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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported) May 3, 2022

BRICKELL BIOTECH, INC.

(Exact name of Registrant as specified in its charter)

Delaware	**000-21088**	**93-0948554**
(State or Other Jurisdiction of Incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

5777 Central Avenue
Suite 102
Boulder, CO 80301
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (720) 505-4755

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value $0.01 per share	**BBI**	**The Nasdaq Stock Market LLC**

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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. ☐

Item 1.01. Entry into Material Definitive Agreement.

Asset Purchase Agreement

On May 3, 2022 (the "Effective Date"), Brickell Biotech, Inc. (the "Company") and its wholly owned subsidiary, Brickell Subsidiary, Inc. ("Brickell Subsidiary"), entered into an Asset Purchase Agreement (the "Purchase Agreement") with Botanix SB Inc. ("Botanix") and Botanix Pharmaceuticals Limited, pursuant to which Botanix acquired all rights, title and interests to assets primarily related to sofpironium bromide that were owned and/or licensed by the Company or Brickell Subsidiary (the "Assets"). In accordance with the terms of the Purchase Agreement, in exchange for the Assets, the Company (i) received an upfront payment in the amount of $3 million, (ii) is to be reimbursed for certain recent development expenditures in advancement of the Assets, and (iii) will receive contingent near-term milestone payments of up to $6 million (subject to, first, the submission of a new drug application ("NDA") and, second, receipt of marketing approval in the U.S. for sofpironium bromide gel, 15%, both over the next 18 months) from Botanix. The Company also is eligible to receive additional success-based regulatory and sales milestone payments of up to $168 million. Further, the Company will receive tiered earnout payments ranging from high-single digits to mid-teen digits on worldwide net sales of sofpironium bromide gel (the "Earnout Payments"). Certain of these amounts are subject to payments by the Company to its former licensor, Bodor Laboratories, Inc. ("Bodor"), as further described under "Rights Agreement" below. All amounts due to the Company from Botanix in respect of the contingent payments are subject to certain reductions, credits, and offsets, as applicable, as described in the Purchase Agreement.

Botanix will be responsible for all further research, development, and commercialization of sofpironium bromide globally and will replace Brickell Subsidiary as the exclusive licensee of Bodor. Pursuant to the Purchase Agreement, the Company has agreed to issue $1.0 million of the Company's common stock to Bodor if a certain contingent regulatory milestone is met, as required by the existing amended and restated license agreement with Bodor (the "Amended and Restated License Agreement"). The Purchase Agreement contains customary representations, warranties, and covenants, and mutual indemnification provisions.

Pursuant to the Purchase Agreement, the License, Development and Commercialization Agreement, dated as of March 31, 2015, and as amended (the "Kaken Sublicense Agreement"), by and between Brickell Subsidiary and Kaken Pharmaceutical Co., Ltd ("Kaken") was also assigned to Botanix. The Purchase Agreement provides that Botanix will pay to the Company a portion of the sales-based milestone payments and royalties that Botanix receives from Kaken under the Kaken Sublicense Agreement.

The sale of the Assets pursuant to the Purchase Agreement closed on the Effective Date.

Transition Services Agreement

In connection with the sale of the Assets, on the Effective Date, the Company and Botanix additionally entered into a transition services agreement (the "TSA") whereby the Company will provide consulting services as an independent contractor to Botanix in support of and through submission and potential approval of the U.S. NDA for sofpironium bromide gel, 15%. In accordance with the terms of the TSA, in exchange for providing these services, the Company will receive from Botanix, (i) prior to the filing of such NDA, a fixed monthly amount of $71,000, and (ii) after the filing of such NDA, a variable amount based upon actual hours worked, in each case plus related fees and expenses of the Company's advisors (plus a 5% administrative fee) and the Company's out-of-pocket expenses.

Rights Agreement

In connection with the sale of the Assets, on the Effective Date, the Company, Brickell Subsidiary, and Bodor entered into an agreement (the "Rights Agreement") to clarify that the Company and Brickell Subsidiary have the power and authority under the Amended and Restated License Agreement to enter into the Purchase Agreement and the TSA, and that Botanix will assume the Amended and Restated License Agreement pursuant to the APA. The Rights Agreement includes a general release of claims and no admission of liability between the parties. Pursuant to such Rights Agreement, the Company has agreed to pay Bodor (i) 18% of the amount of each payment actually received by the Company from Botanix for upfront and milestone payments under the Purchase Agreement, as well as (ii) certain tiered payments, set as a percentage ranging from mid-single digits to low-teen digits, of the actual amount of each applicable Earnout Payment actually received by the Company from Botanix.

The foregoing summaries of the Purchase Agreement, the TSA, and the Rights Agreement are qualified in their entirety by the full text of the Purchase Agreement, the TSA, and the Rights Agreement, copies of which are attached hereto as Exhibits 10.1, 10.2 and 10.3, respectively, and incorporated herein by reference.

The representations, warranties, covenants, and indemnities in the Purchase Agreement, the TSA, and the Rights Agreement, as applicable, have been made only for the purposes, and were and are solely for the benefit, of the parties to the Purchase Agreement, the TSA, and the Rights Agreement, respectively, subject to limitations agreed upon by the contracting parties, including being qualified by confidential disclosures made for the purposes of allocating contractual risk between the parties to such agreements, instead of establishing these matters as facts, and may be subject to standards of materiality applicable to the contracting parties that differ from those applicable to investors. Accordingly, the representations and warranties may not describe the actual state of affairs at the date they were made or at any other time, and investors should not rely on them as statements of fact. In addition, such representations and warranties are limited by their own context and were made only as of the date of the Effective Date, or such other date as is specified in the Purchase Agreement, the TSA, or the Rights Agreement, as applicable.

Item 1.02. Termination of a Material Definitive Agreement.

As previously disclosed in the Company's filings with the Securities and Exchange Commission, the Amended and Restated License Agreement covered certain of the rights and obligations of Brickell Subsidiary and, in a limited case, the Company, related to sofpironium bromide and provided for various royalty and milestone payments from them to Bodor, as applicable and if triggered.

On the Effective Date, pursuant to the Purchase Agreement, Brickell Subsidiary assigned in full the Amended and Restated License Agreement, as well as the Kaken Sublicense Agreement, to Botanix.

Item 2.01. Completion of Acquisition or Disposition of Assets.

The information contained above in Item 1.01 is hereby incorporated by reference into this Item 2.01.

Item 7.01. Regulation FD.

On May 3, 2022, the Company issued a press release related to the above items. A copy of the press release is attached hereto as Exhibit 99.1.

The information in this Item 7.01 is being furnished and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, regardless of any general incorporation language in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

10.1*	Asset Purchase Agreement, dated as of May 3, 2022, by and among Brickell Biotech, Inc., Brickell Subsidiary, Inc., Botanix SB Inc., and Botanix Pharmaceuticals Limited
10.2*	Transition Services Agreement, dated as of May 3, 2022, by and between Botanix SB Inc. and Brickell Biotech, Inc.
10.3*	Rights Agreement, dated as of May 3, 2022, by and among Brickell Biotech, Inc., Brickell Subsidiary, Inc., and Bodor Laboratories, Inc.
99.1	Press release issued by Brickell Biotech, Inc. on May 3, 2022
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

*Certain confidential information contained in this agreement has been omitted because it is both not material and is the type that the registrant treats as private or confidential.

SIGNATURES

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

Date: May 3, 2022

Brickell Biotech, Inc.

By: /s/ Robert B. Brown
Name: Robert B. Brown
Title: Chief Executive Officer

Exhibit 10.1

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS BOTH NOT MATERIAL AND IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL

ASSET PURCHASE AGREEMENT
among

BRICKELL BIOTECH, INC.,

BRICKELL SUBSIDIARY, INC.,

BOTANIX SB INC.

and solely for purposes of Article I, Section 5.10, Article VI and Article VII

BOTANIX PHARMACEUTICALS LIMITED

Dated as of May 3, 2022

TABLE OF CONTENTS

TABLE OF CONTENTS

Page

TABLE OF CONTENTS

Page

TABLE OF CONTENTS

Page

THIS ASSET PURCHASE AGREEMENT, dated as of May 3, 2022 (the " Closing Date"), is made and entered into among Brickell Biotech, Inc., a Delaware corporation ("Brickell"), Brickell Subsidiary, Inc. (d/b/a Brickell Biotech, Inc.), a Delaware corporation ("Brickell Sub" and, together with Brickell, the "Sellers" and each a "Seller"), Botanix SB Inc., a Delaware corporation ("Buyer"), and solely for purposes of Article I, Section 5.10, Article VI and Article VII, Botanix Pharmaceuticals Limited, an Australian company ("Guarantor").

RECITALS

WHEREAS, subject to the terms and conditions set forth in this Agreement, Sellers desire to sell to Buyer, and Buyer desires to purchase and assume from Sellers, the assets and liabilities primarily related to the Compound (as defined below).

NOW, THEREFORE, in consideration of the premises and the mutual representations, warranties, covenants and undertakings contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, intending to be legally bound, agree as follows:

ARTICLE I
DEFINITIONS AND TERMS

Section 1.1. Certain Definitions. As used in this Agreement, the following terms have the meanings set forth below:

"Accounting Standards" means (a) in the case of Sellers, generally accepted accounting principles in the United States and (b) in the case of Buyer, Australian Accounting Standards or such other accounting standards (such as International Financial Reporting Standards) as are used in preparing Guarantor's publicly available financial statements, consistently applied.

"Affiliate" means, with respect to any Person, any Person directly or indirectly controlling, controlled by, or under common control with, such other Person as of the date on which, or at any time during the period for which, the determination of affiliation is being made. For purposes of this definition, the term "control" (including the correlative meanings of the terms "controlled by" and "under common control with"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of such Person, whether through the ownership of voting securities or by contract or otherwise. This definition applies to entities created under any country's Laws.

"Agreement" means this Asset Purchase Agreement, as may be amended or supplemented from time to time in accordance with the terms hereof.

"Ancillary Agreement" means each document, certificate or instrument required to be delivered under this Agreement, including under Section 2.8 and Section 2.9.

"Assigned Contracts" has the meaning set forth in Section 2.1(e).

"Assumed Liabilities" has the meaning set forth in Section 2.3.

"Books and Records" means all books, presentations, applications, submissions, computer files, ledgers, files, reports, plans, records, manuals and other materials (electronic, written or otherwise), including books of account, records, files, invoices, correspondence and memoranda, e-mail, scientific records and files (including laboratory notebooks and invention disclosures), customer and supplier lists, Regulatory Materials, data, research, testing and study results, specifications, operating history information and inventory records to the extent primarily

relating to the Transferred Assets, but excluding any such items to the extent any Law prohibits their transfer.

"Brickell" has the meaning set forth in the Preamble.

"Brickell Sub" has the meaning set forth in the Preamble.

"Business Day" means any day other than a Saturday, a Sunday or a day on which the commercial banks in New York, New York or Australia are authorized or required to be closed.

"Buyer" has the meaning set forth in the Preamble.

"Buyer Indemnified Parties" has the meaning set forth in Section 6.2.

"Claim Notice" has the meaning set forth in Section 6.4(a).

"Clinical and Pre-Clinical Data" means data resulting from any pre-clinical study or clinical trial of the Compound or any Product, generated by or on behalf of Sellers or their Affiliates, together with the applicable protocol for each such study or trial, as well as associated site related documentation, investigator brochures, investigational review board correspondence, and data monitoring committee minutes and documentation and all master files, including all raw data and study reports from all such studies.

"Closing" means the closing of the Transaction.

"Closing Date" has the meaning set forth in the Preamble.

"CMC Information" means Information related to the chemistry, manufacturing and controls of a product, investigational or otherwise, and as specified by the FDA, EMA, and other applicable Regulatory Authorities.

"Code" means the Internal Revenue Code of 1986, as amended.

"Commercialization," with a correlative meaning for "Commercialize" and "Commercializing," means all activities undertaken before and after obtaining Marketing Approvals relating to the commercialization and pre-launch, launch, promotion, detailing, marketing, advertising, pricing, reimbursement, sale, supply, storage and distribution of Product, including strategic marketing, sampling of Product, sales force detailing, advertising, and market, educational and Product support, and all customer support, Product distribution, invoicing and sales activities.

"Commercialization Framework" has the meaning set forth in Section 5.11(a).

"Commercially Reasonable Efforts" has the meaning set forth in Section 5.11(a).

"Competing Product" means any product that contains the Compound, whether alone or in combination with other ingredients.

"Compound" means sofpironium bromide, and any metabolic precursors, prodrugs, stereoisomers, metabolites, hydrates, solvates, salt forms, free acids or bases, esters, amides, ethers, or polymorphs thereof, each of the foregoing to the extent covered by the Program Patents and/or Program Know-How.

"Confidential Information" means any and all non-public, proprietary or confidential Information and other non-public, proprietary or confidential information (whether business, financial, commercial, medical, research and development, human resources, audit-related, scientific, clinical, regulatory or otherwise) to the extent primarily relating to the Transferred Assets that is not generally known or available to Third Parties (other than Licensor or Kaken) who could derive economic value from its use or disclosure, including confidential research and development information, Intellectual Property information, business methods, strategies and processes, manufacturing methods and processes, development methods and processes, information pertaining to suppliers and vendors, cost data, financial information, and information about prospective customers or prospective products or services.

"Contracts" means all written agreements, contracts, leases and subleases, purchase orders, arrangements, commitments and licenses or other similar instruments (other than this Agreement), including any and all related schedules and exhibits.

"Control" or "Controlled," means, with respect to any material, Information, or intellectual property right, that a Seller (a) owns or (b) has a license, right or covenant to such material, Information, or intellectual property right.

"Copyrights" means copyrights and registrations and applications therefor, works of authorship, content (including website content) and mask work rights.

"Develop" or "Development" means any and all activities relating to preparing and conducting non-clinical studies, clinical studies, chemistry, manufacturing and controls, and regulatory activities (*e.g.*, preparation of regulatory applications, responding to or interacting with Regulatory Authorities) that are necessary or useful to obtain and maintain Marketing Approval of a Product.

"Development/Regulatory Milestone Event" means each event identified in the "Development/Regulatory Milestone Event" column in Section 2.10(a).

"Development/Regulatory Milestone Payment" has the meaning set forth in Section 2.10(a).

"Direct Claim" has the meaning set forth in Section 6.5.

"Disclosure Schedule" has the meaning set forth in the first paragraph of Article III.

"Dispute" has the meaning set forth in Section 7.6(b).

"[***]" means each [***] in respect of the manufacture of the Compound [***].

"[***] Delivery Delay Period" means the number of days that begins on the date that [***] and ends on the date that [***].

"[***] Proceeding" means (a) any arbitration Proceeding instituted by Buyer or any of its Affiliates pursuant to [***] to enforce [***], or (b) a declaratory judgment Proceeding instituted by [***].

"Earnout Payments" means the earnout payments payable pursuant to Section 2.11.

"Earnout Term" means the period beginning on [***] and ending on the later of [***].

"EMA" means the European Medicines Agency of the EU, and any successor agency thereto.

"Encumbrance" means any charge, claim, community or other marital property interest, condition, license, sublease, easement, encroachment, title defect, encumbrance, equitable interest, lien, mortgage, option, pledge, security interest, servitude, right of way, right of first option, right of first refusal, or other adverse claim, restriction, right or interest (including any restriction on the use, transfer, receipt of income or exercise of ownership rights), except to the extent arising under the License Agreement.

"Enforcement Limitations" has the meaning set forth in Section 3.2.

"EU" means the European Union.

"Excluded Assets" has the meaning set forth in Section 2.2.

"Excluded Liabilities" means all Liabilities of each Seller other than the Assumed Liabilities, including (a) product liability claims resulting from sales or use of the Product prior to the Closing Date, (b) Liabilities arising from the Compound or any Product manufactured by or for Sellers and not included in Inventory, (c) Liabilities arising from any Excluded Asset, (d) (i) any obligation or liability of Sellers related to Taxes, (ii) any obligation or liability for Taxes related to the Transferred Assets, in each case that was incurred in any taxable period (or portion thereof) ending on or before the day before the Closing Date (including any amount of any Taxes computed for any Interim Period pursuant to Section 5.1(c)), (iii) any Transfer Taxes that are the responsibility of Sellers pursuant to Section 5.1(e), and (iv) any obligation or liability for Taxes described in items (i) and (ii) of this clause (d) that become an obligation or liability of Buyer as a transferee or successor or pursuant to any applicable Law, and (e) any Liability for fees and expenses incurred by Sellers or any of their Affiliates (including the fees and expenses of legal counsel, and fees and expenses of any accountant, auditor, broker, financial advisor or consultant retained by or on behalf of Sellers or any of their Affiliates) arising from or in connection with this Agreement or the Transaction.

"Exclusions Lists" has the meaning set forth in the definition of Violation.

"FDA" means the United States Food and Drug Administration or any successor entity thereto having the administrative authority to regulate the marketing of human pharmaceutical products or biological therapeutic products in the United States.

"First Indication" means the treatment of primary axillary hyperhidrosis or excessive underarm sweating.

"First Commercial Sale" means the first sale of a Product to a Third Party for monetary value after Marketing Approval for such Product has been obtained, other than sales made by or on behalf of Kaken or its sublicensees under the Kaken Sublicense. For the avoidance of doubt, [***]."

"Freedom to Operate Agreements" means all agreements entered into by Buyer or its Affiliates with Third Parties to settle or avoid claims of infringement, misappropriation or other violation of the applicable Third Party's Intellectual Property arising out of the Commercialization of the Product in the Product's current form as of the Closing Date for the First Indication in the United States.

"Freedom to Operate Credit" means, with respect to any period, an amount equal to [***] of any Freedom to Operate Payments paid or payable by Buyer or its Affiliates for such period in accordance with the Accounting Standards.

"Freedom to Operate Payments" means all amounts paid or payable by Buyer or its Affiliates in accordance with the Accounting Standards [***].

"Fundamental Representations" means the representations and warranties of Sellers contained in Section 3.1 (Organization and Qualification), Section 3.2 (Authority), the first sentence of Section 3.4 (Title to Assets), Section 3.5(f) (Intellectual Property – Intellectual Property Agreements), Section 3.11 (Brokers), and Section 3.12 (Taxes).

"Generic Product" means, with respect to a Product (the "Reference Product"), a product with Marketing Approval sold by a Third Party [***] in a country within the Territory that: (a) contains the Compound and (b) is legally saleable (with Marketing Approval) as a substitute for such Product in such country.

"Governing Documents" means with respect to any particular entity: (a) if a corporation, the articles or certificate of incorporation and the bylaws; (b) if a general partnership, the partnership agreement and any statement of partnership or other organizational documents; (c) if a limited partnership, the limited partnership agreement and the certificate of limited partnership or other organizational documents; (d) if a limited liability company, the articles of organization and operating agreement or other organizational documents; (e) if another type of Person, any other charter or similar document adopted or filed in connection with the creation, formation or organization of the Person; (f) all equity holders' agreements, voting agreements, voting trust agreements, joint venture agreements, registration rights agreements or other agreements or documents relating to the organization, management or operation of any Person or relating to the rights, duties and obligations of the equity holders of any Person; and (g) any amendment or supplement to any of the foregoing.

"Government Entity" means: any (a) nation, state, local, county, city, town, borough, village, district or other jurisdiction; (b) federal, state, local, municipal, foreign or other government; (c) governmental or quasi-governmental authority of any nature (including any agency, branch, division, department, board, office, commission, council, court, tribunal or other entity exercising governmental or quasi-governmental powers of any type); (d) multinational organization or body; (e) Regulatory Authority; (f) body exercising, or entitled to exercise, any arbitral, administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; or (g) official, elected or appointed, of any of the foregoing.

"Guarantor" has the meaning set forth in the Preamble.

"IND" means an Investigational New Drug Application with the FDA, as defined in the U.S. Federal Food, Drug, and Cosmetic Act.

"Indemnified Parties" has the meaning set forth in Section 6.2.

"Indemnified Withholding Tax" has the meaning set forth in Section 2.14(b).

"Indemnifying Party" has the meaning set forth in Section 6.4(a).

"Indication" means any disease, disorder or condition that can be prevented, diagnosed or treated, or is otherwise approved in labeling for a pharmaceutical product by an applicable Regulatory Authority.

"Information" means all data, results, technology, business or financial information, including know-how, trade secrets, practices, techniques, methods, processes, inventions, devices, assays, invention disclosures, discoveries, developments, specifications, formulations, formulae, materials or compositions of matter, physical, chemical and biological materials and compounds, including software, algorithms, marketing or other reports, strategic, business and operational plans, expertise, technology, technical data, designs, drawings, study or test data, analytical and quality control data, CMC Information, Regulatory Materials, stability data, manufacturing data and descriptions, and other study data and procedures.

