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

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended December 31, 2025
or

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

Commission file number: 001-34475

OMEROS CORPORATION

(Exact name of registrant as specified in its charter)

Washington	**91-1663741**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification Number)**

201 Elliott Avenue West
Seattle, Washington 98119
(Address of principal executive offices and zip code)

(206) 676-5000
(Registrant's telephone number, including area code)
Securities registered pursuant to Section 12(b) of the Act:

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

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

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

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

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

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

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

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☐

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

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

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

The aggregate market value of the voting and non-voting common stock held by non-affiliates of the registrant as of the last business day of the registrant's most recently completed second fiscal quarter was $172,381,173.

As of March 27, 2026, the number of outstanding shares of the registrant's common stock, par value $0.01 per share, was 71,996,171.

DOCUMENTS INCORPORATED BY REFERENCE

Specified portions of the registrant's proxy statement with respect to the 2026 Annual Meeting of Shareholders, which is to be filed pursuant to Regulation 14A within 120 days after the end of the registrant's fiscal year ended December 31, 2025, are incorporated by reference into Part III of this Form 10-K.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934 (the "Exchange Act"), which are subject to the "safe harbor" created by those sections for such statements. Forward-looking statements are based on our management's beliefs and assumptions and on currently available information. All statements other than statements of historical fact are "forward-looking statements." Terms such as "anticipate," "believe," "could," "estimate," "expect," "goal," "intend," "likely," "may," "plan," "possible," "potential," "predict," "project," "should," "target," "will," "would," and similar expressions and variations thereof are intended to identify forward-looking statements, but these terms are not the exclusive means of identifying such statements. Examples of these statements include, but are not limited to, statements regarding:

- our future performance, financial position and results of operations, including our expectations relating to income from product sales revenue, milestone payments potentially payable to us under certain agreements and other sources, our estimates of future operating expenses and projections regarding how long our existing cash, cash equivalents and short-term investments will fund our anticipated operating expenses, capital expenditures, and debt service obligations;
- the availability of capital resources, including our ability to raise additional capital through the capital markets or one or more future equity offerings, debt financings, industry collaborations, licensing arrangements, asset sales, or other means;
- our plans for sales, marketing, and distribution of YARTEMLEA® and our estimates and expectations regarding coverage and reimbursement for YARTEMLEA;
- our expectations regarding anticipated or potential paths to regulatory approval of YARTEMLEA by the European Medicines Agency ("EMA"), including whether a decision on our marketing authorization application ("MAA") for narsoplimab in hematopoietic stem cell transplant-associated thrombotic microangiopathy ("TA-TMA") will be issued within the expected timeframe, and whether the EMA or any other regulatory authority will ultimately grant approval for narsoplimab in TA-TMA or in any other indication;
- our expectations regarding supply and manufacturing of YARTEMLEA drug substance and finished drug product and the performance of the contract manufacturers on whom we rely to manufacture YARTEMLEA for commercial sale and for support with associated regulatory obligations, and our expectations related to manufacturing and supply of our product candidates in development;
- our expectations about the commercial competition that YARTEMLEA or our product candidates, if commercialized, face or may face;
- our expectations relating to the Asset Purchase and License Agreement (the "APLA"), by and between Omeros Corporation and Novo Nordisk Health Care AG ("Novo Nordisk"), including Novo Nordisk's anticipated development plans for zaltenibart, anticipated outcomes of such plans and the amounts potentially payable to us under the terms of the APLA;
- our expectations regarding amounts potentially payable to us based on sales of our former commercial ophthalmology product OMIDRIA® under relevant agreements;
- our expectations regarding the clinical, therapeutic, and competitive benefits and importance of YARTEMLEA, zaltenibart, and the product candidates within our development pipeline;
- our expectations regarding planned or ongoing clinical trials, including anticipated strategies for future clinical development of our internal or partnered products and development candidates, and our ability or our partners' ability to design, initiate and/or successfully complete clinical trials and other studies;
- our involvement in existing or potential claims, legal proceedings, and administrative actions, and the merits, potential outcomes and effects of both existing and potential claims, legal proceedings, and administrative actions, as well as regulatory determinations, on our business, prospects, financial condition, and results of operations;
- the extent of protection that our patents provide and that our pending patent applications will provide, if patents are issued from such applications, for our technologies, programs, products and product candidates;
- our ability to consummate licensing, partnering or other transactions and the benefits, if any, we would receive from any such transactions; and
- the factors on which we base our estimates for accounting purposes and our expectations regarding the effect of changes in accounting guidance or standards on our operating results.

