standards Act. No Borrower nor any of its Subsidiaries is a "holding company" or an "affiliate" of a "holding company" or a "subsidiary company" of a "holding company" as each term is defined and used in the Public Utility Holding Company Act of 2005. No Borrower's nor any of its Subsidiaries' properties or assets has been used by any Borrower or such Subsidiary or, to any Borrower's knowledge, by previous Persons, in disposing, producing, storing, treating, or transporting any hazardous substance other than in material compliance with applicable laws. Each Borrower and each of its Subsidiaries has obtained all consents, approvals and authorizations of, made all declarations or filings with, and given all notices to, all Governmental Authorities that are necessary to continue their respective businesses as currently conducted, except as would not reasonably be expected to have a Material Adverse Effect.

No Borrower, nor any of its Subsidiaries, nor, to the knowledge of any Borrower, any of such Borrower's or its Subsidiaries' controlled Affiliates or any of their respective agents acting or benefiting in any capacity in connection with the transactions contemplated by this Agreement is (i) in violation of any Anti-Terrorism Law, (ii) engaging in or conspiring to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law, or (iii) is a Blocked Person. None of any Borrower, or its Subsidiaries, or to the knowledge of any Borrower, any of its controlled Affiliates or agents, acting or benefiting in any capacity in connection with the transactions contemplated by this Agreement, (x) conducts any business or engages in making or receiving any contribution of funds, goods or services to or for the benefit of any Blocked Person, or (y) deals in, or otherwise engages in any transaction relating to, any property or interest in property blocked pursuant to Executive Order No. 13224, any similar executive order or other Anti-Terrorism Law. None of the funds to be provided under this Agreement will be used, directly or, to the knowledge of any Borrower, indirectly, (a) for any activities in violation of any applicable anti-money laundering, economic sanctions and anti-bribery laws and regulations laws and regulations or (b) for any payment to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977, as amended.

5.7 Information Correct and Current. No information, report, Advance Request, financial statement, exhibit or schedule furnished, by or on behalf of Borrower to Agent in connection with any Loan Document or included therein or delivered pursuant thereto, when taken as a whole, contained or contains or will contain any material misstatement of fact or, when taken together with all other such information or documents, omitted, omits or will omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were, are or will be made, not materially misleading at the time such statement was made or deemed made. Additionally, any and all financial or business projections provided by Borrower to Agent, whether prior to or after the Closing Date, shall be (i) provided in good faith and based on the most

current data and information available to Borrower, and (ii) the most current of such projections provided to Borrower's board of directors; it being understood by the Agent and the Lender that such projections as to future events (i) are not to be viewed as facts, (ii)(A) are subject to significant uncertainties and contingencies, many of which are beyond the control of Borrower, (B) no assurance is given by Borrower that the results forecast in any such projections will be realized and (C) the actual results during the period or periods covered by any such projections may differ from the forecast results set forth in such projections and such differences may be material and (iii) are not a guarantee of performance.

5.8 Tax Matters. Except as described on Schedule 5.8 and except those Taxes being contested in good faith with adequate reserves under GAAP, (a) Borrower and its Subsidiaries have filed all material federal, state and local Tax returns that they are required to file, (b) Borrower and its Subsidiaries have duly paid or fully reserved for all Taxes or installments thereof (including any interest or penalties) prior to becoming delinquent, which have or may become due pursuant to such returns, and (c) Borrower and its Subsidiaries have paid or fully reserved for any material Tax assessment received by Borrower or its Subsidiaries for the three (3) years preceding the Closing Date, if any (including any Taxes being contested in good faith and by appropriate proceedings).

5.9 Intellectual Property Claims. Each Borrower is the sole owner of, or otherwise has the right to use, the Intellectual Property material to such Borrower's business. Except as described on Schedule 5.9, (i) each of the material Copyrights, Trademarks and Patents is valid and enforceable, (ii) no material part of the Intellectual Property has been judged invalid or unenforceable by a court of competent jurisdiction, in whole or in part, and (iii) no claim has been made to any Borrower that any material part of the Intellectual Property violates the rights of any third party. Exhibit D is a true, correct and complete list of each Borrower's Patents, registered Trademarks, registered Copyrights, and material agreements under which such Borrower licenses Intellectual Property from third parties (other than shrink-wrap software licenses), together with application or registration numbers, as applicable, owned by such Borrower or any Subsidiary, in each case as of the Closing Date. No Borrower is in material breach of, nor has any Borrower failed to perform any material obligations under, any of the foregoing contracts, licenses or agreements and, to such Borrower's knowledge, no third party to any such contract, license or agreement is in material breach thereof or has failed to perform any material obligations thereunder.

5.10 Intellectual Property. Except as described on Schedule 5.10, each Borrower has all material rights with respect to Intellectual Property necessary or material to the operation or conduct of such Borrower's business as currently conducted and proposed to be conducted by such Borrower. Without limiting the generality of the foregoing, and in the case of Licenses, except for restrictions that are unenforceable under Division 9 of the UCC, each Borrower has the right, to the extent required to operate such Borrower's business, to freely transfer, license or assign Intellectual Property necessary or material in the operation or conduct of such Borrower's business as currently conducted

and proposed to be conducted by such Borrower, without condition, restriction or payment of any kind (other than license payments in the ordinary course of business) to any third party, and such Borrower owns or has the right to use, pursuant to valid licenses, all software development tools, library functions, compilers and all other third-party software and other items that are material to such Borrower's business and used in the design, development, promotion, sale, license, manufacture, import, export, use or distribution of Borrower Products except customary covenants in inbound license agreements and equipment leases where such Borrower is the licensee or lessee. No Borrower is a party to, nor are they bound by, any Restricted License.

5.11 Borrower Products. Except as described on Schedule 5.11, no Intellectual Property owned by any Borrower or Borrower Product has been or is subject to any actual or, to the knowledge of such Borrower, threatened litigation, proceeding (including any proceeding in the United States Patent and Trademark Office or any corresponding foreign office or agency) or outstanding decree, order, judgment, settlement agreement or stipulation that restricts in any manner such Borrower's use, transfer or licensing thereof or that may affect the validity, use or enforceability thereof. There is no decree, order, judgment, agreement, stipulation, arbitral award or other provision entered into in connection with any litigation or proceeding that obligates any Borrower to grant licenses or ownership interest in any future Intellectual Property related to the operation or conduct of the business of such Borrower or Borrower Products. No Borrower has received any written notice or claim, or, to the knowledge of such Borrower, oral notice or claim, challenging or questioning such Borrower's ownership in any Intellectual Property (or written notice of any claim challenging or questioning the ownership in any licensed Intellectual Property of the owner thereof) or suggesting that any third party has any claim of legal or beneficial ownership with respect thereto nor, to such Borrower's knowledge is there a reasonable basis for any such claim. To the knowledge of each Borrower, no Borrower's use of its Intellectual Property nor the production and sale of the Borrower's Borrower Products infringes the intellectual property or other rights of others. Other than as publically disclosed by Borrower in its 8-K filed with the SEC on November 30, 2021 regarding a planned Oncologic Drugs Advisory Committee meeting, there have been no recalls, field notifications, field corrections, market withdrawals, warnings, "dear doctor" letters, investigator notices, safety alerts or other notice of action relating to an alleged lack of safety, efficacy, or regulatory compliance of any Borrower Products ("**Safety Notices**") and to the knowledge of any Borrower, there are no facts that would be reasonably likely to result in (i) a Safety Notice with respect to any Borrower Products, (ii)a change in labeling of any Borrower Products or (iii) a termination or suspension of marketing or testing of any Borrower Products.

5.12 Financial Accounts. Exhibit E, as may be updated by the Borrower in a written notice provided to Agent after the Closing Date, is a true, correct and complete list of (a) all banks and other financial institutions at which Borrower or any Subsidiary maintains Deposit Accounts and (b) all institutions at which Borrower or any Subsidiary maintains an account holding Investment Property, and such exhibit correctly identifies the name, address and telephone number of each bank or other institution, the name in

which the account is held, a description of the purpose of the account, and the complete account number therefor.

5.13 Employee Loans. No Borrower has, as of the Closing Date, any outstanding loans to any employee, officer or director of such Borrower nor has any Borrower guaranteed, as of the Closing Date, the payment of any loan made to an employee, officer or director of such Borrower by a third party.

5.14 Capitalization and Subsidiaries. Borrower's capitalization as of the Closing Date is set forth on Schedule 5.14 annexed hereto. Borrower does not own any stock, partnership interest or other securities of any Person, except for Permitted Investments. Attached as Schedule 1, as may be updated by Borrower in a written notice provided after the Closing Date, is a true, correct and complete list of each Subsidiary.

5.15 Ariston Notes.

(a) Neither the Borrower nor any Subsidiary (other than Ariston) has any obligations, in each case under the Ariston Notes, to commercialize or sell any AST-726 or AST-914 program candidates or otherwise to generate any Product Proceeds in respect thereof.

(b) The holders of the Ariston Notes have no recourse, now or after the filing of any Insolvency Proceeding or other insolvency event (including under Section 7 of the Ariston Notes or otherwise, including without limitation under applicable law), to any Borrower or its Subsidiaries (other than Ariston) other than with respect to equity conversion rights specified in the Ariston Notes.

(c) Ariston has been a dormant subsidiary for the last five (5) years and holds no assets and liabilities other than legacy intercompany receivables and payables and the Ariston Notes.

SECTION 6. INSURANCE; INDEMNIFICATION

6.1 Coverage. Borrower shall cause to be carried and maintained commercial general liability insurance, on an occurrence form, against risks customarily insured against in Borrower's line of business. Such risks shall include the risks of bodily injury, including death, property damage, personal injury, advertising injury, and contractual liability per the terms of the indemnification agreement found in Section 6.3. Borrower must maintain a minimum of Two Million Dollars ($2,000,000) of commercial general liability insurance for each occurrence. Borrower has and agrees to maintain a minimum of Two Million Dollars ($2,000,000) of directors' and officers' insurance for each occurrence and Five Million Dollars ($5,000,000) in the aggregate. So long as there are any Secured Obligations outstanding, Borrower shall also cause to be carried and maintained insurance upon the Collateral, insuring against all risks of physical loss or damage howsoever caused, in an amount not less than the full replacement cost of the

Collateral, provided that such insurance may be subject to standard exceptions and deductibles.

6.2 Certificates. Borrower shall deliver to Agent certificates of insurance that evidence Borrower's compliance with its insurance obligations in Section 6.1 and the obligations contained in this Section 6.2. Borrower's insurance certificate shall state Agent (shown as "Hercules Capital, Inc., as Administrative and Collateral Agent, and its permitted assigns") is an additional insured for commercial general liability, a lender loss payee for all risk property damage insurance, subject to the insurer's approval, and a lender loss payee for property insurance and additional insured for liability insurance for any future insurance that Borrower may acquire from such insurer. Attached to the certificates of insurance will be additional insured endorsements for liability and lender's loss payable endorsements for all risk property damage insurance. All certificates of insurance will provide for a minimum of thirty (30) days advance written notice to Agent of cancellation (other than cancellation for non-payment of premiums, for which ten (10) days' advance written notice shall be sufficient) or any other change adverse to Agent's interests. Any failure of Agent to scrutinize such insurance certificates for compliance is not a waiver of any of Agent's rights, all of which are reserved. Borrower shall provide Agent with copies of each insurance policy, and upon entering or amending any insurance policy required hereunder, Borrower shall provide Agent with copies of such policies and shall promptly deliver to Agent updated insurance certificates with respect to such policies.

6.3 Indemnity. Borrower agrees to indemnify and hold Agent, Lender and their officers, directors, employees, agents, in-house attorneys, representatives and shareholders (each, an "Indemnified Person") harmless from and against any and all claims, costs, expenses, damages and liabilities (including such claims, costs, expenses, damages and liabilities based on liability in tort, including strict liability in tort), including reasonable attorneys' fees and disbursements and other costs of investigation or defense (including those incurred upon any appeal) (collectively, "Liabilities"), that may be instituted or asserted against or incurred by such Indemnified Person as the result of credit having been extended, suspended or terminated under this Agreement and the other Loan Documents or the administration of such credit, or in connection with or arising out of the transactions contemplated hereunder and thereunder, or any actions or failures to act in connection therewith, or arising out of the disposition or utilization of the Collateral; provided that, no Indemnified Person will be indemnified for its (or any of its Related Parties) willful misconduct, bad faith or gross negligence (to the extent determined in a final non-appealable order of a court of competent jurisdiction). This Section 6.3 shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim. In no event shall any Indemnified Person be liable on any theory of liability for any special, indirect, consequential or punitive damages (including any loss of profits, business or anticipated savings). This Section 6.3 shall survive the repayment of indebtedness under, and otherwise shall survive the expiration or other termination of, the Loan Agreement.

SECTION 7. COVENANTS OF BORROWER

Borrower agrees as follows:

7.1 Financial Reports. Borrower shall furnish to Agent the financial statements and reports listed hereinafter (the "Financial Statements"):

(a) as soon as practicable (and in any event within 30 days) after the end of each month, unaudited interim and year-to-date financial statements as of the end of such month (prepared on a consolidated basis), including balance sheet and related statements of income and cash flows accompanied by a report detailing any material contingencies (including the commencement of any material litigation by or against Borrower) or any other occurrence that could reasonably be expected to have a Material Adverse Effect, all certified by Borrower's Chief Executive Officer or Chief Financial Officer to the effect that they have been prepared in accordance with GAAP, except (i) for the absence of footnotes, (ii) that they are subject to normal year-end adjustments, and (iii) they do not contain certain non-cash items that are customarily included in quarterly and annual financial statements;

(b) as soon as practicable (and in any event within 45 days) after the end of each calendar quarter, unaudited interim and year-to-date financial statements as of the end of such calendar quarter (prepared on a consolidated basis), including balance sheet and related statements of income and cash flows accompanied by a report detailing any material contingencies (including the commencement of any material litigation by or against Borrower) or any other occurrence that could reasonably be expected to have a Material Adverse Effect, certified by Borrower's Chief Executive Officer or Chief Financial Officer to the effect that they have been prepared in accordance with GAAP, except (i) for the absence of footnotes, and (ii) that they are subject to normal year-end adjustments;

(c) as soon as practicable (and in any event within ninety (90) days) after the end of each fiscal year, unqualified audited financial statements as of the end of such year (prepared on a consolidated basis), including balance sheet and related statements of income and cash flows, and setting forth in comparative form the corresponding figures for the preceding fiscal year, certified by a firm of independent certified public accountants selected by Borrower and reasonably acceptable to Agent;

(d) as soon as practicable (and in any event within 30 days) after the end of each month, a compliance certificate in the form of Exhibit F (a "Compliance Certificate");

(e) as soon as practicable (and in any event within 30 days) after the end of each month, a report showing agings of accounts receivable and accounts payable, as of the end of such month;

(f) promptly after the sending or filing thereof, copies of any regular, periodic and special reports or registration statements that Borrower files with the Securities and Exchange Commission or any governmental authority that may be substituted therefor, or any national securities exchange;

(g) promptly following each meeting of any Borrower's board of directors, the following shall be made available for inspection by the Agent at Borrower's premises at reasonable times and upon reasonable notice: copies of all presentation materials and minutes relating to research, clinical development, regulatory activities, and commercial timelines that Borrower provides to its directors in connection with meetings of such board of directors, provided that all in all cases Borrower may exclude any information or materials related to executive compensation, confidential information, any attorney-client privileged information and any information that would raise a conflict of interest with Agent or Lenders, and minutes and other materials prepared exclusively for executive sessions of the independent directors and committees of such board of directors;

(h) financial and business projections promptly following their approval by Borrower's board of directors, and in any event, within 45 days after the end of Borrower's fiscal year, as well as budgets, operating plans and other financial information reasonably requested by Agent;

(i) immediate notice if Borrower or any Subsidiary has knowledge that Borrower, or any Subsidiary or any controlled Affiliate of Borrower, is listed on the OFAC Lists or (a) is convicted on, (b) pleads *nolo contendere* to, (c) is indicted on, or (d) is arraigned and held over on charges involving money laundering or predicate crimes to money laundering; and

(j) immediate notice upon the occurrence of any Safety Notice.

Borrower shall not make any change in its (a) accounting policies or reporting practices, except to the extent permitted or required by GAAP, or (b) fiscal years or fiscal quarters. The fiscal year of Borrower shall end on December 31.

The executed Compliance Certificate and all Financial Statements required to be delivered pursuant to clauses (a), (b) and (c) shall be sent via e-mail to Agent at financialstatements@herculestech.com with a copy to mdutra@htgc.com, bjadot@htgc.com, and legal@herculestech.com provided, that if e-mail is not available or sending such Financial Statements via e-mail is not possible, they shall be faxed to Agent at: (650) 473-9194, attention Account Manager: TG Therapeutics, Inc.

Notwithstanding the foregoing, documents required to be delivered under Sections 7.1(a), (b), (c) or (f) (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date on which Borrower emails a link thereto to Agent; provided

that Borrower shall directly provide Agent all Financial Statements required to be delivered pursuant to Section 7.1(b) and (c) hereunder.

7.2 Management Rights. Borrower shall permit any representative that Agent or Lender authorizes, including its attorneys and accountants, to inspect the Collateral and examine and make copies and abstracts of the books of account and records of Borrower at reasonable times and upon reasonable notice during normal business hours; and any such representative shall have the right to meet with management and officers of Borrower to discuss such books of account and records; provided that (i) only the Agent on behalf of Lender may exercise rights under this Section 7.2 and (ii) other than during the continuance of an Event of Default, the Agent shall not exercise such rights more often than one time during any fiscal year; and provided, further, that when an Event of Default has occurred and is continuing the Agent or any Lender (or any of their designated representatives) may do any of the foregoing at the expense of the Borrower at any time during normal business hours and upon reasonable advance notice. The Agent and Lender shall provide the Borrower with the opportunity to participate in any discussion with any independent accountants. In addition, Agent or Lender shall be entitled at reasonable times and intervals to consult with and advise the management and officers of Borrower concerning significant business issues affecting Borrower. Such consultations shall not unreasonably interfere with Borrower's business operations. The parties intend that the rights granted Agent and Lender shall constitute "management rights" within the meaning of 29 C.F.R. Section 2510.3-101(d)(3)(ii), but that any advice, recommendations or participation by Agent or Lender with respect to any business issues shall not be deemed to give Agent or Lender, nor be deemed an exercise by Agent or Lender of, control over Borrower's management or policies.

7.3 Further Assurances. Borrower shall from time to time execute, deliver and file, alone or with Agent, any financing statements, security agreements, collateral assignments, notices, control agreements, or other documents to perfect or give the highest priority to Agent's Lien on the Collateral. Borrower shall from time to time procure any instruments or documents as may be reasonably requested by Agent, and take all further action that may be necessary, or that Agent may reasonably request, to perfect and protect the Liens granted hereby and thereby. In addition, and for such purposes only, Borrower hereby authorizes Agent to execute and deliver on behalf of Borrower and to file such financing statements (including an indication that the financing statement covers "all assets or all personal property" of Borrower in accordance with Section 9-504 of the UCC), collateral assignments, notices, control agreements, security agreements and other documents without the signature of Borrower either in Agent's name or in the name of Agent as agent and attorney-in-fact for Borrower. Borrower shall protect and defend Borrower's title to the Collateral and Agent's Lien thereon against all Persons claiming any interest adverse to Borrower or Agent other than Permitted Liens.

7.4 Indebtedness. Borrower shall not create, incur, assume, guarantee or be or remain liable with respect to any Indebtedness, or permit any Subsidiary so to do, other than Permitted Indebtedness, or prepay any Indebtedness for borrowed money or take any

actions which impose on Borrower an obligation to prepay any Indebtedness for borrowed money, except for (a) the conversion of Indebtedness into equity securities and the payment of cash in lieu of fractional shares in connection with such conversion, (b) purchase money Indebtedness pursuant to its then applicable payment schedule, (c) prepayment by any Subsidiary of (i) intercompany Indebtedness owed by such Subsidiary to any Borrower, or (ii) if such Subsidiary is not a Borrower, intercompany Indebtedness owed by such Subsidiary to another Subsidiary that is not a Borrower, (d) payment of regularly scheduled interest and principal payments (and fees, indemnities and expenses payable) as, and when due in respect of any such Indebtedness to the extent permitted by any subordination or intercreditor provisions in respect thereof, (e) any extension, refinancing or renewal constitutes Permitted Indebtedness or (f) as otherwise permitted hereunder or approved in writing by Agent.

7.5 Collateral. Borrower shall at all times keep the Collateral, the Intellectual Property and all other property and assets used in Borrower's business or in which Borrower now or hereafter holds any interest free and clear from any legal process reasonably likely to result in liability in excess of Five Hundred Thousand Dollars ($500,000) or Liens that materially affect the operation of such Borrower's business as currently conducted and proposed to be conducted by such Borrower (except for Permitted Liens and except as to legal process, to the extent contested in good faith), and shall give Agent prompt written notice of any legal process affecting the Collateral or the Intellectual Property or any Liens thereon, provided however, that the Collateral may be subject to Permitted Liens, except that there shall be no Liens whatsoever on Intellectual Property, other than any Liens referred to in clauses (vii), (xv) and (xviii) of the definition of Permitted Liens. Borrower shall not agree with any Person other than Agent or Lender not to encumber its property except in accordance with the provisions of this Section 7.5. Borrower shall not enter into or suffer to exist or become effective any agreement that prohibits or limits the ability of any Borrower to create, incur, assume or suffer to exist any Lien upon any of its Collateral or Intellectual Property, whether now owned or hereafter acquired, to secure its obligations under the Loan Documents to which it is a party other than (a) this Agreement and the other Loan Documents, (b) any agreements governing any purchase money Liens or capital lease obligations otherwise permitted hereby (in which case, any prohibition or limitation shall only be effective against the assets financed thereby), (c) customary restrictions on the assignment of leases, licenses and other agreements, and (d) restrictions and conditions imposed by (A) law or (B) any agreements evidencing Indebtedness permitted by this Agreement. Borrower shall cause its Subsidiaries (other than a Borrower) to protect and defend such Subsidiary's title to its assets from and against all Persons claiming any interest adverse to such Subsidiary, and Borrower shall cause its Subsidiaries at all times to keep such Subsidiary's property and assets free and clear from any legal process reasonably likely to result in liability in excess of Five Hundred Thousand Dollars ($500,000) or Liens whatsoever (except for Permitted Liens and except as to legal process, to the extent contested in good faith, provided however, that there shall be no Liens whatsoever on Intellectual Property, other than any Liens referred to in clauses (vii), (xv) and (xviii) of the definition of Permitted Liens), and

shall give Agent prompt written notice of any legal process affecting such Subsidiary's assets.

7.6 Investments. Borrower shall not directly or indirectly acquire or own, or make any Investment in or to any Person, or permit any of its Subsidiaries so to do, other than Permitted Investments.

7.7 Distributions. Borrower shall not, and shall not allow any Subsidiary to, (a) repurchase or redeem any class of its stock or other Equity Interest other than (i) pursuant to employee, director or consultant repurchase plans or other similar agreements, provided, however, in each case the repurchase or redemption price does not exceed the original consideration paid for such stock or Equity Interest, (ii) repurchases of stock or Equity Interests from existing or former employees, directors, or consultants of Borrower or any Subsidiary (or their estates, descendants, family, spouses or former spouses) under the terms of applicable repurchase agreements in an aggregate amount not to exceed Seven Hundred Fifty Thousand Dollars ($750,000) in any fiscal year, provided that no Event of Default has occurred, is continuing or could exist after giving effect to the repurchases, (iii) repurchases of Equity Interests deemed to occur upon the cashless exercise of stock options when such Equity Interests represents a portion of the exercise price thereof, and (iv) to the extent constituting a repurchase, to the extent contemplated by Section 7.7(b)(ii) or (iii) below, or (b) declare or pay any cash dividend or make a cash distribution on any class of its stock or other Equity Interest, except (i) that a Subsidiary may pay dividends or make distributions to Borrower, (ii) to pay cash in lieu of fractional Equity Interests in connection with any dividend, split or combination thereof or (iii) to honor any conversion request by a holder of convertible Indebtedness permitted pursuant to clause (ii) or (x) of the definition of Permitted Indebtedness (to the extent such conversion request is paid solely in shares of Equity Interests of Parent not subject to redemption or repurchase) and make cash payments in lieu of fractional shares in connection with any such conversion and may make payments on convertible Indebtedness in accordance with its terms, or (c) lend money to any employees, officers or directors or guarantee the payment of any such loans granted by a third party in excess of Five Hundred Dollars ($500,000) at any time outstanding or (d) waive, release or forgive any Indebtedness owed by any employees, officers or directors in excess of Two Hundred Fifty Thousand Dollars ($250,000) in the aggregate.

7.8 Transfers. Except for Permitted Transfers, Borrower shall not, and shall not allow any Subsidiary to, voluntarily or involuntarily transfer, sell, lease, license, lend or in any other manner convey any equitable, beneficial or legal interest in any material portion of its assets.

7.9 Mergers or Acquisitions. Borrower shall not merge or consolidate, or permit any of its Subsidiaries to merge or consolidate, with or into any other business organization (other than mergers or consolidations of (a) a Subsidiary which is not a Borrower into another Subsidiary or into Borrower or (b) a Borrower into another Borrower), or acquire, or permit any of its Subsidiaries to acquire, in each case including

for the avoidance of doubt through a merger, purchase, in-licensing arrangement or any similar transaction, all or substantially all of the capital stock or any property of another Person, except for (i) Permitted Acquisitions, and (ii) in-licensing transactions permitted pursuant to clause (xviii) of the definition of Permitted Investments.

7.10 Taxes. Borrower and its Subsidiaries shall pay prior to becoming delinquent all material Taxes, now or hereafter imposed or assessed against Borrower or the Collateral or upon Borrower's ownership, possession, use, operation or disposition thereof or upon Borrower's rents, receipts or earnings arising therefrom. Borrower shall file on or before the due date therefor all federal, state and other material income Tax returns required to be filed by Borrower and all personal property Tax returns in respect of the Collateral. Notwithstanding the foregoing, Borrower may contest, in good faith and by appropriate proceedings, Taxes for which Borrower maintains adequate reserves therefor in accordance with GAAP.

7.11 Corporate Changes. Neither Borrower nor any Subsidiary shall change its corporate name, legal form or jurisdiction of formation without ten (10) days' prior written notice to Agent. Neither Borrower nor any Subsidiary shall suffer a Change in Control. Neither Borrower nor any Domestic Subsidiary shall relocate its chief executive office or its principal place of business unless: (i) it has provided prior written notice to Agent; and (ii) such relocation shall be within the continental United States of America. Neither Borrower nor any Subsidiary shall relocate any item of Collateral (other than (w) Collateral in transit in the ordinary course of business, (x) sales of Inventory in the ordinary course of business, (y) relocations of Equipment having an aggregate value of up to Seven Hundred Fifty Thousand Dollars ($750,000) in any fiscal year, and (z) relocations of Collateral from a location described on Exhibit C to another location described on Exhibit C) unless (i) it has provided prompt written notice to Agent, (ii) such relocation is within the continental United States of America, and (iii) if such relocation is to a third party bailee, it has delivered a bailee agreement in form and substance reasonably acceptable to Agent.

7.12 Deposit Accounts. Neither Borrower nor any Subsidiary shall maintain any Deposit Accounts, or accounts holding Investment Property, except with respect to which Agent has an Account Control Agreement and except for any Excluded Accounts.