"Intellectual Property" means all intellectual property rights worldwide, including rights in and to the following: (a) Patents; (b) Marks; (c) Copyrights; (d) Information; and (e) data exclusivity, databases and data collections.

"Intellectual Property Agreements" has the meaning set forth in Section 3.5(a).

"Interim Period" has the meaning set forth in Section 5.1(c).

"Inventory" means all inventory of the Compound or Products Controlled by either Seller, wherever located, including [***], in each case as of the Closing Date, except to the extent included in Excluded Assets.

"IP Files" means, with regard to a Program Patent: (a) the file histories for such Program Patent; and (b) all files primarily relating to such Program Patent, in each case that are held or maintained by Sellers or on Sellers' behalf by Sellers' outside patent counsel.

"Kaken" means Kaken Pharmaceutical Co., Ltd and its successors and assigns.

"Kaken Payments" has the meaning set forth in Section 2.13.

"Kaken Sublicense" means the License, Development and Commercialization Agreement, dated as of March 31, 2015, by and between Brickell Sub (f/k/a Brickell Biotech, Inc.) and Kaken, as subsequently amended and supplemented from time to time.

"Knowledge" of Sellers shall mean the actual knowledge of a fact or other matter of the individuals listed on the attached Schedule 1.1(a) after performing a reasonable investigation (including due inquiry with Sellers' general counsel) with respect to the applicable facts and information.

"Law" means any law, statute, ordinance, rule, regulation, code, Order, permit, license, decree or other pronouncements having the effect of law enacted, issued, promulgated, enforced or entered by a Government Entity.

"Liabilities" means any and all debts, liabilities, commitments and obligations of any kind, character or description, whether fixed, contingent or absolute, matured or unmatured, liquidated or unliquidated, secured or unsecured, accrued or not accrued, joint or several, due or to become due, vested or unvested, asserted or not asserted, disputed or undisputed, known or unknown, executory, determined, determinable or otherwise, whenever or however arising (including, whether arising out of any contract or tort based on negligence or strict liability) and whether or not the same would be required by the Accounting Standards to be reflected in financial statements or disclosed in the notes thereto.

"License Agreement" means the Amended and Restated License Agreement, dated as of February 17, 2020, by and among Licensor, Nicholas S. Bodor and Sellers.

"Licensed Intellectual Property" means all Intellectual Property licensed to either or both Sellers from any Person, including Licensor, that is included in the Transferred Intellectual Property.

"Licensor" means Bodor Laboratories, Inc., a Florida corporation, and its successors and assigns.

"Losses" means any damages, losses, Liabilities, claims, demands, payments, judgments, settlements, assessments, deficiencies, Taxes, interest, penalties, and costs and expenses.

"Marketing Approval" means an approval granted by the appropriate Regulatory Authority to market a Product in any particular jurisdiction in the Territory.

"Marks" means all United States and foreign trademarks, service marks, trade names, service names, brand names, trade dress rights, logos, Internet domain names and corporate names, together with the goodwill associated with any of the foregoing, and all applications, registrations and renewals thereof.

"Material Adverse Effect" means any change, event, circumstance, condition or effect that (a) is reasonably likely to prevent, impede or delay in any material respect the ability of Sellers to consummate the Transaction, or (b) is reasonably likely to be, individually or in the aggregate, materially adverse to the use, ownership, operation, condition, or transferability of the Transferred Assets, taken as a whole.

"Milestone Events" means, collectively, the Development/Regulatory Milestone Events and the Net Sales Milestone Events.

"Milestone Payments" means the milestone payments set forth in Section 2.10.

"NDA" means a new drug application (as more fully defined in 21 C.F.R. 314.5 et seq.) or equivalent application, and all amendments and supplements thereto, filed with the FDA in the United States or the applicable Regulatory Authority in a country or group of countries outside the United States (including any supra-national agency such as in the EU), including all documents, data, and other information concerning a pharmaceutical product which are necessary for gaining Marketing Approval for such pharmaceutical product.

"NDA Payment" has the meaning set forth in the definition of "Upfront Consideration."

"Net Sales" means, with respect to a Product in any country in the Territory and calculated in accordance with the Accounting Standards, (a) the gross amount invoiced by Buyer, its Affiliates and its Sublicensees (other than Kaken or its sublicensees) with respect to the sales of Products, in such country to Third Parties, less (b) the following deductions to the extent reasonably allocable to such sales:

(a) [***];

(b) [***];

(c) [***];

(d) [***];

(e) [***];

(f) [***];

(g) [***];

(h) [***]; and

(i) [***].

"Net Sales Milestone Event" means each event identified in the "Net Sales Milestone Event" column in Section 2.10(b).

"Net Sales Milestone Payment" has the meaning set forth in Section 2.10(b).

"Non-transferred Assets" has the meaning set forth in Section 2.17.

"Notice Period" has the meaning set forth in Section 6.4(a).

"Notice to Vendors" has the meaning set forth in Section 2.9(e).

"Obligations" has the meaning set forth in Section 7.12(a).

"Order" means any order, writ, injunction, judgment, decree, ruling, award, assessment or arbitration award of any Government Entity.

"Other Seller Materials" means, to the extent primarily related to the Compound, a Product or the Program, (a) research and development reports and disclosure memoranda in the possession of or controlled by Sellers, including study reports, clinical trial related documents including consent forms, study contracts, site agreements, manuscripts and in process publications, (b) market research, marketing, advertising, detailing and promotional or other documents related to Commercialization owned by a Seller, such as customer lists, marketing and promotional plans, documents and materials, field force training manuals and materials, and the like including pricing studies, (c) safety reports in the possession of Sellers as of the Closing, and (d) all of Sellers' formulation, development and manufacturing Information, including manufacturing processes, master batch records and manufacturing documentation.

"Parties" means each Seller, Buyer and Guarantor, collectively and "Party" refers to any of them individually; provided the Guarantor is a Party or one of the Parties solely for purposes of Article I, Section 5.10, Article VI and Article VII.

"Patent Challenge" means any Proceeding which, if successful, would result in a holding or ruling of invalidity, unenforceability, or unpatentability of any of the Program Patents.

"Patents" means: (a) pending patent applications, including all provisionals, non-provisionals, international patent applications filed under the Patent Cooperation Treaty (PCT) and any foreign equivalents to any of the foregoing, issued or allowed patents, utility models and designs anywhere in the world; (b) reissues, substitutions, confirmations, registrations, validations, re-examinations, additions, continuations, continued prosecution applications, continuations-in-part, or divisions of or to any of the foregoing; (c) any other patent or patent application claiming priority to any of the foregoing anywhere in the world; and (d) extension, renewal or restoration of any of the foregoing by existing or future extension, renewal or restoration mechanisms, including supplementary protection certificates or the equivalent thereof.

"Permitted Encumbrance" means (a) Encumbrances for current Taxes not yet due and payable, and (b) Encumbrances imposed by Law for amounts that are not delinquent and do not or would not reasonably be expected to materially detract from the current value of, or materially interfere with, the use and enjoyment of any Transferred Asset subject thereto or affected thereby

"Person" means an individual, a corporation, a partnership, an association, a limited liability company, business trust, joint stock company, a Government Entity, joint venture, a trust or other entity or organization.

"Post-Closing Payments" means, collectively, the Milestone Payments, the Earnout Payments and the Kaken Payments.

"Proceeding" means any action, arbitration, audit, hearing, investigation, inquiry, litigation or suit (whether civil, criminal, administrative, judicial or investigative, whether formal or informal, whether public or private) commenced, brought, conducted or heard by or before, or otherwise involving, any Government Entity, mediator or arbitrator.

"Product" means (a) any product or part thereof, process or service, the Development, manufacture, use, import or Commercialization of (i) which is covered by, or which cannot be undertaken or completed without infringing, a Valid Claim, or (ii) which incorporates, relies on or uses any Program Know-How, and (b) any pharmaceutical product preparation (including any and all forms, presentations, dosages and formulations) for use for any and all Indications that contains the Compound in any mode of administration, whether alone or as a combination product, including, in each case, [***].

"Program" means the Development and Commercialization of the Compound.

"Program Know-How" means all Information, wherever stored, including all documents and data stored on an [***] electronic data room made available to Buyer as part of its due diligence, that is (a) primarily related to the Compound or any pharmaceutical product preparation (including any and all forms, presentations, dosages and formulations) for use for any and all Indications that, in each case, contains the Compound as an active pharmaceutical ingredient in any mode of administration, whether alone or as a combination product, including any and all Information related to the Development, manufacture or Commercialization of the Compound or any such pharmaceutical product preparation, and (b) Controlled by Sellers or their Affiliates as of the Closing Date; but excluding any Information that is an Excluded Asset.

"Program Patents" means: (a) all Patents that Sellers Control as of the Closing Date which claim the composition of matter of, or any method of making or using (including any method for treating any Indication in humans or non-human animals), the Compound or any Product, including the Patents listed on Schedule 1.1(b) (other than to the extent identified as expired or abandoned); (b) any and all renewals, divisionals, continuations and continuations-in-part of the patents and patent applications referenced in the preceding clause (a); (c) any and all foreign patent applications associated with the patent applications referenced in the preceding clauses (a) and (b); (d) any and all patents issued or issuing from the patent applications referenced in the preceding clauses (a) through (c); and (e) any and all reissues, reexaminations, restorations (including supplemental protection certificates) and extensions of any patent or patent application referenced in the preceding clauses (a) through (d).

"Program Purpose" has the meaning set forth in Section 2.20.

"Purchase Price" means, collectively, the Upfront Consideration, the Post-Closing Payments and the Reimbursement Amounts payable by Buyer pursuant to Section 2.19.

"Reference Product" has the meaning set forth in the definition of Generic Product.

"Registered IP" means those United States, international and foreign registrations and applications for: (a) Patents; (b) Marks; (c) Copyrights; and (d) domain names (i) registered to or in the name of a Seller or its Affiliates or (ii) licensed pursuant to the License Agreement, in each case that are included in the Transferred Intellectual Property.

"Regulatory Authority" means, in any particular country or jurisdiction, any applicable Government Entity possessing the authority to grant Marketing Approval in such country or jurisdiction.

"Regulatory Materials" means regulatory applications, requests, information exchanges, submissions, notifications, communications, correspondence, registrations and approvals (including all INDs and NDAs, and foreign counterparts thereof, and all Marketing Approvals) or other filings made to or received from a Regulatory Authority to research, Develop, manufacture, or Commercialize the Compound or any Product in any jurisdiction, and documentation pertaining to any clinical trials conducted with respect to the Compound or any Product.

"Reimbursement Amounts" has the meaning set forth in Section 2.3(b).

"Representative" means with respect to a particular Person, any director, officer, manager, employee, agent, consultant, advisor, accountant, financial advisor, legal counsel or other representative of that Person.

"Rules" has the meaning set forth in Section 7.6(b).

"Seller" has the meaning set forth in the Preamble.

"Seller Indemnified Parties" has the meaning set forth in Section 6.3(a).

"Seller Inventions" has the meaning set forth in Section 3.5(i).

"Straddle Contract" has the meaning set forth in Section 2.20.

"Straddle Period" means any taxable period or year that includes, but does not end on, the day before the Closing Date.

"Sublicense Income" means an amount equal to (a) the sales-based milestone payments due under the Kaken Sublicense, *plus* (b) royalties due under the Kaken Sublicense, *minus* (c) Taxes withheld or collected by Kaken in respect of such payments and royalties, *minus* (d) the amounts payable to Licensor in respect of such payments and royalties. [***].

"Sublicensee" means, with respect to a particular Product, a Third Party to whom Buyer has granted a license to any Transferred Intellectual Property or a sublicense under the License Agreement, [***].

"Tax Returns" means all reports and returns, declarations, claims for refund, information returns or other documents (including any related or supporting schedules, statements or information), and, in each case, any amendment thereof, filed or required to be filed with respect to Taxes.

"Taxes" means (a) all federal, state, municipal or other local and all foreign taxes, including income, gross receipts, windfall profits, estimated, alternative minimum, add-on

minimum, value added, severance, property, production, sales, use, duty, license, excise, franchise, employment, personal property, capital stock, social security (or similar), unemployment, disability, payroll, national insurance contribution, license, withholding or other tax, levy, charge, assessment or fee imposed by a Government Entity, of any kind whatsoever, including deductions or withholdings for or on account of such amounts and any interest, additions or penalties with respect thereto and any interest in respect of such additions or penalties and (b) any liability for any item described in clause (a) of another Person, whether by Contract or express or implied agreement, pursuant to any applicable Law, as a transferee or successor, or otherwise.

"Territory" means worldwide.

"Third Party" means any Person other than a Seller or Buyer or an Affiliate of a Seller or Buyer, or any contractor or Representative.

"Third Party Claim" has the meaning set forth in Section 6.4(a).

"Transaction" means the transactions contemplated by this Agreement and the Ancillary Agreements, including the purchase and sale of the Transferred Assets and the assumption of the Assumed Liabilities pursuant to this Agreement.

"Transfer Taxes" has the meaning set forth in Section 5.1(e).

"Transferred Assets" has the meaning set forth in Section 2.1.

"Transferred Intellectual Property" means (a) the Program Patents, Program Know-How and Clinical and Pre-Clinical Data, and (b) other than any Excluded Assets, any other Intellectual Property (including any Marks) related primarily to the Compound or any Products that is Controlled by Sellers or any of their Affiliates on the Closing Date.

"UK" means the United Kingdom.

"United States" means the United States of America and its territories and possessions.

"Update Report" has the meaning set forth in Section 5.12.

"Upfront Consideration" means the non-refundable, non-creditable amount of $5,000,000, $2,000,000 of which is designated as the "NDA Payment."

"Valid Claim" means a claim of an issued and unexpired Program Patent, including any regulatory or judicial extensions of the Program Patent term, or a claim of a pending patent application, which has not been held unpatentable, invalid or unenforceable by a Government Entity of competent jurisdiction and has not been admitted to be invalid or unenforceable through reissue, re-examination, disclaimer or otherwise.

"Violation" means that the relevant person has been: (a) convicted of any of the felonies identified among the exclusion authorities listed on the U.S. Department of Health and Human Services, Office of Inspector General (OIG) website, including 42 U.S.C. § 1320a-7(a) (http://oig.hhs.gov/exclusions/authorities.asp); (b) identified in the OIG List of Excluded Individuals/Entities (LEIE) database (http://exclusions.oig.hhs.gov/) or otherwise excluded from contracting with the federal government (see the System for Award Management (formerly known as the Excluded Parties Listing System) at http://sam.gov/portal/public/SAM/); or (c) listed by any U.S. federal agency as being suspended, debarred, excluded or otherwise ineligible to participate in federal procurement or non-procurement programs, including under 21 U.S.C. § 335a (http://

www.fda.gov/ora/compliance_ref/debar/) (each of (a), (b) and (c), collectively, the "Exclusions Lists").

Section 1.2. Other Terms. Other terms may be defined elsewhere in the text of this Agreement and, unless otherwise indicated, shall have such meaning throughout this Agreement.

Section 1.3. Other Definitional Provisions. Unless the express context otherwise requires:

(a) the words "hereof," "herein" and "hereunder" and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement;

(b) the terms defined in the singular have a comparable meaning when used in the plural, and vice versa;

(c) the terms "Dollars," "USD" and "$" mean United States Dollars;

(d) references herein to a specific Section, Subsection or Schedule shall refer, respectively, to Sections, Subsections or Schedules of this Agreement;

(e) wherever the word "include," "includes," or "including" is used in this Agreement, it shall be deemed to be followed by the words "without limitation;"

(f) the word "or" is not exclusive; and

(g) references herein to any gender includes each other gender.

ARTICLE II
PURCHASE AND SALE

Section 2.1. Purchase and Sale of Assets. On the terms and subject to the conditions set forth herein, at the Closing, each Seller shall sell, convey, transfer, assign and deliver to Buyer, and Buyer shall purchase and acquire from each Seller, all of such Seller's legal right, title and interest, as of the Closing, in and to all assets owned by such Seller primarily related to the Compound and all assets owned by such Seller primarily related to the Program (except for Excluded Assets), whether tangible or intangible, real, personal or otherwise, of every kind and description, wherever located, free and clear of all Encumbrances other than Permitted Encumbrances (collectively, the "Transferred Assets"), including the following:

(a) each Seller's rights in and to the Compound and Products;

(b) each Seller's rights in and to all Transferred Intellectual Property, wherever held or registered;

(c) the IP Files;

(d) each Seller's rights in and to all Clinical and Pre-Clinical Data and Regulatory Materials, including the IND designated [***];

(e) the License Agreement, the Kaken Sublicense and each Contract listed on Schedule 2.1(e) (together, the "Assigned Contracts");

(f) all Inventory as set forth on Schedule 2.1(f);

(g) all Other Seller Materials;

(h) all causes of action, lawsuits, judgments, claims, counterclaims and demands of any nature available to or being pursued by such Seller or any of its Affiliates to the extent primarily related to the Compound, any Product or the Program, or (a) through (g) or (i) through (k) of this Section 2.1, or the Assumed Liabilities or the ownership, use, function or value of the Compound, any Product or the Program or (a) through (g) and (i) through (k) of this Section 2.1, whether arising by way of counterclaim or otherwise, whether choate or inchoate, known or unknown, contingent or noncontingent, except to the extent included in the Excluded Assets;

(i) all guarantees, warranties, indemnities and similar rights in favor of such Seller or any of its Affiliates to the extent primarily related to the Compound, any Product or the Program or (a) through (h) of this Section 2.1;

(j) all credits, prepaid expenses, deferred charges, advance payments, security deposits and prepaid items associated with the Assigned Contracts; and

(k) all goodwill associated with the Program or the Transferred Assets.

Section 2.2. Excluded Assets. From and after the Closing, each Seller shall retain all of its existing right, title and interest in and to, and there shall be excluded from the sale, conveyance, assignment or transfer to Buyer hereunder, and the Transferred Assets shall not include, any asset or class of assets other than those explicitly included in the definition of Transferred Assets set forth in Section 2.1 (collectively, the "Excluded Assets"), including the following:

(a) all minute books, capitalization records, Tax identification numbers, Tax Returns and Tax records, Governing Documents and other documents and information relating to the organization and existence of such Seller;

(b) all cash, cash equivalents and securities of such Seller;

(c) all bank accounts, deposit accounts, investment accounts and similar accounts of such Seller;

(d) all of such Seller's rights under any Contract that is not an Assigned Contract;

(e) all of such Seller's rights to any Intellectual Property that is not Transferred Intellectual Property;

(f) all causes of action, lawsuits, judgments, claims and demands of any nature, whether arising by way of counterclaim or otherwise, whether choate or inchoate, known or unknown, contingent or noncontingent, relating to or arising out of any Excluded Liabilities;

(g) any assets related to any compound other than the Compound;

(h) all insurance policies of such Seller and insurance coverage thereunder; and

(i) all rights of such Seller under this Agreement.

Section 2.3. Assumption of Liabilities. On the terms and subject to the conditions set forth herein, at the Closing, Buyer shall assume and agrees to discharge or perform when due only the following Liabilities (the "Assumed Liabilities"):

(a) each Seller's Liabilities arising on or after the Closing under each Assigned Contract, but only to the extent that such obligations do not result from any breach, non-compliance or default of Seller prior to the Closing; for the avoidance of doubt, each Seller is hereby assigning and Buyer is hereby assuming the License Agreement pursuant to Section 10.3(ii) of the License Agreement in that Buyer is acquiring ownership in their entirety of the assets of Sellers' business to which the License Agreement relates and this Agreement is in no way intended to grant a license to, or create a sublicense agreement in favor of, either Party as to the Transferred Assets;

(b) Sellers' out-of-pocket expenses and other payments incurred in the ordinary course of the Program during the period beginning March 1, 2022 and ending on the Closing Date (excluding compensation and benefits of Brickell employees and consultants), the categories of which, and associated estimates, are attached as Schedule 2.3(b) (the "Reimbursement Amounts");

(c) all Liabilities arising out of or relating to the acquisition or maintenance of the Transferred Intellectual Property arising on or after the Closing Date;

(d) all Liabilities arising out of or relating to the research, Development, manufacturing, registration, Commercialization, use, handling, supply, storage, import, export or other disposition or exploitation of the Compound and Products on or after the Closing Date;

(e) all Liabilities arising from the ownership, operation, maintenance, possession, control, sale, lease, disposition, exploitation or use of the Transferred Assets on or after the Closing Date; and

(f) any other Liabilities for which Buyer is responsible pursuant to the terms of this Agreement.