Our actual results could differ materially from those anticipated in these forward-looking statements for many reasons, including the risks, uncertainties and other factors described in Item 1A of Part I of this Annual Report on Form 10-K under the heading "Risk Factors" and in Item 7 of Part II under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations" and in our other filings with the Securities and Exchange Commission ("SEC"). Given these risks, uncertainties and other factors, actual results or anticipated developments may not be realized or, even if substantially realized, they may not have the expected consequences to or effects on our company, business or operations. Accordingly, you should not place undue reliance on these forward-looking statements, which represent our estimates and assumptions only as of the date of the filing of this Annual Report on Form 10-K. You should read this Annual Report on Form 10-K completely and with the understanding that our actual results in subsequent periods may materially differ from current expectations. Except as required by applicable law, including the securities laws of the United States and the rules and regulations of the SEC, we assume no obligation to update or revise any forward-looking statements contained herein, whether as a result of any new information, future events or otherwise.

OMEROS CORPORATION
ANNUAL REPORT ON FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2025

INDEX

	Page
Part I	1
Item 1. Business	1
Item 1A. Risk Factors	22
Item 1B. Unresolved Staff Comments	34
Item 1C. Cybersecurity	34
Item 2. Properties	34
Item 3. Legal Proceedings	34
Item 4. Mine Safety Disclosures	34
Part II	35
Item 5. Market for Registrant's Common Equity, Related Shareholder Matters and Issuer Purchases of Equity Securities	35
Item 6. [Reserved]	36
Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations	36
Item 7A. Quantitative and Qualitative Disclosures About Market Risk	47
Item 8. Financial Statements and Supplementary Data	48
Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosures	69
Item 9A. Controls and Procedures	69
Item 9B. Other Information	70
Item 9C. Disclosures Regarding Foreign Jurisdictions that Prevent Inspection	70
Part III	70
Item 10. Directors, Executive Officers and Corporate Governance	70
Item 11. Executive Compensation	70
Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Shareholder Matters	71
Item 13. Certain Relationships and Related Transactions, and Director Independence	71
Item 14. Principal Accounting Fees and Services	72
Part IV	72
Item 15. Exhibits, Financial Statement Schedules	72
Item 16. Form 10-K Summary	78
Signatures	79

PART I

This Annual Report on Form 10-K contains forward-looking statements reflecting our current expectations that involve risks and uncertainties. Actual results may differ materially from those discussed in these forward-looking statements due to a number of factors, including those set forth in the section entitled "Risk Factors" and elsewhere in this Annual Report. Please refer to the special note regarding forward-looking statements at the beginning of this Annual Report on Form 10-K for further information.

ITEM 1. BUSINESS

Overview

Omeros Corporation ("Omeros," the "Company" or "we") is an innovative, commercial-stage biotechnology company that discovers and develops first-in-class protein and small-molecule therapeutics for large-market and orphan indications, with particular emphasis on complement-mediated diseases, cancers, and addictive or compulsive disorders.

Our complement-targeted product, product candidates, and therapeutic programs are primarily focused on diseases and disorders associated with the lectin and/or alternative pathways of complement. Our lectin pathway program includes inhibitors of mannan-binding lectin-associated serine protease 2 ("MASP-2") and our alternative pathway program includes inhibitors of mannan-binding lectin-associated serine protease 3 ("MASP-3").

Our Commercial Product: YARTEMLEA® (narsoplimab-wuug)

YARTEMLEA® (narsoplimab-wuug) is the first and only approved therapy for hematopoietic stem cell transplant-associated thrombotic microangiopathy ("TA-TMA"), an often-fatal complication of stem cell transplantation driven by activation of the lectin pathway of complement. YARTEMLEA selectively inhibits MASP-2, the effector enzyme of the lectin pathway, blocking the pathway's activation while preserving classical and alternative complement functions important for host defense against infection.