7.13 Borrower shall notify Agent of each Subsidiary formed subsequent to the Closing Date and, within 15 days of formation, shall cause any such Subsidiary to execute and deliver to Agent a Joinder Agreement and any other documents and filings requested by Agent pursuant to Section 7.3.

7.14 Non-Borrower Subsidiaries. Borrower shall not permit Subsidiaries that are not Borrowers (including, for the avoidance of doubt, TG Australia and Ariston) to: (a) have assets and liabilities in excess of One Million Dollars ($1,000,000) in the aggregate at any time, or (b) own any Intellectual Property; *provided that* notwithstanding the foregoing, (A) TG Australia shall be permitted to have liabilities in the form of accounts

payable in connection with clinical trial expenses incurred in the ordinary course of business and intercompany Indebtedness permitted pursuant to clause (ix) of the definition of Permitted Indebtedness, and (B) Ariston shall be permitted to have liabilities in the form of convertible Indebtedness and intercompany Indebtedness pursuant to clause (ix) of the definition of Permitted Indebtedness, and assets as contemplated by clause (v) of the definition of Excluded Accounts.

7.15 Notification of Event of Default. Borrower shall notify Agent promptly but in any case within three (3) Business Days of the occurrence of any Event of Default.

7.16 SBIC. Agent and Lender have received a license from the U.S. Small Business Administration ("SBA") to extend loans as a small business investment company ("SBIC") pursuant to the Small Business Investment Act of 1958, as amended, and the associated regulations (collectively, the "SBIC Act"). Portions of the loan to Borrower will be made under the SBA license and the SBIC Act. Addendum 1 to this Agreement outlines various responsibilities of Agent, Lender and Borrower associated with an SBA loan, and such Addendum 1 is hereby incorporated in this Agreement.

7.17 Use of Proceeds. Borrower agrees that the proceeds of the Loans shall be used solely (i) to refinance the Existing Term Loan and to pay related fees and expenses in connection with the Existing Loan Agreement on the Closing Date, (ii) to pay related fees and expenses in connection with this Agreement and (iii) for working capital and general corporate purposes. The proceeds of the Loan will not be used in violation of Anti- Corruption Laws or applicable Sanctions.

7.18 [Reserved].

7.19 Notwithstanding anything herein to the contrary, no assets or liabilities of the Borrower or its Subsidiaries (other than Ariston) shall be transferred to Ariston.

7.20 Compliance with Laws. Borrower (i) shall maintain, and shall cause its Subsidiaries to maintain, compliance in all material respect with all applicable laws, rules or regulations (including any such law, rule or regulation with respect to the making or brokering of loans or financial accommodations), and (ii) shall, or cause its Subsidiaries to, obtain and maintain all required governmental authorizations, approvals, licenses, franchises, permits or registrations reasonably necessary in connection with the conduct of Borrower's business.

Neither Borrower nor any of its Subsidiaries shall, nor shall Borrower or any of its Subsidiaries permit any controlled Affiliate to, directly or indirectly, knowingly enter into any documents, instruments, agreements or contracts with any Person listed on the OFAC Lists. Neither Borrower nor any of its Subsidiaries shall, nor shall Borrower or any of its Subsidiaries, permit any controlled Affiliate to, directly or indirectly (i) conduct any business or engage in any transaction or dealing with any Blocked Person, including, without limitation, the making or receiving of any contribution of funds, goods or services

to or for the benefit of any Blocked Person, (ii) deal in, or otherwise engage in any transaction relating to, any property or interests in property blocked pursuant to Executive Order No. 13224 or any similar executive order or other Anti-Terrorism Law, or (iii)engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in Executive Order No. 13224 or other Anti-Terrorism Law.

Borrower has implemented and maintains in effect policies and procedures designed to ensure compliance by the Borrower, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and Borrower, its Subsidiaries and their respective officers and employees and to the knowledge of Borrower its directors and agents, are in compliance with Anti- Corruption Laws and applicable Sanctions in all material respects.

None of Borrower, any of its Subsidiaries or any of their respective directors, officers or employees, or to the knowledge of Borrower, any agent for Borrower or its Subsidiaries that will act in any capacity in connection with or benefit from the credit facility established hereby, is a Sanctioned Person. No Loan, use of proceeds or other transaction contemplated by this Agreement will violate Anti-Corruption Laws or applicable Sanctions.

7.21 Financial Covenants

(a) Minimum Cash. Beginning on October 15, 2022, Borrower shall (i) at all times prior to Borrower's achievement of either Performance Milestone I or Performance Milestone II, maintain Unrestricted Cash in an amount greater than or equal to seventy- five percent (75%) of the amount of Secured Obligations then outstanding plus the amount of Borrower's accounts payable under GAAP not paid after the 180th day following the due date for such accounts payable, and not contested, challenged or discussed in good faith and (ii) at all times after Borrower's achievement of either Performance Milestone I or Performance Milestone II, maintain Unrestricted Cash in an amount greater than or equal to thirty percent (30%) of the amount of Secured Obligations then outstanding plus the amount of Borrower's accounts payable under GAAP not paid after the 180th day following the due date for such accounts payable, and not contested, challenged or discussed in good faith.

(b) Performance Covenant. If the aggregate amount of Term Loan Advances at any time is greater than $70,000,000, then, beginning July 1, 2023, the Borrower shall satisfy the Performance Covenant, tested as of the last day of each month. Notwithstanding the foregoing, the Performance Covenant shall not apply for any monthly period for which Borrower satisfies the Performance Covenant Waiver Conditions on each day of such monthly period.

Borrower shall provide Agent evidence of compliance with this Section 7.21 in each Compliance Certificate and upon request in form and substance reasonably acceptable to Agent, along with supporting documentation reasonably requested by Agent.

7.22 Post-Closing Obligations. Notwithstanding any provision herein or in any other Loan Document to the contrary, to the extent not actually delivered on or prior to the Closing Date, Borrower shall:

(a) within 30 days of the Closing Date (or such later date as Agent may agree to in its sole discretion), deliver to Agent a fully executed Account Control Agreement with respect to the Stone Castle account ending XXX607, which shall be in form and substance reasonably satisfactory to Agent in its reasonable discretion; and

(b) within 30 days of the Closing Date (or such later date as Agent may agree to in its sole discretion), a fully-executed copy of an amendment to (or amendment and restatement of) the Securities Account Control Agreement – 3rd party, dated as of March 3, 2019, by and among Pershing Advisor Solutions LLC, Parent, Pershing LLC and Agent, in form and substance reasonably satisfactory to Agent.

7.23 Transactions with Affiliates. Borrower shall not and shall not permit any Subsidiary to, directly or indirectly, enter into or permit to exist any transaction of any kind with any Affiliate of Borrower or such Subsidiary on terms that are materially less favorable to Borrower or such Subsidiary, as the case may be, than those that might be obtained in an arm's length transaction from a Person who is not an Affiliate of Borrower or such Subsidiary, except: (i) transactions between or among Borrowers (or any entity that becomes a Borrower as a result of such transaction) not involving any other Affiliate; (ii) loans or advances to employees, officers and directors otherwise constituting a Permitted Investment and (iii) transactions set forth on Schedule 7.23, as those agreements and instruments may be amended, modified, supplemented, extended, renewed or refinanced from time to time in accordance with the other terms of this covenant or to the extent not more disadvantageous to the Agent and Lender in any material respect.

SECTION 8. RIGHT TO INVEST

8.1 Lender or its assignee or nominee shall have the right, in its discretion, to participate in any Subsequent Financing in an amount of up to Five Million Dollars ($5,000,000) on the same terms, conditions and pricing afforded to others participating in any such Subsequent Financing. This Section 8.1, and all rights and obligations hereunder, shall terminate upon the later of (a) the repayment in full of all Secured Obligations (other than any inchoate indemnity obligations and any other obligations which, by their terms, are to survive the termination of this Agreement) and (b) termination or exercise in full of the Warrants.

SECTION 9. EVENTS OF DEFAULT

The occurrence of any one or more of the following events shall be an Event of Default:

9.1 Payments. Borrower fails to pay any amount due under this Agreement or any of the other Loan Documents on the due date; provided, however, that an Event of Default shall not occur on account of a failure to pay due solely to an administrative or operational error of Agent or Lender or Borrower's bank if Borrower had the funds to make the payment when due and makes the payment within three (3) Business Days following Borrower's knowledge of such failure to pay; or

9.2 Covenants. Borrower breaches or defaults in the performance of any covenant or Secured Obligation under this Agreement, or any of the other Loan Documents, and (a) with respect to a default under any covenant under this Agreement (other than under Sections 6, 7.4, 7.5, 7.6, 7.7, 7.8, 7.9, 7.14, 7.15, 7.16, 7.17, 7.19, 7.20, 7.21 and 7.22), and any other Loan Document, such default continues for more than ten (10) Business Days after the earlier of the date on which (i) Agent or Lender has given notice of such default to Borrower and (ii) Borrower has actual knowledge of such default or (b) with respect to a default under any of Sections 6, 7.4, 7.5, 7.6, 7.7, 7.8, 7.9, 7.14, 7.15, 7.16, 7.17, 7.19, 7.20, 7.21 and 7.22 the occurrence of such default; or

9.3 Material Adverse Effect. A circumstance has occurred that could reasonably be expected to have a Material Adverse Effect; or

9.4 Representations. Any representation or warranty made by Borrower in any Loan Document shall have been false or misleading in any material respect when made or when deemed made; or

9.5 Insolvency. Borrower (A) (i) shall make an assignment for the benefit of creditors; or (ii) shall be generally unable to pay its debts as they become due, or shall become insolvent; or (iii) shall file a voluntary petition in bankruptcy; or (iv) shall file any petition, answer, or document seeking for itself any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation pertinent to such circumstances; or (v) shall seek or consent to or acquiesce in the appointment of any trustee, receiver, or liquidator of Borrower or of all or any substantial part (i.e., 33-1/3% or more) of the assets or property of Borrower; or (vi) shall cease operations of its business as its business has normally been conducted, or terminate substantially all of its employees; or (vii) Borrower or its directors or majority shareholders shall take any action initiating any of the foregoing actions described in clauses (i) through (vi); or (B) either (i) forty-five (45) days shall have expired after the commencement of an involuntary action against Borrower seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, without such action being dismissed or all orders or proceedings thereunder affecting the operations or the business of Borrower being stayed; or (ii) a stay of any such order or proceedings shall thereafter be set aside and the action setting it aside shall not be timely appealed; or (iii) Borrower shall file any answer admitting or not contesting the material allegations of a petition filed against Borrower in any such proceedings; or (iv) the court in which such proceedings are pending shall enter a decree or order granting the relief sought in any such proceedings; or

(v) forty-five (45) days shall have expired after the appointment, without the consent or acquiescence of Borrower, of any trustee, receiver or liquidator of Borrower or of all or any substantial part of the properties of Borrower without such appointment being vacated; or

9.6 Attachments; Judgments. Any portion of Borrower's assets is attached or seized, or a levy is filed against any such assets, or a final judgment or judgments is/are entered for the payment of money (not covered by independent third party insurance as to which liability has not been rejected by such insurance carrier), individually or in the aggregate, of at least One Million Dollars ($1,000,000), or Borrower is enjoined or in any way prevented by court order from conducting any part of its business as its business has normally been conducted and such attachment, seizure, levy, judgment or injunction is not, within thirty (30) days after the occurrence thereof, satisfied, discharged, paid or stayed (whether through the posting of a bond or otherwise); or

9.7 Other Indebtedness. The occurrence of any default under any agreement of Borrower evidencing any Indebtedness in excess of One Million Dollars ($1,000,000) and such default shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Indebtedness, if the effect of such default is to accelerate, or to permit the acceleration of, the maturity of such Indebtedness or otherwise to cause, or to permit the holder thereof to cause, such Indebtedness to mature, in each case whether or not exercised.

SECTION 10. REMEDIES

10.1 General. Upon and during the continuance of any one or more Events of Default, (i) Agent may, and at the direction of the Required Lenders shall, accelerate and demand payment of all or any part of the Secured Obligations together with a Prepayment Charge (if any) and declare them to be immediately due and payable (provided, that upon the occurrence of an Event of Default of the type described in Section 9.5, all of the Secured Obligations (including, without limitation, the Prepayment Charge (if any), the Existing End of Term Charge and the End of Term Charge) shall automatically be accelerated and made due and payable, in each case without any further notice or act), (ii) Agent may, at its option, sign and file in Borrower's name any and all collateral assignments, notices, control agreements, security agreements and other documents it deems necessary or appropriate to perfect or protect the repayment of the Secured Obligations, and in furtherance thereof, Borrower hereby grants Agent an irrevocable power of attorney coupled with an interest, and (iii) Agent may notify any of Borrower's account debtors to make payment directly to Agent, compromise the amount of any such account on Borrower's behalf and endorse Agent's name without recourse on any such payment for deposit directly to Agent's account. Agent may, and at the direction of the Required Lenders shall, exercise all rights and remedies with respect to the Collateral under the Loan Documents or otherwise available to it under the UCC and other applicable law, including the right to release, hold, sell, lease, liquidate, collect, realize upon, or otherwise dispose of all or any part of the Collateral and the right to occupy,

utilize, process and commingle the Collateral. All Agent's rights and remedies shall be cumulative and not exclusive.

10.2 Collection; Foreclosure. Upon the occurrence and during the continuance of any Event of Default, Agent may, and at the direction of the Required Lenders shall, at any time or from time to time, apply, collect, liquidate, sell in one or more sales, lease or otherwise dispose of, any or all of the Collateral, in its then condition or following any commercially reasonable preparation or processing, in such order as Agent may elect. Any such sale may be made either at public or private sale at its place of business or elsewhere. Borrower agrees that any such public or private sale may occur upon ten (10) calendar days' prior written notice to Borrower. Agent may require Borrower to assemble the Collateral and make it available to Agent at a place designated by Agent that is reasonably convenient to Agent and Borrower. The proceeds of any sale, disposition or other realization upon all or any part of the Collateral shall be applied by Agent in the following order of priorities:

First, to Agent and Lender in an amount sufficient to pay in full Agent's and Lender's reasonable costs and professionals' and advisors' fees and expenses as described in Section 11.11;

Second, to Lender in an amount equal to the then unpaid amount of the Secured Obligations (including principal, interest, and any default rate interest pursuant to Section 2.4), in such order and priority as Agent may choose in its sole discretion; and

Finally, after the full and final payment in Cash of all of the Secured Obligations (other than inchoate obligations), to any creditor holding a junior Lien on the Collateral, or to Borrower or its representatives or as a court of competent jurisdiction may direct.

Agent shall be deemed to have acted reasonably in the custody, preservation and disposition of any of the Collateral if it complies with the obligations of a secured party under the UCC.

10.3 No Waiver. Agent shall be under no obligation to marshal any of the Collateral for the benefit of Borrower or any other Person, and Borrower expressly waives all rights, if any, to require Agent to marshal any Collateral.

10.4 Cumulative Remedies. The rights, powers and remedies of Agent hereunder shall be in addition to all rights, powers and remedies given by statute or rule of law and are cumulative. The exercise of any one or more of the rights, powers and remedies provided herein shall not be construed as a waiver of or election of remedies with respect to any other rights, powers and remedies of Agent.

SECTION 11. MISCELLANEOUS

11.1 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under such law, such provision shall be ineffective only to the extent and duration of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

11.2 Notice. Except as otherwise provided herein, any notice, demand, request, consent, approval, declaration, service of process or other communication (including the delivery of Financial Statements) that is required, contemplated, or permitted under the Loan Documents or with respect to the subject matter hereof shall be in writing, and shall be deemed to have been validly served, given, delivered, and received upon the earlier of: (i) the day of transmission by electronic mail or hand delivery or delivery by an overnight express service or overnight mail delivery service; or (ii) the third (3rd) calendar day after deposit in the United States of America mails, with proper first class postage prepaid, in each case addressed to the party to be notified as follows:

(a) If to Agent:

HERCULES CAPITAL, INC.
Legal Department
Attention: Chief Legal Officer and Michael Dutra and Bryan Jadot
400 Hamilton Avenue, Suite 310
Palo Alto, CA 94301
email: legal@herculestech.com; mdutra@htgc.com; bjadot@htgc.com
Telephone: 650-289-3060

(b) If to Lender:

HERCULES CAPITAL, INC., HERCULES PRIVATE CREDIT FUND I L.P. AND HERCULES PRIVATE GLOBAL VENTURE GROWTH FUND I L.P.
Legal Department
Attention: Chief Legal Officer and Michael Dutra and Bryan Jadot
400 Hamilton Avenue, Suite 310
Palo Alto, CA 94301
email: legal@herculestech.com; mdutra@htgc.com; bjadot@htgc.com
Telephone: 650-289-3060

(c) If to Borrower:

TG THERAPEUTICS, INC.

Attention: Sean Power, Chief Financial Officer
2 Gansevoort St., 9th Floor
New York, NY 10014
email: sp@tgtxinc.com
Telephone: 212-554-4484

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

DLA PIPER LLP
Attention: Richard Marks
email: richard.marks@us.dlapiper.com
Telephone: 202-799-4202
Fax: 202-799-5202

or to such other address as each party may designate for itself by like notice.

11.3 Entire Agreement; Amendments.

(a) This Agreement and the other Loan Documents constitute the entire agreement and understanding of the parties hereto in respect of the subject matter hereof and thereof, and supersede and replace in their entirety any prior proposals, term sheets, non-disclosure or confidentiality agreements, letters, negotiations or other documents or agreements, whether written or oral, with respect to the subject matter hereof or thereof (including, without limitation, Agent's proposal letter dated December 13, 2021).

(b) Neither this Agreement, any other Loan Document, nor any terms hereof or thereof may be amended, restated, amended and restated, supplemented or modified except in accordance with the provisions of this Section 11.3(b). The Required Lenders and Borrower party to the relevant Loan Document may, or, with the written consent of the Required Lenders, the Agent and the Borrower party to the relevant Loan Document may, from time to time, (i) enter into written amendments, supplements or modifications hereto and to the other Loan Documents for the purpose of adding any provisions to this Agreement or the other Loan Documents or changing in any manner the rights of the Lenders or of the Borrower hereunder or thereunder or (ii) waive, on such terms and conditions as the Required Lenders or the Agent, as the case may be, may specify in such instrument, any of the requirements of this Agreement or the other Loan Documents or any default or Event of Default and its consequences; provided, however, that no such waiver and no such amendment, supplement or modification shall (A) forgive the principal amount or extend the final scheduled date of maturity of any Loan, extend the scheduled date of any amortization payment in respect of any Term Loan, reduce the stated rate of any interest or fee payable hereunder or extend the scheduled date of any payment thereof, in each case without the written consent of each Lender directly

affected thereby; (B) eliminate or reduce the voting rights of any Lender under this Section 11.3(b) without the written consent of such Lender; (C) reduce any percentage specified in the definition of Required Lenders, consent to the assignment or transfer by the Borrower of any of its rights and obligations under this Agreement and the other Loan Documents, release all or substantially all of the Collateral or release a Borrower from its obligations under the Loan Documents, in each case without the written consent of all Lenders; or (D) amend, modify or waive any provision of Section 11.17 without the written consent of the Agent. Any such waiver and any such amendment, supplement or modification shall apply equally to each Lender and shall be binding upon Borrower, the Lender, the Agent and all future holders of the Loans.

11.4 No Strict Construction. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

11.5 No Waiver. The powers conferred upon Agent and Lender by this Agreement are solely to protect its rights hereunder and under the other Loan Documents and its interest in the Collateral and shall not impose any duty upon Agent or Lender to exercise any such powers. No omission or delay by Agent or Lender at any time to enforce any right or remedy reserved to it, or to require performance of any of the terms, covenants or provisions hereof by Borrower at any time designated, shall be a waiver of any such right or remedy to which Agent or Lender is entitled, nor shall it in any way affect the right of Agent or Lender to enforce such provisions thereafter.

11.6 Survival. All agreements, representations and warranties contained in this Agreement and the other Loan Documents or in any document delivered pursuant hereto or thereto shall be for the benefit of Agent and Lender and shall survive the execution and delivery of this Agreement. Sections 6.3 and 8.1 shall survive the termination of this Agreement (except as otherwise specified in Section 8.1).

11.7 Successors and Assigns. The provisions of this Agreement and the other Loan Documents shall inure to the benefit of and be binding on Borrower and its permitted assigns (if any). Borrower shall not assign its obligations under this Agreement or any of the other Loan Documents without Agent's express prior written consent, and any such attempted assignment shall be void and of no effect. Agent and Lender may assign, transfer, or endorse its rights hereunder and under the other Loan Documents without prior notice to Borrower, and all of such rights shall inure to the benefit of Agent's and Lender's successors and assigns; provided that as long as no Event of Default has occurred and is continuing, neither Agent nor any Lender may assign, transfer or endorse its rights hereunder or under the Loan Documents to any party that is a Disqualified Lender, it being acknowledged that in all cases, any transfer to an Affiliate of any Lender or Agent shall be allowed. Notwithstanding the foregoing, (x) in connection with any assignment by a Lender as a result of a forced divestiture at the request of any

regulatory agency, the restrictions set forth herein shall not apply and Agent and Lender may assign, transfer or indorse its rights hereunder and under the other Loan Documents to any Person or party and (y) in connection with a Lender's own financing or securitization transactions, the restrictions set forth herein shall not apply and Agent and Lender may assign, transfer or indorse its rights hereunder and under the other Loan Documents to any Person or party providing such financing or formed to undertake such securitization transaction and any transferee of such Person or party upon the occurrence of a default, event of default or similar occurrence with respect to such financing or securitization transaction; provided that no such sale, transfer, pledge or assignment under this clause (y) shall release such Lender from any of its obligations hereunder or substitute any such Person or party for such Lender as a party hereto until Agent shall have received and accepted an effective assignment agreement from such Person or party in form satisfactory to Agent executed, delivered and fully completed by the applicable parties thereto, and shall have received such other information regarding such assignee as Agent reasonably shall require. The Agent, acting solely for this purpose as an agent of Borrower, shall maintain at one of its offices in the United States a register for the recordation of the names and addresses of each Lender, and the Term Commitments of, and principal amounts (and stated interest) of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Agent and Lender shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

11.8 Governing Law. This Agreement and the other Loan Documents have been negotiated and delivered to Agent and Lender in the State of California, and shall have been accepted by Agent and Lender in the State of California. Payment to Agent and Lender by Borrower of the Secured Obligations is due in the State of California. This Agreement and the other Loan Documents shall be governed by, and construed and enforced in accordance with, the laws of the State of California, excluding conflict of laws principles that would cause the application of laws of any other jurisdiction.

11.9 Consent to Jurisdiction and Venue. All judicial proceedings (to the extent that the reference requirement of Section 11.10 is not applicable) arising in or under or related to this Agreement or any of the other Loan Documents may be brought in any state or federal court located in the State of California. By execution and delivery of this Agreement, each party hereto generally and unconditionally: (a) consents to nonexclusive personal jurisdiction in Santa Clara County, State of California; (b) waives any objection as to jurisdiction or venue in Santa Clara County, State of California; (c) agrees not to assert any defense based on lack of jurisdiction or venue in the aforesaid courts; and (d) irrevocably agrees to be bound by any judgment rendered thereby in connection with this Agreement or the other Loan Documents. Service of process on any party hereto in any action arising out of or relating to this Agreement shall be effective if given in accordance with the requirements for notice set forth in Section 11.2, and shall be deemed

effective and received as set forth in Section 11.2. Nothing herein shall affect the right to serve process in any other manner permitted by law or shall limit the right of either party to bring proceedings in the courts of any other jurisdiction.

11.10 Mutual Waiver of Jury Trial / Judicial Reference.

(a) Because disputes arising in connection with complex financial transactions are most quickly and economically resolved by an experienced and expert Person and the parties wish applicable state and federal laws to apply (rather than arbitration rules), the parties desire that their disputes be resolved by a judge applying such applicable laws. EACH OF BORROWER, AGENT AND LENDER SPECIFICALLY WAIVES ANY RIGHT IT MAY HAVE TO TRIAL BY JURY OF ANY CAUSE OF ACTION, CLAIM, CROSS-CLAIM, COUNTERCLAIM, THIRD PARTY CLAIM OR ANY OTHER CLAIM (COLLECTIVELY, "CLAIMS") ASSERTED BY BORROWER AGAINST AGENT, LENDER OR THEIR RESPECTIVE ASSIGNEE OR BY AGENT, LENDER OR THEIR RESPECTIVE ASSIGNEE AGAINST BORROWER. This waiver extends to all such Claims, including Claims that involve Persons other than Agent, Borrower and Lender; Claims that arise out of or are in any way connected to the relationship among Borrower, Agent and Lender; and any Claims for damages, breach of contract, tort, specific performance, or any equitable or legal relief of any kind, arising out of this Agreement, any other Loan Document.

(b) If the waiver of jury trial set forth in Section 11.10(a) is ineffective or unenforceable, the parties agree that all Claims shall be resolved by reference to a private judge sitting without a jury, pursuant to Code of Civil Procedure Section 638, before a mutually acceptable referee or, if the parties cannot agree, a referee selected by the Presiding Judge of the Santa Clara County, California. Such proceeding shall be conducted in Santa Clara County, California, with California rules of evidence and discovery applicable to such proceeding.

(c) In the event Claims are to be resolved by judicial reference, either party may seek from a court identified in Section 11.9, any prejudgment order, writ or other relief and have such prejudgment order, writ or other relief enforced to the fullest extent permitted by law notwithstanding that all Claims are otherwise subject to resolution by judicial reference.

11.11 Professional Fees. Borrower promises to pay Agent's and Lender's fees and expenses necessary to finalize the loan documentation, including but not limited to reasonable and invoiced attorneys' fees, UCC searches, filing costs, and other miscellaneous expenses. In addition, Borrower promises to pay any and all reasonable and invoiced attorneys' and other professionals' fees and expenses incurred by Agent and Lender after the Closing Date in connection with or related to: (a) the Loan; (b) the administration, collection, or enforcement of the Loan; (c) the amendment or modification of the Loan Documents; (d) any waiver, consent, release, or termination under the Loan Documents; (e) the protection, preservation, audit, field exam, sale, lease, liquidation, or

disposition of Collateral or the exercise of remedies with respect to the Collateral; (f) any legal, litigation, administrative, arbitration, or out of court proceeding in connection with or related to Borrower or the Collateral, and any appeal or review thereof; and (g) any bankruptcy, restructuring, reorganization, assignment for the benefit of creditors, workout, foreclosure, or other action related to Borrower, the Collateral, the Loan Documents, including representing Agent or Lender in any adversary proceeding or contested matter commenced or continued by or on behalf of Borrower's estate, and any appeal or review thereof.

11.12 Confidentiality. Agent and Lender acknowledge that certain items of Collateral and information provided to Agent and Lender by Borrower are confidential and proprietary information of Borrower, if and to the extent such information either (x) is marked as confidential by Borrower at the time of disclosure, or (y) should reasonably be understood to be confidential (the "Confidential Information"). Accordingly, Agent and Lender agree that any Confidential Information it may obtain in the course of acquiring, administering, or perfecting Agent's security interest in the Collateral shall not be disclosed to any other Person or entity in any manner whatsoever, in whole or in part, without the prior written consent of Borrower, except that Agent and Lender may disclose any such information: (a) to its own directors, officers, employees, accountants, counsel and other professional advisors and to its Affiliates if Agent or Lender in their sole discretion determines that any such party should have access to such information in connection with such party's responsibilities in connection with the Loan or this Agreement and, provided that such recipient of such Confidential Information either (i) agrees to be bound by the confidentiality provisions of this paragraph or (ii) is otherwise subject to confidentiality restrictions that reasonably protect against the disclosure of Confidential Information; (b) if such information is generally available to the public; (c) if required or appropriate in any report, statement or testimony submitted to any governmental authority having or claiming to have jurisdiction over Agent or Lender; (d) if required or appropriate in response to any summons or subpoena or in connection with any litigation, to the extent permitted or deemed advisable by Agent's or Lender's counsel; (e) to comply with any legal requirement or law applicable to Agent or Lender; (f) to the extent reasonably necessary in connection with the exercise of any right or remedy under any Loan Document, including Agent's sale, lease, or other disposition of Collateral after default; (g) to any participant or assignee of Agent or Lender or any prospective participant or assignee; provided, that such participant or assignee or prospective participant or assignee agrees in writing to be bound by this Section prior to disclosure; or (h) otherwise with the prior consent of Borrower; provided, that any disclosure made in violation of this Agreement shall not affect the obligations of Borrower or any of its Affiliates or any guarantor under this Agreement or the other Loan Documents.