Section 2.4. Excluded Liabilities. Buyer shall not assume or be liable for, and Sellers and their Affiliates shall retain and be responsible for, all Excluded Liabilities.

Section 2.5. Purchase Price. On the terms and subject to the conditions set forth herein, in consideration of the sale of the Transferred Assets and the assumption of the Assumed Liabilities hereunder, (a) at the Closing, Buyer shall pay to Brickell, by wire transfer of immediately available funds to the account designated by Brickell, the Upfront Consideration less the NDA Payment plus the Reimbursement Amount payable pursuant to Section 2.19(a), (b) no later than [***] following receipt from the FDA of a "day 74 letter" indicating that the NDA for the Compound for the First Indication has been accepted for filing, Buyer shall pay to Brickell, by wire transfer of immediately available funds to the account designated by Brickell, the NDA Payment, and (c) Buyer shall make, as and when due, the Post-Closing Payments and pay the Reimbursement Amounts as and when due under Sections 2.19(b) or 2.19(c).

Section 2.6. Closing. The Closing shall take place remotely via the exchange of documents and signatures (by PDF, email or other form of electronic communication), on the date hereof. All actions to be taken and all documents to be executed or delivered at Closing will be deemed to have been taken, executed and delivered simultaneously, and no action will be deemed taken and no document will be deemed executed or delivered until all have been taken, delivered and executed, except in each case to the extent otherwise stated in this Agreement or any such other document. The Closing shall be deemed effective as of 12:01 A.M. Eastern time on the Closing Date.

Section 2.7. Allocation of Purchase Price. The Purchase Price and Reimbursement Amount shall be allocated in accordance with the procedures and methodology set forth in

Schedule 2.7. Within 60 days following the Closing, the Parties shall agree, working in good faith, to an allocation of the Purchase Price in accordance with such procedures and methodology, which all Parties shall use for all Tax purposes and in all filings, declarations and reports with the appropriate taxing authority. The Parties shall update the allocation of Purchase Price as needed in connection with payment of the NDA Payment, Post-Closing Payments and Reimbursement Amounts pursuant to Section 2.19. In any Proceeding related to the determination of any Tax, neither Buyer nor any Seller nor any of their Affiliates shall contend or represent that such agreed allocation is not a correct allocation, unless otherwise required by applicable Law.

Section 2.8. Deliveries by Buyer. At the Closing, Buyer shall deliver to Sellers the following:

(a) the Upfront Consideration (less the NDA Payment), as described in Section 2.5(a), and the Reimbursement Amount payable pursuant to Section 2.19(a);

(b) such instruments of assumption and other instruments or documents, as may be reasonably necessary to effect Buyer's assumption of the Assumed Liabilities and the effective assignment of any Assigned Contracts;

(c) a duly executed transition services agreement in form and substance reasonably acceptable to Buyer and Brickell;

(d) a certificate, dated the Closing Date, of the Secretary of Buyer, in a form reasonably satisfactory to Brickell, certifying as to the due approval and authorization by the board of directors of Buyer of this Agreement and the Transaction in accordance with the Governing Documents of Buyer and applicable Law, and that such approval is in full force and effect; and

(e) a certificate, dated the Closing Date, of the proper officer of Guarantor, in a form reasonably satisfactory to Brickell, certifying as to the due approval and authorization by the board of directors of Guarantor of its execution and performance of this Agreement in accordance with the Governing Documents of Guarantor and applicable Law, and that such approval is in full force and effect.

Section 2.9. Deliveries by Sellers. At the Closing, Sellers shall deliver, or cause to be delivered, to Buyer the following:

(a) bills of sale or other appropriate documents of transfer, transferring the Transferred Assets to Buyer;

(b) instruments of assignment, assigning to Buyer the Transferred Intellectual Property, Regulatory Materials and Other Seller Materials;

(c) assignment and assumption agreements, assigning to Buyer all rights of each Seller in and to each of the Assigned Contracts;

(d) a duly executed transition services agreement in form and substance reasonably acceptable to Buyer and Brickell;

(e) a duly executed copy of the notice in form attached as Exhibit A to this Agreement (the "Notice to Vendors");

(f) an executed statement from each Seller, certifying, pursuant to Treasury Regulations Section 1.1445-2(b)(2), that such Seller is not a non-U.S. person and otherwise in a form and substance reasonably acceptable to Buyer and its legal counsel;

(g) a certificate, dated the Closing Date, of the Secretary of Brickell, in a form reasonably satisfactory to Buyer, certifying as to the due approval and authorization by the board of directors of Brickell of this Agreement and the Transaction in accordance with the Governing Documents of Brickell and applicable Law, and that such approval is in full force and effect; and

(h) a certificate, dated the Closing Date, of the Secretary of Brickell Sub, in a form reasonably satisfactory to Buyer, certifying as to the due approval and authorization by the board of directors of Brickell Sub of this Agreement and the Transaction in accordance with the Governing Documents of Brickell Sub and applicable Law, and that such approval is in full force and effect.

Section 2.10. Milestone Payments.

(a) Development/Regulatory Milestone Payments. Buyer shall pay the following one-time, non-refundable, non-creditable milestone payments (the "Development/Regulatory Milestone Payments") to Brickell, each within [***] after the first achievement of each Development/Regulatory Milestone Event set forth in the table below. Each such payment will be made in cash, by wire transfer of immediately available funds to the account identified in writing by Brickell. Each Development/Regulatory Milestone Payment is payable only once with respect to the Products. For clarity, this means that the total maximum amount of Development/Regulatory Milestone Payments payable by Buyer to Brickell, assuming achievement of all Development/Regulatory Milestone Events, is $12,000,000.

Development/Regulatory Milestone Event	**Milestone Payment**
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

(b) Net Sales Milestone Payments. Buyer shall pay the following one-time, non-refundable, non-creditable Net Sales milestone payments (the "Net Sales Milestone Payments") to Brickell when the annual Net Sales for all Products in any calendar year in the Territory first reaches the specified amount listed in the "Net Sales Milestone Event" column in the table below. Buyer shall notify Brickell in writing within [***] after the end of the [***] in which the applicable Net Sales Milestone Event is achieved and payment shall accompany such report. Each such payment shall be made in cash, by wire transfer of immediately available funds to the account specified in writing by Brickell. Each Net Sales Milestone Payment is payable only once with respect to the Products. For clarity, this means that the total maximum amount of Net Sales Milestone Payments payable by Buyer to Brickell, assuming achievement of all Net Sales Milestone Events, is $160,000,000.

Net Sales Milestone Event	Milestone Payment
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

(c) Liquidated Damages Due to [***]. Notwithstanding anything in this Agreement to the contrary (including the provisions in Article VI), in the event that [***], then as liquidated damages and not as a penalty and notwithstanding anything (including procedures and limitations) to the contrary in Article VI, each Net Sales Milestone Payment not yet made shall be reduced to an amount equal to [***] of the amount set forth in the table above (*i.e.*, the Net Sales Milestone Payment for the first Net Sales Milestone Event would be $[***]; the Net Sales Milestone Payment for the second Net Sales Milestone Event would be $[***], etc.). However, if [***], then the reduction provided by this Section 2.10(c) will not apply to Net Sales Milestone Payments earned on or after the date that is the same number of days after the date that [***]. By way of example, if [***].

(d) Achievement of More than One Net Sales Milestone Event in a Calendar Year . If in any calendar year, aggregate Net Sales equal an amount such that two or more previously unachieved Net Sales Milestone Events were achieved, Buyer is [***]. For example, [***].

Section 2.11. Earnout Payments.

(a) Earnout Rate. During the Earnout Term, Buyer shall pay to Brickell nonrefundable, non-creditable earnout payments on Net Sales of all Products in the Territory at the incremental rates set forth below, subject to Section 2.11(b).

Portion of Net Sales in the Territory Per Calendar Year	Earnout Rate
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

(b) Earnout Reductions.

(i) If one or more Persons other than Buyer and its Affiliates and Sublicensees is or are selling a Generic Product in a country in the Territory, then in such case the earnout rate attributable to the Net Sales of such Reference Product in such country during the applicable calendar year shall be [***] of the amount otherwise payable under Section 2.11(a), for so long as a Generic Product continues to be commercially available in such country. For purposes of calculating the applicable incremental rate in the event of any such reduction, the portion of Net Sales attributable to [***] shall, in each case, be counted [***].

(ii) The Earnout Payments shall be calculated net of any royalties actually paid or payable by Buyer to Licensor in respect of Net Sales (as defined in the License Agreement) pursuant to the License Agreement, as in effect as of the Closing Date.

(c) Earnout Reports and Payment. Within [***] following the end of each calendar quarter during the Earnout Term, Buyer shall provide Brickell with a report of Net Sales by Buyer and its Affiliates and Sublicensees, each in sufficient detail to permit confirmation of the Earnout Payments due for such calendar quarter, including [***]. Buyer shall pay any Earnout Payments due to Brickell on the date of delivery of such report. In the event that either Party determines that the calculation of Net Sales for a calendar quarter deviates from the amounts previously reported to Brickell for any reason (such as [***]), Buyer and Brickell shall reasonably cooperate to reconcile any such deviations to the extent necessary under applicable legal or financial reporting requirements. Within [***] following [***], Buyer shall [***]; provided that Buyer may [***].

(d) No Projections. Buyer and Sellers acknowledge and agree that nothing in this Agreement shall be construed as representing an estimate or projection of anticipated sales of any Product, and that the Net Sales levels set forth in Section 2.10, Section 2.11 or elsewhere in this Agreement or that have otherwise been discussed by the Parties are merely intended to define the payment obligations to Sellers in the event such Net Sales levels are achieved. NEITHER BUYER NOR EITHER SELLER MAKES ANY REPRESENTATION OR WARRANTY, EITHER EXPRESS OR IMPLIED, THAT ANY PARTICULAR NET SALES LEVEL OF SUCH PRODUCT WILL BE ACHIEVED.

Section 2.12. Freedom to Operate Credit. With respect to any Freedom to Operate Payments for any period, Buyer may [***].

Section 2.13. Kaken Payments. Buyer shall pay to Brickell [***] of all Sublicense Income (the "Kaken Payments") as follows: Buyer shall [***].

Section 2.14. Taxes and Withholding.

(a) If required by applicable Law, Buyer shall be entitled to deduct and withhold from any amounts payable pursuant to this Agreement such amounts as are required to be deducted and withheld under applicable Law; provided, that, Buyer will prior to any deduction or withholding (i) notify Sellers of payments to be made net of any anticipated deduction or withholding, (ii) consult with Sellers in good faith to determine whether such deduction and withholding is required under applicable Law, and (iii) reasonably cooperate with Sellers to minimize the amount of any applicable deduction or withholding. Buyer shall timely pay the full amount so deducted or withheld to the relevant Government Entity, in accordance with applicable Law. As soon as practicable after any such payment, Buyer shall deliver to Sellers the original or a certified copy of a receipt issued by the relevant Government Entity evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to Sellers.

(b) If Buyer deducts or withholds any Indemnified Withholding Tax (or, if Seller becomes liable for any Indemnified Withholding Tax), then Buyer shall remit to Seller an additional amount sufficient to place Seller in the same after-Tax position as it would have been in had Buyer been organized or resident (whichever is applicable) for Tax purposes in the same jurisdiction as Sellers. As used herein, "Indemnified Withholding Tax" means any withholding Tax imposed on payments made (or Assumed Liabilities assumed) by or on behalf of Buyer in connection with the transactions contemplated by this Agreement (or imposed on Seller with respect to such payments) because after the Closing Date Buyer changed its residency for Tax purposes from the United States to a different Tax residency and such Tax would not have been imposed had Buyer remained organized or resident for Tax purposes in the United States. For the avoidance of doubt, Indemnified Withholding Tax does not include any withholding Tax imposed on payments made (or Assumed Liabilities assumed) by or on behalf of Buyer in connection with the transactions contemplated by this Agreement (or imposed on Seller with respect to such payments) because after the Closing Date, either or both of the Sellers change their respective Tax residency or as a result of Sellers assigning this Agreement pursuant to Section 7.7.

(c) The Parties shall cooperate in good faith to identify jurisdictions that may trigger withholding Taxes under this Section 2.14 and shall consult with each other in good faith as to the nature of such withholding Taxes so identified, the basis upon which such withholding is required, and if any reasonable steps can be taken to claim an exemption from such withholding Taxes within [***] after such withholding Taxes are identified (or if such Taxes are due within [***] after they are identified, as promptly as reasonably practicable). Sellers and Buyer shall, and shall cause their Affiliates to, cooperate in good faith taking commercially reasonable measures available to it or them to minimize any withholding that may be applied to any payments described in this Section 2.14. To the extent such amounts are so deducted or withheld under this Section 2.14 such amounts shall be treated for all purposes of this Agreement as having been paid by the Buyer to Sellers to the extent so paid to the appropriate Government Authority.

Section 2.15. Exchange Rate; Manner and Place of Payment. All payments owed and made hereunder shall be payable in United States dollars. With respect to each calendar quarter, for countries other than the United States, whenever conversion of payments from any foreign currency shall be required, such conversion shall be at an exchange rate equal to the average of the rates of exchange for such foreign currency as published by the *Wall Street Journal*, Eastern Edition (or such other source agreed in writing by the Parties), during the calendar quarter for which a payment is due. All payments owed under this Agreement by Buyer to Sellers shall be made by wire transfer of immediately available funds to a bank and account designated in writing by Brickell, unless otherwise specified in writing by Brickell.

Section 2.16. Late Payments. In the event that any payment due under this Agreement is not made when due, the payment shall accrue interest from the date due at the rate of [***] above the U.S. Prime Rate (as set forth by Bloomberg (Ticker symbol PRIME index)); provided, however, that in no event shall such rate exceed the maximum legal annual interest rate. The payment of such interest shall not limit Sellers from exercising any other rights it may have as a consequence of the lateness of any payment.

Section 2.17. Post-Closing Transfers. During the [***], the Parties shall cooperate with each other to identify any assets that were not transferred as part of the Transferred Assets at the Closing but that, pursuant to the provisions of this Agreement, were required to be transferred (the "Non-transferred Assets"). To the extent any Non-transferred Assets are identified, Sellers shall [***] promptly take all actions to transfer such Non-transferred Assets to Buyer. In the event a Seller is required to obtain the consent of any Person prior to the transfer of any Non-transferred Asset, then Sellers shall [***] use commercially reasonable efforts to promptly obtain such consent, and upon obtaining such approval or consent, shall promptly transfer such Non-

transferred Asset to Buyer. In the event a Seller is unable to obtain such consent, then Sellers and Buyer shall discuss in good faith an appropriate resolution for the transfer of the economic benefit of such Non-transferred Asset to Buyer.

Section 2.18. Issuance of Securities. The Parties acknowledge that Section 3.1.2 of the License Agreement requires the issuance of certain restricted securities of Brickell to Licensor upon the achievement of certain of the milestones identified therein. Brickell shall cause the securities required by Section 3.1.2 of the License Agreement (as such provision is in effect as of the Closing Date) to be issued to Licensor as and when due in accordance with such provision. Buyer shall reasonably cooperate with Brickell in connection with compliance with this Section 2.18, including by providing written notice to Brickell no less than [***] in advance of the achievement of the applicable milestone events under the License Agreement and coordinating related communications with Licensor.

Section 2.19. Reimbursement Amounts.

(a) At the Closing, Buyer shall pay Seller a Reimbursement Amount equal to [***], which Reimbursement Amount [***].

(b) Schedule 2.19(b) sets forth all Reimbursement Amounts that were paid by either or both of Sellers prior to the Closing (excluding the amount referenced in Section 2.19(a)). Buyer shall have [***] following the Closing Date to dispute with Sellers any amounts set forth on Schedule 2.19(b) and shall pay any undisputed amounts set forth on Schedule 2.19(b) to Sellers within [***].

(c) Following the Closing Date, Sellers shall provide copies of any invoices received by Sellers with respect to any Reimbursement Amounts not set forth on Schedule 2.19(b). Buyer shall have [***] following the receipt of an invoice to dispute with Sellers and the applicable vendors any amounts set forth in such invoice. Buyer shall make payments with respect to any invoice provided by Sellers under this Section 2.19(c) on the later of (i) [***] following receipt of such invoice and (ii) [***] following the resolution of any dispute with respect to such invoice. [***].

Section 2.20. Straddle Contracts. The Contracts set forth on Schedule 2.20 (the "Straddle Contracts") are utilized by Sellers and their Affiliates for purposes of the Program (the "Program Purpose") and for purposes unrelated to the Program. Buyer or its Affiliates shall use commercially reasonable efforts to enter into their own Contracts with the counterparties to the Straddle Contracts as soon as practicable after the Closing Date. In the meantime, Sellers and Buyer shall, and shall cause their respective Affiliates to, use commercially reasonable efforts to carry out the intent of providing Buyer with the benefits and burdens associated with the Straddle Contracts solely for the Program Purpose, in a manner mutually agreed upon by Sellers and Buyer which may include (a) Sellers or their Affiliates acting as Buyer's agent, or (b) Sellers or their Affiliates and Buyer or its Affiliates entering into a subcontractor relationship. Sellers and their applicable Affiliates, on the one hand, and Buyer and its Affiliates, on the other hand, will cooperate with each other so as not to harm the other party's relationship with the counterparties to the Straddle Contracts. Sellers and Buyer acknowledge and agree that they are not, by virtue of the relationship under this Section 2.20: (i) creating a joint venture, joint employment, or similar venture between Buyer or its Affiliates, on the one hand, and Seller or its Affiliates, on the other hand, or (ii) authorized to act as the other party's agent or otherwise bind the other party or its

Affiliates with respect to any Straddle Contracts, other than as expressly agreed by Sellers and Buyer.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF SELLERS

Except as set forth in the disclosure schedule delivered by Sellers to Buyer at the execution and delivery of this Agreement (the "Disclosure Schedule"), Sellers, jointly and severally, represent and warrant to Buyer as of the Closing Date as follows:

Section 3.1. Organization and Qualification. Each Seller is a corporation duly organized, validly existing and in good standing under the laws of the state of Delaware and has all requisite power and authority to own, lease and operate its assets, including the Transferred Assets, and to carry on its business as currently conducted. Each Seller is duly qualified to do business and is in good standing as a foreign entity in each jurisdiction where the ownership or operation of the Transferred Assets or the conduct of its business requires such qualification, except for failures to be so qualified or in good standing that would not, individually or in the aggregate, have a Material Adverse Effect. Neither Seller is in default under or in violation of any provision of its Governing Documents.

Section 3.2. Authority. Each Seller has full power and authority to execute and deliver this Agreement and each other Ancillary Agreement to which such Seller is a party, and to perform its obligations hereunder and thereunder. The execution, delivery and performance by each Seller of this Agreement and the Ancillary Agreements to which it is a party have been duly and validly authorized and no additional corporate or stockholder authorization or consent is required in connection with the execution, delivery and performance by Sellers of this Agreement or any Ancillary Agreement of Sellers. The execution, delivery and performance by each Seller of this Agreement and each Ancillary Agreement to which it is a party, and the consummation of the Transaction, do not and will not violate any provision of the Governing Documents of such Seller, or any resolution adopted by the board of directors or the stockholders of such Seller. This Agreement and each Ancillary Agreement to which a Seller is a party, when executed and delivered by Buyer, will constitute a valid and legally binding obligation of such Seller, enforceable against such Seller in accordance with its terms, except as enforcement may be limited by general equitable principles and the exercise of judicial discretion in accordance with such principles and subject to the effect of any applicable bankruptcy, moratorium, insolvency, reorganization or other similar Law affecting the enforceability of creditors' rights generally (collectively, the "Enforcement Limitations").

Section 3.3. No Conflict; Required Filings and Consents. The execution and delivery of this Agreement and the Ancillary Agreements of Sellers do not, and the performance by each Seller of this Agreement and the Ancillary Agreements to which it is a party and the consummation of the Transaction will not, (i) conflict with or violate the Governing Documents of either Seller, (ii) conflict with or violate any Law or Order applicable to either Seller or to which any properties or assets of either Seller is bound or subject or (iii) result in any breach of, or constitute a default (or an event that with notice or lapse of time or both would constitute a default) under, or give rise to or create any right of any Third Party to accelerate, increase, terminate, modify or cancel any right or obligation in a manner adverse to the business of Sellers or result in the creation of any Encumbrance on any of the Transferred Assets pursuant to any Contracts to which a Seller is a party or by which any of the Transferred Assets is bound. Except as set forth in Section 3.3 of the Disclosure Schedule, no consent of any Third Party is required to assign any of the Transferred Assets to Buyer.