YARTEMLEA was approved by the U.S. Food and Drug Administration ("FDA") on December 23, 2025 for the treatment of TA-TMA in adult and pediatric patients aged two years and older. Unlike other complement inhibitors, YARTEMLEA has no boxed warning and no Risk Evaluation and Mitigation Strategy ("REMS"), and vaccinations are not required prior to treatment. Commercial distribution and sales of YARTEMLEA began in January 2026.

A marketing authorization application ("MAA") for YARTEMLEA in TA-TMA has been submitted to the European Medicines Agency ("EMA") and is being reviewed under EMA's centralized review procedure, which allows review of a single marketing authorization application. If the MAA is approved, it would authorize the product to be marketed in all EU member states and European Economic Area countries. The European Commission (the "EC") has granted narsoplimab designation as an orphan medicinal product for treatment in hematopoietic stem cell transplantation.

Our Partnered Program: Zaltenibart (OMS906)

As part of our program to develop complement-targeted therapeutics, we identified MASP-3, which has been shown to be the key activator of the complement system's alternative pathway ("APC"). The complement system is part of the immune system's innate response, and the APC is considered the amplification loop within the complement system. MASP-3 is responsible for the conversion of pro-factor D to mature factor D; which is necessary for the activation of the APC. We believe that MASP-3 inhibitors have potential applications across a broad range of therapeutic areas and indications, including paroxysmal nocturnal hemoglobinuria (PNH), renal diseases such as immunoglobulin A nephropathy (IgAN), C3 glomerulopathy and atypical hemolytic uremic syndrome, as well as other immune and complement-driven disorders.

On November 25, 2025, we completed a transaction (the "Transaction") pursuant to an Asset Purchase and License Agreement ("APLA") between Omeros and Novo Nordisk Healthcare AG ("Novo Nordisk"), dated October 10, 2025, in which Novo Nordisk received exclusive global rights in all indications to develop and commercialize our lead investigational MASP-3 inhibitor, zaltenibart (formerly OMS906), and certain related compounds and products. Zaltenibart is a first-in-class, late-stage clinical humanized monoclonal antibody targeting MASP-3, the most upstream and key activator of the alternative pathway of the complement system. Zaltenibart has shown multiple potential advantages over other alternative pathway inhibitors in development and on the market.

At the closing of the Transaction, we received an upfront cash payment of $240.0 million. In addition, we are eligible to receive (i) up to $510.0 million in one-time milestone payments upon the first achievement by Novo Nordisk or its affiliates or sublicensees of each of the development and approval milestone events as set forth in the APLA and (ii) up to $1.3 billion in one-time milestone payments upon the first achievement by Novo Nordisk or its affiliates or sublicensees of certain sales-based milestone events as set forth in the APLA. We are also eligible under the APLA to receive tiered royalties on annual net sales of products at percentage rates ranging from high single digit to high teens, subject to reduction in certain circumstances, as set forth in the APLA. In total, we are eligible to receive up to an additional $1.8 billion in potential development and commercial milestones, plus tiered royalties on net sales.

Pursuant to the APLA, we sold and transferred, and Novo Nordisk purchased zaltenibart and certain related assets, and the parties agreed to grant and receive certain intellectual property licenses to facilitate the continued development and commercialization activities of both companies. We retain rights to our MASP-3 small-molecule program unrelated to zaltenibart, including the ability to develop and commercialize small-molecule MASP-3 inhibitors, across a range of therapeutic areas, including, but not limited to, ophthalmology, neurology, gastrointestinal disorders, dermatology, musculoskeletal diseases, and oncology. We also retain rights to our "grandfathered" MASP-3 antibodies, with temporal and indication restrictions on commercialization and for use in advancing our small-molecule therapeutics.