11.13 Assignment of Rights. Borrower acknowledges and understands that Agent or Lender may, subject to Section 11.7, sell and assign all or part of its interest hereunder and under the Loan Documents to any Person or entity (an "Assignee"). After such assignment the term "Agent" or "Lender" as used in the Loan Documents shall mean

and include such Assignee, and such Assignee shall be vested with all rights, powers and remedies of Agent and Lender hereunder with respect to the interest so assigned; but with respect to any such interest not so transferred, Agent and Lender shall retain all rights, powers and remedies hereby given. No such assignment by Agent or Lender shall relieve Borrower of any of its obligations hereunder. Lender agrees that in the event of any transfer by it of the Note(s)(if any), it will endorse thereon a notation as to the portion of the principal of the Note(s), which shall have been paid at the time of such transfer and as to the date to which interest shall have been last paid thereon.

11.14 Revival of Secured Obligations. This Agreement and the Loan Documents shall remain in full force and effect and continue to be effective if any petition is filed by or against Borrower for liquidation or reorganization, if Borrower becomes insolvent or makes an assignment for the benefit of creditors, if a receiver or trustee is appointed for all or any significant part of Borrower's assets, or if any payment or transfer of Collateral is recovered from Agent or Lender. The Loan Documents and the Secured Obligations and Collateral security shall continue to be effective, or shall be revived or reinstated, as the case may be, if at any time payment and performance of the Secured Obligations or any transfer of Collateral to Agent, or any part thereof is rescinded, avoided or avoidable, reduced in amount, or must otherwise be restored or returned by, or is recovered from, Agent, Lender or by any obligee of the Secured Obligations, whether as a "voidable preference," "fraudulent conveyance," or otherwise, all as though such payment, performance, or transfer of Collateral had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, avoided, avoidable, restored, returned, or recovered, the Loan Documents and the Secured Obligations shall be deemed, without any further action or documentation, to have been revived and reinstated except to the extent of the full, final, and indefeasible payment to Agent or Lender in Cash.

11.15 Counterparts. This Agreement and any amendments, waivers, consents or supplements hereto may be executed in any number of counterparts, and by different parties hereto in separate counterparts, each of which when so delivered shall be deemed an original, but all of which counterparts shall constitute but one and the same instrument.

11.16 No Third Party Beneficiaries. No provisions of the Loan Documents are intended, nor will be interpreted, to provide or create any third-party beneficiary rights or any other rights of any kind in any Person other than Agent, Lender and Borrower unless specifically provided otherwise herein, and, except as otherwise so provided, all provisions of the Loan Documents will be personal and solely among Agent, the Lender and the Borrower.

11.17 Agency.

(a) Lender hereby irrevocably appoints Hercules Capital, Inc. to act on its behalf as the Agent hereunder and under the other Loan Documents and authorizes the Agent to take such actions on its behalf and to exercise such powers as are delegated to

the Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto.

(b) Lender agrees to indemnify the Agent in its capacity as such (to the extent not reimbursed by Borrower and without limiting the obligation of Borrower to do so), according to its respective Term Commitment percentages (based upon the total outstanding Term Commitments) in effect on the date on which indemnification is sought under this Section 11.17, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever that may at any time be imposed on, incurred by or asserted against the Agent in any way relating to or arising out of, this Agreement, any of the other Loan Documents or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by the Agent under or in connection with any of the foregoing; The agreements in this Section shall survive the payment of the Loans and all other amounts payable hereunder.

(c) Agent in Its Individual Capacity. The Person serving as the Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Agent and the term "Lender" shall, unless otherwise expressly indicated or unless the context otherwise requires, include each such Person serving as Agent hereunder in its individual capacity.

(d) Exculpatory Provisions. The Agent shall have no duties or obligations except those expressly set forth herein and in the other Loan Documents. Without limiting the generality of the foregoing, the Agent shall not:

(i) be subject to any fiduciary or other implied duties, regardless of whether any default or any Event of Default has occurred and is continuing;

(ii) have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Agent is required to exercise as directed in writing by the Lender, provided that the Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Agent to liability or that is contrary to any Loan Document or applicable law; and

(iii) except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and the Agent shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by any Person serving as the Agent or any of its Affiliates in any capacity.

(e) The Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Lender or as the Agent shall believe in good faith

shall be necessary, under the circumstances or (ii) in the absence of its own gross negligence or willful misconduct.

(f) The Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any default or Event of Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Section 4 or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Agent.

(g) Reliance by Agent. Agent may rely, and shall be fully protected in acting, or refraining to act, upon, any resolution, statement, certificate, instrument, opinion, report, notice, request, consent, order, bond or other paper or document that it has no reason to believe to be other than genuine and to have been signed or presented by the proper party or parties or, in the case of cables, telecopies and telexes, to have been sent by the proper party or parties. In the absence of its gross negligence or willful misconduct, Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificates or opinions furnished to Agent and conforming to the requirements of the Loan Agreement or any of the other Loan Documents. Agent may consult with counsel, and any opinion or legal advice of such counsel shall be full and complete authorization and protection in respect of any action taken, not taken or suffered by Agent hereunder or under any Loan Documents in accordance therewith. Agent shall have the right at any time to seek instructions concerning the administration of the Collateral from any court of competent jurisdiction. Agent shall not be under any obligation to exercise any of the rights or powers granted to Agent by this Agreement, the Loan Agreement and the other Loan Documents at the request or direction of Lenders unless Agent shall have been provided by Lender with adequate security and indemnity against the costs, expenses and liabilities that may be incurred by it in compliance with such request or direction.

11.18 Publicity. None of the parties hereto nor any of its respective member businesses and Affiliates shall, without the other parties' prior written consent (which shall not be unreasonably withheld or delayed), publicize or use (a) the other party's name (including a brief description of the relationship among the parties hereto), logo or hyperlink to such other parties' web site, separately or together, in written and oral presentations, advertising, promotional and marketing materials, client lists, public relations materials or on its web site (together, the "Publicity Materials"); (b) the names of officers of such other parties in the Publicity Materials; and (c) such other parties' name, trademarks, servicemarks in any news or press release concerning such party; provided however, notwithstanding anything to the contrary herein, no such consent shall be required (i) to the extent necessary to comply with the requests of any regulators, legal

requirements or laws applicable to such party, pursuant to any listing agreement with any national securities exchange (so long as such party provides prior notice to the other party hereto to the extent reasonably practicable) and (ii) to comply with Section 11.12.

11.19 Multiple Borrowers.

(a) Borrower's Agent. Each of the Borrowers hereby irrevocably appoints Parent as its agent, attorney-in-fact and legal representative for all purposes, including requesting disbursement of the Term Loan and receiving account statements and other notices and communications to Borrowers (or any of them) from the Agent or any Lender. The Agent may rely, and shall be fully protected in relying, on any request for the Term Loan, disbursement instruction, report, information or any other notice or communication made or given by Parent, whether in its own name or on behalf of one or more of the other Borrowers, and the Agent shall not have any obligation to make any inquiry or request any confirmation from or on behalf of any other Borrower as to the binding effect on it of any such request, instruction, report, information, other notice or communication, nor shall the joint and several character of the Borrowers' obligations hereunder be affected thereby.

(b) Waivers. Each Borrower hereby waives: (i) any right to require the Agent to institute suit against, or to exhaust its rights and remedies against, any other Borrower or any other person, or to proceed against any property of any kind which secures all or any part of the Secured Obligations, or to exercise any right of offset or other right with respect to any reserves, credits or deposit accounts held by or maintained with the Agent or any Indebtedness of the Agent or any Lender to any other Borrower, or to exercise any other right or power, or pursue any other remedy the Agent or any Lender may have; (ii) any defense arising by reason of any disability or other defense of any other Borrower or any guarantor or any endorser, co-maker or other person, or by reason of the cessation from any cause whatsoever of any liability of any other Borrower or any guarantor or any endorser, co-maker or other person, with respect to all or any part of the Secured Obligations, or by reason of any act or omission of the Agent or others which directly or indirectly results in the discharge or release of any other Borrower or any guarantor or any other person or any Secured Obligations or any security therefor, whether by operation of law or otherwise; (iii) any defense arising by reason of any failure of the Agent to obtain, perfect, maintain or keep in force any Lien on, any property of any Borrower or any other person; (iv) any defense based upon or arising out of any bankruptcy, insolvency, reorganization, arrangement, readjustment of debt, liquidation or dissolution proceeding commenced by or against any other Borrower or any guarantor or any endorser, co-maker or other person, including without limitation any discharge of, or bar against collecting, any of the Secured Obligations (including without limitation any interest thereon), in or as a result of any such proceeding. Until all of the Secured Obligations have been paid, performed, and discharged in full, nothing shall discharge or satisfy the liability of any Borrower hereunder except the full performance and payment of all of the Secured Obligations. If any claim is ever made upon the Agent for repayment or recovery of any amount or amounts received by the Agent in payment of or

on account of any of the Secured Obligations, because of any claim that any such payment constituted a preferential transfer or fraudulent conveyance, or for any other reason whatsoever, and the Agent repays all or part of said amount by reason of any judgment, decree or order of any court or administrative body having jurisdiction over the Agent or any of its property, or by reason of any settlement or compromise of any such claim effected by the Agent with any such claimant (including without limitation the any other Borrower), then and in any such event, each Borrower agrees that any such judgment, decree, order, settlement and compromise shall be binding upon such Borrower, notwithstanding any revocation or release of this Agreement or the cancellation of any note or other instrument evidencing any of the Secured Obligations, or any release of any of the Secured Obligations, and each Borrower shall be and remain liable to the Agent and the Lenders under this Agreement for the amount so repaid or recovered, to the same extent as if such amount had never originally been received by the Agent or any Lender, and the provisions of this sentence shall survive, and continue in effect, notwithstanding any revocation or release of this Agreement. Each Borrower hereby expressly and unconditionally waives all rights of subrogation, reimbursement and indemnity of every kind against any other Borrower, and all rights of recourse to any assets or property of any other Borrower, and all rights to any collateral or security held for the payment and performance of any Secured Obligations, including (but not limited to) any of the foregoing rights which Borrower may have under any present or future document or agreement with any other Borrower or other person, and including (but not limited to) any of the foregoing rights which any Borrower may have under any equitable doctrine of subrogation, implied contract, or unjust enrichment, or any other equitable or legal doctrine.

(c) Consents. Each Borrower hereby consents and agrees that, without notice to or by Borrower and without affecting or impairing in any way the obligations or liability of Borrower hereunder, the Agent may, from time to time before or after revocation of this Agreement, do any one or more of the following in its sole and absolute discretion: (i) accept partial payments of, compromise or settle, renew, extend the time for the payment, discharge, or performance of, refuse to enforce, and release all or any parties to, any or all of the Secured Obligations; (ii) grant any other indulgence to any Borrower or any other Person in respect of any or all of the Secured Obligations or any other matter; (iii) accept, release, waive, surrender, enforce, exchange, modify, impair, or extend the time for the performance, discharge, or payment of, any and all property of any kind securing any or all of the Secured Obligations or any guaranty of any or all of the Secured Obligations, or on which the Agent at any time may have a Lien, or refuse to enforce its rights or make any compromise or settlement or agreement therefor in respect of any or all of such property; (iv) substitute or add, or take any action or omit to take any action which results in the release of, any one or more other Borrowers or any endorsers or guarantors of all or any part of the Secured Obligations, including, without limitation one or more parties to this Agreement, regardless of any destruction or impairment of any right of contribution or other right of Borrower; (v) apply any sums received from any other Borrower, any guarantor, endorser, or co-signer, or from the disposition of any Collateral or security, to any Indebtedness whatsoever

owing from such person or secured by such Collateral or security, in such manner and order as the Agent determines in its sole discretion, and regardless of whether such Indebtedness is part of the Secured Obligations, is secured, or is due and payable. Each Borrower consents and agrees that the Agent shall be under no obligation to marshal any assets in favor of Borrower, or against or in payment of any or all of the Secured Obligations. Each Borrower further consents and agrees that the Agent shall have no duties or responsibilities whatsoever with respect to any property securing any or all of the Secured Obligations. Without limiting the generality of the foregoing, the Agent shall have no obligation to monitor, verify, audit, examine, or obtain or maintain any insurance with respect to, any property securing any or all of the Secured Obligations.

(d) Independent Liability. Each Borrower hereby agrees that one or more successive or concurrent actions may be brought hereon against such Borrower, in the same action in which any other Borrower may be sued or in separate actions, as often as deemed advisable by Agent. Each Borrower is fully aware of the financial condition of each other Borrower and is executing and delivering this Agreement based solely upon its own independent investigation of all matters pertinent hereto, and such Borrower is not relying in any manner upon any representation or statement of the Agent or any Lender with respect thereto. Each Borrower represents and warrants that it is in a position to obtain, and each Borrower hereby assumes full responsibility for obtaining, any additional information concerning any other Borrower's financial condition and any other matter pertinent hereto as such Borrower may desire, and such Borrower is not relying upon or expecting the Agent to furnish to it any information now or hereafter in the Agent's possession concerning the same or any other matter.

(e) Subordination. All Indebtedness of a Borrower now or hereafter arising held by another Borrower is subordinated to the Secured Obligations and the Borrower holding the Indebtedness shall take all actions reasonably requested by Agent to effect, to enforce and to give notice of such subordination.

11.20 Amendment and Restatement; No Novation. Borrower, Agent and the Lenders, each hereby agree that, effective upon the execution and delivery of this Agreement by each such party, the terms and provisions of the Existing Loan Agreement and each other Loan Document entered into prior to the Closing Date (collectively, the "Existing Loan Documents") shall be and hereby are amended, restated and superseded in their entirety by the terms and provisions of this Agreement and the other Loan Documents. Notwithstanding the foregoing, nothing herein contained shall be construed as a substitution or novation of the obligations of the Borrower outstanding under the Existing Loan Documents or instruments, documents or other agreements securing the same, which obligations shall remain in full force and effect, except to the extent that the terms thereof are specifically modified hereby or by instruments, documents or other agreements executed concurrently herewith. Nothing expressed or implied in this Agreement shall be construed as a release or other discharge of Borrower from any of the Secured Obligations or any liabilities under the Existing Loan Documents, except to the extent modified hereby or by instruments, documents or other agreements executed

concurrently herewith. Borrower hereby (i) confirms and agrees that each Loan Document to which it is a party is, and shall continue to be, in full force and effect and is hereby ratified and confirmed in all respects except that on and after the Closing Date all references in any such Loan Document to the "Loan and Security Agreement", the "Loan Agreement" the "Agreement", "thereto", "thereof", "thereunder" or words of like import referring to the Existing Loan Agreement shall mean the Existing Loan Agreement as amended and restated by this Agreement; and (ii) confirms and agrees that to the extent that the Existing Loan Agreement or any Existing Loan Documents purports to assign or pledge to Agent or Lender, or to grant to Agent or Lender a Lien on, any collateral as security for the Secured Obligations of the Borrower from time to time existing in respect of the Existing Loan Agreement, such pledge, assignment or grant of the Lien is hereby ratified and confirmed in all respects and shall remain effective as of the first date it became effective, subject only to specific modifications in the Loan Documents applicable thereto.

(SIGNATURES TO FOLLOW)

Certain identified information has been excluded from the document because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

IN WITNESS WHEREOF, Borrower, Agent and Lender have duly executed and delivered this Amended and Restated Loan and Security Agreement as of the day and year first above written.

BORROWER:

TG THERAPEUTICS, INC.

Signature:
Print Name:
Title:

TG BIOLOGICS, INC.

Signature:
Print Name:
Title:

Certain identified information has been excluded from the document because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

Accepted in Palo Alto, California:

AGENT:

HERCULES CAPITAL, INC.

By: _____
Name:
Title:

LENDER:

HERCULES CAPITAL, INC.

By: _____
Name:
Title:

HERCULES PRIVATE GLOBAL VENTURE GROWTH FUND I L.P.

By: Hercules Private Global Venture Growth Fund GP I LLC,
its general partner

By: Hercules Adviser LLC,
its sole member

By: _____
Name:
Title:

HERCULES PRIVATE CREDIT FUND I L.P.

By: Hercules Private Global Venture Growth Fund GP I LLC,
its general partner

By: Hercules Adviser LLC,
its sole member

By: _____
Name:
Title:

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Table of Addenda, Exhibits and Schedules

Certain identified information has been excluded from the document because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

ADDENDUM 1 to LOAN AND SECURITY AGREEMENT

(a) *Borrower's Business*. For purposes of this Addendum 1, Borrower shall be deemed to include its "affiliates" as defined in Title 13 Code of Federal Regulations Section 121.103. Borrower represents and warrants to Agent and Lender as of the Closing Date and covenants to Agent and Lender for a period of one year after the Closing Date with respect to subsections 2, 3, 4, 5, 6 and 7 below, as follows:

1. Size Status. Borrower's primary NAICS code is 541714 and has less than 1,000 employees in the aggregate;

2. No Relender. Borrower's primary business activity does not involve, directly or indirectly, providing funds to others, purchasing debt obligations, factoring, or long-term leasing of equipment with no provision for maintenance or repair;

3. No Passive Business. Borrower is engaged in a regular and continuous business operation (excluding the mere receipt of payments such as dividends, rents, lease payments, or royalties). Borrower's employees are carrying on the majority of day to day operations. Borrower will not pass through substantially all of the proceeds of the Loan to another entity;

4. No Real Estate Business. Borrower is not classified under Major Group 65 (Real Estate) or Industry No. 1531 (Operative Builders) of the SIC Manual. The proceeds of the Loan will not be used to acquire or refinance real property unless Borrower (x) is acquiring an existing property and will use at least 51 percent of the usable square footage for its business purposes; (y) is building or renovating a building and will use at least 67 percent of the usable square footage for its business purposes; or (z) occupies the subject property and uses at least 67 percent of the usable square footage for its business purposes.

5. No Project Finance. Borrower's assets are not intended to be reduced or consumed, generally without replacement, as the life of its business progresses, and the nature of Borrower's business does not require that a stream of cash payments be made to the business's financing sources, on a basis associated with the continuing sale of assets (e.g., real estate development projects and oil and gas wells). The primary purpose of the Loan is not to fund production of a single item or defined limited number of items,

generally over a defined production period, where such production will constitute the majority of the activities of Borrower (e.g., motion pictures and electric generating plants).

6. No Farm Land Purchases. Borrower will not use the proceeds of the Loan to acquire farm land which is or is intended to be used for agricultural or forestry purposes, such as the production of food, fiber, or wood, or is so taxed or zoned.

7. No Foreign Investment. The proceeds of the Loan will not be used substantially for a foreign operation. At the time of the Loan, Borrower will not have more than 49 percent of its employees or tangible assets located outside the United States of America. The representation in this subsection (7) is made only as of the date hereof and shall not continue for one year as contemplated in the first sentence of this Section 1.

(b) *Small Business Administration Documentation*. Agent and Lender acknowledge that Borrower completed, executed and delivered to Agent SBA Forms 480, 652 and 1031 (Parts A and B) together with a business plan showing Borrower's financial projections (including balance sheets and income and cash flows statements) for the period described therein and a written statement (whether included in the purchase agreement or pursuant to a separate statement) from Agent regarding its intended use of proceeds from the sale of securities to Lender (the "Use of Proceeds Statement"). Borrower represents and warrants to Agent and Lender that the information regarding Borrower and its affiliates set forth in the SBA Form 480, Form 652 and Form 1031 and the Use of Proceeds Statement delivered as of the Closing Date is accurate and complete.

(c) *Inspection*. The following covenants contained in this Section (c) are intended to supplement and not to restrict the related provisions of the Loan Documents. Subject to the preceding sentence, Borrower will permit, for so long as Lender holds any debt or equity securities of Borrower, Agent, Lender or their representative, at Agent's or Lenders' expense, and examiners of the SBA to visit and inspect the properties and assets of Borrower, to examine its books of account and records, and to discuss Borrower's affairs, finances and accounts with Borrower's officers, senior management and accountants, all at such reasonable times as may be requested by Agent or Lender or the SBA.

(d) *Annual Assessment*. Promptly after the end of each calendar year (but in any event prior to February 28 of each year) and at such other times as may be reasonably requested by Agent or Lender, Borrower will deliver to Agent a written assessment of the economic impact of Lender's investment in Borrower, specifying the full-time equivalent jobs created or retained in connection with the investment, the impact of the investment

on the businesses of Borrower in terms of expanded revenue and taxes, other economic benefits resulting from the investment (such as technology development or commercialization, minority business development, or expansion of exports) and such other information as may be required regarding Borrower in connection with the filing of Lender's SBA Form 468. Lender will assist Borrower with preparing such assessment. In addition to any other rights granted hereunder, Borrower will grant Agent and Lender and the SBA access to Borrower's books and records for the purpose of verifying the use of such proceeds. Borrower also will furnish or cause to be furnished to Agent and Lender such other information regarding the business, affairs and condition of Borrower as Agent or Lender may from time to time reasonably request.

(e) *Use of Proceeds.* Borrower will use the proceeds from the Loan only for purposes set forth in Section 7.17. Borrower will deliver to Agent from time to time promptly following Agent's request, a written report, certified as correct by Borrower's Chief Financial Officer, verifying the purposes and amounts for which proceeds from the Loan have been disbursed. Borrower will supply to Agent such additional information and documents as Agent reasonably requests with respect to its use of proceeds and will permit Agent and Lender and the SBA to have access to any and all Borrower records and information and personnel as Agent deems necessary to verify how such proceeds have been or are being used, and to assure that the proceeds have been used for the purposes specified in Section 7.17.

(f) *Activities and Proceeds.* Neither Borrower nor any of its affiliates (if any) will engage in any activities or use directly or indirectly the proceeds from the Loan for any purpose for which a small business investment company is prohibited from providing funds by the SBIC Act, including 13 C.F.R. §107.720. Without obtaining the prior written approval of Agent, Borrower will not change within 1 year of the date hereof, Borrower's current business activity to a business activity which a licensee under the SBIC Act is prohibited from providing funds by the SBIC Act.

(g) *Redemption Provisions.* Notwithstanding any provision to the contrary contained in the Certificate of Incorporation of Borrower, as amended from time to time (the "Charter"), if, pursuant to the redemption provisions contained in the Charter, Lender is entitled to a redemption of its Warrant, such redemption (in the case of Lender) will be at a price equal to the redemption price set forth in the Charter (the "Existing Redemption Price"). If, however, Lender delivers written notice to Borrower that the then current regulations promulgated under the SBIC Act prohibit payment of the Existing Redemption Price in the case of an SBIC (or, if applied, the Existing Redemption Price would cause the applicable stock to lose its classification as an "equity security" and Lender has determined that such classification is unadvisable), the amount Lender will be entitled to receive shall be the greater of (i) fair market value of the securities being redeemed taking into account the rights and preferences of such securities plus any costs and expenses of the Lender incurred in making or maintaining

the Warrant, and (ii) the Existing Redemption Price where the amount of accrued but unpaid dividends payable to the Lender is limited to Borrower's earnings plus any costs and expenses of the Lender incurred in making or maintaining the Warrant; provided, however, the amount calculated in subsections (i) or (ii) above shall not exceed the Existing Redemption Price.

(h) *Compliance and Resolution.* Borrower agrees that a failure to comply with Borrower's obligations under this Addendum, or any other set of facts or circumstances where it has been asserted by any governmental regulatory agency (or Agent or Lender believes that there is a substantial risk of such assertion) that Agent, Lender and their affiliates are not entitled to hold, or exercise any significant right with respect to, any securities issued to Lender by Borrower, will constitute a breach of the obligations of Borrower under the financing agreements among Borrower, Agent and Lender. In the event of (i) a failure to comply with Borrower's obligations under this Addendum; or (ii) an assertion by any governmental regulatory agency (or Agent or Lender believes that there is a substantial risk of such assertion) of a failure to comply with Borrower's obligations under this Addendum, then (i) Agent, Lender and Borrower will meet and resolve any such issue in good faith to the satisfaction of Borrower, Agent, Lender, and any governmental regulatory agency, and (ii) upon request of Lender or Agent, Borrower will cooperate and assist with any assignment of the financing agreements among Hercules Capital, Inc., Hercules Private Credit Fund I L.P. and Hercules Private Global Venture Growth Fund I L.P.

Certain identified information has been excluded from the document because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

EXHIBIT A

ADVANCE REQUEST

To: Agent: Date: _____, 20_____

Hercules Capital, Inc. (the "Agent")
400 Hamilton Avenue, Suite 310
Palo Alto, CA 94301
email: legal@herculestech.com
Attn:

TG Therapeutics, Inc., a Delaware corporation (the "Parent") and TG Biologics, Inc. a Delaware corporation ("TG Bio"; together with Parent, together with each of Parent's Subsidiaries that delivers a Joinder Agreement pursuant to Section 7.13 of the Agreement (as defined below) individually and collectively, jointly and severally, the "Borrower") hereby requests from Hercules Capital, Inc., Hercules Private Credit Fund I L.P. and Hercules Private Global Venture Growth Fund I L.P. (collectively "Lender") an Advance in the amount of _____ Dollars ($_____) on_____, _____(the "Advance Date") pursuant to the Amended and Restated Loan and Security Agreement, dated as of December 30, 2021, among Borrower, Agent and Lender (as amended, restated, amended and restated, supplemented and otherwise modified from time to time, the "Agreement"). Capitalized words and other terms used but not otherwise defined herein are used with the same meanings as defined in the Agreement.

Please:

(a) Issue a check payable to Borrower _____

or

(b) Wire Funds to Borrower's account _____[LAST 3 DIGITS]

Bank: _____
Address: _____
_____
ABA Number: _____
Account Number: _____
Account Name: _____
Contact Person: _____
Phone Number
To Verify Wire Info: _____
Email address: _____

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Borrower hereby represents that Borrower's corporate status and locations have not changed since the Closing Date or, if the Attachment to this Advance Request is completed, are as set forth in the Attachment to this Advance Request.

Borrower agrees to notify Agent promptly before the funding of the Loan if any of the matters which have been represented above shall not be true and correct on the Advance Date and if Agent has received no such notice before the Advance Date then the statements set forth above shall be deemed to have been made and shall be deemed to be true and correct as of the Advance Date.

Executed as of [ ], 20[ ].

BORROWER:

TG THERAPEUTICS, INC.

SIGNATURE: _____
TITLE: _____
PRINT NAME: _____

TG BIOLOGICS, INC.