Section 3.4. Title to and Condition of Transferred Assets . Sellers have good and marketable title to (or with respect to assets that are leased, a valid leasehold interest in) the

Transferred Assets, free and clear of Encumbrances other than Permitted Encumbrances. All of the material tangible Transferred Assets (a) are in good operating condition and repair (with the exception of normal wear and tear), and are free from material defects, (b) are adequate and suitable for their present uses, and (c) have been maintained in accordance with normal industry practice and applicable Laws.

Section 3.5. Intellectual Property.

(a) General. Section 3.5(a)(i) of the Disclosure Schedule contains a list of all Registered IP. Section 3.5(a)(ii) of the Disclosure Schedule contains a list of all Contracts pursuant to which either Seller in-licenses Intellectual Property primarily related to the Compound, any Product or the Program from a Third Party or out-licenses Intellectual Property primarily related to the Program to a Third Party; excluding, for the avoidance of doubt, customary in-licenses relating to commercially available, off-the-shelf software (the "Intellectual Property Agreements"). Sellers have made available to Buyer a correct and complete copy of each item listed in Section 3.5(a)(ii) of the Disclosure Schedule.

(b) Title and Sufficiency. Sellers (i) own the entire right, title and interest in and to the Transferred Intellectual Property other than the Licensed Intellectual Property, free and clear of any Encumbrances other than Permitted Encumbrances, and (ii) have the right to use the Licensed Intellectual Property in the manner and for the purposes that they presently use it.

(c) Validity and Enforceability. All patent applications within the Transferred Intellectual Property have been submitted to Government Entities in the good faith belief that the inventors listed in such patent applications are entitled to patent protection for the inventions disclosed therein. None of the Transferred Intellectual Property that has been issued or allowed has been adjudged invalid or unenforceable; however, some of the Transferred Intellectual Property is still in various stages of prosecution with respect to which no final decision on patentability has yet been rendered, including, in certain cases, [***]. Except as set forth in Section 3.5(c) of the Disclosure Schedule, Sellers have not and, to the Knowledge of Sellers, Licensor has not, taken any action or given any waiver intended to result in the abandonment, cancellation, forfeiture, relinquishment, invalidation, waiver or unenforceability of any Registered IP.

(d) Patent Proceedings. To the Knowledge of Sellers, except as set forth in Section 3.5(d) of the Disclosure Schedule, none of the issued Program Patents are subject to any pending reissues, reexaminations, post-grant proceedings, requests for patent term extensions, supplementary protection certificates, interferences, derivation proceedings, or defense of invalidation or opposition proceedings or other challenges to validity or enforceability.

(e) No Infringement. To Sellers' Knowledge, except as set forth in Section 3.5(e) of the Disclosure Schedule, the Transferred Intellectual Property is not infringing or misappropriating, any rights of any Person in respect of any Intellectual Property. To Sellers' Knowledge, none of the Transferred Intellectual Property is being infringed or misappropriated by a third party.

(f) Intellectual Property Agreements. None of the Intellectual Property Agreements has been held to be invalid, illegal, non-binding or unenforceable. Each of the Intellectual Property Agreements is in full force and effect in accordance with its terms (subject to the Enforcement Limitations). No default, violation or breach exists by either Seller or, to Sellers' Knowledge, by any other party thereto with respect to any Intellectual Property Agreement.

(g) No Intellectual Property Litigation. In the [***], except as set forth in Section 3.5(g) of the Disclosure Schedule, no Person has made any written claim or demand, or

initiated or threatened to initiate any Proceeding, that (i) asserts that a Seller is infringing, misappropriating or otherwise violating any Intellectual Property in connection with the Program, or (ii) asserts that any default exists under any Intellectual Property Agreement. None of the Transferred Intellectual Property is subject to any outstanding Order or is the subject of any Proceeding.

(h) Due Registration. The Registered IP has been duly filed in the United States Patent and Trademark Office, United States Copyright Office or other appropriate filing office or domain name registrar, domestic or foreign, as applicable, and such filings remain actively pending in good standing.

(i) Protection. Each current or former employee, collaborator, consultant or independent contractor of or to a Seller who has contributed to or participated in the invention, discovery, creation or development of any Transferred Intellectual Property on behalf of a Seller ("Seller Inventions"): (i) has assigned to one of the Sellers, or is under a valid and enforceable written obligation to assign to a Seller, all right, title and interest in such Seller Inventions; (ii) is a party to a valid and enforceable written "work-made-for-hire" agreement under which a Seller is deemed to be the original owner/author of all subject matter included in such Seller Inventions; or (iii) otherwise has by operation of applicable Law vested in a Seller all right, title and interest in such Seller Inventions by virtue of his or her service relationship with a Seller. Other than as set forth in Section 3.5(i) of the Disclosure Schedule, there are no claims that have been asserted in writing challenging the inventorship of the Seller Inventions or, to Sellers' Knowledge, any of the Program Patents.

(j) Proprietary Information. Sellers have taken commercially reasonable steps to (i) document their confidential and proprietary information primarily related to the Compound, each Product, the Program and the Transferred Assets, and (ii) protect and preserve the confidentiality of such confidential and proprietary information.

(k) Confidentiality Agreements. All confidentiality or nondisclosure agreements that have been entered into by either Seller in connection with the Program or the Transferred Assets, other than confidentiality or nondisclosure agreements entered into in the ordinary course of business, are listed in Section 3.5(k) of the Disclosure Schedule, and true and complete copies thereof have been made available to Buyer.

(l) No Government Funding. Sellers have not used any funding, facilities or resources obtained from any Government Entity, educational institution or research center in the research or development of any of the Transferred Intellectual Property. No Government Entity, educational institution or research center has any valid claim or right in or to the Transferred Intellectual Property or the Compound or the Products.

Section 3.6. Assigned Contracts.

(a) Except as set forth in Section 3.6(a) of the Disclosure Schedule, the Assigned Contracts constitute all of the material current Contracts [***] to which either Seller is a party that relate primarily to the Program. True, correct and complete copies of all Assigned Contracts, together with all modifications, waivers and amendments thereto, have been made available to Buyer. Each of the Assigned Contracts is a valid and binding obligation of the parties thereto, enforceable in accordance with its terms (subject to the Enforcement Limitations) and in full force and effect. There is no existing default or event of default, or any event which, with notice or lapse of time or both, would constitute a default under any Assigned Contract by a Seller or, to the Knowledge of Sellers, by any other party thereto. Neither Seller has received any written notice of the intention of any party to cancel, terminate or otherwise materially alter any such Assigned Contract. No party to any Assigned Contract has made any unresolved claim for

damages or indemnification thereunder. Without limiting the generality of the foregoing, Sellers have paid all license fees, sublicense fees, minimum license fees, royalties, milestones and other amounts due and payable by it pursuant to the License Agreement on or before the Closing Date.

(b) [***].

Section 3.7. Legal and Regulatory Compliance.

(a) Each Seller is, and has at all times in the [***] been, in compliance in all material respects with all Laws and Orders applicable to such Seller related to the Compound, any Product or the Program or by which any Transferred Asset is bound or affected, and each Seller has obtained and maintained all permits applicable to it as required by any Government Entity for the ownership, use or operation of the Transferred Assets. Neither Seller has (a) been subject to any Order or Proceeding with respect to any actual or alleged non-compliance with applicable Law or permit related to the Compound, any Product or the Program; or (b) been charged with or convicted of any felony or misdemeanor, in each case with respect to the Compound, any Product or the Program

(b) Sellers have provided or made available to Buyer all material documents and communications in their possession from and to any Government Entity related to the Compound, any Product or the Program that may bear on the compliance with the requirements of any Government Entity, including the Regulatory Files and any notice of inspection, inspection report, warning letter, notice of violation, deficiency letter or similar communication.

(c) Neither Seller nor any of their Affiliates has received any written, or to the Knowledge of Sellers, oral communication (including any warning letter, notice of violation, deficiency letter, untitled letter, or similar notice or legal action) from any Government Entity in relation to the Compound, any Product or the Program, and there is no Proceeding pending or, to Sellers' Knowledge, threatened, alleging that a Seller or any of its Affiliates has failed to comply with applicable Laws in connection with the Compound, any Product or the Program.

(d) Sellers have conducted each clinical trial of each Product that either or both sponsored in accordance, in all material respects, with all applicable Laws. Sellers have collected, stored, processed and used all clinical data concerning any Product in accordance, in all material respects, with all applicable Laws.

(e) No director, officer, employee or consultant of Sellers nor, to the Knowledge of Sellers, any vendor, contractor or any entity involved in the Development of any Product is or has been, (i) on the Exclusions List or in Violation or otherwise debarred under U.S. law (including Section 21 U.S.C. §335a) or any foreign equivalent thereof or (ii) the subject of an FDA debarment investigation or proceeding (or similar proceeding by any Regulatory Authority outside the U.S.).

Section 3.8. Products; Safety and Efficacy. No product liability claim has been made against either Seller relating to or resulting from any injury to any individual or property with respect to the Compound or any Product.

Section 3.9. Inventory. All Inventory was manufactured in accordance, in all material respects, with all applicable Laws including, to the extent applicable, Laws [***].

Section 3.10. Absence of Litigation. There is no Proceeding pending or, to the Knowledge of Sellers, threatened against either Seller involving in any way the Compound, any Product or the Program, the Transferred Assets or Assumed Liabilities. Neither Seller is party or subject to any

continuing Order or, except as set forth in Section 3.10 of the Disclosure Schedule, any settlement agreement related to the Program.

Section 3.11. Brokers. Other than Oganesson, LLC, no broker, finder or investment banker, including any director, manager, officer, employee, Affiliate or associate of a Seller, is entitled to any brokerage, finder's or other fee or commission in connection with the Transaction based on arrangements made by or on behalf of Seller or any of its Affiliates.

Section 3.12. Taxes.

(a) Each Seller has timely filed all material Tax Returns required by applicable Law to be filed by it (taking into account all applicable extensions) and such Tax Returns are true, correct and complete in all material respects. All material Taxes due and owing by a Seller or with respect to its income (whether or not shown on a Tax Return) have been timely paid. No written claim has been made by any Government Entity in any jurisdiction where a Seller does not file Tax Returns that a Seller is, or may be, subject to Tax by that jurisdiction with respect to the Transferred Assets or the Program.

(b) Each Seller has withheld all material Taxes from payments to employees, agents, contractors, nonresidents and any other Person required by applicable Law to be withheld by such Seller with respect to the Transferred Assets or the Program. Such amounts have been remitted to the appropriate Government Entity and all forms required to be prepared in connection therewith have been properly completed and timely provided to or filed with the appropriate Persons.

(c) No actions, disputes, examinations or audits are pending or in progress or, to the Knowledge of Sellers, proposed or threatened with regard to any Taxes of a Seller. All deficiencies asserted, or assessments made, against Sellers as a result of any action, dispute, audit or examination by any Government Entity with respect to the Transferred Assets or the Program have been fully paid. No extensions or waivers of statutes of limitations have been given or requested with respect to any Taxes of Sellers other than such extensions or waivers in the ordinary course of business.

(d) There are no Liens on any of the Transferred Assets with respect to Taxes other than Permitted Liens.

(e) No Seller is a foreign person within the meaning of Section 1445 of the Code.

Section 3.13. No Other Representations. Notwithstanding any provision of this Agreement to the contrary, except for the representations and warranties made by Sellers in this Article III or in any Ancillary Agreement, none of Sellers, their Affiliates or any other Person makes any representation or warranty with respect to the Transferred Assets, the Program, the Compound, the Products or Sellers or their businesses, operations, assets, liabilities, condition (financial or otherwise) or prospects, notwithstanding the delivery or disclosure to Buyer of any documentation, forecasts, projections, plans or other information with respect to any one or more of the foregoing. Except for the representations and warranties made by Sellers in this Article III or in any Ancillary Agreement, all other representations and warranties, whether express or implied, are expressly disclaimed by each Seller.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Sellers as of the Closing Date as follows.

Section 4.1. Organization and Qualification. Buyer is a corporation duly organized, validly existing and in good standing under the laws of Delaware. Buyer has all requisite corporate power and authority to own and operate its properties and assets and to carry on its business as currently conducted. Buyer is duly qualified to do business and is in good standing in each jurisdiction where the ownership or operation of its respective properties and assets or the conduct of its respective business requires such qualification, except for failures to be so qualified or in good standing that would not, individually or in the aggregate, materially impair or delay Buyer's ability to perform its obligations hereunder.

Section 4.2. Corporate Authorization. Buyer has full corporate power and authority to execute and deliver this Agreement and each other Ancillary Agreement to which it is a party and to perform its obligations hereunder and thereunder. The execution, delivery and performance by Buyer of this Agreement and the Ancillary Agreements to which it is a party have been duly and validly authorized and no additional corporate or shareholder authorization or consent is required in connection with the execution, delivery and performance by Buyer of this Agreement or any Ancillary Agreement of Buyer. The execution, delivery and performance by Buyer of this Agreement and each Ancillary Agreement to which it is a party, and the consummation of the Transaction, do not and will not violate any provision of the Governing Documents of Buyer. This Agreement and each Ancillary Agreement to which Buyer is a party, when executed and delivered by the applicable Seller or Sellers, will constitute valid and legally binding obligations of Buyer enforceable against it in accordance with its terms, subject to the Enforcement Limitations.

Section 4.3. No Conflict; Required Filings and Consents. The execution and delivery of this Agreement and the Ancillary Agreements of Buyer do not, and the performance by Buyer of this Agreement and the Ancillary Agreements to which it is a party and the consummation of the Transaction will not, (a) conflict with or violate the Governing Documents of Buyer, (b) conflict with or violate any Law or Order applicable to Buyer or to which any properties or assets of Buyer is bound or subject or (c) result in any breach of, or constitute a default (or an event that with notice or lapse of time or both would constitute a default) under, or give rise to or create any right of any Third Party to accelerate, increase, terminate, modify or cancel any right or obligation pursuant to any Contracts to which Buyer is a party, in each case under clauses (b) and (c), in a manner that would, individually or in the aggregate, materially impair or delay Buyer's ability to perform its obligations hereunder.

Section 4.4. Absence of Litigation. There is no Proceeding pending or, to the knowledge of Buyer, threatened against Buyer that would reasonably be expected to materially impair or delay Buyer's ability to perform its obligations hereunder.

Section 4.5. Solvency. Buyer, together with Guarantor, has sufficient available funds to pay the Upfront Consideration and the Reimbursement Amounts payable pursuant to Section 2.19 and to fund the Development and Commercialization efforts detailed in the Commercialization Framework. Immediately after giving effect to the Closing and the Transaction, Buyer will be solvent. No transfer is being made and no obligation is being incurred by Buyer in connection with the Transaction with the intent to hinder, delay, or defraud either present or future creditors of Buyer or its Affiliates.

Section 4.6. Brokers. Other than MTS Health Partners, no broker, finder or investment banker, including any director, manager, officer, employee, Affiliate or associate of Buyer or Guarantor, is entitled to any brokerage, finder's or other fee or commission in connection with the Transaction based on arrangements made by or on behalf of Buyer, Guarantor or any of their Affiliates.

Section 4.7. Assets and Revenues. Buyer does not have more than $202 million in either annual net sales or total assets for purposes of Section 18a(a)(2)(B)(ii) of the U.S. Hart-Scott-

Rodino Antitrust Improvements Act of 1976. For purposes of this Section 4.7, the term "Buyer" shall include Guarantor and its Affiliates.

ARTICLE V
COVENANTS

Section 5.1. Tax Matters.

(a) Seller Liability for Taxes. Sellers shall be liable for (i) any Taxes imposed with respect to the Transferred Assets or any income or gain derived with respect thereto for the taxable periods, or portions thereof (including the Interim Period), ended on or before the day before the Closing Date, and (ii) any Transfer Taxes for which a Seller is liable pursuant to Section 5.1(e).

(b) Buyer Liability for Taxes. Buyer shall be liable for (i) any Taxes imposed with respect to any Transferred Assets or any income or gains derived with respect thereto for any taxable period, or portion thereof, beginning on or after the Closing Date, and (ii) any Transfer Taxes for which Buyer is liable pursuant to Section 5.1(e).

(c) Proration of Taxes. If any jurisdiction requires Buyer to file a Tax Return with respect to any Transferred Assets for a Straddle Period, the Parties agree that the amount of Taxes attributable to the portion of the Straddle Period up to and including the day before the Closing Date (the "Interim Period") shall be determined by (i) in the case of Taxes not based on income, receipts or expenses, multiplying the Taxes for the entire Straddle Period by a fraction, the numerator of which is the number of calendar days in the Interim Period and the denominator of which is the number of calendar days in the entire Straddle Period, and (ii) in the case of Taxes based on income, receipts or expenses, such Taxes shall be allocated to the Interim Period based on a closing of the books method as of the close of business on the Closing Date.

(d) Tax Returns. Each Seller shall file or cause to be filed when due all Tax Returns that are required to be filed by or with respect to all Transferred Assets for taxable years or periods ending on or before the day before the Closing Date and shall pay any Taxes due in respect of such Tax Returns, and Buyer shall file or cause to be filed when due all Tax Returns that are required to be filed by or with respect to all Transferred Assets for taxable years or periods ending on or after the Closing Date and shall remit any Taxes due in respect of such Tax Returns.

(e) Transfer Taxes. All federal, state, local or foreign or other excise, sales, use, value added, transfer (including real property transfer or gains), stamp, documentary, filing, recordation and other similar Taxes and fees that maybe imposed or assessed as a result of the Transaction, together with any interest, additions or penalties with respect thereto and any interest in respect of such additions or penalties ("Transfer Taxes"), shall be [***]. Any Tax Returns that must be filed in connection with Transfer Taxes shall be prepared and filed by the party obligated by applicable Law to files such returns, at its expense, and the filing Party will provide such Tax Returns to the other Party at least [***] prior to the date such Tax Returns are due to be filed.

(f) Assistance and Cooperation. After the Closing Date, Buyer and Sellers agree to furnish or cause to be furnished to each other, upon request, as promptly as practicable, such information and assistance relating to the Transferred Assets as is reasonably necessary for the filing of all Tax Returns, and making of any election related to Taxes, the preparation for any audit by any Government Entity, and the prosecution or defense of any Proceeding relating to any Tax Return involving the Transferred Assets. Buyer and Sellers shall cooperate with each other in the conduct of any audit or other Proceeding related to Taxes involving the Transferred Assets. Each Party shall (i) provide timely notice to the other in writing

of any pending or proposed audits or assessments with respect to any such Taxes for which such other Party or any of its Affiliates may have a Liability under this Agreement and (ii) furnish the other with copies of all relevant correspondence received from any taxing authority in connection with any audit or information request with respect to any Taxes referred to in clause (i).

(g) Tax Treatment. The Parties agree to treat the purchase of the Transferred Assets and all payments made pursuant to this Agreement, including the assumption of any Assumed Liabilities, as the purchase of all of the interests in the Transferred Assets pursuant to Section 1060 of the Code, and for all other Tax purposes. Buyer and Sellers shall prepare and timely file all relevant Tax Returns on a basis consistent with the foregoing and take no inconsistent position on any Tax Return, for any withholding, in any audit or similar proceeding relating to Taxes before any Government Authority, or otherwise, unless required to do so pursuant to a "determination" within the meaning of Section 1313(a) of the Code or other similar provision under applicable Law. In the event any Government Authority shall take a position in any audit or similar proceeding relating to Taxes inconsistent with this position, each Party shall timely notify the other Party of such event and the Parties shall cooperate to resolve such audit or similar proceeding related to Taxes consistently with the position in this Section 5.1(g).

Section 5.2. IP Files. Sellers shall promptly but no later than [***] after the Closing Date notify their patent and trademark counsel that the Transferred Intellectual Property is owned by Buyer and instruct such counsel to cooperate in the transfer of the Transferred Intellectual Property and the IP Files to Buyer or its designated counsel.

Section 5.3. Covenant Not to Sue. [***].

Section 5.4. Non-Compete. For [***] after the Closing Date, Sellers shall not, and shall cause their respective Affiliates to not, directly or indirectly Develop or Commercialize any Competing Product.

Section 5.5. Patent Challenge. Sellers shall not, and shall cause their respective Affiliates to not, directly claim, or cause a Third Party to claim, or knowingly support (other than as may be necessary or reasonably in response to a subpoena or other Order), including by providing information, documents, or funding, a Patent Challenge.

Section 5.6. Further Assurances. Each Party shall, and shall cause its Affiliates, promptly to execute, acknowledge and deliver any other assurances or documents or instruments of transfer and take such other commercially reasonable actions as may be reasonably requested and necessary for the requesting Party to satisfy its obligations hereunder or to obtain the benefits of the Transaction.