In accordance with the APLA, at the closing of the Transaction, Omeros and Novo Nordisk entered into a transition services agreement (the "Transition Services Agreement") pursuant to which we are providing certain transition services to Novo Nordisk to facilitate the transfer of the acquired assets and liabilities under the APLA and to provide for the continued operation of relevant studies and program activities during the applicable term. Subject to certain exceptions and limitations, Novo Nordisk reimburses us for costs and expenses we incur under the Transition Services Agreement, including third-party costs and expenses, costs associated with delivery of transition services by Omeros personnel on an hourly basis at rates specified in the Transition Services Agreement, and for our inventories of zaltenibart drug substance and product.

Our Product Candidates and Development Programs

Our clinical product candidates consist of the following:

Product Candidate/Program	Targeted Disease(s)	Development Status	Next Expected Milestone
Narsoplimab (MASP-2 / Lectin Pathway)	Acute respiratory distress syndrome ("ARDS"), including severe acute COVID-19, which can result in post-acute sequelae of SARS-CoV-2 infection ("PASC," i.e., long COVID)	Phase 2 clinical trial in severe COVID-19 completed, and animal studies completed in bacterially, virally, and chemically induced ARDS	Initiation of one or more Phase 2 clinical trials in ARDS
OMS1029 (MASP-2 / Lectin Pathway)	Long-acting second-generation antibody targeting lectin pathway disorders	Phase 1 studies completed	Finalize indication and initiate Phase 2 clinical trial
OMS527 (PDE7)	Cocaine use disorder ("CUD"); other addictive and compulsive disorders; movement disorders	Phase 1b study in adult cocaine using subjects contracted and pending initiation with committed funding from National Institute on Drug Abuse ("NIDA")	Complete NIDA-funded Phase 1b clinical trial in cocaine using subjects

Our pipeline of preclinical development programs includes the following:

Preclinical Program	Targeted Disease(s)	Development Status	Next Expected Milestone
MASP-2: small-molecule inhibitors	Lectin pathway disorders	Final stage of selecting drug development candidate	Achieve clearance of an Investigational New Drug ("IND") application to allow initiation of clinical trials
MASP-3: small-molecule inhibitors	Alternative pathway disorders	Assessing molecules to select a drug development candidate	Select drug development candidate for clinical trials
OncotoX-AML	Acute myeloid leukemia	Completed selection of drug development candidate	Achieve clearance of an IND application to allow initiation of clinical trials
Targeted Complement Activating Therapy (T-CAT)	Multidrug-resistant organisms	Conducting animal studies to allow selection of initial drug development candidate for initial targeted multidrug resistant bacterial infectious disease	Select drug development candidate for clinical trials

Complement Inhibitor Programs

We are a worldwide leader in complement science and in the development of therapeutics focused on modulating the activation of the complement system, a group of specialized proteins that comprise an important part of the body's immune system and protect against invasive pathogens as well as damaged cells inside the body. When triggered, the various components of complement cooperate to generate an immune response that fights infection and clears damaged or dead cells, maintaining healthy function of the body's systems. However, dysregulation of the complement system (i.e., over- or under-activation) can be harmful and is associated with increased vulnerability to infections and non-infectious diseases, including autoimmune disorders, chronic inflammation, thrombotic microangiopathy, and cancer.

There are three distinct pathways of complement, each activated via one or more unique mechanisms:

- Classical pathway: activated by antigen-antibody complexes
- Lectin pathway: activated by lectin binding of carbohydrate patterns on the surfaces of damaged cells and microbes
- Alternative pathway: constitutively active and amplifies classical and lectin pathway activation

MASP-2 Program - Lectin Pathway Disorders

MASP-2, a novel pro-inflammatory protein target, is the effector enzyme of the lectin pathway and is required for the function of this pathway. Omeros is developing antibodies and small-molecule inhibitors of MASP-2 as potential therapeutics for diseases in which the lectin pathway has been shown to contribute to significant tissue injury and pathology. When not treated, these diseases are typically characterized by significant end-organ damage, such as kidney or central nervous system injury. Importantly, inhibition of MASP-2 has been demonstrated not to interfere with the antibody-dependent classical complement activation pathway, a critical component of the acquired immune response to infection. In addition to our clinical programs evaluating narsoplimab, we have generated positive preclinical data from MASP-2 inhibition in *in vivo* models of myocardial infarction, diabetic neuropathy, stroke, ischemia-reperfusion injury, and other diseases and disorders. We own or hold worldwide exclusive licenses to rights related to MASP-2, the antibodies targeting MASP-2 and the therapeutic applications for those antibodies.