SIGNATURE: _____
TITLE: _____
PRINT NAME: _____

Certain identified information has been excluded from the document because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

ATTACHMENT TO ADVANCE REQUEST

Dated:_____

Borrower hereby represents and warrants to Agent that Borrower's current name and organizational status is as follows:

Name:	TG Therapeutics, Inc.
Type of organization:	Corporation
State of organization:	Delaware
Organization file number:	[_____]
Name:	TG Biologics, Inc.
Type of organization:	Corporation
State of organization:	Delaware
Organization file number:	[_____]

Borrower hereby represents and warrants to Agent that the street addresses, cities, states and postal codes of its current locations are as follows:

Certain identified information has been excluded from the document because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

EXHIBIT B

SECURED TERM PROMISSORY NOTE

$[ ],000,000 Advance Date:_____, 20[ ]

Maturity Date: _____, 20[ ]

Palo Alto, California

FOR VALUE RECEIVED, TG Therapeutics, Inc., a Delaware corporation and TG Biologics, Inc., a Delaware corporation, for themselves and each of their Subsidiaries that delivers a Joinder Agreement pursuant to Section 7.13 of the Loan Agreement (individually and severally, jointly and collectively, the "Borrower") hereby promises to pay to Hercules Capital, Inc., Hercules Private Credit Fund I L.P. and Hercules Private Global Venture Growth Fund I L.P. or their respective registered assigns (collectively, the "Lender") at 400 Hamilton Avenue, Suite 310, Palo Alto, CA 94301 or such other place of payment as the Lender may specify from time to time in writing, in lawful money of the United States of America, the principal amount of [ ] Million Dollars ($[ ],000,000) or such other principal amount as Lender has advanced to Borrower, together with interest at a rate as set forth in Section 2.2(c) of the Loan Agreement based upon a year consisting of 360 days, with interest computed daily based on the actual number of days in each month.

This Secured Term Promissory Note (this "Promissory Note") is the Note referred to in, and is executed and delivered in connection with, that certain Amended and Restated Loan and Security Agreement dated December 30, 2021, by and among Borrower, Hercules Capital, Inc., a Maryland corporation (the "Agent") and the several banks and other financial institutions or entities from time to time party thereto as lender (as amended, restated, amended and restated, supplemented or otherwise modified from time to time in accordance with its terms, the "Loan Agreement"), and is entitled to the benefit and security of the Loan Agreement and the other Loan Documents (as defined in the Loan Agreement), to which reference is made for a statement of all of the terms and conditions thereof. All payments shall be made in accordance with the Loan Agreement. All terms defined in the Loan Agreement shall have the same definitions when used herein, unless otherwise defined herein. An Event of Default under the Loan Agreement shall constitute a default under this Promissory Note.

Borrower waives presentment and demand for payment, notice of dishonor, protest and notice of protest under the UCC or any applicable law. Borrower agrees to make all payments under this Promissory Note without setoff, recoupment or deduction and regardless of any counterclaim or defense. This Promissory Note has been negotiated and delivered to Lender and is payable in the State of California. This Promissory Note shall be governed by and construed and enforced in accordance with, the laws of the State of California, excluding any conflicts of law rules or principles that would cause the application of the laws of any other jurisdiction.

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BORROWER FOR ITSELF AND
ON BEHALF OF ITS SUBSIDIARIES:

TG THERAPEUTICS, INC.

SIGNATURE: _____
TITLE: _____
PRINT NAME: _____

TG BIOLOGICS, INC.

SIGNATURE: _____
TITLE: _____
PRINT NAME: _____

Certain identified information has been excluded from the document because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

EXHIBIT C

NAME, LOCATIONS, AND OTHER INFORMATION FOR BORROWER

1. Borrower represents and warrants to Agent that Borrower's current name and organizational status as of the Closing Date is as follows:

Name:	TG Therapeutics, Inc.
Type of organization:	Corporation
State of organization:	Delaware
Organization file number:	2336756
Name:	TG Biologics, Inc.
Type of organization:	Corporation
State of organization:	Delaware
Organization file number:	4897192

2. Borrower represents and warrants to Agent that for five (5) years prior to the Closing Date, Borrower did not do business under any other name or organization or form except the following:

Name: TG Therapeutics, Inc.
Used during dates of: 4/26/2012 – present
Type of Organization: Corporation
State of organization: Delaware
Organization file Number: 2336756
Parent's fiscal year ends on December 31
Parent's federal employer tax identification number is: 36-3898269

Name: TG Biologics, Inc.
Used during dates of: 11/12/2010 – present
Type of Organization: Corporation
State of organization: Delaware
Organization file Number: 4897192
TG Bio's fiscal year ends on December 31
TG Bio's federal employer tax identification number is: 45-2224118

3. Borrower represents and warrants to Agent that its chief executive office is located at 2 Gansevoort Street, 9th Floor, New York, NY 10014.

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EXHIBIT D

BORROWER'S PATENTS, TRADEMARKS, COPYRIGHTS AND LICENSES

[*]

Certain identified information has been excluded from the document because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

EXHIBIT E

BORROWER'S DEPOSIT ACCOUNTS AND INVESTMENT ACCOUNTS

Bank Name	Account Number	Company/ Subsidiary	Purpose of Account	Avg. Balance
Chase Bank	**[*]**	**Company & Subsidiaries**	**Checking,Savings, Lockbox, Money Market**	**$[*]**
Israel Discount Bank	**[*]**	**Company & Subsidiaries**	**Restricted Cash – Letterof Credit withlandlord and correspondingcash held as collateral at IDB for office space.**	**$[*]**
Wells Fargo	**[*]**	**Company & Subsidiaries**	**Money Market**	**$[*]**
ANZ Bank	**[*]**	**Company & Subsidiaries**	**Checking**	**$[*]**
Stone Castle	**[*]**	**Company & Subsidiaries**	**Federally insured cash account**	**$[*]**

Bank or Brokerage Name	Account Number	Company/ Subsidiary	Purpose ofAccount	Avg. Balance
Treasury Partners	**[*]**	**Company & Subsidiaries**	**ST & LT securities**	**$[*]**

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EXHIBIT F

COMPLIANCE CERTIFICATE

For the Period Ending_____, 20__(the "Test Date")

Hercules Capital, Inc., as Agent
400 Hamilton Avenue, Suite 310
Palo Alto, CA 94301
Email: financialstatements@herculestech.com
mdutra@htgc.com
bjadot@htgc.com
legal@herculestech.com

Reference is made to that certain Amended and Restated Loan and Security Agreement dated as of December 30, 2021, and the Loan Documents (as defined therein) entered into in connection with such Loan and Security Agreement all as may be amended, restated, amended and restated, supplemented or otherwise modified from time to time (hereinafter referred to collectively as the "Loan Agreement") by and among Hercules Capital, Inc. (the "Agent"), the several banks and other financial institutions or entities from time to time party thereto (collectively, the "Lender") and Hercules Capital, Inc., as agent for the Lender (the "Agent") and TG Therapeutics, Inc., a Delaware corporation ("Parent"), TG Biologics, Inc., a Delaware corporation, and each of their Subsidiaries that delivers a Joinder Agreement pursuant to Section 7.13 of the Loan Agreement (hereinafter collectively referred to as "Borrower"). All capitalized terms not defined herein shall have the same meaning as defined in the Loan Agreement.

The undersigned is the [Chief Executive Officer][Chief Financial Officer] of Borrower, knowledgeable of all Borrower financial matters, and is authorized to provide certification of information regarding Borrower; hereby certifies, in such capacity (and not in any individual capacity), that in accordance with the terms and conditions of the Loan Agreement, Borrower is in compliance for the period ending _____of all covenants, conditions and terms and hereby reaffirms that all representations and warranties contained therein are true and correct in all material respects (or, if qualified by materiality, in all respects) on and as of the date of this Compliance Certificate with the same effect as though made on and as of such date, except to the extent such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects (or, if qualified by materiality, in all respects) as of such earlier date. Attached are the required documents supporting the above certification. The undersigned further certifies that these are prepared in accordance with GAAP (except for the absence of footnotes with respect to unaudited financial statement and subject to normal year-end adjustments) and are consistent from one period to the next except as explained below.

Certain identified information has been excluded from the document because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

REPORTING REQUIREMENT	REQUIRED	CHECK IF ATTACHED
Interim Financial Statements (Section 7.1(a))	Monthly within 30 days	☐
Interim Financial Statements (Section 7.1(b))	Quarterly within 45 days	☐
Audited Financial Statements (Section 7.1(c))	FYE within 90 days	☐
Accounts Receivable and Payable Agings Report (Section 7.1(e))	Monthly within 30 days	☐

To the extent applicable, the undersigned hereby confirms that the Borrower is in compliance with Section 7.21 of the Loan Agreement (as applicable, attached as Schedule A hereto are the required calculations supporting this certification(s)), as of the date first set forth above.

The aggregate assets and liabilities of Subsidiaries that are not Borrowers (including TG Australia and Ariston) (other than accounts payable and intercompany Indebtedness permitted pursuant to Section 7.14) equals: $ _____ *(must be less than or equal to $750,000 to be in compliance).*

The undersigned hereby also confirms the below disclosed accounts represent all depository accounts and securities accounts presently open in the name of each Borrower or Borrower Subsidiary/Affiliate, as applicable.

		Depository AC #	Financial Institution	Account Type (Depository / Securities)	Last Month Ending Account Balance	Purpose of Account
BORROWER Name/Address:						
	1					
	2					
	3					
	4					
	5					
	6					

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	7					
BORROWER SUBSIDIARY / AFFILIATE COMPANY Name/Address						
	1					
	2					
	3					
	4					
	5					
	6					
	7					

Were any accounts above opened since the last Compliance Certificate? Yes _____ / No _____

Certain identified information has been excluded from the document because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

Very Truly Yours,

TG THERAPEUTICS, INC.

By: _____
Name: _____
Its: _____

TG BIOLOGICS, INC.

By: _____
Name: _____
Its: _____

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Schedule A to Compliance Certificate

[A. If:

I. Either Performance Milestone I or Performance Milestone II has not been achieved; *then*

1)	Amount of Borrower's Unrestricted Cash as of the Test Date:	$ _____
2)	Amount of outstanding Secured Obligations as of the Test Date:	$ _____
3)	Amount of Borrower's accounts payable under GAAP not paid after the 180th day following the due date for such accounts payable, and not contested, challenged or discussed in good faith as of the Test Date:	$ _____
4)	Is the amount in *line (A)(1)* greater than or equal to 75% of the sum of the amounts in *line (A)(2)* and *line (A)(3)*?	YES – In compliance NO – Not in compliance

II. Either Performance Milestone I or Performance Milestone II (or both) have been achieved; *then*

1)	Amount of Borrower's Unrestricted Cash as of the Test Date:	$ _____
2)	Amount of outstanding Secured Obligations as of the Test Date:	$ _____
3)	Amount of Borrower's accounts payable under GAAP not paid after the 180th day following the due date for such accounts payable, and not contested, challenged or discussed in good faith as of the Test Date:	$ _____
4)	Is the amount in *line (A)(1)* greater than or equal to 30% of the sum of the amounts in *line (A)(2)* and *line (A)(3)*?	YES – In compliance NO – Not in compliance

Certain identified information has been excluded from the document because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

]1

[B.

1)	Was, on each day during the applicable monthly period, either (i)(x) Borrower's Market Capitalization greater than $1,200,000,000 *and* (y) the amount in *line (A)(1)* greater than or equal to 50% of the sum of the amounts in *line (A)(2)* and *line (A)(3)*, *or* (ii) the amount in *line (A)(1)* greater than or equal to 85% of the sum of the amounts in *line (A)(2)* and *line (A)(3)*?	YES – In compliance NO – Continue to *line (B)(2)*
2)	T3M Net Product Revenue for the monthly period ended on the Test Date:	$ _____
3)	T3M Net Product Revenue in the Forecast for the monthly period ended on the Test Date:	$ _____
4)	Is the amount in *line (B)(2)* greater than the lesser of (i) 70% of the amount in *line (B)(3)* and (ii) the amount in *line (A)(2) divided* by 3.50?	YES – In compliance NO – Not in compliance

]2

[1] To include for Compliance Certificates delivered for periods ending on or after October 15, 2022.

[2] To include for Compliance Certificates delivered for periods ending on or after July 1, 2023, to the extent that the aggregate Term Loan Advances at any time were in excess of $70,000,000.

Certain identified information has been excluded from the document because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

EXHIBIT G

FORM OF JOINDER AGREEMENT

This Joinder Agreement (the "Joinder Agreement") is made and dated as of [ ], 20[ ], and is entered into by and between _____, a _____ corporation ("Subsidiary"), and HERCULES CAPITAL, INC., a Maryland corporation (as "Agent").

RECITALS

A. Subsidiary's Affiliate, [ ] ("Company") [has entered/desires to enter] into that certain Loan and Security Agreement dated as of December 30, 2021, with the several banks and other financial institutions or entities from time to time party thereto as lender (collectively, the "Lender") and the Agent, as such agreement may be amended, restated, amended and restated, supplemented or otherwise modified (the "Loan Agreement"), together with the other agreements executed and delivered in connection therewith;

B. Subsidiary acknowledges and agrees that it will benefit both directly and indirectly from Company's execution of the Loan Agreement and the other agreements executed and delivered in connection therewith;

AGREEMENT

NOW THEREFORE, Subsidiary and Agent agree as follows:

1. The recitals set forth above are incorporated into and made part of this Joinder Agreement. Capitalized terms not defined herein shall have the meaning provided in the Loan Agreement.

2. By signing this Joinder Agreement, Subsidiary shall be bound by the terms and conditions of the Loan Agreement the same as if it were the Borrower (as defined in the Loan Agreement) under the Loan Agreement, mutatis mutandis, provided however, that (a) with respect to (i) Section 5.1 of the Loan Agreement, Subsidiary represents that it is an entity duly organized, legally existing and in good standing under the laws of [ ], (b) neither Agent nor Lender shall have any duties, responsibilities or obligations to Subsidiary arising under or related to the Loan Agreement or the other Loan Documents, (c) that if Subsidiary is covered by Company's insurance, Subsidiary shall not be required to maintain separate insurance or comply with the provisions of Sections 6.1 and 6.2 of the Loan Agreement, and (d) that as long as Company satisfies the requirements of Section 7.1 of the Loan Agreement, Subsidiary shall not have to provide Agent separate Financial Statements. To the extent that Agent or Lender has any duties, responsibilities or obligations arising under or related to the Loan Agreement or the other Loan Documents, those duties, responsibilities or obligations shall flow only to Company and not to Subsidiary or any other Person or entity. By way of example (and not an exclusive list): (i) Agent's providing notice to Company in accordance with the Loan Agreement or as otherwise agreed among Company, Agent and Lender shall be deemed provided to Subsidiary; (ii) a Lender's providing an Advance to Company shall be

deemed an Advance to Subsidiary; and (iii) Subsidiary shall have no right to request an Advance or make any other demand on Lender.

3. Subsidiary agrees not to certificate its equity securities without Agent's prior written consent, which consent may be conditioned on the delivery of such equity securities to Agent in order to perfect Agent's security interest in such equity securities.
4. Subsidiary acknowledges that it benefits, both directly and indirectly, from the Loan Agreement, and hereby waives, for itself and on behalf on any and all successors in interest (including without limitation any assignee for the benefit of creditors, receiver, bankruptcy trustee or itself as debtor-in-possession under any bankruptcy proceeding) to the fullest extent provided by law, any and all claims, rights or defenses to the enforcement of this Joinder Agreement on the basis that (a) it failed to receive adequate consideration for the execution and delivery of this Joinder Agreement or (b) its obligations under this Joinder Agreement are avoidable as a fraudulent conveyance.
5. As security for the prompt, complete and indefeasible payment when due (whether on the payment dates or otherwise) of all the Secured Obligations, Subsidiary grants to Agent a security interest in all of Subsidiary's right, title, and interest in and to the Collateral.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Certain identified information has been excluded from the document because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

SUBSIDIARY:

_____.

By: _____
Name: _____
Title: _____

Address:

Telephone: _____
email: _____

AGENT:

HERCULES CAPITAL, INC.

By: _____
Name: _____
Title: _____

Address:
400 Hamilton Ave., Suite 310
Palo Alto, CA 94301
email: legal@herculestech.com
Telephone: 650-289-3060

[SIGNATURE PAGE TO JOINDER AGREEMENT]

Certain identified information has been excluded from the document because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

EXHIBIT H

[Reserved]

Certain identified information has been excluded from the document because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

EXHIBIT I

ACH DEBIT AUTHORIZATION AGREEMENT

Hercules Capital, Inc.
400 Hamilton Avenue, Suite 310
Palo Alto, CA 94301

Re: Loan and Security Agreement dated as of December 30, 2021 (as amended, restated, amended and restated, supplemented and otherwise modified from time to time, the "Agreement") by and among TG Therapeutics, Inc., a Delaware corporation ("Parent"), and TG Biologics, Inc., a Delaware corporation ("TG Bio"; together with Parent and each of Parent's Subsidiaries that delivers a Joinder Agreement pursuant to Section 7.13 of the Agreement, individually and collectively, jointly and severally, the "Borrower") and Hercules Capital, Inc., as agent ("Agent") and the lenders party thereto (collectively, the "Lender")

In connection with the above referenced Agreement, the Borrower hereby authorizes Agent to initiate debit entries for (i) the periodic payments due under the Agreement and (ii) out-of-pocket legal fees and costs incurred by Agent or Lender pursuant to Section 11.11 of the Agreement to Parent's account indicated below. The Borrower authorizes the depository institution named below to debit to such account.

[IF FILED PUBLICLY, ACCOUNT INFO REDACTED FOR SECURITY PURPOSES]

DEPOSITORY NAME	BRANCH
CITY	STATE AND ZIP CODE
TRANSIT/ABA NUMBER	ACCOUNT NUMBER

Certain identified information has been excluded from the document because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

This authority will remain in full force and effect so long as any amounts are due under the Agreement.

TG THERAPEUTICS, INC.

By: _____
Name: _____
Title: _____

TG BIOLOGICS, INC.

By: _____
Name: _____
Title: _____

Certain identified information has been excluded from the document because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

EXHIBIT J

[Reserved]

Certain identified information has been excluded from the document because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

EXHIBIT K-1

FORM OF U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Lenders That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to Loan and Security Agreement dated as of December 30, 2021 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Loan Agreement") by and between TG Therapeutics, Inc., a Delaware corporation, TG Biologics, Inc., a Delaware corporation and each of their Subsidiaries (as defined in the Loan Agreement) that delivers a Joinder Agreement pursuant to Section 7.13 of the Agreement (hereinafter collectively referred to as the "Borrower"), the several banks and other financial institutions or entities from time to time parties to the Loan Agreement (collectively, referred to as "Lender"), and HERCULES CAPITAL, INC., a Maryland corporation, in its capacity as administrative agent and collateral agent for itself and the Lender (in such capacity, the "Agent").

Pursuant to the provisions of Section 2.9 of the Loan Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) it is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a "ten percent shareholder" of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (iv) it is not a "controlled foreign corporation" related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Agent and the Borrower with a certificate of its non-U.S. Person status on IRS Form W-8BEN or IRS Form W-8BEN-E. By executing this certificate, the undersigned agrees that (1) if the information provided in this certificate changes, the undersigned shall promptly so inform the Borrower and the Agent, and (2) the undersigned shall have at all times furnished the Borrower and the Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Loan Agreement and used herein shall have the meanings given to them in the Loan Agreement.

Date: _____, 20____

[NAME OF LENDER]

By: _____
Name: _____
Title: _____

Certain identified information has been excluded from the document because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

EXHIBIT K-2

FORM OF U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Participants That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to Loan and Security Agreement dated as of December 30, 2021 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Loan Agreement") by and between TG Therapeutics, Inc., a Delaware corporation, TG Biologics, Inc., a Delaware corporation and each of their Subsidiaries (as defined in the Loan Agreement) that delivers a Joinder Agreement pursuant to Section 7.13 of the Agreement (hereinafter collectively referred to as the "Borrower"), the several banks and other financial institutions or entities from time to time parties to the Loan Agreement (collectively, referred to as "Lender"), and HERCULES CAPITAL, INC., a Maryland corporation, in its capacity as administrative agent and collateral agent for itself and the Lender (in such capacity, the "Agent").

Pursuant to the provisions of Section 2.9 of the Loan Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a "ten percent shareholder" of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (iv) it is not a "controlled foreign corporation" related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with a certificate of its non-U.S. Person status on IRS Form W-8BEN or IRS Form W-8BEN-E. By executing this certificate, the undersigned agrees that (1) if the information provided in this certificate changes, the undersigned shall promptly so inform such Lender in writing, and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Loan Agreement and used herein shall have the meanings given to them in the Loan Agreement.

Date: _____, 20____

[NAME OF PARTICIPANT]

By: _____
Name: _____
Title: _____

Certain identified information has been excluded from the document because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

EXHIBIT K-3

FORM OF U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Participants That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to Loan and Security Agreement dated as of December 30, 2021 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Loan Agreement") by and between TG Therapeutics, Inc., a Delaware corporation, TG Biologics, Inc., a Delaware corporation and each of their Subsidiaries (as defined in the Loan Agreement) that delivers a Joinder Agreement pursuant to Section 7.13 of the Agreement (hereinafter collectively referred to as the "Borrower"), the several banks and other financial institutions or entities from time to time parties to the Loan Agreement (collectively, referred to as "Lender"), and HERCULES CAPITAL, INC., a Maryland corporation, in its capacity as administrative agent and collateral agent for itself and the Lender (in such capacity, the "Agent").

Pursuant to the provisions of Section 2.9 of the Loan Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such participation, (iii) with respect such participation, neither the undersigned nor any of its direct or indirect partners/members is a "bank" extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a "ten percent shareholder" of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a "controlled foreign corporation" related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or IRS Form W-8BEN-E or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or IRS Form W-8BEN-E from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided in this certificate changes, the undersigned shall promptly so inform such Lender and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Loan Agreement and used herein shall have the meanings given to them in the Loan Agreement.

Date: _____, 20____

[NAME OF PARTICIPANT]

By: _____
Name: _____
Title: _____

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EXHIBIT K-4

FORM OF U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign lenders That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to Loan and Security Agreement dated as of December 30, 2021 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Loan Agreement") by and between TG Therapeutics, Inc., a Delaware corporation, TG Biologics, Inc., a Delaware corporation and each of their Subsidiaries (as defined in the Loan Agreement) that delivers a Joinder Agreement pursuant to Section 7.13 of the Agreement (hereinafter collectively referred to as the "Borrower"), the several banks and other financial institutions or entities from time to time parties to the Loan Agreement (collectively, referred to as "Lender"), and HERCULES CAPITAL, INC., a Maryland corporation, in its capacity as administrative agent and collateral agent for itself and the Lender (in such capacity, the "Agent").

Pursuant to the provisions of Section 2.9 of the Loan Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such Loan(s) (as well as any Note(s) evidencing such Loan(s)), (iii) with respect to the extension of credit pursuant to this Loan Agreement or any other Loan Document, neither the undersigned nor any of its direct or indirect partners/members is a "bank" extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code,
(iv) none of its direct or indirect partners/members is a "ten percent shareholder" of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a "controlled foreign corporation" related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Agent and the Borrower with IRS Form W- 8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or IRS Form W-8BEN-E or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or IRS Form W-8BEN-E from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided in this certificate changes, the undersigned shall promptly so inform the Borrower and the Agent, and (2) the undersigned shall have at all times furnished the Borrower and the Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Loan Agreement and used herein shall have the meanings given to them in the Loan Agreement.

Date: _____, 20____

[NAME OF LENDER]

By: _____
Name: _____
Title: _____

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Certain identified information has been excluded from the document because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

SCHEDULE 1

SUBSIDIARIES

1. Ariston Pharmaceuticals, Inc.

2. TG Biologics, Inc.

3. TG Therapeutics AUS Pty Ltd

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SCHEDULE 1.1

COMMITMENTS

LENDER	TRANCHE 1	TRANCHE 2	TRANCHE 3	TRANCHE 4	TERM COMMITMENT
Hercules Capital, Inc.	$51,450,000	$14,700,000	$33,075,000	$65,000,000 *	$164,225,000 *
Hercules Private Credit Fund I L.P.	$12,250,000	$3,500,000	$7,875,000	$0	$23,625,000 *
Hercules Private Global Venture Growth Fund I L.P.	$6,300,000	$1,800,000	$4,050,000	$0	$12,150,000 *
TOTAL COMMITMENTS	$70,000,000	$20,000,000	$45,000,000	$65,000,000 *	$200,000,000 *

* Funding of Tranche 4 is subject to approval by Lender’s investment committee in its sole discretion.

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SCHEDULE 1A

EXISTING PERMITTED INDEBTEDNESS

1. The Ariston Notes.

Certain identified information has been excluded from the document because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

SCHEDULE 1B

EXISTING PERMITTED INVESTMENTS

1. Capital Stock of Subsidiaries listed in Schedule 1.
2. Intercompany advancements to Ariston existing as of the Closing Date, which Indebtedness is subject to the Intercompany Subordination Agreement.

Certain identified information has been excluded from the document because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

SCHEDULE 1C

EXISTING PERMITTED LIENS

None.

Certain identified information has been excluded from the document because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

SCHEDULE 5.3

CONSENTS, ETC.

None.

Certain identified information has been excluded from the document because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

SCHEDULE 5.8

TAX MATTERS

None.

Certain identified information has been excluded from the document because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

SCHEDULE 5.9

INTELLECTUAL PROPERTY CLAIMS

None.

Certain identified information has been excluded from the document because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

SCHEDULE 5.10

INTELLECTUAL PROPERTY

None.

Certain identified information has been excluded from the document because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

SCHEDULE 5.11

BORROWER PRODUCTS

None.

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SCHEDULE 5.14

CAPITALIZATION

				Common Stock Outstanding (as of 9/30/21)	142,943,139
Name and Address of Beneficial Owner(1)		**Amount and Nature of Beneficial Ownership**	**Percentage of Shares Outstanding**		
Michael S. Weiss		13,068,082	9.14%		
Sean A. Power		629,438	*		
Laurence Charney		160,997	*		
Kenneth Hoberman		158,953	*		
Daniel Hume		134,507	*		
Yann Echelard		129,116	*		
Sagar Lonial, MD		65,000			
All current directors and named executive officers as a group (7 persons)		14,346,093	10.04%		
5% Stockholders:					
FMR, LLC		14,827,136	10.37%		
Vanguard Group, Inc.		10,970,863	7.67%		
Blackrock, Inc.		8,556,286	5.99%		
Total Stock held by Affiliates		14,346,093	10.04%		
Public Float		128,597,046	89.96%		

THIS WARRANT AND THE SHARES ISSUABLE UPON EXERCISE HEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY STATE SECURITIES LAWS, AND MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED, OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR, SUBJECT TO SECTION 11 HEREOF, AN OPINION OF COUNSEL (WHICH MAY BE COMPANY COUNSEL) REASONABLY SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE ACT, OR ANY APPLICABLE STATE SECURITIES LAWS.

WARRANT AGREEMENT

To Purchase Shares of the Common Stock of

TG THERAPEUTICS, INC.

Dated as of December 30, 2021 (the "Effective Date")

WHEREAS, TG Therapeutics, Inc., a Delaware corporation (the "Company"), has entered into an Amended and Restated Loan and Security Agreement of even date herewith (as amended and in effect from time to time, the "Loan Agreement") with Hercules Capital, Inc., a Maryland corporation, in its capacity as administrative and collateral agent, Hercules Capital, Inc., as a lender (the "Warrantholder"), and the other lenders from time to time party thereto;

WHEREAS, pursuant to the Loan Agreement and as additional consideration to the Warrantholder for, among other things, its agreements in the Loan Agreement, the Company has agreed to issue to the Warrantholder this Warrant Agreement, evidencing the right to purchase shares of the Company's Common Stock (this "Warrant", "Warrant Agreement", or this "Agreement");

NOW, THEREFORE, in consideration of the Warrantholder having executed and delivered the Loan Agreement and provided the financial accommodations contemplated therein, and in consideration of the mutual covenants and agreements contained herein, the Company and Warrantholder agree as follows:

SECTION 1. GRANT OF THE RIGHT TO PURCHASE COMMON STOCK.