Section 5.7. Confidentiality; Publicity.

(a) Except as otherwise provided herein, each Seller shall treat and hold as confidential, and not disclose to any Person, any of the Confidential Information, in each case by using the same degree of care as it uses to protect proprietary or confidential information of its own. With respect to any particular Confidential Information, each Seller's obligations shall continue until [***], and the obligations in this Section 5.7 shall not apply to information that becomes generally known to the public through no fault or action of Sellers, nor shall it apply to information that constitutes general scientific or industry information that is not specific to the Transferred Assets.

(b) Except to the extent required by applicable Law, each Party shall, and shall cause its Representatives and Affiliates to, treat and hold as confidential, and not disclose

to any Person, information related to the discussions and negotiations among the Parties regarding, or provided in connection with, this Agreement and the Transaction.

(c) The Parties will each (or jointly) make a public announcement of the execution of this Agreement, to be issued as a press release drafted in a mutually agreed form which will be issued within four Business Days after the Closing Date, as further agreed by the Parties, in their respective countries of incorporation. In addition, Brickell will file a Current Report on Form 8-K with the United States Securities and Exchange Commission as well as any other documents required by applicable Law.

(d) Buyer and Sellers acknowledge that the confidentiality obligations set forth herein shall not extend to (i) any information which was in, or comes into, the public domain through no breach of this Agreement by either Seller or (ii) any information which becomes lawfully obtained by either Seller from a source other than Buyer so long as the source of such information is not known by such Seller at the time of disclosure to owe an obligation of confidentiality to Buyer. In addition, neither Seller nor Buyer shall be prohibited from disclosing any portion of the Confidential Information (A) that such Seller or Buyer is required to disclose by judicial or administrative process or (B) in connection with the enforcement of any right or remedy relating to this Agreement or the Transaction.

Section 5.8. Books and Records. For a period of [***] after the Closing, Buyer shall: (a) retain the Books and Records relating to periods prior to the Closing; and (b) upon reasonable notice, afford Sellers and their Representatives reasonable access (including the right to make, at Sellers' expense, photocopies), during normal business hours, to such Books and Records, to the extent reasonably necessary (i) for the purpose of preparing any Tax Returns or financial statements or (ii) pursuant to applicable Law or any audit request, subpoena or other investigative demand by any Government Entity or in connection with any Proceeding.

Section 5.9. Transfer of Transferred Assets. In furtherance of Sellers' obligations to deliver the Transferred Assets:

(a) Within [***] after the Closing Date, Sellers shall (i) send letters to the FDA and other Regulatory Authorities as required to effect the transfer of the Transferred Assets, indicating that the Regulatory Materials are transferred to Buyer and that Buyer is the new owner of the Regulatory Materials as of the Closing Date, and (ii) provide to Buyer a copy of any such letters. As promptly as practicable after the Closing Date (but in no event later than [***] after the Closing Date), Sellers shall forward to Buyer a complete copy of the Regulatory Materials for the Compound and Products, as well as copies of all correspondence with, and periodic and other reports (including adverse event reports and the underlying data) to, Regulatory Authorities exclusively with respect to the Compound, Products or Regulatory Materials.

(b) Within [***] after the Closing Date, each Seller shall transfer to Buyer [***] both electronic copies and hard copies (to the extent hard copies exist as of the Closing Date; Sellers shall be under no obligation to create hard copies if no such hard copies exist as of the Closing Date) of any and all documents that constitute Transferred Assets, including the Assigned Contracts, Program Know-How (including the Clinical and Pre-Clinical Data and the CMC Information), [***], the IP Files, the Other Seller Materials and the Regulatory Materials that exist in documentary form and that are in a Sellers' Control.

(c) If requested by Buyer, on or promptly after the Closing, Sellers shall [***].

(d) Within [***] after the Closing Date, Sellers shall deliver to Buyer a USB drive or other data storage device containing a complete copy of the contents, as of the

Closing Date, of the online data repository hosted by [***] that housed due diligence materials for the transactions contemplated by this Agreement.

Section 5.10. Expenses. Except as otherwise specifically provided in this Agreement, each of the Parties shall bear its own expenses incurred in connection with the preparation, execution and performance of this Agreement and the Transaction, including all fees and expenses of its Representatives.

Section 5.11. Diligence.

(a) Buyer shall use Commercially Reasonable Efforts to Develop, to file for, obtain and maintain Marketing Approvals for, and, subject to receipt of Marketing Approval, to Commercialize Products in the United States and the EU, including by taking the actions detailed in the commercialization framework attached hereto as Section 5.11(a) (the "Commercialization Framework"). "Commercially Reasonable Efforts" shall mean, with respect to the efforts expended by Buyer with respect to a particular objective, that level of efforts and resources consistent with commercially reasonable practices of a similarly situated company in the pharmaceutical industry with respect to the research, development or commercialization of a pharmaceutical product at a similar stage of research, development or commercial life as the relevant Product, in view of all costs and risks relevant to such Product based on conditions then prevailing, and that has commercial, profit or market potential, or strategic value similar to that of the relevant Product, taking into account, without limitation, issues of intellectual property coverage, safety and efficacy, Law, stage of development or product life based on conditions then prevailing, product profile, the then-current competitive environment for such Product and the likely timing of such Product's entry into the market (including competitiveness of Third Party products), the proprietary position, the regulatory environment and status of the Product (including regulatory exclusivity), anticipated or approved labeling, present and future market and commercial potential, the likelihood of receipt of Regulatory Approval and other regulatory requirements, profitability (including pricing and reimbursement status achieved or likely to be achieved), legal issues and manufacturing, and other relevant scientific, technical and commercial factors, all as measured by the facts and circumstances in effect at the time when the carrying out of such obligations is due.

(b) Each Seller acknowledges, understands, and agrees that from and after the Closing Date, Buyer shall, subject to the diligence obligations set forth above, have control with respect to the Development and Commercialization of the Compound and Products. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, BUYER MAKES NO REPRESENTATION, WARRANTY, OR COVENANT, EITHER EXPRESS OR IMPLIED, THAT THE COMPOUND OR ANY PRODUCT WILL BE SUCCESSFULLY DEVELOPED OR, IF REGULATORY APPROVAL IS OBTAINED, WILL ACHIEVE ANY DEVELOPMENT/REGULATORY MILESTONE EVENT, NET SALES MILESTONE EVENT OR ANY LEVEL OF NET SALES, OR THAT ANY OTHER DEVELOPMENT OR COMMERCIALIZATION RESULTS WILL BE ACHIEVED. NOTHING IN THIS AGREEMENT WILL BE CONSTRUED AS REPRESENTING AN ESTIMATE OR PROJECTION BY BUYER OF: (A) THE NUMBER OF PRODUCTS THAT WILL OR MAY BE DEVELOPED OR COMMERCIALIZED BY BUYER OR ITS AFFILIATES; (B) THE SUCCESSFUL DEVELOPMENT OR COMMERCIALIZATION OF ANY PRODUCT; OR (C) ANTICIPATED SALES OR THE ACTUAL VALUE OF ANY PRODUCTS THAT MAY BE SUCCESSFULLY DEVELOPED OR COMMERCIALIZED BY BUYER OR ITS AFFILIATES.

(c) Prior to [***], Buyer shall provide to Brickell, [***], written reports containing [***]. Buyer shall cooperate with Sellers in good faith to promptly address any deficiencies in its progress toward Development and Commercialization of the Product in

accordance with the Commercialization Framework, consistent with its obligations pursuant to Section 5.11(a).

Section 5.12. Update Reports. Buyer shall keep Brickell regularly and fully informed, in a manner as is customary and reasonable in the biopharmaceutical industry, regarding research, Development, regulatory, manufacturing and Commercialization activities of Buyer and its Affiliates and Sublicensees with respect to Products in the Territory. Without limiting the foregoing, Buyer shall keep Brickell reasonably informed of the progress of such activities, and [***], provide Brickell a report (each such report, an "Update Report") setting forth a reasonably detailed description of [***]. Without limiting the foregoing, Buyer shall provide to Brickell, in writing, [***]. In addition to the foregoing, Buyer shall [***].

Section 5.13. Audit. For the period of time required by Law [***], Buyer shall keep complete and accurate records pertaining to the sale or other disposition of Products by Buyer, its Affiliates and Sublicensees in sufficient detail to permit Brickell to confirm the accuracy of the Post-Closing Payments due hereunder. Sellers shall have the right to cause a Third Party independent certified public accountant proposed by Sellers and reasonably acceptable to Buyer (such acceptance not to be unreasonably withheld, conditioned or delayed) to audit such records to confirm [***] that may be due for a period covering not more than the preceding [***] fiscal years. Buyer may require any such Third Party accountant engaged for such purpose to execute a reasonable confidentiality agreement with Buyer prior to commencing the audit. Such audits may be conducted during normal business hours upon reasonable prior written notice to Buyer [***]. No accounting period of Buyer shall be subject to audit more than [***], unless after an accounting period has been audited by Sellers, Buyer restates its financial results for such accounting period, in which event Sellers may [***]. Prompt adjustments (including remittances of underpayments or overpayments disclosed by such audit) shall be made by the Parties to reflect the results of such audit. [***].

Section 5.14. Notice to Vendors. Following the Closing, Buyer, Guarantor or their Affiliates may provide the Notice to Vendors to any vendor of the Program [***].

ARTICLE VI
SURVIVAL; INDEMNIFICATION; CERTAIN REMEDIES

Section 6.1. Survival. All representations and warranties contained in Article III and Article IV shall survive the Closing for a period of [***] from the Closing Date, except that (a) the Fundamental Representations shall survive until [***]; and (b) all representations or warranties shall survive beyond the applicable period with respect to any inaccuracy therein or breach thereof (and any claims related thereto) for which notice has been duly given within such applicable period in accordance with this Article VI. The covenants and agreements of the Parties contained herein shall survive the Closing without limitation as to time unless the covenant or agreement specifies a term, in which case such covenant or agreement shall survive for such specified term. Notwithstanding the foregoing, claims for fraud on the part of any Party shall survive for as long as permitted by the applicable statute of limitations.

Section 6.2. Indemnification by Sellers. Sellers hereby agree that from and after the Closing they shall, jointly and severally, indemnify, defend and hold harmless Buyer, its Affiliates, and their respective Representatives and their heirs, successors and permitted assigns, each in their capacity as such (the "Buyer Indemnified Parties", and, collectively with Seller Indemnified Parties, the "Indemnified Parties") from, against and in respect of any Losses imposed on, sustained, incurred or suffered by any of Buyer Indemnified Parties arising from:

(a) any inaccuracy in or breach of any representation or warranty of Sellers contained in Article III, other than any inaccuracy in or breach of any representation or warranty of Sellers contained in Section 3.6(b) that does not involve fraud;

(b) any non-compliance with or breach of any covenant or agreement of either Seller contained herein;

(c) any Excluded Liability or Excluded Asset;

(d) [***]; or

(e) any event, matter or circumstance occurring, existing or relating to the ownership, operation or maintenance of Sellers, the Compound, the Products, the Program or the Transferred Assets prior to the Closing to the extent such Losses are not included among the Assumed Liabilities.

Section 6.3. Indemnification by Buyer and Guarantor. Buyer and Guarantor hereby agree that from and after the Closing they shall, jointly and severally, indemnify, defend and hold harmless each Seller, its Affiliates, and their respective Representatives and their heirs, successors and permitted assigns, each in their capacity as such (the "Seller Indemnified Parties") from, against and in respect of any Losses imposed on, sustained, incurred or suffered by any of Seller Indemnified Parties arising from:

(a) any inaccuracy in or breach of any representation or warranty of Buyer contained in Article IV or of Guarantor contained in Section 7.12;

(b) any non-compliance with or breach of any covenant or agreement of Buyer or Guarantor contained herein;

(c) any Assumed Liability; or

(d) the ownership or operation of the Transferred Assets or the Program following the Closing Date, but only to the extent such Losses are not within the scope of Sellers' indemnification obligations set forth in Section 6.2 (without regard to any limitation set forth in this Article VI).

Section 6.4. Third Party Claim Indemnification Procedures.

(a) In the event that any claim or demand for which an indemnifying party (an "Indemnifying Party") may have Liability to any Indemnified Party hereunder, is asserted against or sought to be collected from any Indemnified Party by a third party (a "Third Party Claim"), such Indemnified Party shall promptly notify the Indemnifying Party in writing of such Third Party Claim, the amount or the estimated amount of damages sought thereunder to the extent then ascertainable, any other remedy sought thereunder, and any other material details pertaining thereto (a "Claim Notice"); provided, however, that the failure timely to give a Claim Notice shall not relieve the Indemnifying Party of any Liability that it may have to any Indemnified Party except to the extent the Indemnifying Party is prejudiced thereby. If the Indemnifying Party objects to or contests all or any part of the Third Party Claim, the Indemnified Party shall be free to seek enforcement of its rights to indemnification under this Agreement with respect to such Third Party Claim. The Indemnifying Party shall have [***] after receipt of the Claim Notice (the "Notice Period") to notify the Indemnified Party that it desires to defend the Indemnified Party against such Third Party Claim unless (i) the Third Party Claim has been brought or asserted by a Government Entity, (ii) there is a conflict of interest that would make it inappropriate (on advice of counsel) for the same counsel to represent both the Indemnified Party and the Indemnifying Party, (iii) such

Third Party Claim relates to Taxes, or (iv) the Third Party claims seeks injunctive or equitable remedies other than monetary damages against the Indemnified Party, in which case the Indemnified Party may retain the exclusive right to defend, compromise or settle such Third Party Claim, but the Indemnifying Party will not be bound by any determination of any Third Party Claim so defended for the purposes of this Agreement or any compromise or settlement effected without its consent (which may not be unreasonably withheld).

(b) In the event that the Indemnifying Party notifies the Indemnified Party within the Notice Period that it desires to defend the Indemnified Party against a Third Party Claim, the Indemnifying Party shall have the right to defend the Indemnified Party by appropriate proceedings and shall have the sole power to direct and control such defense, with counsel reasonably satisfactory to the Indemnified Party. Once the Indemnifying Party has duly assumed the defense of a Third Party Claim, the Indemnified Party shall have the right, but not the obligation, to participate in any such defense and to employ separate counsel of its choosing. The Indemnified Party shall participate in any such defense at its expense unless the Indemnifying Party and the Indemnified Party are both named parties to the proceedings and the Indemnified Party shall have reasonably concluded (on advice of counsel) that representation of both parties by the same counsel would be inappropriate due to differing interests between them. The Indemnifying Party shall not, without the prior written consent of the Indemnified Party, settle, compromise or offer to settle or compromise any Third Party Claim on a basis that would result in (i) the imposition of a consent order, injunction or decree that would restrict the future activity or conduct of the Indemnified Party or any of its Affiliates, (ii) a finding or admission of a violation of Law or violation of the rights of any Person by the Indemnified Party or any of its Affiliates, or (iii) any monetary Liability of the Indemnified Party that will not be promptly paid or reimbursed by the Indemnifying Party.

(c) If the Indemnifying Party (i) elects not to defend the Indemnified Party against a Third Party Claim, whether by not giving the Indemnified Party timely notice of its desire to so defend or otherwise, or (ii) is not entitled to defend the Third Party Claim as provided in Section 6.4(a), the Indemnified Party shall have the right but not the obligation to maintain its own defense; it being understood that the Indemnified Party's right to indemnification for a Third Party Claim shall not be adversely affected by the defense.

(d) The Indemnified Party and the Indemnifying Party shall cooperate in order to ensure the proper and adequate defense of a Third Party Claim, including by keeping the other party reasonably informed of the status of such Third Party Claim and any related Proceedings at all stages thereof where such party is not represented by its own counsel, and by providing access to each other's relevant business records and other documents, and employees; it being understood that the costs and expenses of the Indemnified Party relating thereto shall be Losses (but only to the extent that the Third Party Claim is ultimately subject to indemnification under this Agreement).

(e) The Indemnified Party and the Indemnifying Party shall use their respective reasonable best efforts to avoid production of confidential information (consistent with applicable Law), and to cause all communications among employees, counsel and others representing any party to a Third Party Claim to be made so as to preserve any applicable attorney-client or work-product privileges.

Section 6.5. Direct Claims. If an Indemnified Party wishes to make a claim for indemnification hereunder for a Loss that does not result from a Third Party Claim (a "Direct Claim"), the Indemnified Party shall notify the Indemnifying Party in writing of such Direct Claim, the amount or the estimated amount of damages sought thereunder to the extent then ascertainable, any other remedy sought thereunder, and any other material details pertaining thereto. The Indemnifying Party shall have a period of [***] from delivery of the notice of Direct Claim within

which to respond to such Direct Claim, which response shall set forth in reasonable detail the principal basis for the dispute of any Direct Claim made by the Indemnified Party. If the Indemnifying Party rejects all or any part of the Direct Claim, the Indemnified Party shall be free to seek enforcement of its rights to indemnification under this Agreement with respect to such Direct Claim.

Section 6.6. Limitations.

(a) In the case of claims for indemnification against Sellers pursuant to Section 6.2(a) or against Buyer or Guarantor pursuant to Section 6.3(a), the applicable Indemnifying Parties shall not have any Liability with respect to breaches of representations and warranties (other than with respect to the Fundamental Representations or actions based upon fraud) unless the aggregate amount of all Losses suffered by the applicable Indemnified Parties exceeds on a cumulative basis an amount equal to [***].

(b) Sellers' aggregate maximum Liability to Buyer Indemnified Parties pursuant to Section 6.2(a) (other than with respect to Fundamental Representations or actions based upon fraud) shall in no event exceed [***], received at any time (including after such claim is made), collectively exceed [***]. Sellers' aggregate maximum Liability to Buyer Indemnified Parties pursuant to Section 6.2(d) shall in no event exceed [***].

(c) Buyer's aggregate maximum Liability to Seller Indemnified Parties pursuant to Section 6.3(a) shall in no event exceed [***].

(d) Sellers' aggregate maximum Liability to Buyer Indemnified Parties under this Agreement shall in no event (other than a Seller's fraud) exceed [***].

(e) If any insurance proceeds or other payments in respect of an applicable Loss are actually received by Indemnified Parties from any third party with respect to a Loss indemnifiable hereunder, such amount received (net of any costs of collecting such proceeds, deductibles or increases in premiums related to such claims) shall reduce the amount of the Loss for which the Indemnifying Party is responsible; provided that in no event shall an Indemnified Party be required to pursue any claim under any insurance policy, whether before or after bringing a claim for indemnification pursuant to this Article VI, or contest any insurer's denial of coverage (whether in whole or in part). If payment has already been made by the Indemnifying Party to the Indemnified Parties with respect to the Loss, then the amount of the insurance proceeds or other payment received which applies to the Loss (net of any costs of collecting such insurance proceeds, deductibles or increases in premiums related to such claims) shall be promptly paid to the Indemnifying Party.

(f) Each Indemnified Party shall use commercially reasonable efforts to mitigate any Loss subject to indemnification hereunder; provided that (i) the reasonable costs of such mitigation shall be included in the Loss subject to such indemnification and (ii) the obligations under this Section 6.6(f) shall not be a condition to, or a limitation on (other than with respect to the amount of Losses, with respect to which failure to mitigate will be a limitation), indemnification rights under this Agreement.

(g) Any Liability for indemnification under this Article VI shall be determined without duplication of recovery by reason of the state of facts giving rise to such Liability constituting a breach of more than one representation, warranty, covenant or agreement.

(h) Except for breach of Section 5.7(a), in no event shall any Indemnifying Party be liable to any Indemnified Party for any consequential damages that are not reasonably foreseeable or punitive, exemplary or special damages, except to the extent such

consequential, punitive, exemplary or special damages are actually awarded to a Third Party in a Third-Party Claim.

(i) As used in this Article VI, the term "fraud" means the making of a representation or warranty expressly made by a Party in this Agreement or any Ancillary Agreement, in each case, to the extent applicable, qualified by the Disclosure Schedule, that (i) was false when made; (ii) was made with the actual knowledge (as opposed to imputed or constructive knowledge) of the Party making it that such representation or warranty was false when made, with such Party making such representation or warranty with the intention of deceiving another Party; and (iii) was reasonably relied upon by such other Party, which reliance caused such relying Party to suffer damage by reason of such reliance. For the avoidance of doubt, "fraud" shall not include common law fraud, equitable fraud, promissory fraud, unfair dealings fraud, or any torts based on negligence or recklessness.