YARTEMLEA® (narsoplimab)

The first FDA-approved product from our portfolio of complement-targeted therapeutics is YARTEMLEA (narsoplimab), a proprietary, patented human monoclonal antibody targeting MASP-2 and the lectin pathway of complement. Narsoplimab was approved by FDA on December 23, 2025, becoming the first approved inhibitor of the lectin pathway, as well as the first and only approved treatment for TA-TMA. For more information regarding commercialization of YARTEMLEA ("narsoplimab-wuug"), which is marketed in the U.S. for the treatment of TA-TMA, see "Our Commercial Product: YARTEMLEA® (narsoplimab-wuug)" above.

We intend to continue clinical development of YARTEMLEA to evaluate potential opportunities to expand on the approved label in TA-TMA and to develop the drug as a treatment for indications other than TA-TMA.

Indications to which development efforts have been directed include the following:

ARDS: There is strong and increasingly well-established evidence of the central role of the lectin pathway in ARDS, including severe acute COVID-19, which can result in PASC, i.e., long COVID. We have developed mechanistic, *in vivo* animal data, and proof-of-concept clinical data indicating that narsoplimab may be an effective therapeutic for ARDS and/or related indications. We have also generated compelling data in established animal models across all forms of severe ARDS - bacterially, virally, and chemically induced. We are working to initiate one or more Phase 2 clinical trials in ARDS.

We have also developed an assay platform to identify hyperactivation of the lectin pathway. Because lectin pathway hyperactivation is correlated with COVID-19-related-ARDS and may be involved in the pathogenesis of other forms of ARDS and/or PASC, the assay may be useful to identify patients with these conditions who are at greatest risk of hospitalization and/or mortality as well as those who are particularly amenable to lectin pathway inhibition therapy for the treatment of one or more of these conditions.

OMS1029

Our lectin pathway program also includes OMS1029, our long-acting antibody targeting MASP-2. This next-generation MASP-2 inhibitor is intended to be complementary to YARTEMLEA, enabling us to pursue chronic indications in which dosing convenience would be of significant benefit to patients. We have completed Phase 1 clinical trials evaluating both single-ascending and multiple-ascending doses of OMS1029. Data from these trials demonstrated the feasibility of once quarterly, subcutaneous administration, representing a convenient regimen well-suited for chronically dosed indications that can be administered either in health care centers or self-administered at home. We expect that there are multiple chronic indications that are well suited to treatment with OMS1029. OMS1029 has been well tolerated to date with no safety concerns identified. We are working to finalize selection of an indication and initiate Phase 2 clinical development of OMS1029. OMS1029 drug product and placebo have been manufactured and stored for future use. Available quantities are expected to be sufficient to support a Phase 2 clinical trial.

MASP-3 Program - Alternative Pathway Disorders

As part of our program to develop complement-targeted therapeutics, we have identified MASP-3, which has been shown to be the key activator of the APC, and we believe that we are the first to make this and related discoveries associated with the APC. On November 25, 2025, we completed the sale and transfer to Novo Nordisk of exclusive global rights in all indications to develop and commercialize our lead investigational MASP-3 inhibitor, zaltenibart (formerly OMS906), and certain related compounds and products. We retain rights to our MASP-3 small-molecule program unrelated to zaltenibart, including the ability to develop and commercialize small-molecule MASP-3 inhibitors, across a range of therapeutic areas, including, but not limited to, ophthalmology, neurology, gastrointestinal disorders, dermatology, musculoskeletal diseases, and oncology. We also retain rights to our "grandfathered" MASP-3 antibodies, with temporal and indication restrictions on commercialization and for use in advancing our small-molecule therapeutics. For more information, see "Our Partnered Program: Zaltenibart (OMS906)" above.