(a) For value received, the Company hereby grants to the Warrantholder, and the Warrantholder is entitled, upon the terms and subject to the conditions hereinafter set forth, to subscribe for and purchase, from the Company, up to the aggregate number of fully paid and non-assessable shares of Common Stock (as defined below) as determined pursuant to Section 1(b) below, at a purchase price per share equal to the Exercise Price (as defined below). The number and Exercise Price of such shares are subject to adjustment as provided in Section 8. As used herein, the following terms shall have the following meanings:

"Act" means the Securities Act of 1933, as amended.

"Charter" means the Company's Certificate of Incorporation or other constitutional document, as may be amended and in effect from time to time.

"Common Stock" means the Company's common stock, $0.001 par value per share, as presently constituted under the Charter, and any class and/or series of Company

capital stock for or into which such common stock may be converted or exchanged in a reorganization, recapitalization or similar transaction.

"Excluded Registration" means (i) a registration relating to the sale of securities to employees of the Company or a subsidiary pursuant to an equity option, equity purchase, or similar plan; (ii) a registration relating to an SEC Rule 145 transaction; or (iii) a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities, provided that, for the avoidance of doubt, the inclusion of information regarding this Warrant and the plan of distribution of and selling securityholder information related to the Common Shares issuable upon exercise of this Warrant, shall not constitute a basis for excluding the Registrable Securities from a registration pursuant to this clause (iii).

"Exercise Price" means $17.95, subject to adjustment from time to time in accordance with the provisions of this Warrant.

"Liquid Sale" means the closing of a Merger Event in which the consideration received by the Company and/or its stockholders, as applicable, consists solely of cash and/or Marketable Securities.

"Marketable Securities" in connection with a Merger Event means securities meeting all of the following requirements: (i) the issuer thereof is then subject to the reporting requirements of Section 13 or Section 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and is then current in its filing of all required reports and other information under the Act and the Exchange Act; (ii) the class and series of shares or other security of the issuer that would be received by the Warrantholder in connection with the Merger Event were the Warrantholder to exercise this Warrant on or prior to the closing thereof is then traded on a national securities exchange or over-the-counter market, and (iii) following the closing of such Merger Event, the Warrantholder would not be restricted from publicly re-selling all of the issuer's shares and/or other securities that would be received by the Warrantholder in such Merger Event were the Warrantholder to exercise this Warrant in full on or prior to the closing of such Merger Event, except to the extent that any such restriction (x) arises solely under federal or state securities laws, rules or regulations, and (y) does not extend beyond six (6) months from the closing of such Merger Event.

"Merger Event" means any of the following: (i) a sale, lease or other transfer of all or substantially all assets of the Company, (ii) any merger or consolidation involving the Company in which the Company is not the surviving entity or in which the outstanding shares of the Company's capital stock are otherwise converted into or exchanged for shares of capital stock or other securities or property of another entity, or (iii) any sale by holders of the outstanding voting equity securities of the Company in a single transaction or series of related transactions of shares constituting a majority of the outstanding combined voting power of the Company.

"Purchase Price" means, with respect to any exercise of this Warrant, an amount equal to the then-effective Exercise Price multiplied by the number of shares of Common Stock as to which this Warrant is then exercised.

"Registrable Securities" means (i) the shares issuable upon exercise of this Warrant and (ii) any other Common Shares issued as a dividend or other distribution with respect to, in exchange for or in replacement of such shares; provided that the securities referred to in (i)-(ii) above shall cease to be Registrable Securities (A) upon the sale of such securities pursuant to a registration statement or (B) upon the sale of such securities pursuant to Rule 144.

"Warrant Coverage" means 2.95% times the aggregate principal amount of Term Loan Advances (as defined in the Loan Agreement) made and funded by the Warrantholder under the Loan Agreement from time to time.

(b) Number of Shares. This Warrant shall be exercisable for a number of shares of Common Stock equal to the quotient derived by dividing (i) the Warrant Coverage by (ii) the Exercise Price, subject to adjustment from time to time in accordance with the provisions of this Warrant.

SECTION 2. TERM OF THE AGREEMENT.

The term of this Agreement and the right to purchase Common Stock as granted herein shall commence on the Effective Date and, subject to Section 8(a) below, shall be exercisable until 5:00 p.m. (Eastern Time) on the seventh (7th) anniversary of the Effective Date.

SECTION 3. EXERCISE OF THE PURCHASE RIGHTS.

(a) Exercise. The purchase rights set forth in this Agreement are exercisable by the Warrantholder, in whole or in part, at any time, or from time to time, prior to the expiration of the term set forth in Section 2, by tendering to the Company at its principal office a notice of exercise in the form attached hereto as Exhibit I (the "Notice of Exercise"), duly completed and executed. Promptly upon receipt of the Notice of Exercise and the payment of the Purchase Price in accordance with the terms set forth below, and in no event later than three (3) business days thereafter, the Company or its transfer agent shall either (i) issue to the Warrantholder a certificate for the number of shares of Common Stock purchased or (ii) credit the same via book entry to the Warrantholder, and the Company shall execute the acknowledgment of exercise in the form attached hereto as Exhibit II (the "Acknowledgment of Exercise") indicating the number of shares which remain subject to future purchases under this Warrant, if any.

The Purchase Price may be paid at the Warrantholder's election either (i) by cash or check, or (ii) by surrender of all or a portion of the Warrant for shares of Common Stock to be exercised under this Agreement and, if applicable, an amended Agreement setting forth the remaining number of shares purchasable hereunder, as determined below ("Net Issuance"). If the Warrantholder elects the Net Issuance method, the Company will issue shares of Common Stock in accordance with the following formula:

$$X = \frac{Y(A-B)}{A}$$

Where: X = the number of shares of Common Stock to be issued to the Warrantholder.

Y = the number of shares of Common Stock requested to be exercised under this Agreement.

A = the then-current fair market value of one (1) share of Common Stock at the time of exercise of this Warrant.

B = the then-effective Exercise Price.

For purposes of the above calculation, the current fair market value of shares of Common Stock shall mean with respect to each share of Common Stock:

(i) at all times when the Common Stock is traded on a national securities exchange, inter-dealer quotation system or over-the-counter bulletin board service, the average of the closing prices over a five (5) day period ending three days before the day the current fair market value of the securities is being determined;

(ii) if the exercise is in connection with a Merger Event, the fair market value of a share of Common Stock shall be deemed to be the per share value received by the holders of the outstanding shares of Common Stock pursuant to such Merger Event as determined in accordance with the definitive transaction documents executed among the parties in connection therewith; or

(iii) in cases other than as described in the foregoing clauses (i) and (ii), the current fair market value of a share of Common Stock shall be determined in good faith by the Company's Board of Directors.

Upon partial exercise by either cash or Net Issuance, prior to the expiration or earlier termination hereof, the Company shall promptly issue an amended Agreement representing the remaining number of shares purchasable hereunder. All other terms and conditions of such amended Agreement shall be identical to those contained herein, including, but not limited to the Effective Date hereof.

(b) Exercise Prior to Expiration. To the extent this Warrant is not previously exercised as to all shares of Common Stock subject hereto, and if the then-current fair market value of one share of Common Stock is greater than the Exercise Price then in effect, or, in the case of a Liquid Sale, where the value per share of Common Stock (as determined as of the closing of such Liquid Sale in accordance with the definitive agreements executed by the parties in connection with such Merger Event) to be paid to the holders thereof is greater than the Exercise Price then in effect, this Agreement shall be deemed automatically exercised on a Net Issuance basis pursuant to Section 3(a) (even if not surrendered) as of immediately before its expiration determined in accordance with Section 2. For purposes of such automatic exercise, the fair market value of one share of Common Stock upon such expiration shall be determined pursuant to Section 3(a). To the extent this Warrant or any portion hereof is deemed automatically exercised pursuant to this Section 3(b), the Company agrees to promptly notify the Warrantholder of the number of shares of Common Stock if any, the Warrantholder is to receive by reason of such automatic exercise, and to issue or cause its transfer agent to issue a certificate or a book-entry credit to the Warrantholder evidencing such shares.

SECTION 4. RESERVATION OF SHARES.

During the term of this Agreement, the Company will at all times have authorized and reserved a sufficient number of shares of its Common Stock to provide for the exercise of the rights to purchase Common Stock as provided for herein. If at any time during the term hereof the number of authorized but unissued shares of Common Stock shall not be sufficient to permit exercise of this Warrant in full, the Company will take such corporate action

as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purposes.

SECTION 5. NO FRACTIONAL SHARES OR SCRIP.

No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Agreement, but in lieu of such fractional shares the Company shall make a cash payment therefor in an amount equal to the product of (a) the Exercise Price then in effect multiplied by (b) the fraction of a share.

SECTION 6. NO RIGHTS AS SHAREHOLDER/STOCKHOLDER.

Without limitation of any provision hereof, the Warrantholder agrees that this Agreement does not entitle the Warrantholder to any voting rights or other rights as a shareholder/stockholder of the Company prior to the exercise of any of the purchase rights set forth in this Agreement.

SECTION 7. WARRANTHOLDER REGISTRY.

The Company shall maintain a registry showing the name and address of the registered holder of this Agreement. The Warrantholder's initial address, for purposes of such registry, is set forth in Section 12(g) below. The Warrantholder may change such address by giving written notice of such changed address to the Company.

SECTION 8. ADJUSTMENT RIGHTS.

The Exercise Price and the number of shares of Common Stock purchasable hereunder are subject to adjustment from time to time, as follows:

(a) Merger Event. In connection with a Merger Event that is a Liquid Sale, this Warrant shall, on and after the closing thereof, automatically and without further action on the part of any party or other person, represent the right to receive the consideration payable on or in respect of all shares of Common Stock that are issuable hereunder as of immediately prior to the closing of such Merger Event less the Purchase Price for all such shares of Common Stock (such consideration to include both the consideration payable at the closing of such Merger Event and all deferred consideration payable thereafter, if any, including, but not limited to, payments of amounts deposited at such closing into escrow and payments in the nature of earn-outs, milestone payments or other performance-based payments), and such Merger Event consideration shall be paid to the Warrantholder as and when it is paid to the holders of the outstanding shares of Common Stock. In connection with a Merger Event that is not a Liquid Sale, the Company shall cause the successor or surviving entity to assume this Warrant and the obligations of the Company hereunder on the closing thereof, and thereafter this Warrant shall be exercisable for the same number and type of securities or other property as the Warrantholder would have received in consideration for the shares of Common Stock issuable hereunder had it exercised this Warrant in full as of immediately prior to such closing, at an aggregate Exercise Price no greater than the aggregate Exercise Price in effect as of immediately prior to such closing, and subject to further adjustment from time to time in accordance with the provisions of this Warrant. The provisions of this Section 8(a) shall similarly apply to successive Merger Events.

(b) Reclassification of Shares. Except for Merger Events subject to Section 8(a), if the Company at any time shall, by combination, reclassification, exchange or subdivision of securities or otherwise, change any of the securities as to which purchase rights under this Agreement exist into the same or a different number of securities of any other class or classes of

securities, this Agreement shall thereafter represent the right to acquire such number and kind of securities as would have been issuable as the result of such change with respect to the securities which were subject to the purchase rights under this Agreement immediately prior to such combination, reclassification, exchange, subdivision or other change. The provisions of this Section 8(b) shall similarly apply to successive combination, reclassification, exchange, subdivision or other change.

(c) Subdivision or Combination of Shares. If the Company at any time shall combine or subdivide its Common Stock, (i) in the case of a subdivision, the Exercise Price shall be proportionately decreased and the number of shares for which this Warrant is exercisable shall be proportionately increased, or (ii) in the case of a combination, the Exercise Price shall be proportionately increased and the number of shares for which this Warrant is exercisable shall be proportionately decreased.

(d) Dividends. If the Company at any time while this Agreement is outstanding and unexpired shall:

(i) pay a dividend with respect to the Common Stock payable in additional shares of Common Stock, then the Exercise Price shall be adjusted, from and after the date of determination of stockholders entitled to receive such dividend, to that price determined by multiplying the Exercise Price in effect immediately prior to such date of determination by a fraction (A) the numerator of which shall be the total number of shares of Common Stock outstanding immediately prior to such dividend or distribution, and (B) the denominator of which shall be the total number of shares of Common Stock outstanding immediately after such dividend or distribution, and the number of shares of Common Stock for which this Warrant is exercisable shall be proportionately increased; or

(ii) make any other dividend or distribution on or with respect to Common Stock, except any dividend or distribution specifically provided for in any other clause of this Section 8, then, in each such case, provision shall be made by the Company such that the Warrantholder shall receive upon exercise or conversion of this Warrant a proportionate share of any such dividend or distribution as though it were the holder of the Common Stock (or other stock for which the Common Stock is convertible) as of the record date fixed for the determination of the stockholders of the Company entitled to receive such dividend or distribution.

(e) Notice of Certain Events. If: (i) the Company shall declare any dividend or distribution upon its outstanding Common Stock, payable in stock, cash, property or other securities (provided that the Warrantholder in its capacity as lender under the Loan Agreement consents to such dividend); (ii) the Company shall offer for subscription pro rata to the holders of its Common Stock any additional shares of stock of any class or other rights; (iii) there shall be any Merger Event; or (iv) there shall be any voluntary dissolution, liquidation or winding up of the Company; then, in connection with each such event, the Company shall give the Warrantholder notice thereof at the same time and in the same manner as it gives notice thereof to the holders of outstanding Common Stock. In addition, if at any time the number of shares of Common Stock (or other securities of any other class or classes of securities of the Company for which this Warrant is then exercisable) outstanding is reduced such that the number of shares of Common Stock or other securities issuable upon exercise of this Warrant shall exceed five percent (5%) of the then outstanding class of such securities, then, within three (3) business days of such event, the Company shall give the Warrantholder written notice thereof.

SECTION 9. REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE COMPANY.

(a) Reservation of Common Stock. The Company covenants and agrees that all shares of Common Stock that may be issued upon the exercise of the rights represented by this Warrant will, upon issuance, be validly issued and outstanding, fully paid and non-assessable, and will be free of any taxes, liens, charges or encumbrances of any nature whatsoever; provided, that the Common Stock issuable pursuant to this Agreement may be subject to restrictions on transfer under state and/or federal securities laws. The Company has made available to the Warrantholder true, correct and complete copies of its Charter and bylaws currently in effect. The issuance of certificates or book-entry credit for shares of Common Stock upon exercise of this Warrant shall be made without charge to the Warrantholder for any issuance tax in respect thereof, or other cost incurred by the Company in connection with such exercise and related issuance of shares of Common Stock. The Company further covenants and agrees that the Company will, at all times during the term hereof, have authorized and reserved, free from preemptive rights, a sufficient number of shares of Common Stock to provide for the exercise of the rights represented by this Warrant.

(b) Due Authority. The execution and delivery by the Company of this Agreement and the performance of all obligations of the Company hereunder, including the issuance to the Warrantholder of the right to acquire the shares of Common Stock, have been duly authorized by all necessary corporate action on the part of the Company. This Agreement: (i) does not violate the Charter or the Company's current bylaws; (ii) does not contravene any law or governmental rule, regulation or order applicable to the Company; and (iii) except as could not reasonably be expected to have a Material Adverse Effect (as defined in the Loan Agreement), does not and will not contravene any provision of, or constitute a default under, any indenture, mortgage, contract or other instrument to which the Company is a party or by which it is bound. This Agreement constitutes a legal, valid and binding agreement of the Company, enforceable in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditors' rights generally (including, without limitation, fraudulent conveyance laws) and by general principles of equity, regardless of whether considered in a proceeding in equity or at law.

(c) Consents and Approvals. No consent or approval of, giving of notice to, registration with, or taking of any other action in respect of any state, federal or other governmental authority or agency is required with respect to the execution, delivery and performance by the Company of its obligations under this Agreement, except for the filing of notices pursuant to Regulation D under the Act and any filing required by applicable state securities law, which filings will be effective by the time required thereby.

(d) Exempt Transaction. Subject to the accuracy of the Warrantholder's representations in Section 10, the issuance of the Common Stock upon exercise of this Agreement will constitute a transaction exempt from (i) the registration requirements of Section 5 of the Act, in reliance upon Section 4(a)(2) thereof, and (ii) the qualification requirements of the applicable state securities laws.

(e) Information Rights. At all times (if any) prior to the earlier to occur of (x) the date on which all shares of Common Stock issued on exercise of this Warrant have been sold, or (y) the expiration or earlier termination of this Warrant, when the Company shall not be required to file reports pursuant to Section 13 or 15(d) of the Exchange Act or shall not have timely filed all such required reports, the Warrantholder shall be entitled to the information rights contained in Section 7.1(b) – (f) of the Loan Agreement, and in any such event Section 7.1(b) – (f) of the Loan

Agreement is hereby incorporated into this Agreement by this reference as though fully set forth herein, provided, however, that the Company shall not be required to deliver a Compliance Certificate once all Indebtedness (as defined in the Loan Agreement) owed by the Company and its Subsidiaries to Warrantholder has been repaid.

(f) Registration of Shares. If the Company proposes to register (including, for this purpose, a registration effected by the Company for the sale by the Company of its securities and/or the resale of securities of the Company by security holders other than the Warrantholder) the sale or resale of any of its Common Shares or other securities under the Act in connection with the public offering of such securities (other than in an Excluded Registration), the Company shall cause to be registered all of the Registrable Securities in such registration. The Company shall have the right to terminate or withdraw any registration initiated by it under this Section 9(f) before the effective date of such registration, provided that the Company's obligations to register the Registrable Securities under this Section 9(f) in any subsequent registration (other than in an Excluded Registration) shall continue following any such termination or withdrawal. All fees and expenses incident to the Company's performance of or compliance with its obligations under this Section 9(f) (excluding any underwriting discounts and selling commissions) shall be borne by the Company.

(g) Rule 144 Compliance. The Company shall, at all times prior to the earlier to occur of (i) the date of sale or other disposition by Warrantholder of this Warrant or all shares of Common Stock issued on exercise of this Warrant, (ii) the registration pursuant to subsection (f) above of the shares issued on exercise of this Warrant, or (iii) the expiration or earlier termination of this Warrant if the Warrant has not been exercised in full or in part on such date, use all commercially reasonable efforts to timely file all reports required under the Exchange Act and otherwise timely take all actions necessary to permit the Warrantholder to sell or otherwise dispose of this Warrant and the shares of Common Stock issued on exercise hereof pursuant to Rule 144 promulgated under the Act ("Rule 144"), provided that the foregoing shall not apply in the event of a Merger Event following which the successor or surviving entity is not subject to the reporting requirements of the Exchange Act. If the Warrantholder proposes to sell Common Stock issuable upon the exercise of this Agreement in compliance with Rule 144, then, upon the Warrantholder's written request to the Company, the Company shall furnish to the Warrantholder, within five (5) business days after receipt of such request, a written statement confirming the Company's compliance with the filing and other requirements of such Rule 144.

SECTION 10. REPRESENTATIONS AND COVENANTS OF THE WARRANTHOLDER.

This Agreement has been entered into by the Company in reliance upon the following representations and covenants of the Warrantholder:

(a) Investment Purpose. This Warrant and the shares issued on exercise hereof will be acquired for investment and not with a view to the sale or distribution of any part thereof in violation of applicable federal and state securities laws, and the Warrantholder has no present intention of selling or engaging in any public distribution of the same except pursuant to a registration or exemption.

(b) Private Issue. The Warrantholder understands that (i) the Common Stock issuable upon exercise of this Agreement is not, as of the Effective Date, registered under the Act or qualified under applicable state securities laws, and (ii) the Company's reliance on exemption from such registration is predicated on the representations set forth in this Section 10.

(c) Financial Risk. The Warrantholder has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its investment, and has the ability to bear the economic risks of its investment.

(d) Accredited Investor. The Warrantholder is an "accredited investor" within the meaning of Rule 501 of Regulation D promulgated under the Act, as presently in effect ("Regulation D").

(e) No Short Sales. The Warrantholder has not at any time on or prior to the Effective Date engaged in any short sales or equivalent transactions in the Common Stock. Warrantholder agrees that at all times from and after the Effective Date and on or before the expiration or earlier termination of this Warrant, it shall not engage in any short sales or equivalent transactions in the Common Stock.

SECTION 11. TRANSFERS.

Subject to compliance with applicable federal and state securities laws, this Agreement and all rights hereunder are transferable, in whole or in part, without charge to the holder hereof (except for transfer taxes) upon surrender of this Agreement properly endorsed. Each taker and holder of this Agreement, by taking or holding the same, consents and agrees that this Agreement, when endorsed in blank, shall be deemed negotiable, and that the holder hereof, when this Agreement shall have been so endorsed and its transfer recorded on the Company's books, shall be treated by the Company and all other persons dealing with this Agreement as the absolute owner hereof for any purpose and as the person entitled to exercise the rights represented by this Agreement. The transfer of this Agreement shall be recorded on the books of the Company upon receipt by the Company of a notice of transfer in the form attached hereto as Exhibit III (the "Transfer Notice"), at its principal offices and the payment to the Company of all transfer taxes and other governmental charges imposed on such transfer. Until the Company receives such Transfer Notice, the Company may treat the registered owner hereof as the owner for all purposes. Notwithstanding anything herein or in any legend to the contrary, the Company shall not require an opinion of counsel in connection with any sale, assignment or other transfer by the Warrantholder of this Warrant (or any portion hereof or any interest herein) or of any shares of Common Stock issued upon any exercise hereof to an affiliate (as defined in Regulation D) of the Warrantholder, provided that such affiliate is an "accredited investor" as defined in Regulation D.

SECTION 12. MISCELLANEOUS.

(a) Effective Date. The provisions of this Agreement shall be construed and shall be given effect in all respects as if it had been executed and delivered by the Company on the date hereof. This Agreement shall be binding upon any successors or assigns of the Company.

(b) Remedies. In the event of any default hereunder, the non-defaulting party may proceed to protect and enforce its rights either by suit in equity and/or by action at law, including but not limited to an action for damages as a result of any such default, and/or an action for specific performance for any default where the Warrantholder will not have an adequate remedy at law and where damages will not be readily ascertainable.

(c) No Impairment of Rights. The Company will not, by amendment of its Charter or through any other means, avoid or seek to avoid the observance or performance of any of the terms of this Agreement, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate in order to protect the rights of the Warrantholder against impairment.

(d) Additional Documents. The Company agrees to supply such other documents as the Warrantholder may from time to time reasonably request.

(e) Attorneys' Fees. In any litigation, arbitration or court proceeding between the Company and the Warrantholder relating hereto, the prevailing party shall be entitled to attorneys' fees and expenses and all costs of proceedings incurred in enforcing this Agreement. For the purposes of this Section 12(e), attorneys' fees shall include without limitation fees incurred in connection with the following: (i) contempt proceedings; (ii) discovery; (iii) any motion, proceeding or other activity of any kind in connection with an insolvency proceeding; (iv) garnishment, levy, and debtor and third party examinations; and (v) post-judgment motions and proceedings of any kind, including without limitation any activity taken to collect or enforce any judgment.

(f) Severability. In the event any one or more of the provisions of this Agreement shall for any reason be held invalid, illegal or unenforceable, the remaining provisions of this Agreement shall be unimpaired, and the invalid, illegal or unenforceable provision shall be replaced by a mutually acceptable valid, legal and enforceable provision, which comes closest to the intention of the parties underlying the invalid, illegal or unenforceable provision.

(g) Notices. Except as otherwise provided herein, any notice, demand, request, consent, approval, declaration, service of process or other communication that is required, contemplated, or permitted under this Agreement or with respect to the subject matter hereof shall be in writing, and shall be deemed to have been validly served, given, delivered, and received upon the earlier of: (i) personal delivery to the party to be notified, (ii) when sent by confirmed telex, electronic transmission or facsimile if sent during normal business hours of the recipient, if not, then on the next business day, (iii) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (iv) one day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt, and shall be addressed to the party to be notified as follows:

If to the Warrantholder:

HERCULES CAPITAL, INC.
Legal Department
Attention: Chief Legal Officer and Michael Dutra and Bryan Jadot
400 Hamilton Avenue, Suite 310
Palo Alto, CA 94301
Facsimile: 650-473-9194
Telephone: 650-289-3060
Email : legal@herculestech.com; mdutra@htgc.com; bjadot@htgc.com

With a copy to:

LATHAM & WATKINS
Attn: Haim Zaltzman
505 Montgomery Street, Suite 2000
San Francisco, CA 94111
Facsimile: (415) 395-8095
Telephone: (415) 395-8870
Email: haim.zaltzman@lw.com

If to the Company:

TG THERAPEUTICS, INC.
Attention: Sean Power, Chief Financial Officer
2 Gansevoort St., 9th Floor
New York, NY 10014
Telephone: (212)-554-4484
Email: sp@tgtxinc.com

or to such other address as each party may designate for itself by like notice.

(h) Entire Agreement; Amendments. This Agreement constitutes the entire agreement and understanding of the parties hereto in respect of the subject matter hereof, and supersedes and replaces in their entirety any prior proposals, term sheets, letters, negotiations or other documents or agreements, whether written or oral, with respect to the subject matter hereof. None of the terms of this Agreement may be amended except by an instrument executed by each of the parties hereto.

(i) Headings. The various headings in this Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement or any provisions hereof.

(j) Advice of Counsel. Each of the parties represents to each other party hereto that it has discussed (or had an opportunity to discuss) with its counsel this Agreement and, specifically, the provisions of Sections 12(n), 12(o), 12(p), 12(q) and 12(r).

(k) No Strict Construction. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

(l) No Waiver. No omission or delay by the Warrantholder at any time to enforce any right or remedy reserved to it, or to require performance of any of the terms, covenants or provisions hereof by the Company at any time designated, shall be a waiver of any such right or remedy to which the Warrantholder is entitled, nor shall it in any way affect the right of the Warrantholder to enforce such provisions thereafter during the term of this Agreement.

(m) Survival. All agreements, representations and warranties contained in this Agreement or in any document delivered pursuant hereto shall be for the benefit of the Warrantholder and shall survive the execution and delivery of this Agreement and the expiration or other termination of this Agreement.

(n) Governing Law. This Agreement has been negotiated and delivered to the Warrantholder in the State of California, and shall be deemed to have been accepted by the Warrantholder in the State of California. Delivery of Common Stock to the Warrantholder by the Company under this Agreement is due in the State of California. This Agreement shall be

governed by, and construed and enforced in accordance with, the laws of the State of California, excluding conflict of laws principles that would cause the application of laws of any other jurisdiction.

(o) Consent to Jurisdiction and Venue. All judicial proceedings arising in or under or related to this Agreement may be brought in any state or federal court of competent jurisdiction located in the State of California. By execution and delivery of this Agreement, each party hereto generally and unconditionally: (i) consents to personal jurisdiction in Santa Clara County, State of California; (ii) waives any objection as to jurisdiction or venue in Santa Clara County, State of California; (iii) agrees not to assert any defense based on lack of jurisdiction or venue in the aforesaid courts; and (iv) irrevocably agrees to be bound by any judgment rendered thereby in connection with this Agreement. Service of process on any party hereto in any action arising out of or relating to this Agreement shall be effective if given in accordance with the requirements for notice set forth in Section 12(g), and shall be deemed effective and received as set forth in Section 12(g). Nothing herein shall affect the right to serve process in any other manner permitted by law or shall limit the right of either party to bring proceedings in the courts of any other jurisdiction.