Section 6.7. Payments. Claims by a Buyer Indemnified Party for Losses pursuant to this Agreement shall be satisfied at the election of Buyer, (a) as an offset against the Post-Closing Payments or the Reimbursement Amounts or (b) against Sellers. All amounts payable pursuant to this Article VI shall be paid by wire transfer of immediately available funds, promptly following receipt from an Indemnified Party of a bill, together with all accompanying reasonably detailed back-up documentation, for a Loss that is the subject of indemnification hereunder, unless the Indemnifying Party in good faith disputes the Loss, in which event it shall so notify the Indemnified Party. In any event, the Indemnifying Party shall pay to the Indemnified Party, by wire transfer of immediately available funds, the amount of any Loss for which it is liable hereunder no later than [***] following any final determination of such Loss and the Indemnifying Party's Liability therefor. A "final determination" shall exist when (i) the Parties have reached an agreement in writing, (ii) a court of competent jurisdiction shall have entered a final and non-appealable Order or judgment, or (iii) an arbitration or like panel shall have rendered a final non-appealable determination with respect to disputes the Parties have agreed to submit thereto.

Section 6.8. Characterization of Indemnification Payments. All payments made by an Indemnifying Party to an Indemnified Party in respect of any claim pursuant to this Article VI shall be treated as adjustments to the Purchase Price for Tax purposes.

Section 6.9. Specific Performance. The Parties acknowledge and agree that any breach of this Agreement may give rise to irreparable harm for which monetary damages may not be an adequate remedy. The Parties accordingly agrees that, in addition to other rights or remedies, the other Party shall be entitled to seek to enforce the terms of this Agreement by decree of specific performance and to seek preliminary, temporary and permanent injunctive relief against any breach or threatened beach of this Agreement.

Section 6.10. Exclusive Remedies. Except for recoveries pursuant to the provisions of Section 7.12 or as set forth in Section 2.10(c), the Parties' sole and exclusive remedy with respect to any and all claims for any breach of any representation, warranty, covenant, agreement or obligation set forth in this Agreement shall be pursuant to the provisions set forth in this Article VI.

ARTICLE VII
MISCELLANEOUS

Section 7.1. Notices. Any notice required or permitted to be given under this Agreement will be in writing, will specifically refer to this Agreement, and will be addressed to the appropriate Party at the address specified below or such other address as may be specified by such Party in writing in accordance with this Section 7.1, and will be deemed to have been given for all purposes (a) when received, if hand-delivered or sent by email with non-automated confirmed read

receipt or a reputable courier service, or (b) [***] after mailing, if mailed by first class certified or registered airmail, postage prepaid, return receipt requested.

To Buyer or Guarantor:

Botanix Pharmaceuticals Limited
Botanix SB Inc.
3602 Buyer Drive, Suite 160, King of Prussia PA 19406
Attn: Matthew Callahan, Executive Director
Email: [***]

With a copy to counsel, provided that such copy shall not constitute legal notice to Buyer:

Troutman Pepper Hamilton Sanders LLP
400 Berwyn Park
899 Cassatt Road
Berwyn, PA 19312
Attn: Timothy Atkins
Email: timothy.atkins@troutman.com

To Sellers:

Brickell Biotech, Inc.
5777 Central Avenue, Suite 102
Boulder, CO 80301
Attn: David McAvoy, General Counsel; Aron Aizenstat, Vice President
Email: [***]

With a copy to counsel, provided that such copy shall not constitute legal notice to Sellers:

Faegre Drinker Biddle & Reath LLP
600 E. 96th Street, Suite 600
Indianapolis, IN 46240
Attn: Trevor J. Belden; Eli M. Isaacs
E-mail: trevor.belden@faegredrinker.com; eli.isaacs@faegredrinker.com

Section 7.2. Amendment; Waiver; Remedies Cumulative. Any provision of this Agreement may be amended or waived if, and only if such amendment or waiver is in writing and signed, in the case of an amendment, by Buyer and Sellers, or in the case of a waiver, by the Party against whom the waiver is to be effective. No notice or demand on one Party will be deemed to be a waiver of any obligation of that Party or the right of the Party giving a notice or demand to take further action without notice or demand as provided in this Agreement. No waiver that may be given by a Party will be applicable except for the specific instance for which it is given. No failure or delay by any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

Section 7.3. No Benefit to Third Parties. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors, legal Representatives and permitted assigns. Nothing in this Agreement, express or implied, is intended to confer upon any Person, other than Buyer, Sellers, the Indemnified Parties and their respective successors, legal Representatives and permitted assigns, any legal or equitable right, remedy or claim under or by reason of this Agreement.

Section 7.4. Entire Agreement. This Agreement (including the Disclosure Schedule, all Schedules and Exhibits hereto, the Ancillary Agreements and other documents delivered pursuant hereto) contains the entire agreement between the Parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral or written, with respect to such matters (including any proposal made or letter of intent delivered by Guarantor to Brickell).

Section 7.5. Fulfillment of Obligations. Any obligation of any Party to any other Party under this Agreement which obligation is performed, satisfied or fulfilled completely by an Affiliate of such Party, shall be deemed to have been performed, satisfied or fulfilled by such Party.

Section 7.6. Governing Law; Arbitration; Waiver of Jury Trial.

(a) This Agreement, and all claims or causes of action (whether in contract or tort) that may be based upon, arise out of or relate to this Agreement, or the negotiation, execution or performance of this Agreement shall be governed by the laws of the State of Delaware, United States without giving effect to any choice or conflict of laws, provisions or rules that would cause the application of laws of any jurisdiction other than the State of Delaware.

(b) The Parties agree that any dispute, controversy, or claim (of any and every kind or type) arising out of, relating to, or connected with this Agreement, or the transactions contemplated hereby, including any dispute, controversy or claim concerning or related to the existence, validity, interpretation, performance, breach, or termination of this Agreement, the Ancillary Agreements, or the relationship of the Parties arising out of this Agreement or the Transaction ("Dispute") shall be referred to and settled by arbitration in accordance with the Rules of the American Arbitration Association (the "Rules") as currently in force. Such arbitration hereunder shall be conducted in Wilmington, Delaware, United States, or at some other location should the Parties mutually decide. Such arbitration shall be conducted by [***] who shall be qualified by education, training or experience in the underlying substance of the applicable Dispute; provided, that if the matter in dispute is alleged to involve [***], it shall be heard by [***]. If only [***] is required, the Parties will use their reasonable best efforts to agree upon a mutually acceptable arbitrator within [***] of receipt of the notice of intent to arbitrate. If the Parties are unable to agree upon an acceptable arbitrator within such [***] period, a neutral arbitrator shall be selected pursuant to the Rules, who shall be qualified by education, training or experience in the underlying substance of the applicable Dispute. If [***] are required, [***] arbitrator will be appointed by Sellers to serve on the panel, [***] arbitrator will be appointed by Buyer and Guarantor to serve on the panel, and [***] neutral arbitrator will be appointed by the [***] arbitrators, and the Parties shall select their arbitrators within [***] after the arbitration is filed with the American Arbitration Association. If the [***] arbitrators selected cannot agree on the appointment of the [***] arbitrator within [***] of their appointment, or if either set of Parties shall fail to appoint its arbitrator within [***] after receipt of notice of demand for arbitration, such arbitrator(s) not appointed shall be selected and appointed by the American Arbitration Association as promptly as possible, upon application of either Sellers, on the one hand, or Buyer and Guarantor, on the other hand. Each of the [***] arbitrators shall be qualified by education, training or experience in the underlying substance of the applicable Dispute. The determination of the arbitration shall be final, binding, and conclusive upon the Parties, and judgment upon the award rendered may be entered in any court having jurisdiction. The award of the arbitrator(s) shall be accompanied by a statement of the reasons upon which the award is based. Notwithstanding anything to the contrary contained herein, any Party may move to compel arbitration or seek a preliminary injunction or other provisional equitable relief in a court of competent jurisdiction if, in its reasonable judgment, such action is necessary to avoid irreparable harm to itself or to preserve its rights under this Agreement or the Ancillary Agreements, or to enforce an arbitral award made hereunder.

(c) THE PARTIES HERETO HEREBY IRREVOCABLY WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 7.7. Assignment. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be transferred, conveyed or assigned, in whole or in part, by operation of Law or otherwise, by any Party without the prior written consent of the other Parties, except that: (a) Buyer may assign, in its sole discretion, any or all of its rights, interests and obligations under this Agreement (i) to any of its Affiliates, but no such assignment shall relieve Buyer or Guarantor of any of its obligations hereunder, or (ii) in connection with the transfer or sale of all or substantially all of Buyer's business related to the Transferred Assets to a Third Party, whether by merger, sale of stock, sale of assets or otherwise; and (b) Sellers may assign, in their sole discretion, this Agreement in whole to a single Third Party in connection with the transfer or sale of all or substantially all of Sellers' business related to the Excluded Assets to such Third Party, whether by merger, sale of shares, sale of assets or otherwise. Any assignment not in accordance with the foregoing shall be void. Subject to the preceding sentences, this Agreement will be binding upon, inure to the benefit of and be enforceable by, the Parties and their respective permitted successors and assigns.

Section 7.8. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same Agreement. The exchange of copies of this Agreement and of signature pages by facsimile transmission or other electronic means shall constitute effective execution and delivery of this Agreement as to the Parties and may be used in lieu of the original Agreement for all purposes. Signatures of the Parties transmitted by facsimile or email shall be deemed to be their original signatures for all purposes. No Party may raise (a) the use of a facsimile or email transmission to deliver a signature or (b) the fact that any signature, agreement or instrument was signed and subsequently transmitted or communicated through the use of a facsimile or email transmission as a defense to the formation or enforceability of a contract, and each Party forever waives any such defense.

Section 7.9. Headings. The heading references herein and the table of contents hereof are for convenience purposes only, and shall not be deemed to limit or affect any of the provisions hereof.

Section 7.10. Severability. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of this Agreement, or the application thereof to any Person or any circumstance, is invalid or unenforceable, (a) a suitable and equitable provision shall be substituted therefore in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (b) the remainder of this Agreement and the application of such provision to other Persons or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction.

Section 7.11. Disclosure Schedules. The information set forth in the Disclosure Schedule is disclosed solely for the purposes of this Agreement, and no information set forth therein shall be deemed to be an admission by any Party hereto to any Third Party of any matter whatsoever, including of any violation of Law or breach of any agreement.

Section 7.12. Guaranty.

(a) Guarantor hereby irrevocably guarantees, as primary obligor and not merely as surety, the full and prompt payment of any and all monetary obligations and Losses and the due and prompt performance of all covenants, agreements, obligations and Liabilities for which Buyer is or becomes liable to Sellers under this Agreement or any of the Ancillary Agreements (collectively, the "Obligations").

(b) Subject to Section 7.12(d), the obligation of Guarantor under this Section 7.12 shall be primary, direct, immediate, unconditional and absolute and, without limiting the generality of the foregoing, shall in no way be released, discharged or otherwise affected by:

(i) any extension of time for the payment of the Obligations, modification or amendment of the terms of the Agreement or any forbearance as to time or performance or failure by Sellers to proceed promptly with respect to the Obligations or this Section 7.12; or

(ii) any change in the corporate existence, structure or ownership of Buyer or Guarantor, or any insolvency, bankruptcy, reorganization, dissolution, liquidation, arrangement, assignment for the benefit of creditors or other similar proceeding against Buyer or its assets or any resulting release or discharge of any of the Obligations.

(c) Subject to Section 7.12(d), Guarantor hereby unconditionally and irrevocably waives:

(i) diligence, presentment, demand for payment or performance, protest and notice of nonpayment or dishonor, marshalling of assets and all other notices and demands whatsoever relating to the Obligations or the requirement that Sellers proceed first against Buyer or any of Guarantor's Affiliates, or any other Person to collect payment or enforce performance of the Obligations or otherwise exhaust any right, power or remedy under the Agreement, or any other agreement giving rise to any such Obligations to collect payment or enforce performance of the Obligations before proceeding hereunder; and

(ii) all suretyship defenses including all defenses based upon any statute or rule of Law that provides that the obligation of a surety must be neither larger in amount nor in other respects more burdensome than that of the principal (other than payment in full of the Obligations).

(d) Notwithstanding anything to the contrary in Section 7.12(b) or Section 7.12(c), Guarantor may assert against Sellers any rights, limitations and defenses to the Obligations that Buyer would be entitled to assert against Sellers in any action brought by Sellers against Buyer in respect of the Obligations.

(e) In the event of a default by Buyer under this Agreement, Sellers shall have the right to proceed immediately thereafter against Guarantor for payment or performance, as applicable, of the Obligations without being required to make any demand upon, bring any proceeding, exhaust any remedies against or take any other action of any kind against Buyer.

(f) Guarantor shall not exercise any rights against Sellers or their Affiliates or Buyer which Guarantor may acquire by way of subrogation, reimbursement, exoneration, contribution, indemnity, applicable Law or otherwise, by any payment made under this Section 7.12 until all of the Obligations shall have been paid in full.

(g) Guarantor represents and warrants to Sellers that:

(i) Guarantor is a company duly organized, validly existing and in good standing under the laws of Australia;

(ii) Guarantor has all requisite corporate power and authority to own and operate its properties and assets and to carry on its business as currently conducted;

(iii) Guarantor is duly qualified to do business and is in good standing in each jurisdiction where the ownership or operation of its respective properties and assets or the conduct of its respective business requires such qualification, except for failures to be so qualified or in good standing that would not, individually or in the aggregate, materially impair or delay Guarantor's ability to perform its obligations hereunder;

(iv) (A) Guarantor has full corporate power and authority to execute and deliver this Agreement and each other Ancillary Agreement to which it is a party and to perform its obligations hereunder and thereunder; (B) the execution, delivery and performance by Guarantor of this Agreement and the Ancillary Agreements to which it is a party have been duly and validly authorized and no additional corporate or shareholder authorization or consent is required in connection with the execution, delivery and performance by Guarantor of this Agreement or any Ancillary Agreement of Guarantor; (C) the execution, delivery and performance by Guarantor of this Agreement and each Ancillary Agreement to which it is a party, and the consummation of the transactions contemplated hereby, do not and will not violate any provision of the Governing Documents of Guarantor; and (D) this Agreement and each Ancillary Agreement to which Guarantor is a party, when executed and delivered by the applicable Seller or Sellers, will constitute valid and legally binding obligations of Guarantor enforceable against it in accordance with its terms, subject to the Enforcement Limitations;

(v) the execution and delivery of this Agreement and the Ancillary Agreements of Guarantor do not, and the performance by Guarantor of this Agreement and the Ancillary Agreements to which it is a party and the consummation of the transactions contemplated hereby will not, (A) conflict with or violate the Governing Documents of Guarantor, (B) conflict with or violate any Law or Order applicable to Guarantor or to which any properties or assets of Guarantor is bound or subject or (C) result in any breach of, or constitute a default (or an event that with notice or lapse of time or both would constitute a default) under, or give rise to or create any right of any Third Party to accelerate, increase, terminate, modify or cancel any right or obligation pursuant to any Contracts to which Guarantor is a party, in each case under clauses (B) and (C), in a manner that would, individually or in the aggregate, materially impair or delay Guarantor's ability to perform its obligations hereunder;

(vi) there is no Proceeding pending or, to the knowledge of Guarantor, threatened against Guarantor that would reasonably be expected to materially impair or delay Guarantor's ability to perform its obligations hereunder; and

(vii) the execution and delivery of this Agreement is, and the consummation of the transactions contemplated by the Agreement will be of direct interest, benefit and advantage to Guarantor.

Except for the representations and warranties made by Guarantor in this Section 7.12, Guarantor hereby disclaims all other representations and warranties, whether express or implied.

(h) If at any time any payment of any of the Obligations is rescinded or is otherwise required by applicable Law to be returned by Sellers upon the insolvency, bankruptcy, reorganization, dissolution, liquidation, arrangement, assignment for the benefit of creditors or other similar proceeding of Buyer or Guarantor, or otherwise, then Guarantor's obligations under

Section 7.12 with respect to such payment shall be reinstated as though such payment had been due but not been made.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Parties have executed or caused this Agreement to be executed as of the date first written above.

SELLERS:

Brickell Biotech, Inc.

By: /s/ Robert B. Brown

Name: Robert B. Brown

Title: Chief Executive Officer

Brickell Subsidiary, Inc.

By: /s/ Robert B. Brown

Name: Robert B. Brown

Title: President

BUYER:

Botanix SB Inc.

By: /s/ Vince Ippolito

Name: Vince Ippolito

Title: President

SOLELY FOR PURPOSES OF ARTICLE I, SECTION 5.10, ARTICLE VI AND ARTICLE VII

GUARANTOR:

Botanix Pharmaceuticals Limited

By: /s/ Vince Ippolito

Name: Vince Ippolito

Title: President

Exhibit 10.2

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS BOTH NOT MATERIAL AND IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL

TRANSITION SERVICES AGREEMENT

This TRANSITION SERVICES AGREEMENT (this "Agreement") is entered into effective as of the 3rd day of May 2022 (the "Effective Date") by and between Botanix SB Inc., a Delaware corporation with principal place of business at 3602 Buyer Drive, Suite 160, King of Prussia, PA 19406 ("Botanix"), and Brickell Biotech, Inc., a Delaware corporation with principal place of business at 5777 Central Avenue, Ste 102, Boulder, Colorado USA 80301 ("BBI"), with each individually as a "Party" and collectively as the "Parties".

RECITALS

WHEREAS, BBI has been developing sofpironium bromide gel, 15% (the "NDA Product") as a new potential treatment for primary axillary hyperhidrosis in the U.S. and certain other countries;

WHEREAS, simultaneously herewith, the Parties have entered into that certain Asset Purchase Agreement (the "Asset Purchase Agreement") pursuant to which, Botanix has purchased, and BBI and one of its Affiliates have sold, all of BBI's rights primarily related to the NDA Product; and

WHEREAS, the Parties are entering into this Agreement pursuant to Sections 2.8(c) and 2.9(d) of the Asset Purchase Agreement for the purpose of documenting the terms under which BBI will provide Botanix the transition services described in Exhibit A hereto (the "Services") during the Transition Period (as defined in Section 6 below).

AGREEMENT

NOW, THEREFORE, in consideration of the agreements of the Parties contained herein and in the Asset Purchase Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged hereby, and intending to be legally bound, the Parties agree as follows:

1. Definitions

Capitalized terms used in this Agreement and not otherwise defined herein shall have the meanings assigned to them in the Asset Purchase Agreement.

2. Description of Services

(a) During the Transition Period and subject to the terms and conditions of this Agreement, BBI shall provide or, at its sole discretion, arrange for its existing and future third-party consultants and advisors (collectively, "Third-Party Advisors") and employees to provide, the Services.

(b) To the extent either Party identifies any additional services that are required for BBI to carry out the purposes of this Agreement that are not identified in Exhibit A, BBI and Botanix shall discuss, in good faith, any such additional services reasonably requested by Botanix; provided, that unless and until the Parties mutually agree to the scope of any such additional services, BBI shall not be obligated to provide such additional services. Any services provided to Botanix pursuant to this Section 2(b) shall also constitute "Services" under this Agreement and be subject in all respects to the provisions of the Agreement as set forth in Exhibit A.

(c) BBI will be responsible for using its own employees and Third-Party Advisors to provide the Services. BBI will be responsible for paying invoices submitted to it by any Third-Party Advisors it engages to assist in rendering Services in accordance with the terms of its agreements with such Third-Party Advisors, subject in all cases to reimbursement from Botanix in accordance with Exhibit B. Notwithstanding the engagement of any Third-Party Advisors, BBI shall remain responsible for the performance of the Services hereunder.

(d) Botanix understands and agrees that BBI is solely responsible for the control and supervision of the means by which the Services are provided, consistent with the goal of successfully completing the Services. Exhibit C sets forth each employee and Third-Party Advisor who performs services for BBI on the Program as of the date hereof (such employee and Third-Party Advisors, the "Program Service Providers"). So long as any Program Service Provider remains employed or engaged by BBI, (i) during the period that fixed monthly payments are charged under this Agreement in accordance with Exhibit B, such Program Service Providers shall [***], and (ii) during the period that hourly rates are charged under Agreement in accordance with Exhibit B, BBI shall assign such Program Service Providers to perform the Services. For the avoidance of doubt, it shall not be a breach of this Agreement by BBI if any Program Service Provider ceases to be engaged or employed by BBI. Botanix shall not have and shall not be deemed to have any other control over or responsibility for managing or directing BBI's employees or Third-Party Advisors. Botanix is not, and shall not be, the employer of or have any liability or obligation with respect to any employee or Third-Party Advisor of BBI by virtue of this Agreement.