Preclinical Complement Inhibitor Programs

We have also directed efforts to development of small-molecule inhibitors of MASP-2 and MASP-3 designed for oral administration. In our MASP-2 small-molecule inhibitor program, we are in the final stage of selecting a drug development candidate. In our MASP-3 small-molecule inhibitor program, we are assessing molecules to select a drug development candidate.

Other Development Programs

PDE7 Inhibitor Programs - OMS527

Our PDE7 inhibitor program, which we refer to as OMS527, comprises multiple PDE7 inhibitor compounds and is based on our discoveries of previously unknown links between PDE7 and any addiction or compulsive disorder, and between PDE7 and any movement disorders. PDE7 appears to modulate the dopaminergic system, which plays a significant role in regulating both addiction and movement. We believe that PDE7 inhibitors could be effective therapeutics for the treatment of addictions and compulsions as well as for movement disorders. Data generated in preclinical studies support the use of PDE7 inhibitors in both of these therapeutic areas.

Cocaine Use Disorder: In April 2023, we were awarded a grant from NIDA, part of the National Institutes of Health, to develop, at NIDA's request, our lead orally administered PDE7 inhibitor compound for the treatment of cocaine use disorder. NIDA awarded the grant to us for a total of $6.24 million over three years, of which we have claimed and received $2.2 million of funding to date. The grant is intended to support preclinical cocaine interaction/toxicology studies to assess safety of the therapeutic candidate in the presence of concomitant cocaine administration, as well as an in-patient, placebo-controlled clinical study evaluating the safety and efficacy of OMS527 in adult cocaine users who receive concurrent intravenous cocaine.

The preclinical studies, designed with NIDA toxicologists, were completed and showed no drug-interaction or safety issues, supporting the scheduled in-patient human study of OMS527 in cocaine users. In these studies, the OMS527 therapeutic candidate was co-administered with cocaine in two animal species to rule out enhancement of the detrimental effects of cocaine.

OMS527, when administered at two different doses in combination with cocaine, did not produce an additive or synergistic effect on the convulsive threshold of cocaine in rats or on the adverse cocaine-induced cardiovascular responses in non-human primates. Instead, the higher doses of OMS527 generally lessened the severity of effects noted following intravenous administration of cocaine, most notably decreasing convulsant-related activity following the administration of cocaine.

FDA subsequently requested additional preclinical information prior to initiating the clinical in-patient study in cocaine users. Together with our collaborators at NIDA, we are scheduled to meet with FDA to discuss that request.

In a previously completed Phase 1 clinical trial in healthy human subjects the lead OMS527 compound was well tolerated with no safety signal of concern and displayed favorable pharmacokinetics, supporting once daily dosing in the dose range expected to produce efficacy in humans.

Levodopa-induced dyskinesia ("LID"): With investigators at Emory University, we are also evaluating an OMS527 PDE7 inhibitor as a potential treatment for LID, which are involuntary and often crippling movements in patients with Parkinson's disease that are caused by prolonged treatment with levodopa, the most prescribed therapy for Parkinson's disease. More than 10 million patients are living with Parkinson's disease worldwide. Reportedly 50% or more of levodopa-treated patients with Parkinson's disease suffer from LID.

We hold an exclusive license to certain PDE7 inhibitors claimed in patents and pending patent applications owned by Daiichi Sankyo Co., Ltd. ("Daiichi Sankyo"), as successor-in-interest to Asubio Pharma Co., Ltd. for use in the treatment of movement, addiction and compulsive disorders as well as other specified indications. For a more detailed description of our agreement with Daiichi Sankyo, see "License and Development Agreements" below.

OncotoX-AML

We continue to progress preclinical studies within our novel oncology program, which is focused on developing novel, proprietary large molecule therapeutics designed to selectively target and kill dividing cancer cells. We have completed selection of a drug development candidate, and IND-enabling studies are underway for this program, which we refer to as OncotoX-AML. Acute myeloid leukemia ("AML"), an aggressive and highly fatal bone marrow and blood cancer, is the lead indication for development in this program. The effectiveness of current AML treatments, such as chemotherapeutics and antibody-drug conjugates, is limited by a number of factors, including high relapse rates and substantial side effects.