(p) Mutual Waiver of Jury Trial. Because disputes arising in connection with complex financial transactions are most quickly and economically resolved by an experienced and expert person and the parties wish applicable state and federal laws to apply (rather than arbitration rules), the parties desire that their disputes arising under or in connection with this Warrant be resolved by a judge applying such applicable laws. EACH OF THE COMPANY AND THE WARRANTHOLDER SPECIFICALLY WAIVES ANY RIGHT IT MAY HAVE TO TRIAL BY JURY OF ANY CAUSE OF ACTION, CLAIM, CROSS-CLAIM, COUNTERCLAIM, THIRD PARTY CLAIM OR ANY OTHER CLAIM (COLLECTIVELY, “CLAIMS”) ASSERTED BY THE COMPANY AGAINST THE WARRANTHOLDER OR ITS ASSIGNEE OR BY THE WARRANTHOLDER OR ITS ASSIGNEE AGAINST THE COMPANY RELATING TO THIS WARRANT. This waiver extends to all such Claims, including Claims that involve persons or entities other the Company and the Warrantholder; Claims that arise out of or are in any way connected to the relationship between the Company and the Warrantholder; and any Claims for damages, breach of contract, specific performance, or any equitable or legal relief of any kind, arising out of this Agreement.

(q) Arbitration. If the Mutual Waiver of Jury Trial set forth in Section 12(p) is ineffective or unenforceable, the parties agree that all Claims shall be submitted to binding arbitration in accordance with the commercial arbitration rules of JAMS (the “Rules”), such arbitration to occur before one arbitrator, which arbitrator shall be a retired California state judge or a retired Federal court judge. Such proceeding shall be conducted in Santa Clara County, State of California, with California rules of evidence and discovery applicable to such arbitration. The decision of the arbitrator shall be binding on the parties, and shall be final and nonappealable to the maximum extent permitted by law. Any judgment rendered by the arbitrator may be entered in a court of competent jurisdiction and enforced by the prevailing party as a final judgment of such court.

(r) Pre-arbitration Relief. In the event Claims are to be resolved by arbitration, either party may seek from a court of competent jurisdiction identified in Section 12(o), any prejudgment order, writ or other relief and have such prejudgment order, writ or other relief enforced to the fullest extent permitted by law notwithstanding that all Claims are otherwise subject to resolution by binding arbitration.

(s) Counterparts. This Agreement and any amendments, waivers, consents or supplements hereto may be executed in any number of counterparts (including by facsimile or

electronic delivery (PDF)), and by different parties hereto in separate counterparts, each of which when so delivered shall be deemed an original, but all of which counterparts shall constitute but one and the same instrument.

(t) Specific Performance. The parties hereto hereby declare that it is impossible to measure in money the damages which will accrue to the Warrantholder by reason of the Company's failure to perform any of the obligations under this Agreement and agree that the terms of this Agreement shall be specifically enforceable by the Warrantholder. If the Warrantholder institutes any action or proceeding to specifically enforce the provisions hereof, any person against whom such action or proceeding is brought hereby waives the claim or defense therein that the Warrantholder has an adequate remedy at law, and such person shall not offer in any such action or proceeding the claim or defense that such remedy at law exists.

(u) Lost, Stolen, Mutilated or Destroyed Warrant. If this Warrant is lost, stolen, mutilated or destroyed, the Company may, on such terms as to indemnity or otherwise as it may reasonably impose (which shall, in the case of a mutilated Warrant, include the surrender thereof), issue a new Warrant of like denomination and tenor as this Warrant so lost, stolen, mutilated or destroyed. Any such new Warrant shall constitute an original contractual obligation of the Company, whether or not the allegedly lost, stolen, mutilated or destroyed Warrant shall be at any time enforceable by anyone.

(v) Legends. To the extent required by applicable laws, this Warrant and the shares of Common Stock issuable hereunder (and the securities issuable, directly or indirectly, upon conversion of such shares of Common Stock, if any) may be imprinted with a restricted securities legend in substantially the following form:

> THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY APPLICABLE STATE SECURITIES LAWS, AND MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION RELATED THERETO OR, SUBJECT TO SECTION 11 OF THE WARRANT AGREEMENT DATED DECEMBER 30, 2021, BETWEEN THE COMPANY AND HERCULES CAPITAL, INC., AN OPINION OF COUNSEL (WHICH MAY BE COMPANY COUNSEL) REASONABLY SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE ACTOR ANY STATE SECURITIES LAWS.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Warrant Agreement to be executed by its officers thereunto duly authorized as of the Effective Date.

COMPANY: TG THERAPEUTICS, INC.

By: _____
Name: _____
Title: _____

[Signature Page to Warrant (TG Therapeutics/Hercules Capital)]

WARRANTHOLDER:

HERCULES CAPITAL, INC.,

By: _____
Name: Seth Meyer
Title: CFO

[Signature Page to Warrant (TG Therapeutics/Hercules Capital)]

EXHIBIT I

NOTICE OF EXERCISE

To: _____

(1) The undersigned Warrantholder hereby elects to purchase _____ shares of the Common Stock of TG Therapeutics, Inc., a Delaware corporation ("Company"), pursuant to the terms of the Warrant Agreement dated December 30, 2021 (the "Warrant Agreement") by and between Company and the Warrantholder, and tenders herewith payment of the Purchase Price in full, together with all applicable transfer taxes, if any. [NET ISSUANCE: elects pursuant to Section 3(a) of the Warrant Agreement to effect a Net Issuance.]

(2) Please issue a certificate or certificates or book-entry credit(s) representing said shares of Common Stock in the name of the undersigned or in such other name as is specified below.

_____
(Name)

_____
(Address)

WARRANTHOLDER:

HERCULES CAPITAL, INC.,

By: _____
Name: _____
Title: _____

EXHIBIT II

ACKNOWLEDGMENT OF EXERCISE

The undersigned _____, hereby acknowledges receipt of the "Notice of Exercise" from Hercules Capital, Inc. (the "Warrantholder") to purchase ____ shares of the Common Stock of TG Therapeutics, Inc., a Delaware corporation ("Company"), pursuant to the terms of the Warrant Agreement by and between Company and the Warrantholder dated December 30, 2021(the "Agreement"), and further acknowledges that _____ shares remain subject to purchase under the terms of the Agreement.

COMPANY: TG THERAPEUTICS, INC.

By: _____

Title: _____

Date: _____

EXHIBIT III

TRANSFER NOTICE

(To transfer or assign the foregoing Agreement execute this form and supply required information. Do not use this form to purchase shares.)

FOR VALUE RECEIVED, the foregoing Agreement and all rights evidenced thereby are hereby transferred and assigned to

_____

(Please Print)

whose address is _____

_____

Dated: _____

Holder's Signature: _____

Holder's Address: _____

_____

Signature Guaranteed: _____

NOTE: The signature to this Transfer Notice must correspond with the name as it appears on the face of the Agreement, without alteration or enlargement or any change whatever. Officers of corporations and those acting in a fiduciary or other representative capacity should file proper evidence of authority to assign the foregoing Agreement.

THIS WARRANT AND THE SHARES ISSUABLE UPON EXERCISE HEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY STATE SECURITIES LAWS, AND MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED, OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR, SUBJECT TO SECTION 11 HEREOF, AN OPINION OF COUNSEL (WHICH MAY BE COMPANY COUNSEL) REASONABLY SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE ACT, OR ANY APPLICABLE STATE SECURITIES LAWS.

WARRANT AGREEMENT

To Purchase Shares of the Common Stock of

TG THERAPEUTICS, INC.

Dated as of December 30, 2021 (the "Effective Date")

WHEREAS, TG Therapeutics, Inc., a Delaware corporation (the "Company"), has entered into an Amended and Restated Loan and Security Agreement of even date herewith (as amended and in effect from time to time, the "Loan Agreement") with Hercules Capital, Inc., a Maryland corporation, in its capacity as administrative and collateral agent, Hercules Private Credit Fund I L.P., as a lender (the "Warrantholder"), and the other lenders from time to time party thereto;

WHEREAS, pursuant to the Loan Agreement and as additional consideration to the Warrantholder for, among other things, its agreements in the Loan Agreement, the Company has agreed to issue to the Warrantholder this Warrant Agreement, evidencing the right to purchase shares of the Company's Common Stock (this "Warrant", "Warrant Agreement", or this "Agreement");

NOW, THEREFORE, in consideration of the Warrantholder having executed and delivered the Loan Agreement and provided the financial accommodations contemplated therein, and in consideration of the mutual covenants and agreements contained herein, the Company and Warrantholder agree as follows:

SECTION 1. GRANT OF THE RIGHT TO PURCHASE COMMON STOCK.

(a) For value received, the Company hereby grants to the Warrantholder, and the Warrantholder is entitled, upon the terms and subject to the conditions hereinafter set forth, to subscribe for and purchase, from the Company, up to the aggregate number of fully paid and non-assessable shares of Common Stock (as defined below) as determined pursuant to Section 1(b) below, at a purchase price per share equal to the Exercise Price (as defined below). The number and Exercise Price of such shares are subject to adjustment as provided in Section 8. As used herein, the following terms shall have the following meanings:

"Act" means the Securities Act of 1933, as amended.

"Charter" means the Company's Certificate of Incorporation or other constitutional document, as may be amended and in effect from time to time.

"Common Stock" means the Company's common stock, $0.001 par value per share, as presently constituted under the Charter, and any class and/or series of Company capital stock for or into which such common stock may be converted or exchanged in a reorganization, recapitalization or similar transaction.

"Excluded Registration" means (i) a registration relating to the sale of securities to employees of the Company or a subsidiary pursuant to an equity option, equity purchase, or similar plan; (ii) a registration relating to an SEC Rule 145 transaction; or (iii) a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities, provided that, for the avoidance of doubt, the inclusion of information regarding this Warrant and the plan of distribution of and selling securityholder information related to the Common Shares issuable upon exercise of this Warrant, shall not constitute a basis for excluding the Registrable Securities from a registration pursuant to this clause (iii).

"Exercise Price" means $17.95, subject to adjustment from time to time in accordance with the provisions of this Warrant.

"Liquid Sale" means the closing of a Merger Event in which the consideration received by the Company and/or its stockholders, as applicable, consists solely of cash and/or Marketable Securities.

"Marketable Securities" in connection with a Merger Event means securities meeting all of the following requirements: (i) the issuer thereof is then subject to the reporting requirements of Section 13 or Section 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and is then current in its filing of all required reports and other information under the Act and the Exchange Act; (ii) the class and series of shares or other security of the issuer that would be received by the Warrantholder in connection with the Merger Event were the Warrantholder to exercise this Warrant on or prior to the closing thereof is then traded on a national securities exchange or over-the-counter market, and (iii) following the closing of such Merger Event, the Warrantholder would not be restricted from publicly re-selling all of the issuer's shares and/or other securities that would be received by the Warrantholder in such Merger Event were the Warrantholder to exercise this Warrant in full on or prior to the closing of such Merger Event, except to the extent that any such restriction (x) arises solely under federal or state securities laws, rules or regulations, and (y) does not extend beyond six (6) months from the closing of such Merger Event.

"Merger Event" means any of the following: (i) a sale, lease or other transfer of all or substantially all assets of the Company, (ii) any merger or consolidation involving the Company in which the Company is not the surviving entity or in which the outstanding shares of the Company's capital stock are otherwise converted into or exchanged for shares of capital stock or other securities or property of another entity, or (iii) any sale by holders of the outstanding voting equity securities of the Company in a single transaction or series of related transactions of shares constituting a majority of the outstanding combined voting power of the Company.

"Purchase Price" means, with respect to any exercise of this Warrant, an amount equal to the then-effective Exercise Price multiplied by the number of shares of Common Stock as to which this Warrant is then exercised.

"Registrable Securities" means (i) the shares issuable upon exercise of this Warrant and (ii) any other Common Shares issued as a dividend or other distribution with respect to, in exchange for or in replacement of such shares; provided that the securities referred to in (i)-(ii) above shall cease to be Registrable Securities (A) upon the sale of such securities pursuant to a registration statement or (B) upon the sale of such securities pursuant to Rule 144.

"Warrant Coverage" means 2.95% times the aggregate principal amount of Term Loan Advances (as defined in the Loan Agreement) made and funded by the Warrantholder under the Loan Agreement from time to time.

(b) Number of Shares. This Warrant shall be exercisable for a number of shares of Common Stock equal to the quotient derived by dividing (i) the Warrant Coverage by (ii) the Exercise Price, subject to adjustment from time to time in accordance with the provisions of this Warrant.

SECTION 2. TERM OF THE AGREEMENT.

The term of this Agreement and the right to purchase Common Stock as granted herein shall commence on the Effective Date and, subject to Section 8(a) below, shall be exercisable until 5:00 p.m. (Eastern Time) on the seventh (7th) anniversary of the Effective Date.

SECTION 3. EXERCISE OF THE PURCHASE RIGHTS.

(a) Exercise. The purchase rights set forth in this Agreement are exercisable by the Warrantholder, in whole or in part, at any time, or from time to time, prior to the expiration of the term set forth in Section 2, by tendering to the Company at its principal office a notice of exercise in the form attached hereto as Exhibit I (the "Notice of Exercise"), duly completed and executed. Promptly upon receipt of the Notice of Exercise and the payment of the Purchase Price in accordance with the terms set forth below, and in no event later than three (3) business days thereafter, the Company or its transfer agent shall either (i) issue to the Warrantholder a certificate for the number of shares of Common Stock purchased or (ii) credit the same via book entry to the Warrantholder, and the Company shall execute the acknowledgment of exercise in the form attached hereto as Exhibit II (the "Acknowledgment of Exercise") indicating the number of shares which remain subject to future purchases under this Warrant, if any.

The Purchase Price may be paid at the Warrantholder's election either (i) by cash or check, or (ii) by surrender of all or a portion of the Warrant for shares of Common Stock to be exercised under this Agreement and, if applicable, an amended Agreement setting forth the remaining number of shares purchasable hereunder, as determined below ("Net Issuance"). If the Warrantholder elects the Net Issuance method, the Company will issue shares of Common Stock in accordance with the following formula:

$$X = \frac{Y(A-B)}{A}$$

Where: X = the number of shares of Common Stock to be issued to the Warrantholder.

Y = the number of shares of Common Stock requested to be exercised under this Agreement.

A = the then-current fair market value of one (1) share of Common Stock at the time of exercise of this Warrant.

B = the then-effective Exercise Price.

For purposes of the above calculation, the current fair market value of shares of Common Stock shall mean with respect to each share of Common Stock:

(i) at all times when the Common Stock is traded on a national securities exchange, inter-dealer quotation system or over-the-counter bulletin board service, the average of the closing prices over a five (5) day period ending three days before the day the current fair market value of the securities is being determined;

(ii) if the exercise is in connection with a Merger Event, the fair market value of a share of Common Stock shall be deemed to be the per share value received by the holders of the outstanding shares of Common Stock pursuant to such Merger Event as determined in accordance with the definitive transaction documents executed among the parties in connection therewith; or

(iii) in cases other than as described in the foregoing clauses (i) and (ii), the current fair market value of a share of Common Stock shall be determined in good faith by the Company's Board of Directors.

Upon partial exercise by either cash or Net Issuance, prior to the expiration or earlier termination hereof, the Company shall promptly issue an amended Agreement representing the remaining number of shares purchasable hereunder. All other terms and conditions of such amended Agreement shall be identical to those contained herein, including, but not limited to the Effective Date hereof.

(b) Exercise Prior to Expiration. To the extent this Warrant is not previously exercised as to all shares of Common Stock subject hereto, and if the then-current fair market value of one share of Common Stock is greater than the Exercise Price then in effect, or, in the case of a Liquid Sale, where the value per share of Common Stock (as determined as of the closing of such Liquid Sale in accordance with the definitive agreements executed by the parties in connection with such Merger Event) to be paid to the holders thereof is greater than the Exercise Price then in effect, this Agreement shall be deemed automatically exercised on a Net Issuance basis pursuant to Section 3(a) (even if not surrendered) as of immediately before its expiration determined in accordance with Section 2. For purposes of such automatic exercise, the fair market value of one share of Common Stock upon such expiration shall be determined pursuant to Section 3(a). To the extent this Warrant or any portion hereof is deemed automatically exercised pursuant to this Section 3(b), the Company agrees to promptly notify the Warrantholder of the number of shares of Common Stock if any, the Warrantholder is to receive by reason of such automatic exercise, and to issue or cause its transfer agent to issue a certificate or a book-entry credit to the Warrantholder evidencing such shares.

SECTION 4. RESERVATION OF SHARES.

During the term of this Agreement, the Company will at all times have authorized and reserved a sufficient number of shares of its Common Stock to provide for the exercise of the rights to purchase Common Stock as provided for herein. If at any time during the term hereof the number of authorized but unissued shares of Common Stock shall not be sufficient to permit exercise of this Warrant in full, the Company will take such corporate action

as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purposes.

SECTION 5. NO FRACTIONAL SHARES OR SCRIP.

No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Agreement, but in lieu of such fractional shares the Company shall make a cash payment therefor in an amount equal to the product of (a) the Exercise Price then in effect multiplied by (b) the fraction of a share.

SECTION 6. NO RIGHTS AS SHAREHOLDER/STOCKHOLDER.

Without limitation of any provision hereof, the Warrantholder agrees that this Agreement does not entitle the Warrantholder to any voting rights or other rights as a shareholder/stockholder of the Company prior to the exercise of any of the purchase rights set forth in this Agreement.

SECTION 7. WARRANTHOLDER REGISTRY.

The Company shall maintain a registry showing the name and address of the registered holder of this Agreement. The Warrantholder's initial address, for purposes of such registry, is set forth in Section 12(g) below. The Warrantholder may change such address by giving written notice of such changed address to the Company.

SECTION 8. ADJUSTMENT RIGHTS.

The Exercise Price and the number of shares of Common Stock purchasable hereunder are subject to adjustment from time to time, as follows:

(a) Merger Event. In connection with a Merger Event that is a Liquid Sale, this Warrant shall, on and after the closing thereof, automatically and without further action on the part of any party or other person, represent the right to receive the consideration payable on or in respect of all shares of Common Stock that are issuable hereunder as of immediately prior to the closing of such Merger Event less the Purchase Price for all such shares of Common Stock (such consideration to include both the consideration payable at the closing of such Merger Event and all deferred consideration payable thereafter, if any, including, but not limited to, payments of amounts deposited at such closing into escrow and payments in the nature of earn-outs, milestone payments or other performance-based payments), and such Merger Event consideration shall be paid to the Warrantholder as and when it is paid to the holders of the outstanding shares of Common Stock. In connection with a Merger Event that is not a Liquid Sale, the Company shall cause the successor or surviving entity to assume this Warrant and the obligations of the Company hereunder on the closing thereof, and thereafter this Warrant shall be exercisable for the same number and type of securities or other property as the Warrantholder would have received in consideration for the shares of Common Stock issuable hereunder had it exercised this Warrant in full as of immediately prior to such closing, at an aggregate Exercise Price no greater than the aggregate Exercise Price in effect as of immediately prior to such closing, and subject to further adjustment from time to time in accordance with the provisions of this Warrant. The provisions of this Section 8(a) shall similarly apply to successive Merger Events.

(b) Reclassification of Shares. Except for Merger Events subject to Section 8(a), if the Company at any time shall, by combination, reclassification, exchange or subdivision of securities or otherwise, change any of the securities as to which purchase rights under this Agreement exist into the same or a different number of securities of any other class or classes of

securities, this Agreement shall thereafter represent the right to acquire such number and kind of securities as would have been issuable as the result of such change with respect to the securities which were subject to the purchase rights under this Agreement immediately prior to such combination, reclassification, exchange, subdivision or other change. The provisions of this Section 8(b) shall similarly apply to successive combination, reclassification, exchange, subdivision or other change.

(c) Subdivision or Combination of Shares. If the Company at any time shall combine or subdivide its Common Stock, (i) in the case of a subdivision, the Exercise Price shall be proportionately decreased and the number of shares for which this Warrant is exercisable shall be proportionately increased, or (ii) in the case of a combination, the Exercise Price shall be proportionately increased and the number of shares for which this Warrant is exercisable shall be proportionately decreased.

(d) Dividends. If the Company at any time while this Agreement is outstanding and unexpired shall:

(i) pay a dividend with respect to the Common Stock payable in additional shares of Common Stock, then the Exercise Price shall be adjusted, from and after the date of determination of stockholders entitled to receive such dividend, to that price determined by multiplying the Exercise Price in effect immediately prior to such date of determination by a fraction (A) the numerator of which shall be the total number of shares of Common Stock outstanding immediately prior to such dividend or distribution, and (B) the denominator of which shall be the total number of shares of Common Stock outstanding immediately after such dividend or distribution, and the number of shares of Common Stock for which this Warrant is exercisable shall be proportionately increased; or

(ii) make any other dividend or distribution on or with respect to Common Stock, except any dividend or distribution specifically provided for in any other clause of this Section 8, then, in each such case, provision shall be made by the Company such that the Warrantholder shall receive upon exercise or conversion of this Warrant a proportionate share of any such dividend or distribution as though it were the holder of the Common Stock (or other stock for which the Common Stock is convertible) as of the record date fixed for the determination of the stockholders of the Company entitled to receive such dividend or distribution.

(e) Notice of Certain Events. If: (i) the Company shall declare any dividend or distribution upon its outstanding Common Stock, payable in stock, cash, property or other securities (provided that the Warrantholder in its capacity as lender under the Loan Agreement consents to such dividend); (ii) the Company shall offer for subscription pro rata to the holders of its Common Stock any additional shares of stock of any class or other rights; (iii) there shall be any Merger Event; or (iv) there shall be any voluntary dissolution, liquidation or winding up of the Company; then, in connection with each such event, the Company shall give the Warrantholder notice thereof at the same time and in the same manner as it gives notice thereof to the holders of outstanding Common Stock. In addition, if at any time the number of shares of Common Stock (or other securities of any other class or classes of securities of the Company for which this Warrant is then exercisable) outstanding is reduced such that the number of shares of Common Stock or other securities issuable upon exercise of this Warrant shall exceed five percent (5%) of the then outstanding class of such securities, then, within three (3) business days of such event, the Company shall give the Warrantholder written notice thereof.

SECTION 9. REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE COMPANY.

(a) Reservation of Common Stock. The Company covenants and agrees that all shares of Common Stock that may be issued upon the exercise of the rights represented by this Warrant will, upon issuance, be validly issued and outstanding, fully paid and non-assessable, and will be free of any taxes, liens, charges or encumbrances of any nature whatsoever; provided, that the Common Stock issuable pursuant to this Agreement may be subject to restrictions on transfer under state and/or federal securities laws. The Company has made available to the Warrantholder true, correct and complete copies of its Charter and bylaws currently in effect. The issuance of certificates or book-entry credit for shares of Common Stock upon exercise of this Warrant shall be made without charge to the Warrantholder for any issuance tax in respect thereof, or other cost incurred by the Company in connection with such exercise and related issuance of shares of Common Stock. The Company further covenants and agrees that the Company will, at all times during the term hereof, have authorized and reserved, free from preemptive rights, a sufficient number of shares of Common Stock to provide for the exercise of the rights represented by this Warrant.

(b) Due Authority. The execution and delivery by the Company of this Agreement and the performance of all obligations of the Company hereunder, including the issuance to the Warrantholder of the right to acquire the shares of Common Stock, have been duly authorized by all necessary corporate action on the part of the Company. This Agreement: (i) does not violate the Charter or the Company's current bylaws; (ii) does not contravene any law or governmental rule, regulation or order applicable to the Company; and (iii) except as could not reasonably be expected to have a Material Adverse Effect (as defined in the Loan Agreement), does not and will not contravene any provision of, or constitute a default under, any indenture, mortgage, contract or other instrument to which the Company is a party or by which it is bound. This Agreement constitutes a legal, valid and binding agreement of the Company, enforceable in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditors' rights generally (including, without limitation, fraudulent conveyance laws) and by general principles of equity, regardless of whether considered in a proceeding in equity or at law.

(c) Consents and Approvals. No consent or approval of, giving of notice to, registration with, or taking of any other action in respect of any state, federal or other governmental authority or agency is required with respect to the execution, delivery and performance by the Company of its obligations under this Agreement, except for the filing of notices pursuant to Regulation D under the Act and any filing required by applicable state securities law, which filings will be effective by the time required thereby.

(d) Exempt Transaction. Subject to the accuracy of the Warrantholder's representations in Section 10, the issuance of the Common Stock upon exercise of this Agreement will constitute a transaction exempt from (i) the registration requirements of Section 5 of the Act, in reliance upon Section 4(a)(2) thereof, and (ii) the qualification requirements of the applicable state securities laws.

(e) Information Rights. At all times (if any) prior to the earlier to occur of (x) the date on which all shares of Common Stock issued on exercise of this Warrant have been sold, or (y) the expiration or earlier termination of this Warrant, when the Company shall not be required to file reports pursuant to Section 13 or 15(d) of the Exchange Act or shall not have timely filed all such required reports, the Warrantholder shall be entitled to the information rights contained in Section 7.1(b) – (f) of the Loan Agreement, and in any such event Section 7.1(b) – (f) of the Loan

Agreement is hereby incorporated into this Agreement by this reference as though fully set forth herein, provided, however, that the Company shall not be required to deliver a Compliance Certificate once all Indebtedness (as defined in the Loan Agreement) owed by the Company and its Subsidiaries to Warrantholder has been repaid.

(f) Registration of Shares. If the Company proposes to register (including, for this purpose, a registration effected by the Company for the sale by the Company of its securities and/or the resale of securities of the Company by security holders other than the Warrantholder) the sale or resale of any of its Common Shares or other securities under the Act in connection with the public offering of such securities (other than in an Excluded Registration), the Company shall cause to be registered all of the Registrable Securities in such registration. The Company shall have the right to terminate or withdraw any registration initiated by it under this Section 9(f) before the effective date of such registration, provided that the Company's obligations to register the Registrable Securities under this Section 9(f) in any subsequent registration (other than in an Excluded Registration) shall continue following any such termination or withdrawal. All fees and expenses incident to the Company's performance of or compliance with its obligations under this Section 9(f) (excluding any underwriting discounts and selling commissions) shall be borne by the Company.

(g) Rule 144 Compliance. The Company shall, at all times prior to the earlier to occur of (i) the date of sale or other disposition by Warrantholder of this Warrant or all shares of Common Stock issued on exercise of this Warrant, (ii) the registration pursuant to subsection (f) above of the shares issued on exercise of this Warrant, or (iii) the expiration or earlier termination of this Warrant if the Warrant has not been exercised in full or in part on such date, use all commercially reasonable efforts to timely file all reports required under the Exchange Act and otherwise timely take all actions necessary to permit the Warrantholder to sell or otherwise dispose of this Warrant and the shares of Common Stock issued on exercise hereof pursuant to Rule 144 promulgated under the Act ("Rule 144"), provided that the foregoing shall not apply in the event of a Merger Event following which the successor or surviving entity is not subject to the reporting requirements of the Exchange Act. If the Warrantholder proposes to sell Common Stock issuable upon the exercise of this Agreement in compliance with Rule 144, then, upon the Warrantholder's written request to the Company, the Company shall furnish to the Warrantholder, within five (5) business days after receipt of such request, a written statement confirming the Company's compliance with the filing and other requirements of such Rule 144.

SECTION 10. REPRESENTATIONS AND COVENANTS OF THE WARRANTHOLDER.