(e) BBI shall (i) provide the Services in the manner and at a level of execution consistent with that provided by BBI for its own operations prior to Closing but in no event in less than a professional and workmanlike manner and (ii) exercise the same degree of care it exercises in performing the same or similar services for its own account. Unless otherwise mutually agreed by the Parties in writing, with respect to any Service, BBI shall not be required to provide a level of service which is higher than (including as to volume, quantity, scope, level, complexity, or frequency, as applicable) the level of service provided by BBI [***] prior to the Closing or as contemplated prior to the Closing by BBI for the work needed to achieve the purposes of this Agreement after Closing (which is filing the NDA for the NDA Product with the FDA in a state of quality and completeness such that the FDA accepts such NDA for filing), or to make material changes to any Service as defined herein.

3. Botanix Covenants.

(a) IND and NDA Process. Following the effectiveness of the transfer contemplated by Section 5.9(a) of the Asset Purchase Agreement, Botanix shall be legally responsible for and in control of the IND and NDA process in connection with the NDA Product and the IND for the NDA Product designated [***] (the "Transferred IND"). Notwithstanding the provision of the Services, at all times after the effective date of such transfer, Botanix agrees that it shall be, and will act as, the sponsor (or legal holder) of the Transferred IND and the NDA for the NDA Product.

(b) Notice of Certain Events. Botanix shall give prompt written notice to BBI after becoming aware of the occurrence of any of the following events, including copies of all related documents and a description, in reasonable detail, of the underlying facts and circumstances: (i) Botanix receives any notice or correspondence from any Government Entity relating to the IND or NDA process for the Transferred IND or NDA Product, the Transferred Assets, or the Services, or (ii)

Botanix receives any demand, inquiry, or legal service from any Government Entity relating to the Transferred IND, the NDA for the NDA Product, or the Transferred Assets.

(c) Non-Solicitation. During the Transition Period and for [***] thereafter, Botanix shall not (and shall cause its Affiliates not to), directly or indirectly, induce (or attempt to induce) any Person to leave the employ or engagement of BBI, or solicit for employment or other engagement any employee of BBI, or employ or engage any employee of BBI, or in any way interfere with the relationship between BBI and any employee, Third-Party Advisor or other Representative of BBI. The foregoing shall not prohibit Botanix from making general solicitations as to employment opportunities available with Botanix not targeted at BBI employees.

4. Party Representatives; Governance

(a) To the extent that a Party has questions about the scope and nature or fulfillment of Services pursuant to this Agreement or compliance herewith, or is in need of information or other support required to perform the Services, the following designated representatives shall be used exclusively for such contacts:

If for BBI: Aron Aizenstat
VP, Corporate Development & Operations
[***]
[***]

and

Deepak Chadha
Chief R&D Officer
[***]
[***]

If for Botanix: Vince Ippolito
President and Executive Chairman
[***]

(b) The Parties agree to create a Joint Transition Services Committee (the "JTSC") for purpose of monitoring progress and mutual coordination toward completing the Services and accomplishing the objectives of this Agreement. Each Party will populate the JTSC with such number of representatives as it may choose. The initial representatives for each Party are set forth in Exhibit D. The initial chair of the JTSC shall be [***]. During the Transition Period, the Parties may at their discretion change their designated JTSC representatives (including the chair) by written notice to the other Party. BBI shall provide the JTSC with written status reports [***] until [***]. The initial meeting of the JTSC shall be held no later than [***] after the Closing Date. Until the [***], the JTSC shall meet [***], unless otherwise mutually agreed by the Parties. After the [***], the chair of the JTSC [***] will set the schedule for the meetings of the JTSC, provided that the JTSC shall not meet more frequently than [***] following the [***]. The chair of the JTSC shall develop the agenda for each meeting of the JTSC and provide each other JTSC representative with a draft of such agenda at least [***] prior to each meeting (except for the initial meeting of the JTSC). The JTSC will not be a decision-making body; instead its function is for sharing relevant information, reporting and monitoring purposes, and group

discussion, to fulfill the Services and objectives of this Agreement. The Parties may mutually agree in writing to expand the functional scope and responsibilities of the JTSC. For the avoidance of doubt, Botanix has final decision making authority on all matters related to the [***] once filed.

5. Services, Costs and Payment.

The Services shall be performed by BBI to and for Botanix in exchange for the charges set forth in Exhibit B. BBI will bill Botanix for Services monthly pursuant to the terms set forth in this Section 5 and in Exhibit B. All amounts payable by Botanix pursuant to this Agreement shall be payable by wire transfer of immediately available funds to BBI [***] following delivery to Botanix by BBI of a written billing statement or invoice. Should Botanix dispute any portion of an invoice, Botanix shall pay in full all amounts not in dispute and notify BBI in writing immediately of the nature and basis of the dispute. All payments by Botanix will be in U.S. Dollars. Pricing stipulated herein shall commence upon execution of this Agreement and continue through the duration of the Transition Period.

The wire instructions for BBI are:

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

In the event that any payment due under this Agreement is not made by Botanix when due, the overdue amount shall accrue interest from the date due at the rate of [***] above the U.S. Prime Rate (as set forth by Bloomberg (Ticker symbol PRIME index)); provided, however, that in no event shall such rate exceed the maximum legal annual interest rate. The payment of such interest shall not limit BBI from exercising any other rights it may have as a consequence of the lateness of any payment.

6. Transition Period

Subject to the terms of Sections 7 and 12, BBI shall perform the Services beginning on the Effective Date and through the date that is thirty (30) days after the FDA issues a final decision on the NDA for the NDA Product (the "Transition Period").

7. Termination

(a) Following such time as the NDA for the NDA Product has been filed with FDA, Botanix may terminate this Agreement on [***] prior written notice to BBI.

(b) This Agreement may be terminated at any time upon the mutual written agreement of the Parties.

(c) A Party may terminate this Agreement in the event of (i) a material breach, or (ii) fraud, embezzlement, misappropriation of funds or breach of trust, or (iii) gross negligence, by the other Party with regard to that Party's performance of its obligations under the Agreement, where such breach or the other foregoing cause(s) is not cured by the non-performing Party within [***] after receipt of written notice by the other Party to cure such failure to perform, which notice shall set forth in reasonable detail the acts or omissions upon with the terminating Party is relying for such termination.

(d) BBI may terminate this Agreement upon failure by Botanix to timely pay any amount due pursuant to Section 5 and Exhibit B (other than amounts disputed in good faith), where such failure is not cured by Botanix [***] after receipt of notice thereof.

(e) Either Party may terminate this Agreement in the event the other Party (i) becomes or is declared insolvent or bankrupt under applicable Law, (ii) is the subject of any proceeding related to its liquidation or insolvency (whether voluntary or involuntary) which is not dismissed within [***], or (iii) makes a material assignment for the benefit of its creditors.

(f) Either Party may terminate this Agreement upon written notice to the other Party in the event that a Force Majeure has prevented performance by BBI of the Services for a period of [***].

(g) No termination of this Agreement, in whole or in part, shall discharge, affect or otherwise modify in any manner the rights and obligations of the Parties that have accrued or have been incurred prior to such termination. At the end of the Transition Period, all outstanding amounts owing by Botanix to BBI hereunder shall [***] become due and payable.

8. General Limitations

(a) BBI shall have no liability in the event that it is unable to fulfill any of its obligations hereunder if (i) Botanix limits access by BBI to any information or resources in Botanix's possession or control that are reasonably necessary for BBI to perform the Services or any other obligation of BBI under the Agreement, (ii) Botanix fails to timely provide to BBI any information in Botanix's possession or control, or (iii) BBI is unable, after using good faith efforts to do so, to retain those employees or Third-Party Advisors necessary, in BBI's reasonable judgment, to perform the Services in accordance with the terms of this Agreement.

(b) In the event that BBI encounters or reasonably anticipates encountering material difficulties in performing any of the Services, by reason other than Force Majeure, BBI shall [***] so notify Botanix; provided that nothing in this Section 8(b) shall limit or relieve BBI from its obligation to provide any and all of the Services required hereunder unless mutually agreed by the Parties.

(c) The Services shall only be made available by BBI for the benefit of Botanix. BBI shall be entitled to access and utilize the Transferred Assets as reasonably necessary to fulfill BBI's obligations under this Agreement.

9. Indemnity

(a) BBI shall indemnify, defend and hold harmless Botanix and its Affiliates and Representatives (collectively, "Botanix Affiliated Parties") from and against any Losses to the

extent caused by BBI, by whomever asserted, resulting from, arising out of, or related to: (i) the gross negligence or willful misconduct of BBI in the performance of this Agreement; or (ii) any material breach by BBI under this Agreement.

(b) Botanix shall indemnify, defend and hold harmless BBI and its Affiliates and Representatives (collectively, "BBI Affiliated Parties"), from and against any Losses to the extent caused by Botanix by whomever asserted, resulting from, arising out of, or related to: (i) the gross negligence or willful misconduct of Botanix in the performance of this agreement; or (ii) any material breach by Botanix under this Agreement.

(c) Except in the case of gross negligence, willful misconduct or breach of Sections 14(b) or 18, neither Party shall be liable hereunder for any lost profits or any consequential damages that are not reasonably foreseeable or punitive, exemplary or special damages arising out of this Agreement or any performance of the Services hereunder, even if the applicable Party has been advised of the possibility of such Losses.

(d) Except in the case of gross negligence, willful misconduct or breach of Sections 14(b) or 18, in no event shall either Party be liable for any Losses in connection with any performance under this Agreement or any breach of any obligations hereunder that [***].

(e) Botanix acknowledges that BBI is not in the business of providing services of the type contemplated herein to third parties; therefore, except as expressly provided otherwise herein, the Services are provided [***].

10. Compliance with Applicable Laws

The Parties covenant, represent and warrant that as of the Effective Date and continuing through the end of the Transition Period they will operate in compliance in all material respects with applicable Laws as related to their involvement with the Services and their respective obligations under this Agreement.

11. Cooperation

(a) The Parties anticipate a close working relationship during the Transition Period and as such agree to reasonably cooperate with each other as needed to ensure that the Services are provided in accordance with the terms of this Agreement.

(b) Botanix shall make available to BBI on a timely basis all information and materials in Botanix's possession or control and reasonably requested by BBI to enable BBI to provide the Services.

(c) The Parties shall work cooperatively to identify appropriate cost reductions and other efficiencies relevant to provision of the Services.

12. Force Majeure

Any failure or omission by a Party in the performance of any obligation under this Agreement arising from any cause or causes beyond the reasonable control of such Party and without the fault or negligence of such Party that frustrate the purpose(s) of this Agreement ("Force Majeure") shall result in the suspension of performance hereunder to the extent and for the

period that performance is prevented (to a maximum of [***] in respect of obligations for the payment of money) and during such suspension shall not be deemed in breach of this Agreement or subject to any Liability if the same arises from any cause or causes beyond the reasonable control of such Party and without the fault or negligence of such Party, including, but not limited to, the following, which for purposes of this Agreement shall be regarded as beyond the reasonable control of each of the Parties: acts of God; natural disaster, fire, storm or blizzard, flood, hurricane, tornado, earthquake, explosion, power failure, IT failure or lockup or malfunction of computer services, utilities, communications, shortage or failure of power or transportation facilities, illegal acts of others, governmental order, Law, or changes in Law, or action by any Government Entity, acts of a public enemy, sabotage, war, rebellion, insurrection, riot, terrorist threats or acts, invasion, hostilities of any kind or other civil unrest, emergency state, departure of employee, consultant or advisor, embargoes or blockades, strike or lockout, labor stoppages or slowdowns or other industrial or public disturbances, or shortage of supplies, equipment, raw materials or other essential items, epidemic, pandemic or similar disease outbreak, and quarantine and other restrictions taken to control the foregoing, or other similar events beyond the reasonable control of the impacted Party; provided, however, that the Party relying on the provisions of this Section 12 shall give to the other Party [***] written notice of such suspension, the reasons therefor, and the expected duration thereof; further provided that no amounts shall be due and payable for any Services not provided herein, whether or not the failure to provide such Service is excused pursuant to this Section 12. The Party affected by Force Majeure shall use [***] to reduce the consequences of the Force Majeure and resume the performance of all relevant obligations as soon as possible after the termination of Force Majeure.

13. Independent Contractor

The Parties agree that BBI is an independent contractor under this Agreement and that BBI's relationship with Botanix will not be represented as agent, partner or anything other than that of an independent contractor, including as to the FDA and any other Government Entity. BBI agrees that all personnel employed or engaged by it in connection with the performance of this Agreement are, and shall be, for all purposes, employees or contractors, as applicable, of BBI and not of Botanix.

14. Intellectual Property

(a) Ownership. BBI hereby covenants and agrees that all work product created by BBI arising from the performance of Services under this Agreement, including the NDA for the NDA Product, Intellectual Property and Regulatory Materials, in each case that BBI shall actually conceive and first actually reduce to practice on behalf of Botanix as a result of performing Services hereunder (hereafter, the "Works"), shall be the sole and exclusive property of Botanix.

(b) Registration and Payments. At the request of Botanix, BBI will, at Botanix's expense, execute and deliver applications for Patents, Marks and Copyrights for the Works, together with assignments to Botanix of BBI's entire interest therein.

(c) Assistance. BBI shall provide Botanix [***] as reasonably requested by Botanix, and at [***] expense, in securing, enforcing and protecting said applications, registrations and resulting Patents, Marks and Copyrights. When such assistance is requested by Botanix and rendered during the term of or after termination of this Agreement, BBI shall be paid per the pricing established in Section 5 and Exhibit B herein and any relevant additional statements of work

entered into by the Parties that may accompany this Agreement. Any assistance provided by BBI to Botanix under Sections 14 and 15 to support ownership rights by Botanix for the Works shall also be considered to be Services hereunder.

15. Work Made for Hire

(a) Proprietary Right. BBI further acknowledges that the Works specified or created pursuant to this Agreement have been specifically ordered and commissioned by, and are being created under, the request of Botanix. BBI hereby acknowledges and agrees that the Works shall be works made for hire by an independent contractor as defined in the United States Copyright Laws (17 U.S.C. Sections 101 et seq.), applying such definition for all Works and not limited to Works capable of copyright.

(b) Title to Work Product. Botanix shall retain exclusive right, title and interest in and to the Works created by BBI for Botanix pursuant to the Services rendered by it hereunder. BBI may not otherwise use or disclose the Works to third parties without Botanix's written approval; provided, however, BBI may coordinate, engage and communicate with Government Entities and Third Party Advisors or other Persons as required to perform the Services.

(c) Assignment. BBI agrees that, in the event these Works are determined by any competent authority not to be works made for hire under the Federal Copyright Laws, this Agreement shall operate as an irrevocable assignment by BBI to Botanix of the Copyrights and all other intellectual property rights in the Works, including all rights in perpetuity, including the right to display and commercialize the Works and prepare derivative works and which shall be royalty-free and not subject to any other consideration by Botanix other than as prescribed herein. Under this irrevocable assignment, BBI hereby assigns to Botanix the sole and exclusive right, title and interest in and to the Works without consideration beyond payment for the Services rendered by BBI.

16. Maintenance of Records

For a period of [***] following the termination of this Agreement, BBI agrees to keep and maintain, in accordance with its document retention policies, adequate and current written records, including copies of applicable Regulatory Materials, related directly to the Services and Works generated therefrom which records shall be made reasonably available to Botanix upon request.

17. No Implied Representations or Warranties

The Parties agree that neither has made or is making any representations or warranties, express or implied, except as expressly set forth in this Agreement.

18. Confidentiality

For purposes of this Agreement, "Confidential Service Information" shall mean any and all non-public, proprietary or confidential Information and other non-public, proprietary or confidential information (whether business, financial, commercial, medical, research and development, human resources, audit-related, scientific, clinical, regulatory, legal, Intellectual Property information, CMC Information, supply chain or manufacturing, know-how, trade secrets or otherwise) provided by a Party (the "Disclosing Party") to the other Party (the "Receiving

Party") in the performance hereunder. During the term of this Agreement and for a period of [***] thereafter, each Party shall keep confidential all Confidential Service Information provided to it by or on behalf of the other Party in connection with this Agreement or any of the transactions contemplated by it or to which it otherwise has access. Notwithstanding the foregoing, the Parties acknowledge and agree that the confidentiality obligations set forth herein shall not extend, as demonstrated by the Receiving Party, to (a) any information which was in, or comes into, the public domain through no breach of this Agreement by the other Party or (b) any information which becomes lawfully obtained by the non-Disclosing Party from a source other than the Disclosing Party so long as the source of such information is not known by the non-Disclosing Party at the time of disclosure to owe an obligation of confidentiality to the Disclosing Party. In addition, neither Party shall be prohibited from disclosing any portion of the Confidential Service Information (i) that such Party is required to disclose by judicial or administrative process or (ii) in connection with the enforcement of any right or remedy relating to this Agreement. The Parties acknowledge and agree that any breach of this Section 18 may give rise to irreparable harm for which monetary damages may not be an adequate remedy. The Parties accordingly agree that, in addition to other rights or remedies, the Party alleging it is aggrieved hereunder shall be entitled to seek to enforce the terms of this Section 18 by decree of specific performance and to seek preliminary, temporary and permanent injunctive relief against any breach or threatened beach of this Section 18.

19. Miscellaneous

The provisions of Sections 7.1 through 7.10 of the Asset Purchase Agreement shall apply to this Agreement as if set forth in full herein and are hereby incorporated herein by reference, *mutatis mutandis*.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed on their respective behalf, by their respective officers thereunto being duly authorized, all as of the day and year first written above.

BOTANIX SB INC.

By: /s/ Vince Ippolito
Name: Vince Ippolito
Title: President
Date:

BRICKELL BIOTECH, INC.

By: /s/ Robert B. Brown
Name: Robert B. Brown
Title: Chief Executive Officer
Date:

EXHIBIT A

[***]

EXHIBIT B

[***]

EXHIBIT C

[***]

EXHIBIT D

[***]

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS BOTH NOT MATERIAL AND IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL

RIGHTS AGREEMENT

This Rights Agreement ("Rights Agreement"), effective as of May 3, 2022 (the "Effective Date"), is made by and among (a) Bodor Laboratories, Inc. ("BLI"), a Florida corporation having its principal place of business located at 4400 Biscayne Blvd., Miami, Florida 33137, (b) Brickell Subsidiary, Inc., d/b/a Brickell Biotech, Inc. ("Brickell Sub"), a Delaware corporation having its principal place of business located at 5777 Central Avenue, Boulder, Colorado 80301, and (c) Brickell Biotech, Inc., the parent of Brickell Sub ("Brickell Parent" and, together with Brickell Sub, collectively as "Brickell"). BLI and Brickell also shall be known individually as a "Party" or together as the "Parties", according to the context.

WHEREAS, on February 17, 2020, the Parties restated and amended their then-existing license agreement whereby BLI licensed to Brickell certain intellectual property (the "Amended & Restated License Agreement", or "ARLA");

WHEREAS, Brickell intends to undertake an agreement with Botanix Pharmaceuticals Ltd. and Botanix SB Inc. (collectively "Botanix") pursuant to the terms contained in Exhibits A and B of this Rights Agreement (hereafter, the "Botanix Transaction") and

WHEREAS, the Parties wish to address certain financial consequences and questions between themselves resulting from the Botanix Transaction;

NOW, THEREFORE, in consideration of the foregoing, the mutual promises of the Parties contained herein, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and fully intending to be legally, finally, and completely bound hereby, the Parties stipulate and agree as follows:

Botanix Transaction

Brickell and Botanix anticipate entering into the Asset Purchase Agreement (hereafter, the "APA"), attached and incorporated in its final form by reference hereto as Exhibit A of this Rights Agreement. In parallel, Brickell and Botanix will execute a Transition Services Agreement (hereafter, the "TSA") whereby they will act as independent contractors for Botanix to perform certain services related to transitioning the assigned assets in exchange for reimbursement by Botanix, such TSA is attached and incorporated in its final form by reference hereto as Exhibit B of this Rights Agreement.

As part of this Rights Agreement, the Parties agree that Brickell Sub and Brickell Parent have the power and authority under the ARLA to enter into the Botanix Transaction, and acknowledge and agree at Closing that Botanix will assume the ARLA pursuant to the APA.

For purposes of this Rights Agreement, the following terms referenced herein will be as defined and governed by the APA: "Closing", "Earnout Payments", "Kaken", "Kaken Payments", "Kaken Sublicense", "Milestone Payments", "Net Sales", "Product", "Reimbursement Amounts", "Territory", and "Upfront Consideration".