OncotoX-AML is an engineered biologic designed to selectively kill both AML blasts (abnormal myeloid cells) and relapse-related leukemia stem cells. Its unique mechanism of action is independent of myeloid cell genetic mutations, including TP53, NPM1, KMT2A, and FLT3, which are collectively found in approximately 90% of AML patients and are historically difficult to treat.

In preclinical models both *in vivo* – in immunocompromised mice with human tumors – and *in vitro*, our AML therapeutic candidate has consistently demonstrated superior efficacy to current AML standard of care treatments and has been well-tolerated in preliminary, preclinical tolerability studies.

In February 2026, we announced the successful completion of our initial study in nonhuman primates evaluating the efficacy and safety of OncotoX-AML. Administration of only one course of OncotoX-AML treatment to immunocompetent primates demonstrated the desired pharmacologic response, specifically marked, selective, reversible, and dose-related reduction in myeloid progenitor cells — the cells that can mutate and lead to AML — by up to 99%. OncotoX-AML was well tolerated. There were no observed safety signals or meaningful changes in blood chemistry values often seen with current AML treatments.

In April 2025, we established the Omeros Oncology Clinical Steering Committee to help advance our OncotoX-AML program. The clinical steering committee is comprised of leaders in AML treatment and research at premier cancer centers. Together with this steering committee, we are designing our first in-human clinical trial.

IND-enabling studies and manufacturing development work is ongoing within our OncotoX-AML program with the goal of entering the clinic by late 2027.

We continue to confirm our results and to generate new data, which we expect will contribute to our intellectual property position.

T-CAT - Infectious Disease

We are also advancing our Targeted Complement Activating Therapy ("T-CAT") platform: a new class of recombinant antibodies intended for broad action against bacteria, fungi, viruses, and parasites. T-CAT is designed to harness complement activation to kill pathogens directly, which represents a novel approach to infectious disease treatment.

As preclinical animal data continue to accumulate across multiple pathogen classes and species, we believe that T-CAT demonstrates potential against multidrug-resistant organisms ("MDROs"). Effective MDRO therapies remain one of the most urgent and unmet needs in medicine, and we believe that T-CAT has the potential to address this need without contributing to drug resistance. We are currently working to complete preclinical proof of concept studies and evaluate data for several infectious diseases. In well-established *in vivo* animal models considered predictive of efficacy in humans, T-CAT recombinant antibodies demonstrated effectiveness in treating life-threatening infections caused by Gram-negative and Gram-positive bacteria, including those designated by the World Health Organization as priority pathogens. Patent applications broadly covering this new technology platform have been filed.

Sales, Marketing, and Access

We have retained all worldwide marketing and distribution rights to YARTEMLEA, our product candidates, and our development programs. This allows us to market and sell YARTEMLEA and any product candidate that is approved in the future independently, through arrangements with third parties, or via some combination of these approaches.

We are commercializing YARTEMLEA in the U.S. market and have deployed a field force of account managers and directors, market development managers, access leads, and medical science liaisons to engage directly with transplant centers across the United States. Commercial distribution and sales of YARTEMLEA commenced in January 2026.

At this early stage, our primary launch objectives are fourfold: (i) educate the entire transplant care team, including transplant physicians, nurses, hospital pharmacies, and reimbursement teams, regarding the recently harmonized TA-TMA diagnostic criteria, thereby driving awareness, early diagnosis, and treatment of TA-TMA; (ii) support transplant centers in obtaining their pharmacy and therapeutic committee approvals, adding YARTEMLEA to their formularies to streamline the ordering process and facilitate access to YARTEMLEA in both the in- and out-patient settings; (iii) work with third-party payers to provide timely reimbursement consistent with the YARTEMLEA label and published diagnostic criteria; and (iv) finalize the health economics and outcomes research analysis using the strong clinical efficacy data and favorable safety profile of YARTEMLEA to demonstrate its compelling cost-effectiveness to healthcare providers and payers.