This Agreement has been entered into by the Company in reliance upon the following representations and covenants of the Warrantholder:

(a) Investment Purpose. This Warrant and the shares issued on exercise hereof will be acquired for investment and not with a view to the sale or distribution of any part thereof in violation of applicable federal and state securities laws, and the Warrantholder has no present intention of selling or engaging in any public distribution of the same except pursuant to a registration or exemption.

(b) Private Issue. The Warrantholder understands that (i) the Common Stock issuable upon exercise of this Agreement is not, as of the Effective Date, registered under the Act or qualified under applicable state securities laws, and (ii) the Company's reliance on exemption from such registration is predicated on the representations set forth in this Section 10.

(c) Financial Risk. The Warrantholder has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its investment, and has the ability to bear the economic risks of its investment.

(d) Accredited Investor. The Warrantholder is an "accredited investor" within the meaning of Rule 501 of Regulation D promulgated under the Act, as presently in effect ("Regulation D").

(e) No Short Sales. The Warrantholder has not at any time on or prior to the Effective Date engaged in any short sales or equivalent transactions in the Common Stock. Warrantholder agrees that at all times from and after the Effective Date and on or before the expiration or earlier termination of this Warrant, it shall not engage in any short sales or equivalent transactions in the Common Stock.

SECTION 11. TRANSFERS.

Subject to compliance with applicable federal and state securities laws, this Agreement and all rights hereunder are transferable, in whole or in part, without charge to the holder hereof (except for transfer taxes) upon surrender of this Agreement properly endorsed. Each taker and holder of this Agreement, by taking or holding the same, consents and agrees that this Agreement, when endorsed in blank, shall be deemed negotiable, and that the holder hereof, when this Agreement shall have been so endorsed and its transfer recorded on the Company's books, shall be treated by the Company and all other persons dealing with this Agreement as the absolute owner hereof for any purpose and as the person entitled to exercise the rights represented by this Agreement. The transfer of this Agreement shall be recorded on the books of the Company upon receipt by the Company of a notice of transfer in the form attached hereto as Exhibit III (the "Transfer Notice"), at its principal offices and the payment to the Company of all transfer taxes and other governmental charges imposed on such transfer. Until the Company receives such Transfer Notice, the Company may treat the registered owner hereof as the owner for all purposes. Notwithstanding anything herein or in any legend to the contrary, the Company shall not require an opinion of counsel in connection with any sale, assignment or other transfer by the Warrantholder of this Warrant (or any portion hereof or any interest herein) or of any shares of Common Stock issued upon any exercise hereof to an affiliate (as defined in Regulation D) of the Warrantholder, provided that such affiliate is an "accredited investor" as defined in Regulation D.

SECTION 12. MISCELLANEOUS.

(a) Effective Date. The provisions of this Agreement shall be construed and shall be given effect in all respects as if it had been executed and delivered by the Company on the date hereof. This Agreement shall be binding upon any successors or assigns of the Company.

(b) Remedies. In the event of any default hereunder, the non-defaulting party may proceed to protect and enforce its rights either by suit in equity and/or by action at law, including but not limited to an action for damages as a result of any such default, and/or an action for specific performance for any default where the Warrantholder will not have an adequate remedy at law and where damages will not be readily ascertainable.

(c) No Impairment of Rights. The Company will not, by amendment of its Charter or through any other means, avoid or seek to avoid the observance or performance of any of the terms of this Agreement, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate in order to protect the rights of the Warrantholder against impairment.

(d) Additional Documents. The Company agrees to supply such other documents as the Warrantholder may from time to time reasonably request.

(e) Attorneys' Fees. In any litigation, arbitration or court proceeding between the Company and the Warrantholder relating hereto, the prevailing party shall be entitled to attorneys' fees and expenses and all costs of proceedings incurred in enforcing this Agreement. For the purposes of this Section 12(e), attorneys' fees shall include without limitation fees incurred in connection with the following: (i) contempt proceedings; (ii) discovery; (iii) any motion, proceeding or other activity of any kind in connection with an insolvency proceeding; (iv) garnishment, levy, and debtor and third party examinations; and (v) post-judgment motions and proceedings of any kind, including without limitation any activity taken to collect or enforce any judgment.

(f) Severability. In the event any one or more of the provisions of this Agreement shall for any reason be held invalid, illegal or unenforceable, the remaining provisions of this Agreement shall be unimpaired, and the invalid, illegal or unenforceable provision shall be replaced by a mutually acceptable valid, legal and enforceable provision, which comes closest to the intention of the parties underlying the invalid, illegal or unenforceable provision.

(g) Notices. Except as otherwise provided herein, any notice, demand, request, consent, approval, declaration, service of process or other communication that is required, contemplated, or permitted under this Agreement or with respect to the subject matter hereof shall be in writing, and shall be deemed to have been validly served, given, delivered, and received upon the earlier of: (i) personal delivery to the party to be notified, (ii) when sent by confirmed telex, electronic transmission or facsimile if sent during normal business hours of the recipient, if not, then on the next business day, (iii) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (iv) one day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt, and shall be addressed to the party to be notified as follows:

If to the Warrantholder:

HERCULES PRIVATE CREDIT FUND I L.P.
Legal Department
Attention: Chief Legal Officer and Michael Dutra and Bryan Jadot
400 Hamilton Avenue, Suite 310
Palo Alto, CA 94301
Facsimile: 650-473-9194
Telephone: 650-289-3060
Email : legal@herculestech.com; mdutra@htgc.com; bjadot@htgc.com

With a copy to:

LATHAM & WATKINS
Attn: Haim Zaltzman
505 Montgomery Street, Suite 2000
San Francisco, CA 94111
Facsimile: (415) 395-8095
Telephone: (415) 395-8870
Email: haim.zaltzman@lw.com

If to the Company:

TG THERAPEUTICS, INC.
Attention: Sean Power, Chief Financial Officer
2 Gansevoort St., 9th Floor
New York, NY 10014
Telephone: (212)-554-4484
Email: sp@tgtxinc.com

or to such other address as each party may designate for itself by like notice.

(h) Entire Agreement; Amendments. This Agreement constitutes the entire agreement and understanding of the parties hereto in respect of the subject matter hereof, and supersedes and replaces in their entirety any prior proposals, term sheets, letters, negotiations or other documents or agreements, whether written or oral, with respect to the subject matter hereof. None of the terms of this Agreement may be amended except by an instrument executed by each of the parties hereto.

(i) Headings. The various headings in this Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement or any provisions hereof.

(j) Advice of Counsel. Each of the parties represents to each other party hereto that it has discussed (or had an opportunity to discuss) with its counsel this Agreement and, specifically, the provisions of Sections 12(n), 12(o), 12(p), 12(q) and 12(r).

(k) No Strict Construction. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

(l) No Waiver. No omission or delay by the Warrantholder at any time to enforce any right or remedy reserved to it, or to require performance of any of the terms, covenants or provisions hereof by the Company at any time designated, shall be a waiver of any such right or remedy to which the Warrantholder is entitled, nor shall it in any way affect the right of the Warrantholder to enforce such provisions thereafter during the term of this Agreement.

(m) Survival. All agreements, representations and warranties contained in this Agreement or in any document delivered pursuant hereto shall be for the benefit of the Warrantholder and shall survive the execution and delivery of this Agreement and the expiration or other termination of this Agreement.

(n) Governing Law. This Agreement has been negotiated and delivered to the Warrantholder in the State of California, and shall be deemed to have been accepted by the Warrantholder in the State of California. Delivery of Common Stock to the Warrantholder by the Company under this Agreement is due in the State of California. This Agreement shall be

governed by, and construed and enforced in accordance with, the laws of the State of California, excluding conflict of laws principles that would cause the application of laws of any other jurisdiction.

(o) Consent to Jurisdiction and Venue. All judicial proceedings arising in or under or related to this Agreement may be brought in any state or federal court of competent jurisdiction located in the State of California. By execution and delivery of this Agreement, each party hereto generally and unconditionally: (i) consents to personal jurisdiction in Santa Clara County, State of California; (ii) waives any objection as to jurisdiction or venue in Santa Clara County, State of California; (iii) agrees not to assert any defense based on lack of jurisdiction or venue in the aforesaid courts; and (iv) irrevocably agrees to be bound by any judgment rendered thereby in connection with this Agreement. Service of process on any party hereto in any action arising out of or relating to this Agreement shall be effective if given in accordance with the requirements for notice set forth in Section 12(g), and shall be deemed effective and received as set forth in Section 12(g). Nothing herein shall affect the right to serve process in any other manner permitted by law or shall limit the right of either party to bring proceedings in the courts of any other jurisdiction.

(p) Mutual Waiver of Jury Trial. Because disputes arising in connection with complex financial transactions are most quickly and economically resolved by an experienced and expert person and the parties wish applicable state and federal laws to apply (rather than arbitration rules), the parties desire that their disputes arising under or in connection with this Warrant be resolved by a judge applying such applicable laws. EACH OF THE COMPANY AND THE WARRANTHOLDER SPECIFICALLY WAIVES ANY RIGHT IT MAY HAVE TO TRIAL BY JURY OF ANY CAUSE OF ACTION, CLAIM, CROSS-CLAIM, COUNTERCLAIM, THIRD PARTY CLAIM OR ANY OTHER CLAIM (COLLECTIVELY, "CLAIMS") ASSERTED BY THE COMPANY AGAINST THE WARRANTHOLDER OR ITS ASSIGNEE OR BY THE WARRANTHOLDER OR ITS ASSIGNEE AGAINST THE COMPANY RELATING TO THIS WARRANT. This waiver extends to all such Claims, including Claims that involve persons or entities other the Company and the Warrantholder; Claims that arise out of or are in any way connected to the relationship between the Company and the Warrantholder; and any Claims for damages, breach of contract, specific performance, or any equitable or legal relief of any kind, arising out of this Agreement.

(q) Arbitration. If the Mutual Waiver of Jury Trial set forth in Section 12(p) is ineffective or unenforceable, the parties agree that all Claims shall be submitted to binding arbitration in accordance with the commercial arbitration rules of JAMS (the "Rules"), such arbitration to occur before one arbitrator, which arbitrator shall be a retired California state judge or a retired Federal court judge. Such proceeding shall be conducted in Santa Clara County, State of California, with California rules of evidence and discovery applicable to such arbitration. The decision of the arbitrator shall be binding on the parties, and shall be final and nonappealable to the maximum extent permitted by law. Any judgment rendered by the arbitrator may be entered in a court of competent jurisdiction and enforced by the prevailing party as a final judgment of such court.

(r) Pre-arbitration Relief. In the event Claims are to be resolved by arbitration, either party may seek from a court of competent jurisdiction identified in Section 12(o), any prejudgment order, writ or other relief and have such prejudgment order, writ or other relief enforced to the fullest extent permitted by law notwithstanding that all Claims are otherwise subject to resolution by binding arbitration.

(s) Counterparts. This Agreement and any amendments, waivers, consents or supplements hereto may be executed in any number of counterparts (including by facsimile or

electronic delivery (PDF)), and by different parties hereto in separate counterparts, each of which when so delivered shall be deemed an original, but all of which counterparts shall constitute but one and the same instrument.

(t) Specific Performance. The parties hereto hereby declare that it is impossible to measure in money the damages which will accrue to the Warrantholder by reason of the Company's failure to perform any of the obligations under this Agreement and agree that the terms of this Agreement shall be specifically enforceable by the Warrantholder. If the Warrantholder institutes any action or proceeding to specifically enforce the provisions hereof, any person against whom such action or proceeding is brought hereby waives the claim or defense therein that the Warrantholder has an adequate remedy at law, and such person shall not offer in any such action or proceeding the claim or defense that such remedy at law exists.

(u) Lost, Stolen, Mutilated or Destroyed Warrant. If this Warrant is lost, stolen, mutilated or destroyed, the Company may, on such terms as to indemnity or otherwise as it may reasonably impose (which shall, in the case of a mutilated Warrant, include the surrender thereof), issue a new Warrant of like denomination and tenor as this Warrant so lost, stolen, mutilated or destroyed. Any such new Warrant shall constitute an original contractual obligation of the Company, whether or not the allegedly lost, stolen, mutilated or destroyed Warrant shall be at any time enforceable by anyone.

(v) Legends. To the extent required by applicable laws, this Warrant and the shares of Common Stock issuable hereunder (and the securities issuable, directly or indirectly, upon conversion of such shares of Common Stock, if any) may be imprinted with a restricted securities legend in substantially the following form:

> THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY APPLICABLE STATE SECURITIES LAWS, AND MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION RELATED THERETO OR, SUBJECT TO SECTION 11 OF THE WARRANT AGREEMENT DATED DECEMBER 30, 2021, BETWEEN THE COMPANY AND HERCULES PRIVATE CREDIT FUND I L.P., AN OPINION OF COUNSEL (WHICH MAY BE COMPANY COUNSEL) REASONABLY SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE ACTOR ANY STATE SECURITIES LAWS.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Warrant Agreement to be executed by its officers thereunto duly authorized as of the Effective Date.

COMPANY: TG THERAPEUTICS, INC.

By: _____
Name: _____
Title: _____

[Signature Page to Warrant (TG Therapeutics/Hercules Capital)]

WARRANTHOLDER:

HERCULES PRIVATE CREDIT FUND I L.P.

By: Hercules Private Global Venture Growth Fund GP I LLC,
its general partner

By: Hercules Adviser LLC, its sole member

By: _____
Name: Seth Meyer
Title: Authorized Signatory

[Signature Page to Warrant (TG Therapeutics/Hercules Capital)]

EXHIBIT I

NOTICE OF EXERCISE

To: _____

(1) The undersigned Warrantholder hereby elects to purchase _____ shares of the Common Stock of TG Therapeutics, Inc., a Delaware corporation ("Company"), pursuant to the terms of the Warrant Agreement dated December 30, 2021 (the "Warrant Agreement") by and between Company and the Warrantholder, and tenders herewith payment of the Purchase Price in full, together with all applicable transfer taxes, if any. [NET ISSUANCE: elects pursuant to Section 3(a) of the Warrant Agreement to effect a Net Issuance.]

(2) Please issue a certificate or certificates or book-entry credit(s) representing said shares of Common Stock in the name of the undersigned or in such other name as is specified below.

_____
(Name)

_____
(Address)

WARRANTHOLDER:

HERCULES PRIVATE CREDIT FUND I L.P.

By: Hercules Private Global Venture Growth Fund GP I LLC,
its general partner

By: Hercules Adviser LLC, its sole member

By: _____
Name: _____
Title: _____

EXHIBIT II

ACKNOWLEDGMENT OF EXERCISE

The undersigned _____, hereby acknowledges receipt of the "Notice of Exercise" from Hercules Private Credit Fund I L.P. (the "Warrantholder") to purchase ____ shares of the Common Stock of TG Therapeutics, Inc., a Delaware corporation ("Company"), pursuant to the terms of the Warrant Agreement by and between Company and the Warrantholder dated December 30, 2021(the "Agreement"), and further acknowledges that _____ shares remain subject to purchase under the terms of the Agreement.

COMPANY: TG THERAPEUTICS, INC.

By: _____

Title: _____

Date: _____

EXHIBIT III

TRANSFER NOTICE

(To transfer or assign the foregoing Agreement execute this form and supply required information. Do not use this form to purchase shares.)

FOR VALUE RECEIVED, the foregoing Agreement and all rights evidenced thereby are hereby transferred and assigned to

_____

(Please Print)

whose address is _____

_____

Dated: _____

Holder's Signature: _____

Holder's Address: _____

_____

Signature Guaranteed: _____

NOTE: The signature to this Transfer Notice must correspond with the name as it appears on the face of the Agreement, without alteration or enlargement or any change whatever. Officers of corporations and those acting in a fiduciary or other representative capacity should file proper evidence of authority to assign the foregoing Agreement.

THIS WARRANT AND THE SHARES ISSUABLE UPON EXERCISE HEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY STATE SECURITIES LAWS, AND MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED, OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR, SUBJECT TO SECTION 11 HEREOF, AN OPINION OF COUNSEL (WHICH MAY BE COMPANY COUNSEL) REASONABLY SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE ACT, OR ANY APPLICABLE STATE SECURITIES LAWS.

WARRANT AGREEMENT

To Purchase Shares of the Common Stock of

TG THERAPEUTICS, INC.

Dated as of December 30, 2021 (the "Effective Date")

WHEREAS, TG Therapeutics, Inc., a Delaware corporation (the "Company"), has entered into an Amended and Restated Loan and Security Agreement of even date herewith (as amended and in effect from time to time, the "Loan Agreement") with Hercules Capital, Inc., a Maryland corporation, in its capacity as administrative and collateral agent, Hercules Private Global Venture Growth Fund I L.P., as a lender (the "Warrantholder"), and the other lenders from time to time party thereto;

WHEREAS, pursuant to the Loan Agreement and as additional consideration to the Warrantholder for, among other things, its agreements in the Loan Agreement, the Company has agreed to issue to the Warrantholder this Warrant Agreement, evidencing the right to purchase shares of the Company's Common Stock (this "Warrant", "Warrant Agreement", or this "Agreement");

NOW, THEREFORE, in consideration of the Warrantholder having executed and delivered the Loan Agreement and provided the financial accommodations contemplated therein, and in consideration of the mutual covenants and agreements contained herein, the Company and Warrantholder agree as follows:

SECTION 1. GRANT OF THE RIGHT TO PURCHASE COMMON STOCK.

(a) For value received, the Company hereby grants to the Warrantholder, and the Warrantholder is entitled, upon the terms and subject to the conditions hereinafter set forth, to subscribe for and purchase, from the Company, up to the aggregate number of fully paid and non-assessable shares of Common Stock (as defined below) as determined pursuant to Section 1(b) below, at a purchase price per share equal to the Exercise Price (as defined below). The number and Exercise Price of such shares are subject to adjustment as provided in Section 8. As used herein, the following terms shall have the following meanings:

"Act" means the Securities Act of 1933, as amended.

"Charter" means the Company's Certificate of Incorporation or other constitutional document, as may be amended and in effect from time to time.

"Common Stock" means the Company's common stock, $0.001 par value per share, as presently constituted under the Charter, and any class and/or series of Company capital stock for

or into which such common stock may be converted or exchanged in a reorganization, recapitalization or similar transaction.

"Excluded Registration" means (i) a registration relating to the sale of securities to employees of the Company or a subsidiary pursuant to an equity option, equity purchase, or similar plan; (ii) a registration relating to an SEC Rule 145 transaction; or (iii) a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities, provided that, for the avoidance of doubt, the inclusion of information regarding this Warrant and the plan of distribution of and selling securityholder information related to the Common Shares issuable upon exercise of this Warrant, shall not constitute a basis for excluding the Registrable Securities from a registration pursuant to this clause (iii).

"Exercise Price" means $17.95, subject to adjustment from time to time in accordance with the provisions of this Warrant.

"Liquid Sale" means the closing of a Merger Event in which the consideration received by the Company and/or its stockholders, as applicable, consists solely of cash and/or Marketable Securities.

"Marketable Securities" in connection with a Merger Event means securities meeting all of the following requirements: (i) the issuer thereof is then subject to the reporting requirements of Section 13 or Section 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and is then current in its filing of all required reports and other information under the Act and the Exchange Act; (ii) the class and series of shares or other security of the issuer that would be received by the Warrantholder in connection with the Merger Event were the Warrantholder to exercise this Warrant on or prior to the closing thereof is then traded on a national securities exchange or over-the-counter market, and (iii) following the closing of such Merger Event, the Warrantholder would not be restricted from publicly re-selling all of the issuer's shares and/or other securities that would be received by the Warrantholder in such Merger Event were the Warrantholder to exercise this Warrant in full on or prior to the closing of such Merger Event, except to the extent that any such restriction (x) arises solely under federal or state securities laws, rules or regulations, and (y) does not extend beyond six (6) months from the closing of such Merger Event.

"Merger Event" means any of the following: (i) a sale, lease or other transfer of all or substantially all assets of the Company, (ii) any merger or consolidation involving the Company in which the Company is not the surviving entity or in which the outstanding shares of the Company's capital stock are otherwise converted into or exchanged for shares of capital stock or other securities or property of another entity, or (iii) any sale by holders of the outstanding voting equity securities of the Company in a single transaction or series of related transactions of shares constituting a majority of the outstanding combined voting power of the Company.

"Purchase Price" means, with respect to any exercise of this Warrant, an amount equal to the then-effective Exercise Price multiplied by the number of shares of Common Stock as to which this Warrant is then exercised.

"Registrable Securities" means (i) the shares issuable upon exercise of this Warrant and (ii) any other Common Shares issued as a dividend or other distribution with respect to, in exchange for or in replacement of such shares; provided that the securities referred to in (i)-(ii) above shall cease to be Registrable Securities (A) upon the sale of such securities pursuant to a registration statement or (B) upon the sale of such securities pursuant to Rule 144.

"Warrant Coverage" means 2.95% times the aggregate principal amount of Term Loan Advances (as defined in the Loan Agreement) made and funded by the Warrantholder under the Loan Agreement from time to time.

(b) Number of Shares. This Warrant shall be exercisable for a number of shares of Common Stock equal to the quotient derived by dividing (i) the Warrant Coverage by (ii) the Exercise Price, subject to adjustment from time to time in accordance with the provisions of this Warrant.

SECTION 2. TERM OF THE AGREEMENT.

The term of this Agreement and the right to purchase Common Stock as granted herein shall commence on the Effective Date and, subject to Section 8(a) below, shall be exercisable until 5:00 p.m. (Eastern Time) on the seventh (7th) anniversary of the Effective Date.

SECTION 3. EXERCISE OF THE PURCHASE RIGHTS.

(a) Exercise. The purchase rights set forth in this Agreement are exercisable by the Warrantholder, in whole or in part, at any time, or from time to time, prior to the expiration of the term set forth in Section 2, by tendering to the Company at its principal office a notice of exercise in the form attached hereto as Exhibit I (the "Notice of Exercise"), duly completed and executed. Promptly upon receipt of the Notice of Exercise and the payment of the Purchase Price in accordance with the terms set forth below, and in no event later than three (3) business days thereafter, the Company or its transfer agent shall either (i) issue to the Warrantholder a certificate for the number of shares of Common Stock purchased or (ii) credit the same via book entry to the Warrantholder, and the Company shall execute the acknowledgment of exercise in the form attached hereto as Exhibit II (the "Acknowledgment of Exercise") indicating the number of shares which remain subject to future purchases under this Warrant, if any.

The Purchase Price may be paid at the Warrantholder's election either (i) by cash or check, or (ii) by surrender of all or a portion of the Warrant for shares of Common Stock to be exercised under this Agreement and, if applicable, an amended Agreement setting forth the remaining number of shares purchasable hereunder, as determined below ("Net Issuance"). If the Warrantholder elects the Net Issuance method, the Company will issue shares of Common Stock in accordance with the following formula:

$$X = \frac{Y(A-B)}{A}$$

Where: X = the number of shares of Common Stock to be issued to the Warrantholder.

Y = the number of shares of Common Stock requested to be exercised under this Agreement.

A = the then-current fair market value of one (1) share of Common Stock at the time of exercise of this Warrant.

B = the then-effective Exercise Price.

For purposes of the above calculation, the current fair market value of shares of Common Stock shall mean with respect to each share of Common Stock:

(i) at all times when the Common Stock is traded on a national securities exchange, inter-dealer quotation system or over-the-counter bulletin board service, the average of the closing prices over a five (5) day period ending three days before the day the current fair market value of the securities is being determined;

(ii) if the exercise is in connection with a Merger Event, the fair market value of a share of Common Stock shall be deemed to be the per share value received by the holders of the outstanding shares of Common Stock pursuant to such Merger Event as determined in accordance with the definitive transaction documents executed among the parties in connection therewith; or

(iii) in cases other than as described in the foregoing clauses (i) and (ii), the current fair market value of a share of Common Stock shall be determined in good faith by the Company's Board of Directors.

Upon partial exercise by either cash or Net Issuance, prior to the expiration or earlier termination hereof, the Company shall promptly issue an amended Agreement representing the remaining number of shares purchasable hereunder. All other terms and conditions of such amended Agreement shall be identical to those contained herein, including, but not limited to the Effective Date hereof.

(b) Exercise Prior to Expiration. To the extent this Warrant is not previously exercised as to all shares of Common Stock subject hereto, and if the then-current fair market value of one share of Common Stock is greater than the Exercise Price then in effect, or, in the case of a Liquid Sale, where the value per share of Common Stock (as determined as of the closing of such Liquid Sale in accordance with the definitive agreements executed by the parties in connection with such Merger Event) to be paid to the holders thereof is greater than the Exercise Price then in effect, this Agreement shall be deemed automatically exercised on a Net Issuance basis pursuant to Section 3(a) (even if not surrendered) as of immediately before its expiration determined in accordance with Section 2. For purposes of such automatic exercise, the fair market value of one share of Common Stock upon such expiration shall be determined pursuant to Section 3(a). To the extent this Warrant or any portion hereof is deemed automatically exercised pursuant to this Section 3(b), the Company agrees to promptly notify the Warrantholder of the number of shares of Common Stock if any, the Warrantholder is to receive by reason of such automatic exercise, and to issue or cause its transfer agent to issue a certificate or a book-entry credit to the Warrantholder evidencing such shares.

SECTION 4. RESERVATION OF SHARES.

During the term of this Agreement, the Company will at all times have authorized and reserved a sufficient number of shares of its Common Stock to provide for the exercise of the rights to purchase Common Stock as provided for herein. If at any time during the term hereof the number of authorized but unissued shares of Common Stock shall not be sufficient to permit exercise of this Warrant in full, the Company will take such corporate action

as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purposes.

SECTION 5. NO FRACTIONAL SHARES OR SCRIP.

No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Agreement, but in lieu of such fractional shares the Company shall make a cash payment therefor in an amount equal to the product of (a) the Exercise Price then in effect multiplied by (b) the fraction of a share.

SECTION 6. NO RIGHTS AS SHAREHOLDER/STOCKHOLDER.

Without limitation of any provision hereof, the Warrantholder agrees that this Agreement does not entitle the Warrantholder to any voting rights or other rights as a shareholder/stockholder of the Company prior to the exercise of any of the purchase rights set forth in this Agreement.

SECTION 7. WARRANTHOLDER REGISTRY.

The Company shall maintain a registry showing the name and address of the registered holder of this Agreement. The Warrantholder's initial address, for purposes of such registry, is set forth in Section 12(g) below. The Warrantholder may change such address by giving written notice of such changed address to the Company.

SECTION 8. ADJUSTMENT RIGHTS.

The Exercise Price and the number of shares of Common Stock purchasable hereunder are subject to adjustment from time to time, as follows:

(a) Merger Event. In connection with a Merger Event that is a Liquid Sale, this Warrant shall, on and after the closing thereof, automatically and without further action on the part of any party or other person, represent the right to receive the consideration payable on or in respect of all shares of Common Stock that are issuable hereunder as of immediately prior to the closing of such Merger Event less the Purchase Price for all such shares of Common Stock (such consideration to include both the consideration payable at the closing of such Merger Event and all deferred consideration payable thereafter, if any, including, but not limited to, payments of amounts deposited at such closing into escrow and payments in the nature of earn-outs, milestone payments or other performance-based payments), and such Merger Event consideration shall be paid to the Warrantholder as and when it is paid to the holders of the outstanding shares of Common Stock. In connection with a Merger Event that is not a Liquid Sale, the Company shall cause the successor or surviving entity to assume this Warrant and the obligations of the Company hereunder on the closing thereof, and thereafter this Warrant shall be exercisable for the same number and type of securities or other property as the Warrantholder would have received in consideration for the shares of Common Stock issuable hereunder had it exercised this Warrant in full as of immediately prior to such closing, at an aggregate Exercise Price no greater than the aggregate Exercise Price in effect as of immediately prior to such closing, and subject to further adjustment from time to time in accordance with the provisions of this Warrant. The provisions of this Section 8(a) shall similarly apply to successive Merger Events.