Payments to BLI

Upfront Consideration and Milestone Payments

Pursuant to this Rights Agreement, Brickell agrees to pay BLI Eighteen Percent (18.0%) of the amount of each payment actually received from Botanix for Upfront Consideration and Milestone Payments.

Earnout Payments

Pursuant to this Rights Agreement, Brickell agrees to pay BLI the incremental portion of Earnout Payments as described in the table below (that percentage hereafter known as the "BLI Earnout Share"), multiplied by the actual amount of each applicable Earnout Payment actually received by Brickell from Botanix under the APA:

Portion of Net Sales of Products in the Territory Per Calendar Year	BLI Earnout Share
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

No Other Compensation

Other than as expressly provided above, there is no other compensation that Brickell owes or will owe BLI under the ARLA or this Rights Agreement. For the avoidance of doubt, BLI does not receive any compensation from Brickell for the following [***].

Payment Process for BLI

All payments required by this Rights Agreement to be made by Brickell to BLI shall be remitted to BLI within [***] calendar days of receipt by Brickell from Botanix of any cleared funds that would trigger a payment obligation under the above "Upfront Consideration and Milestone Payments" and "Earnout Payments" provisions. On or before the date that the payment is remitted by Brickell to BLI, Brickell will notify BLI of the amount received from Botanix [***]. Payments owed to BLI hereunder shall be made by Brickell via wire transfer to:

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

Interest

In addition to any other rights and remedies of BLI under this Rights Agreement, any amounts owed to BLI under this Rights Agreement shall, if not paid when due, accrue interest at a rate that is the lesser of (i) [***] per annum above the average prime rate as published in the Wall Street Journal for the applicable days of the period of default, or (ii) the maximum rate allowed by applicable law.

Audits

Brickell shall maintain, and shall cause its sublicensees and affiliates to maintain, complete and accurate books and records relating [***] to any amounts payable to BLI under this Rights Agreement, which records shall contain sufficient information to permit BLI to confirm the accuracy of any reports and payments delivered to BLI hereunder. The relevant Party shall retain such records for at least [***] following the end of the calendar year to which they pertain, during which time BLI, or BLI's appointed agents, shall have the right, [***], through an independent certified public accontant selected by BLI ("BLI's CPA"), to inspect, copy, and audit such records during normal business hours to verify any reports and payments made. BLI shall have the right to inspect Brickell's books and records as needed in BLI's reasonable discretion. In the event that any audit performed hereunder reveals [***], Brickell shall [***] of such audit and shall remit any amounts due to BLI within [***] of receiving notice thereof from BLI. In the event that any audit performed hereunder reveals [***], BLI shall return [***] to Brickell within [***] days of receiving the audit report or credit Brickell in an amount [***]. If Brickell disputes the findings of BLI's CPA, then within thirty [***] after receipt by Brickell of BLI's CPA's report, Brickell shall designate an independent certified public accountant ("Brickell's CPA") to work with BLI's CPA [***] in an attempt to resolve the disputed findings. If BLI's CPA and Brickell's CPA are unable to resolve the differences, BLI's CPA and Brickell's CPA will agree upon an independent third-party CPA ("Third-Party CPA"), who shall review and inspect the identical books, records, and other documents reviewed by BLI's CPA and Brickell's CPA and issue an independent report pertaining thereto ("Report"). The Report shall be binding upon both parties. If the Report reflects [***] of the payments owed under this Rights Agreement for the calendar year then being reviewed, the reasonable and necessary fees and expenses of BLI's CPA and the Third-Party CPA shall be [***]. Otherwise, the fees and expenses of Brickell's CPA and the Third-Party CPA shall be [***].

No Admission

By entering into this Rights Agreement, the Parties expressly deny any wrongdoing or any liability to each other on any grounds. Neither this Rights Agreement, nor any consideration provided for by it, may be construed as, or may be used as, an admission of any fault, wrongdoing or liability, or waiver of any right or legal position, whatsoever by any Party, except as directly stated otherwise herein.

Release of Claims

Upon execution of this Rights Agreement, the Parties forever unconditionally, fully, irrevocably and absolutely release, waive and forever discharge each other, as well as any other present or

former employees, officers, directors, stockholders, agents, attorneys, affiliates (defined as entities under common ownership or control with a Party), subsidiaries, predecessors and successors, assigns, insurers, and all other agents or representatives of each other, including but not limited to any other persons or entities acting by, through, under, or in concert with any of the persons or entities as just described (collectively, "Released Parties"), from any and all known and unknown causes of action, promises, judgments, liens, indebtedness, damages, losses, claims (including attorneys' fees and costs), debts, liabilities and demands or similar rights of any type of whatsoever kind and character that each Party may have against the other Party, now or hereafter, related to the ARLA, and these claims shall be referred to hereafter collectively as "Released Claims". This Rights Agreement shall inure to the benefit of and shall be binding and enforceable by all of the Released Parties. Notwithstanding the foregoing, the Parties do not intend for any Released Claims to include rights and/or obligations made under this Rights Agreement.

Covenant Not to Sue

The Parties covenant, agree and represent, to the fullest extent permitted by law, that they will not initiate or file a lawsuit or proceeding of any kind to assert any Released Claims, or have instituted on their behalf any of the foregoing, and that they have no such lawsuit, administrative or equitable action, or civil complaint, currently pending. If any such action covered by this paragraph is brought by or for a Party against the other Parties, this Rights Agreement will constitute an affirmative defense thereto, and the other Party/ies and any other Released Parties named in such action shall be entitled to recover from the Party violating this paragraph their reasonable costs and attorneys' fees incurred in defending against any Released Claims. The Released Parties also shall have the right of set-off against any obligation to the Party violating this paragraph under this Rights Agreement.

Warranty by BLI

BLI warrants and represents that it has all requisite power to enter into and perform under this Rights Agreement. BLI further warrants and represents that the execution and delivery of this Rights Agreement and the performance of its obligations hereunder do not and will not conflict with or result in a breach of or default under BLI's organizational instruments or any other agreement, instrument, order, law or regulation applying to BLI or by which BLI may be bound.

Warranty by Brickell

Brickell warrants and represents that it has all requisite power to enter into and perform under this Rights Agreement. Brickell further warrants and represents that the execution and delivery of this Rights Agreement and the performance of its obligations hereunder do not and will not conflict with or result in a breach of or default under its organizational instruments or any other agreement, instrument, order, law or regulation applying to it or by which it may be bound.

Further, other than the Kaken Sublicense, Brickell warrants and represents that, prior to the Botanix Transaction and the execution of this Rights Agreement, it has not entered into any agreements or transactions (i) [***] or (ii) [***]. Brickell additionally represents and warrants that this Rights Agreement shall be executed in parallel and concurrently with the execution of

the APA, TSA and ancillary documents as described in Sections 2.8 and 2.9 of the APA, by Brickell and Botanix.

Assignment

The rights and obligations under this Rights Agreement may not be transferred or assigned without the prior written consent of the other Party, which shall not be unreasonably withheld, except that either Party may assign this Agreement in whole to a third party who acquires all or substantially all of the assets or equity of the assigning Party.

Notices

All notices required or permitted hereunder shall be given in writing and sent by email and at same time also by either first-class certified mail, by a nationally recognized express courier service or hand delivered, to the following persons at the following addresses:

To BLI:

Martin A. Bruehs, Esquire
Sheppard Mullin Richter & Hampton LLP
2099 Pennsylvania Avenue, NW
Ste 100
Washington, D.C. 20006-6801
E-mail: mbruehs@sheppardmullin.com

Dr. Erik T. Bodor
Bodor Laboratories, Inc.
4400 Biscayne Blvd.
Ste 980
Miami, FL 33137
E-mail: [***]

To Brickell:

Mr. Andrew Sklawer
Brickell Biotech, Inc.
5777 Central Avenue
Ste. 102
Boulder, CO 80301
E-mail: [***]

Mr. David R. McAvoy
Brickell Biotech, Inc.
5777 Central Ave
Ste 102
Boulder, CO 80301
E-mail: [***]

Mr. Michael Cockson
Faegre Drinker Biddle & Reath LLP
2200 Wells Fargo Center
90 South Seventh St.
Minneapolis, MN 55402
E-mail: Michael.cockson@faegredrinker.com

Effect of Notice

Any notice required under this Rights Agreement that is properly addressed and sent shall be deemed made three (3) business days after the date of mailing as indicated on the certified mail receipt or on the next business day if sent by email or by an express courier service, or if hand delivered on the day of that delivery.

Governing Law and Jurisdiction

This Rights Agreement shall be governed and construed in accordance with the laws of the State of Florida. The Parties consent to the exclusive jurisdiction of the United States District Court for the Southern District of Florida to resolve any disputes between the Parties in relation to this Rights Agreement.

Litigation Over This Rights Agreement

The prevailing Party in any litigation to enforce this Rights Agreement shall be entitled to reasonable costs and attorneys' fees incurred in such litigation payable by the losing Party/ies.

Modification or Amendment

No modification or amendment of any of the provisions contained in this Rights Agreement shall be valid unless made in writing and executed by officers or other authorized representatives of the Parties.

Severability

All of the provisions of this Rights Agreement are intended to be distinct and severable. If any provision of this Rights Agreement is or is declared to be invalid or unenforceable in any jurisdiction, it shall be ineffective in such jurisdiction only to extent of such invalidity or unenforceability. Such invalidity or unenforceability shall not affect the balance of such provision, to the extent it is not invalid or unenforceable, or the remaining provisions hereof, or render invalid or unenforceable such provision in any other jurisdiction.

No Waiver

The failure of any Party hereto at any time to enforce any of the provisions of this Rights Agreement shall not be deemed or construed to be a waiver of any such provisions, nor in any way to affect the validity of this Rights Agreement or any provisions hereof or the right of any Party hereto to enforce each and every provision of this Rights Agreement. No waiver of any breach of any of the provisions of this Rights Agreement shall be effective unless set forth in a written instrument executed by the Party against whom enforcement of such waiver is sought; and no waiver of any such breach shall be construed or deemed to be a waiver of any other prior or subsequent breach.

Headings and Capitalized Terms

The headings of sections and subsections have been included for convenience only and shall not be considered in interpreting this Rights Agreement. Any capitalized terms not defined in this Rights Agreement shall be subject to their corresponding definitions in either the APA, TSA, or ARLA, as applicable by the context.

Counterparts

This Rights Agreement may be executed by the Parties in one or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same Rights Agreement.

Interpretation and Construction

This Rights Agreement has been fully and freely negotiated by the Parties hereto with the advice of fully qualified legal counsel, shall be considered as having been drafted jointly by the Parties hereto, and shall be interpreted and construed as if so drafted, without construction in favor of or against any Party on account of its participation in the drafting thereof.

Relationship of the Parties

Nothing in this Rights Agreement shall create or imply an agency, partnership or joint venture between the Parties. No Party shall act or describe itself as an agent or representative of the other Party. Nor shall any Party have or represent that it has any authority to make commitments on behalf of the other Party.

Entire Agreement

This Rights Agreement sets out the entire agreement and understanding between the Parties with respect to the subject matter of this Rights Agreement and rescinds and supersedes all prior related discussions between the Parties. This Rights Agreement may not be modified, changed, amended or discharged except through a writing signed by all Parties or as expressly provided by this Rights Agreement.

Acknowledgement of Review

Each Party has executed this Rights Agreement without reliance upon any promise, representation or warranty other than those expressly set forth herein. Each Party acknowledges that (a) it has carefully read this Rights Agreement, (b) it has had the assistance of fully qualified legal counsel of its choosing in the review and execution hereof, and (c) it has executed this Rights Agreement of its own free will.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Parties have each caused this Rights Agreement to be executed by a duly authorized officer as shown below.

BRICKELL BIOTECH INC.

/s/ Andrew Sklawer

Name: Andrew Sklawer
Title: Chief Operating Officer

BRICKELL SUBSIDIARY, INC.

/s/ Andrew Sklawer

Name: Andrew Sklawer
Title: Secretary and Treasurer

BODOR LABORATORIES, INC.

/s/ Nicholas S. Bodor

Name: Dr. Nicholas S. Bodor
Title: Chief Executive Officer

Exhibit 99.1

Brickell Biotech Announces Sale of Sofpironium Bromide to Botanix Pharmaceuticals

Deal includes up to $9 million in upfront and potential near-term regulatory milestone payments, $168 million in potential future regulatory and sales milestone payments, plus tiered earnout payments on net sales to Brickell

Sale reflects Brickell's strategic shift into the immunology and inflammation fields; proceeds will be used to advance Company's pipeline of recently acquired novel therapies

BOULDER, CO — **May 3, 2022** — Brickell Biotech, Inc. (Nasdaq: BBI) ("Brickell" or "Company"), a clinical-stage pharmaceutical company striving to transform patient lives by developing innovative and differentiated prescription therapeutics for the treatment of autoimmune, inflammatory, and other debilitating diseases, announced today that it has signed and closed a definitive asset purchase agreement with Botanix SB Inc., a subsidiary of Botanix Pharmaceuticals Limited (ASX: BOT) ("Botanix"), whereby Botanix has acquired the Company's rights to sofpironium bromide, a retrometabolically-designed new chemical entity that belongs to a class of medications called anticholinergics. Sofpironium bromide gel, 15% is a potential best-in-class topical therapy that recently completed a U.S. Phase 3 pivotal clinical program for the treatment of primary axillary hyperhidrosis, or excessive underarm sweating. Brickell was on track to submit a New Drug Application ("NDA") to the U.S. FDA for sofpironium bromide gel, 15% in mid-2022.

Under the terms of the agreement, Botanix has acquired from Brickell all assets primarily related to sofpironium bromide. In exchange, Brickell will receive upfront and potential near-term regulatory milestone payments over the next 18 months of up to $9 million from Botanix. Brickell also is eligible to receive additional success-based regulatory and sales milestone payments of up to $168 million and tiered earnout payments ranging from high-single digits to mid-teen digits on net sales of sofpironium bromide gel. Certain of these amounts are subject to payments by Brickell to its former licensor. Botanix will be responsible for all further research, development, and commercialization of sofpironium bromide globally. In connection with the sale of sofpironium bromide, Brickell and Botanix entered into a transition services agreement whereby Brickell will provide consulting services to Botanix through submission and potential approval of the U.S. NDA for sofpironium bromide gel, 15%.

"We are pleased to announce the closing of this transaction with Botanix, whose established leadership team has a strong track record of gaining FDA approval for, and successfully commercializing, some of the leading brands in medical dermatology and aesthetic medicine," commented Robert Brown, Chief Executive Officer of Brickell. "This deal allows us to start unlocking the value of sofpironium bromide by providing an optimal pathway for sofpironium bromide gel, 15% to become a potential best-in-class treatment for the millions of patients suffering from primary axillary hyperhidrosis without the significant investment for commercialization required on our part."

Mr. Brown continued, "Today marks a pivotal day in Brickell's evolution, as we now shift our strategic focus to developing novel therapeutics in the immunology and inflammatory fields. Accordingly, we intend to invest the proceeds and potential future economics from this sale to continue advancing our exciting pipeline of novel, potential first-in-class therapies. This includes conducting a first-in-human Phase 1 clinical study that is on track to start this quarter for our lead DYRK1A inhibitor, BBI-02, and progressing the development of our lead STING inhibitor, BBI-10, and other next-generation kinase inhibitors through early preclinical stage studies in 2022."

Additional details of the transaction, including related agreements and matters, will be contained in a Current Report on Form 8-K to be filed by the Company.

Oganesson, LLC served as transaction advisor and Faegre Drinker Biddle & Reath, LLP served as legal counsel to Brickell in connection with the transaction. MTS Health Partners, LP served as transaction advisor and Troutman Pepper Hamilton Sanders, LLP served as legal counsel to Botanix in connection with the transaction.

About Sofpironium Bromide

Sofpironium bromide is a new chemical entity that belongs to a class of medications called anticholinergics. Anticholinergics block the action of acetylcholine, a chemical that transmits signals within the nervous system that are responsible for a range of bodily functions, including activation of the sweat glands. Sofpironium bromide was retrometabolically designed. Retrometabolic drugs are intended to exert their action locally and are potentially rapidly metabolized into a less active

metabolite once absorbed into the blood. Sofpironium bromide gel, 15% has completed a U.S. pivotal Phase 3 clinical program for the treatment of primary axillary hyperhidrosis, and sofpironium bromide gel, 5% is approved in Japan for the same indication under the brand name ECCLOCK®.

About Brickell

Brickell Biotech, Inc. is a clinical-stage pharmaceutical company striving to transform patient lives by developing innovative and differentiated prescription therapeutics for the treatment of autoimmune, inflammatory, and other debilitating diseases. Brickell's pipeline consists of several development-stage candidates and a cutting-edge platform with broad potential in autoimmune and inflammatory disorders. This includes BBI-02, a Phase 1-ready, potential first-in-class oral DYRK1A inhibitor with strong preclinical validation for the treatment of autoimmune and inflammatory diseases, such as atopic dermatitis, rheumatoid arthritis and type 1 diabetes, BBI-10, a novel, preclinical stage oral STING inhibitor that has demonstrated dose-dependent cytokine reduction in nonclinical studies providing proof of mechanism for the treatment of autoinflammatory and rare genetic conditions, and a platform of next-generation DYRK, CLK, LRRK2 and TTK kinase inhibitors with the potential to produce treatments for autoimmune, inflammatory, and other debilitating conditions. Brickell's executive management team and board of directors bring extensive experience in product development and global commercialization, having served in leadership roles at large global pharmaceutical companies and biotechs that have developed and/or launched successful products, including several that were first-in-class and/or achieved iconic status, such as Cialis®, Taltz®, Gemzar®, Prozac®, Cymbalta®, and Juvederm®. Brickell's strategy is to leverage this experience to in-license, acquire, develop, and commercialize innovative pharmaceutical products that Brickell believes can meaningfully benefit patients who are suffering from chronic, debilitating diseases that are underserved by available therapies. For more information, visit https://www.brickellbio.com.

Cautionary Note Regarding Forward-Looking Statements

Any statements made in this press release relating to future financial, business, and/or research and clinical performance, conditions, plans, prospects, trends, or strategies and other such matters, including without limitation, Brickell's strategy; future operations; future financial position; future liquidity; future revenue; projected expenses; results of operations; the anticipated timing, scope, design, progress, results, and/or reporting of data of ongoing and future non-clinical and clinical trials; intellectual property rights, including the validity, term, and enforceability of such; the expected timing and/or results of regulatory submissions and approvals; and prospects for commercializing any of Brickell's product candidates, or research collaborations with, or actions of, its partners, including in Japan, South Korea, the United States, or any other country are forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. In addition, when or if used in this press release, the words "announces," "may," "could," "should," "might," "anticipate," "reflects," "believe," "estimate," "expect," "intend," "plan," "predict," "potential," "will," evaluate," "advance," "excited," "aim," "strive," "help," "progress," "select," "initiate," "look forward," "promise," and similar expressions and their variants, as they relate to Brickell or any of Brickell's partners or third parties, may identify forward-looking statements. Brickell cautions that these forward-looking statements are subject to numerous assumptions, risks, and uncertainties, which change over time, often quickly, and in unanticipated ways. Important factors that may cause actual results to differ materially from the results discussed in the forward-looking statements or historical experience include risks and uncertainties, including without limitation, research results and data that do not meet targets, expectations or regulatory approval requirements; ability to obtain adequate financing for product development, regulatory submissions, and any commercialization; ability to maintain and enforce intellectual property rights; potential delays or alterations in product development, trials of any type, and regulatory submission and reviews; changes in law or policy; litigation, regulatory agency feedback or requests; supply chain disruptions; unanticipated demands on cash resources; disruptions and negative effects related to the COVID-19 pandemic and the conflict in Ukraine; interruptions, disruption, or inability by Brickell or its partners to obtain or supply research material, raw materials, and/or product anywhere in the world; efforts to obtain and retain adequate pricing and adequate reimbursement and other insurance coverage for Brickell's products; the outcome of Brickell's current and planned preclinical and clinical trials across its portfolio; the inability of Botanix to achieve the regulatory and sales-based events, and therefore Brickell not receiving any additional payments, under its agreement with them; and other risks associated with developing and obtaining regulatory approval for, and commercializing, product candidates. Further information on the factors and risks that could cause actual results to differ from any forward-looking statements are contained in Brickell's filings with the United States Securities and Exchange Commission, which are available at https://www.sec.gov (or at https://www.brickellbio.com). The forward-looking statements represent the estimates of Brickell as of the date hereof only. Brickell specifically disclaims any duty or obligation to update forward-looking statements.

Brickell Investor Contact:

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LifeSci Advisors
(617) 430-7576
daniel@lifesciadvisors.com