(b) Reclassification of Shares. Except for Merger Events subject to Section 8(a), if the Company at any time shall, by combination, reclassification, exchange or subdivision of securities or otherwise, change any of the securities as to which purchase rights under this Agreement exist into the same or a different number of securities of any other class or classes of

securities, this Agreement shall thereafter represent the right to acquire such number and kind of securities as would have been issuable as the result of such change with respect to the securities which were subject to the purchase rights under this Agreement immediately prior to such combination, reclassification, exchange, subdivision or other change. The provisions of this Section 8(b) shall similarly apply to successive combination, reclassification, exchange, subdivision or other change.

(c) Subdivision or Combination of Shares. If the Company at any time shall combine or subdivide its Common Stock, (i) in the case of a subdivision, the Exercise Price shall be proportionately decreased and the number of shares for which this Warrant is exercisable shall be proportionately increased, or (ii) in the case of a combination, the Exercise Price shall be proportionately increased and the number of shares for which this Warrant is exercisable shall be proportionately decreased.

(d) Dividends. If the Company at any time while this Agreement is outstanding and unexpired shall:

(i) pay a dividend with respect to the Common Stock payable in additional shares of Common Stock, then the Exercise Price shall be adjusted, from and after the date of determination of stockholders entitled to receive such dividend, to that price determined by multiplying the Exercise Price in effect immediately prior to such date of determination by a fraction (A) the numerator of which shall be the total number of shares of Common Stock outstanding immediately prior to such dividend or distribution, and (B) the denominator of which shall be the total number of shares of Common Stock outstanding immediately after such dividend or distribution, and the number of shares of Common Stock for which this Warrant is exercisable shall be proportionately increased; or

(ii) make any other dividend or distribution on or with respect to Common Stock, except any dividend or distribution specifically provided for in any other clause of this Section 8, then, in each such case, provision shall be made by the Company such that the Warrantholder shall receive upon exercise or conversion of this Warrant a proportionate share of any such dividend or distribution as though it were the holder of the Common Stock (or other stock for which the Common Stock is convertible) as of the record date fixed for the determination of the stockholders of the Company entitled to receive such dividend or distribution.

(e) Notice of Certain Events. If: (i) the Company shall declare any dividend or distribution upon its outstanding Common Stock, payable in stock, cash, property or other securities (provided that the Warrantholder in its capacity as lender under the Loan Agreement consents to such dividend); (ii) the Company shall offer for subscription pro rata to the holders of its Common Stock any additional shares of stock of any class or other rights; (iii) there shall be any Merger Event; or (iv) there shall be any voluntary dissolution, liquidation or winding up of the Company; then, in connection with each such event, the Company shall give the Warrantholder notice thereof at the same time and in the same manner as it gives notice thereof to the holders of outstanding Common Stock. In addition, if at any time the number of shares of Common Stock (or other securities of any other class or classes of securities of the Company for which this Warrant is then exercisable) outstanding is reduced such that the number of shares of Common Stock or other securities issuable upon exercise of this Warrant shall exceed five percent (5%) of the then outstanding class of such securities, then, within three (3) business days of such event, the Company shall give the Warrantholder written notice thereof.

SECTION 9. REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE COMPANY.

(a) Reservation of Common Stock. The Company covenants and agrees that all shares of Common Stock that may be issued upon the exercise of the rights represented by this Warrant will, upon issuance, be validly issued and outstanding, fully paid and non-assessable, and will be free of any taxes, liens, charges or encumbrances of any nature whatsoever; provided, that the Common Stock issuable pursuant to this Agreement may be subject to restrictions on transfer under state and/or federal securities laws. The Company has made available to the Warrantholder true, correct and complete copies of its Charter and bylaws currently in effect. The issuance of certificates or book-entry credit for shares of Common Stock upon exercise of this Warrant shall be made without charge to the Warrantholder for any issuance tax in respect thereof, or other cost incurred by the Company in connection with such exercise and related issuance of shares of Common Stock. The Company further covenants and agrees that the Company will, at all times during the term hereof, have authorized and reserved, free from preemptive rights, a sufficient number of shares of Common Stock to provide for the exercise of the rights represented by this Warrant.

(b) Due Authority. The execution and delivery by the Company of this Agreement and the performance of all obligations of the Company hereunder, including the issuance to the Warrantholder of the right to acquire the shares of Common Stock, have been duly authorized by all necessary corporate action on the part of the Company. This Agreement: (i) does not violate the Charter or the Company's current bylaws; (ii) does not contravene any law or governmental rule, regulation or order applicable to the Company; and (iii) except as could not reasonably be expected to have a Material Adverse Effect (as defined in the Loan Agreement), does not and will not contravene any provision of, or constitute a default under, any indenture, mortgage, contract or other instrument to which the Company is a party or by which it is bound. This Agreement constitutes a legal, valid and binding agreement of the Company, enforceable in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditors' rights generally (including, without limitation, fraudulent conveyance laws) and by general principles of equity, regardless of whether considered in a proceeding in equity or at law.

(c) Consents and Approvals. No consent or approval of, giving of notice to, registration with, or taking of any other action in respect of any state, federal or other governmental authority or agency is required with respect to the execution, delivery and performance by the Company of its obligations under this Agreement, except for the filing of notices pursuant to Regulation D under the Act and any filing required by applicable state securities law, which filings will be effective by the time required thereby.

(d) Exempt Transaction. Subject to the accuracy of the Warrantholder's representations in Section 10, the issuance of the Common Stock upon exercise of this Agreement will constitute a transaction exempt from (i) the registration requirements of Section 5 of the Act, in reliance upon Section 4(a)(2) thereof, and (ii) the qualification requirements of the applicable state securities laws.

(e) Information Rights. At all times (if any) prior to the earlier to occur of (x) the date on which all shares of Common Stock issued on exercise of this Warrant have been sold, or (y) the expiration or earlier termination of this Warrant, when the Company shall not be required to file reports pursuant to Section 13 or 15(d) of the Exchange Act or shall not have timely filed all such required reports, the Warrantholder shall be entitled to the information rights contained in Section 7.1(b) – (f) of the Loan Agreement, and in any such event Section 7.1(b) – (f) of the Loan

Agreement is hereby incorporated into this Agreement by this reference as though fully set forth herein, provided, however, that the Company shall not be required to deliver a Compliance Certificate once all Indebtedness (as defined in the Loan Agreement) owed by the Company and its Subsidiaries to Warrantholder has been repaid.

(f) Registration of Shares. If the Company proposes to register (including, for this purpose, a registration effected by the Company for the sale by the Company of its securities and/or the resale of securities of the Company by security holders other than the Warrantholder) the sale or resale of any of its Common Shares or other securities under the Act in connection with the public offering of such securities (other than in an Excluded Registration), the Company shall cause to be registered all of the Registrable Securities in such registration. The Company shall have the right to terminate or withdraw any registration initiated by it under this Section 9(f) before the effective date of such registration, provided that the Company's obligations to register the Registrable Securities under this Section 9(f) in any subsequent registration (other than in an Excluded Registration) shall continue following any such termination or withdrawal. All fees and expenses incident to the Company's performance of or compliance with its obligations under this Section 9(f) (excluding any underwriting discounts and selling commissions) shall be borne by the Company.

(g) Rule 144 Compliance. The Company shall, at all times prior to the earlier to occur of (i) the date of sale or other disposition by Warrantholder of this Warrant or all shares of Common Stock issued on exercise of this Warrant, (ii) the registration pursuant to subsection (f) above of the shares issued on exercise of this Warrant, or (iii) the expiration or earlier termination of this Warrant if the Warrant has not been exercised in full or in part on such date, use all commercially reasonable efforts to timely file all reports required under the Exchange Act and otherwise timely take all actions necessary to permit the Warrantholder to sell or otherwise dispose of this Warrant and the shares of Common Stock issued on exercise hereof pursuant to Rule 144 promulgated under the Act ("Rule 144"), provided that the foregoing shall not apply in the event of a Merger Event following which the successor or surviving entity is not subject to the reporting requirements of the Exchange Act. If the Warrantholder proposes to sell Common Stock issuable upon the exercise of this Agreement in compliance with Rule 144, then, upon the Warrantholder's written request to the Company, the Company shall furnish to the Warrantholder, within five (5) business days after receipt of such request, a written statement confirming the Company's compliance with the filing and other requirements of such Rule 144.

SECTION 10. REPRESENTATIONS AND COVENANTS OF THE WARRANTHOLDER.

This Agreement has been entered into by the Company in reliance upon the following representations and covenants of the Warrantholder:

(a) Investment Purpose. This Warrant and the shares issued on exercise hereof will be acquired for investment and not with a view to the sale or distribution of any part thereof in violation of applicable federal and state securities laws, and the Warrantholder has no present intention of selling or engaging in any public distribution of the same except pursuant to a registration or exemption.

(b) Private Issue. The Warrantholder understands that (i) the Common Stock issuable upon exercise of this Agreement is not, as of the Effective Date, registered under the Act or qualified under applicable state securities laws, and (ii) the Company's reliance on exemption from such registration is predicated on the representations set forth in this Section 10.

(c) Financial Risk. The Warrantholder has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its investment, and has the ability to bear the economic risks of its investment.

(d) Accredited Investor. The Warrantholder is an "accredited investor" within the meaning of Rule 501 of Regulation D promulgated under the Act, as presently in effect ("Regulation D").

(e) No Short Sales. The Warrantholder has not at any time on or prior to the Effective Date engaged in any short sales or equivalent transactions in the Common Stock. Warrantholder agrees that at all times from and after the Effective Date and on or before the expiration or earlier termination of this Warrant, it shall not engage in any short sales or equivalent transactions in the Common Stock.

SECTION 11. TRANSFERS.

Subject to compliance with applicable federal and state securities laws, this Agreement and all rights hereunder are transferable, in whole or in part, without charge to the holder hereof (except for transfer taxes) upon surrender of this Agreement properly endorsed. Each taker and holder of this Agreement, by taking or holding the same, consents and agrees that this Agreement, when endorsed in blank, shall be deemed negotiable, and that the holder hereof, when this Agreement shall have been so endorsed and its transfer recorded on the Company's books, shall be treated by the Company and all other persons dealing with this Agreement as the absolute owner hereof for any purpose and as the person entitled to exercise the rights represented by this Agreement. The transfer of this Agreement shall be recorded on the books of the Company upon receipt by the Company of a notice of transfer in the form attached hereto as Exhibit III (the "Transfer Notice"), at its principal offices and the payment to the Company of all transfer taxes and other governmental charges imposed on such transfer. Until the Company receives such Transfer Notice, the Company may treat the registered owner hereof as the owner for all purposes. Notwithstanding anything herein or in any legend to the contrary, the Company shall not require an opinion of counsel in connection with any sale, assignment or other transfer by the Warrantholder of this Warrant (or any portion hereof or any interest herein) or of any shares of Common Stock issued upon any exercise hereof to an affiliate (as defined in Regulation D) of the Warrantholder, provided that such affiliate is an "accredited investor" as defined in Regulation D.

SECTION 12. MISCELLANEOUS.

(a) Effective Date. The provisions of this Agreement shall be construed and shall be given effect in all respects as if it had been executed and delivered by the Company on the date hereof. This Agreement shall be binding upon any successors or assigns of the Company.

(b) Remedies. In the event of any default hereunder, the non-defaulting party may proceed to protect and enforce its rights either by suit in equity and/or by action at law, including but not limited to an action for damages as a result of any such default, and/or an action for specific performance for any default where the Warrantholder will not have an adequate remedy at law and where damages will not be readily ascertainable.

(c) No Impairment of Rights. The Company will not, by amendment of its Charter or through any other means, avoid or seek to avoid the observance or performance of any of the terms of this Agreement, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate in order to protect the rights of the Warrantholder against impairment.

(d) Additional Documents. The Company agrees to supply such other documents as the Warrantholder may from time to time reasonably request.

(e) Attorneys' Fees. In any litigation, arbitration or court proceeding between the Company and the Warrantholder relating hereto, the prevailing party shall be entitled to attorneys' fees and expenses and all costs of proceedings incurred in enforcing this Agreement. For the purposes of this Section 12(e), attorneys' fees shall include without limitation fees incurred in connection with the following: (i) contempt proceedings; (ii) discovery; (iii) any motion, proceeding or other activity of any kind in connection with an insolvency proceeding; (iv) garnishment, levy, and debtor and third party examinations; and (v) post-judgment motions and proceedings of any kind, including without limitation any activity taken to collect or enforce any judgment.

(f) Severability. In the event any one or more of the provisions of this Agreement shall for any reason be held invalid, illegal or unenforceable, the remaining provisions of this Agreement shall be unimpaired, and the invalid, illegal or unenforceable provision shall be replaced by a mutually acceptable valid, legal and enforceable provision, which comes closest to the intention of the parties underlying the invalid, illegal or unenforceable provision.

(g) Notices. Except as otherwise provided herein, any notice, demand, request, consent, approval, declaration, service of process or other communication that is required, contemplated, or permitted under this Agreement or with respect to the subject matter hereof shall be in writing, and shall be deemed to have been validly served, given, delivered, and received upon the earlier of: (i) personal delivery to the party to be notified, (ii) when sent by confirmed telex, electronic transmission or facsimile if sent during normal business hours of the recipient, if not, then on the next business day, (iii) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (iv) one day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt, and shall be addressed to the party to be notified as follows:

If to the Warrantholder:

HERCULES PRIVATE GLOBAL VENTURE GROWTH FUND I L.P.
Legal Department
Attention: Chief Legal Officer and Michael Dutra and Bryan Jadot
400 Hamilton Avenue, Suite 310
Palo Alto, CA 94301
Facsimile: 650-473-9194
Telephone: 650-289-3060
Email : legal@herculestech.com; mdutra@htgc.com; bjadot@htgc.com

With a copy to:

LATHAM & WATKINS
Attn: Haim Zaltzman
505 Montgomery Street, Suite 2000
San Francisco, CA 94111
Facsimile: (415) 395-8095
Telephone: (415) 395-8870
Email: haim.zaltzman@lw.com

If to the Company:

TG THERAPEUTICS, INC.
Attention: Sean Power, Chief Financial Officer
2 Gansevoort St., 9th Floor
New York, NY 10014
Telephone: (212)-554-4484
Email: sp@tgtxinc.com

or to such other address as each party may designate for itself by like notice.

(h) Entire Agreement; Amendments. This Agreement constitutes the entire agreement and understanding of the parties hereto in respect of the subject matter hereof, and supersedes and replaces in their entirety any prior proposals, term sheets, letters, negotiations or other documents or agreements, whether written or oral, with respect to the subject matter hereof. None of the terms of this Agreement may be amended except by an instrument executed by each of the parties hereto.

(i) Headings. The various headings in this Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement or any provisions hereof.

(j) Advice of Counsel. Each of the parties represents to each other party hereto that it has discussed (or had an opportunity to discuss) with its counsel this Agreement and, specifically, the provisions of Sections 12(n), 12(o), 12(p), 12(q) and 12(r).

(k) No Strict Construction. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

(l) No Waiver. No omission or delay by the Warrantholder at any time to enforce any right or remedy reserved to it, or to require performance of any of the terms, covenants or provisions hereof by the Company at any time designated, shall be a waiver of any such right or remedy to which the Warrantholder is entitled, nor shall it in any way affect the right of the Warrantholder to enforce such provisions thereafter during the term of this Agreement.

(m) Survival. All agreements, representations and warranties contained in this Agreement or in any document delivered pursuant hereto shall be for the benefit of the Warrantholder and shall survive the execution and delivery of this Agreement and the expiration or other termination of this Agreement.

(n) Governing Law. This Agreement has been negotiated and delivered to the Warrantholder in the State of California, and shall be deemed to have been accepted by the Warrantholder in the State of California. Delivery of Common Stock to the Warrantholder by the Company under this Agreement is due in the State of California. This Agreement shall be

governed by, and construed and enforced in accordance with, the laws of the State of California, excluding conflict of laws principles that would cause the application of laws of any other jurisdiction.

(o) Consent to Jurisdiction and Venue. All judicial proceedings arising in or under or related to this Agreement may be brought in any state or federal court of competent jurisdiction located in the State of California. By execution and delivery of this Agreement, each party hereto generally and unconditionally: (i) consents to personal jurisdiction in Santa Clara County, State of California; (ii) waives any objection as to jurisdiction or venue in Santa Clara County, State of California; (iii) agrees not to assert any defense based on lack of jurisdiction or venue in the aforesaid courts; and (iv) irrevocably agrees to be bound by any judgment rendered thereby in connection with this Agreement. Service of process on any party hereto in any action arising out of or relating to this Agreement shall be effective if given in accordance with the requirements for notice set forth in Section 12(g), and shall be deemed effective and received as set forth in Section 12(g). Nothing herein shall affect the right to serve process in any other manner permitted by law or shall limit the right of either party to bring proceedings in the courts of any other jurisdiction.

(p) Mutual Waiver of Jury Trial. Because disputes arising in connection with complex financial transactions are most quickly and economically resolved by an experienced and expert person and the parties wish applicable state and federal laws to apply (rather than arbitration rules), the parties desire that their disputes arising under or in connection with this Warrant be resolved by a judge applying such applicable laws. EACH OF THE COMPANY AND THE WARRANTHOLDER SPECIFICALLY WAIVES ANY RIGHT IT MAY HAVE TO TRIAL BY JURY OF ANY CAUSE OF ACTION, CLAIM, CROSS-CLAIM, COUNTERCLAIM, THIRD PARTY CLAIM OR ANY OTHER CLAIM (COLLECTIVELY, "CLAIMS") ASSERTED BY THE COMPANY AGAINST THE WARRANTHOLDER OR ITS ASSIGNEE OR BY THE WARRANTHOLDER OR ITS ASSIGNEE AGAINST THE COMPANY RELATING TO THIS WARRANT. This waiver extends to all such Claims, including Claims that involve persons or entities other the Company and the Warrantholder; Claims that arise out of or are in any way connected to the relationship between the Company and the Warrantholder; and any Claims for damages, breach of contract, specific performance, or any equitable or legal relief of any kind, arising out of this Agreement.

(q) Arbitration. If the Mutual Waiver of Jury Trial set forth in Section 12(p) is ineffective or unenforceable, the parties agree that all Claims shall be submitted to binding arbitration in accordance with the commercial arbitration rules of JAMS (the "Rules"), such arbitration to occur before one arbitrator, which arbitrator shall be a retired California state judge or a retired Federal court judge. Such proceeding shall be conducted in Santa Clara County, State of California, with California rules of evidence and discovery applicable to such arbitration. The decision of the arbitrator shall be binding on the parties, and shall be final and nonappealable to the maximum extent permitted by law. Any judgment rendered by the arbitrator may be entered in a court of competent jurisdiction and enforced by the prevailing party as a final judgment of such court.

(r) Pre-arbitration Relief. In the event Claims are to be resolved by arbitration, either party may seek from a court of competent jurisdiction identified in Section 12(o), any prejudgment order, writ or other relief and have such prejudgment order, writ or other relief enforced to the fullest extent permitted by law notwithstanding that all Claims are otherwise subject to resolution by binding arbitration.

(s) Counterparts. This Agreement and any amendments, waivers, consents or supplements hereto may be executed in any number of counterparts (including by facsimile or

electronic delivery (PDF)), and by different parties hereto in separate counterparts, each of which when so delivered shall be deemed an original, but all of which counterparts shall constitute but one and the same instrument.

(t) Specific Performance. The parties hereto hereby declare that it is impossible to measure in money the damages which will accrue to the Warrantholder by reason of the Company's failure to perform any of the obligations under this Agreement and agree that the terms of this Agreement shall be specifically enforceable by the Warrantholder. If the Warrantholder institutes any action or proceeding to specifically enforce the provisions hereof, any person against whom such action or proceeding is brought hereby waives the claim or defense therein that the Warrantholder has an adequate remedy at law, and such person shall not offer in any such action or proceeding the claim or defense that such remedy at law exists.

(u) Lost, Stolen, Mutilated or Destroyed Warrant. If this Warrant is lost, stolen, mutilated or destroyed, the Company may, on such terms as to indemnity or otherwise as it may reasonably impose (which shall, in the case of a mutilated Warrant, include the surrender thereof), issue a new Warrant of like denomination and tenor as this Warrant so lost, stolen, mutilated or destroyed. Any such new Warrant shall constitute an original contractual obligation of the Company, whether or not the allegedly lost, stolen, mutilated or destroyed Warrant shall be at any time enforceable by anyone.

(v) Legends. To the extent required by applicable laws, this Warrant and the shares of Common Stock issuable hereunder (and the securities issuable, directly or indirectly, upon conversion of such shares of Common Stock, if any) may be imprinted with a restricted securities legend in substantially the following form:

> THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY APPLICABLE STATE SECURITIES LAWS, AND MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION RELATED THERETO OR, SUBJECT TO SECTION 11 OF THE WARRANT AGREEMENT DATED DECEMBER 30, 2021, BETWEEN THE COMPANY AND HERCULES PRIVATE GLOBAL VENTURE GROWTH FUND I L.P., AN OPINION OF COUNSEL (WHICH MAY BE COMPANY COUNSEL) REASONABLY SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE ACTOR ANY STATE SECURITIES LAWS.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Warrant Agreement to be executed by its officers thereunto duly authorized as of the Effective Date.

COMPANY: TG THERAPEUTICS, INC.

By: _____
Name: _____
Title: _____

[Signature Page to Warrant (TG Therapeutics/Hercules Capital)]

WARRANTHOLDER:

HERCULES PRIVATE GLOBAL VENTURE GROWTH FUND I L.P.

By: Hercules Private Global Venture Growth Fund GP I LLC,
its general partner

By: Hercules Adviser LLC, its sole member

By: _____
Name: Seth Meyer
Title: Authorized Signatory

[Signature Page to Warrant (TG Therapeutics/Hercules Capital)]

EXHIBIT I

NOTICE OF EXERCISE

To: _____

(1) The undersigned Warrantholder hereby elects to purchase _____ shares of the Common Stock of TG Therapeutics, Inc., a Delaware corporation ("Company"), pursuant to the terms of the Warrant Agreement dated December 30, 2021 (the "Warrant Agreement") by and between Company and the Warrantholder, and tenders herewith payment of the Purchase Price in full, together with all applicable transfer taxes, if any. [NET ISSUANCE: elects pursuant to Section 3(a) of the Warrant Agreement to effect a Net Issuance.]

(2) Please issue a certificate or certificates or book-entry credit(s) representing said shares of Common Stock in the name of the undersigned or in such other name as is specified below.

_____
(Name)

_____
(Address)

WARRANTHOLDER:

HERCULES PRIVATE GLOBAL VENTURE GROWTH FUND I L.P.

By: Hercules Private Global Venture Growth Fund GP I LLC,
its general partner

By: Hercules Adviser LLC, its sole member

By: _____
Name: _____
Title: _____

EXHIBIT II

ACKNOWLEDGMENT OF EXERCISE

The undersigned _____, hereby acknowledges receipt of the "Notice of Exercise" from Hercules Private Global Venture Growth Fund I L.P. (the "Warrantholder") to purchase ____ shares of the Common Stock of TG Therapeutics, Inc., a Delaware corporation ("Company"), pursuant to the terms of the Warrant Agreement by and between Company and the Warrantholder dated December 30, 2021(the "Agreement"), and further acknowledges that _____ shares remain subject to purchase under the terms of the Agreement.

COMPANY: TG THERAPEUTICS, INC.

By: _____

Title: _____

Date: _____

EXHIBIT III

TRANSFER NOTICE

(To transfer or assign the foregoing Agreement execute this form and supply required information. Do not use this form to purchase shares.)

FOR VALUE RECEIVED, the foregoing Agreement and all rights evidenced thereby are hereby transferred and assigned to

_____

(Please Print)

whose address is _____

_____

Dated: _____

Holder's Signature: _____

Holder's Address: _____

_____

Signature Guaranteed: _____

NOTE: The signature to this Transfer Notice must correspond with the name as it appears on the face of the Agreement, without alteration or enlargement or any change whatever. Officers of corporations and those acting in a fiduciary or other representative capacity should file proper evidence of authority to assign the foregoing Agreement.

Exhibit 21.1

Subsidiaries of TG Therapeutics, Inc.

Ariston Pharmaceuticals, Inc.

TG Biologics, Inc.

TG Therapeutics AUS Pty Ltd

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the registration statements (Nos. 333-181439, 333-210227 and 333-225868) on Form S-8 and registration statements (Nos. 333-233636 and 333-226097) on Form S-3 of TG Therapeutics, Inc. of our reports dated March 1, 2022, with respect to the consolidated balance sheets of TG Therapeutics, Inc. and subsidiaries as of December 31, 2021, the related consolidated statements of operations, stockholders' equity, and cash flows for the year ended December 31, 2021, and the related notes and financial statement schedule, and the effectiveness of internal control over financial reporting as of December 31, 2021.

/s/ KPMG LLP

New York, New York
March 1, 2022

Exhibit 23.2

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in registration statement Nos. 333-181439, 333-210227 and 333-225868 on Form S-8 and registration statement Nos. 333-233636 and 333-226097 on Form S-3 of TG Therapeutics, Inc. of our report dated March 1, 2021 on our audits of the consolidated financial statements of TG Therapeutics, Inc. and Subsidiaries as of December 31, 2020, and for each of the two years in the period ended December 31, 2020, included in this Annual Report on Form 10-K of TG Therapeutics, Inc. and Subsidiaries for the year ended December 31, 2021.

/s/ CohnReznick LLP

New York, New York
March 1, 2022

Exhibit 31.1

CERTIFICATION OF PERIODIC REPORT
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Michael S. Weiss, certify that:

1. I have reviewed this annual report on Form 10-K of TG Therapeutics, Inc.;

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

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

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

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

Date: March 1, 2022

/s/ Michael S. Weiss
Michael S. Weiss
Chairman and Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF PERIODIC REPORT
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Sean A. Power, certify that:

1. I have reviewed this annual report on Form 10-K of TG Therapeutics, Inc.;

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

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

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

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

Date: March 1, 2022

/s/ Sean A. Power
Sean A. Power
Chief Financial Officer
Principal Financial and Accounting Officer

Exhibit 32.1

STATEMENT OF CHIEF EXECUTIVE OFFICER OF

TG THERAPEUTICS, INC.

PURSUANT TO 18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the annual report of TG Therapeutics, Inc. (the "Company") on Form 10-K for the year ended December 31, 2021 as filed with the Securities and Exchange Commission (the "Report"), I, Michael S. Weiss, Chairman and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, based on my knowledge:

1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

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

Date: March 1, 2022

/s/ Michael S. Weiss
Michael S. Weiss
Chairman and Chief Executive Officer

Exhibit 32.2

STATEMENT OF CHIEF FINANCIAL OFFICER OF

TG THERAPEUTICS, INC.

PURSUANT TO 18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the annual report of TG Therapeutics, Inc. (the "Company") on Form 10-K for the year ended December 31, 2021 as filed with the Securities and Exchange Commission (the "Report"), I, Sean A. Power, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, based on my knowledge:

1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

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

Date: March 1, 2022

/s/ Sean A. Power
Sean A. Power
Chief Financial Officer
Principal Financial and Accounting Officer