There are 175 stem-cell transplant centers across the U.S., with the top 80 centers representing approximately 80% of procedures. We are initially prioritizing centers with the greatest transplant volume and established TA-TMA expertise.

Additionally, under the YARTEMLEAssist™ patient support program, we expect to offer options for eligible patients who are uninsured, or who have health insurance but cannot afford the out-of-pocket costs required under their plans.

For commercialization of YARTEMLEA outside the U.S., we are evaluating potential partnerships, both broad ex-U.S. arrangements and regional collaborations.

Manufacturing, Supply, and Commercial Operations

We have laboratories in-house for analytical method development, bioanalytical testing, formulation, non-GMP stability testing, and small-scale compounding of laboratory supplies of product candidates; however, we do not own or operate internal manufacturing facilities capable of producing sufficient quantities of our product candidates under current Good Manufacturing Practices ("cGMP") for use in clinical studies, or for the manufacture of YARTEMLEA for commercial use.

YARTEMLEA. In July 2019, we entered into a master services agreement with Lonza Biologics Tuas Pte. Ltd. ("Lonza") for the commercial production of YARTEMLEA and for certain regulatory support and related services to be provided by Lonza from time to time. Under the agreement Lonza manufactures YARTEMLEA pursuant to purchase orders issued in accordance with certain forecast and confirmation procedures specified in the contract. We purchase YARTEMLEA that meets agreed specifications in batches, with the price per batch varying according to the total number of batches ordered for serial production in a single manufacturing campaign. We are obligated to purchase a minimum number of batches annually beginning on a specified anniversary of the first commercial sale of YARTEMLEA in either the U.S. or EU. We may be obligated to pay certain fees to Lonza upon cancellation of purchase orders. The initial term of the agreement expires five years after the first commercial sale of YARTEMLEA in either the U.S. or EU and is subject to automatic renewal for an additional four-year term unless we provide notice of non-renewal at least three years prior to the end of the initial term. In addition, either party may terminate the agreement, subject to applicable notice and cure periods under certain circumstances.

We have a Combined Development and Commercial Supply Agreement, effective May 16, 2018, with Vetter Pharma International, GmbH ("Vetter") under which the process for manufacturing of sterile liquid vials pre-filled with finished YARTEMLEA was developed and validated, and pursuant to which Vetter has agreed to aseptically fill YARTEMLEA in vials for clinical or commercial use. Under the agreement, we must provide Vetter with non-binding rolling forecasts of our long-term supply requirements on a periodic basis and submit purchase orders for YARTEMLEA batches intended for commercial use for confirmation by Vetter within an agreed time before the anticipated delivery date. Pricing for commercial manufacturing services varies based on the number of batches ordered and may be adjusted periodically, subject to limitations specified in the agreement. For commercial-stage manufacturing, each batch ordered must be for a quantity of finished sterile vials that is at least equal to a specified minimum but no more than a specified maximum per batch. We may be obligated to pay certain fees to Vetter upon cancellation purchase orders or in connection with postponement of batches subject to a purchase order. The agreement is effective with respect to the commercial work contemplated thereunder for an initial term five years after which it automatically renews for two-year terms unless either party notifies the other party at least 12 months before the end of the then-current term that it does not intend to renew. In addition, either party may terminate the agreement under certain circumstances, subject to applicable notice and cure periods.

In addition to our agreements with Lonza and Vetter, we utilize a third-party vendor for labelling and final packaging of YARTEMELA finished goods.

We have not entered into commercial supply agreements for any of our product candidates other than YARTEMLEA.

Zaltenibart. Under the Transition Services Agreement, we are transitioning to Novo Nordisk certain agreements and relationships with third parties that manufacture, store, and distribute zaltenibart for use in preclinical and clinical studies.

Product Candidates. We utilize contract manufacturers to produce sufficient quantities of product candidates for use in preclinical and clinical studies and to store and distribute our product candidates. We require manufacturers that produce bulk drug substance and finished drug products for clinical use to operate in accordance with cGMP and all other applicable laws and regulations. We anticipate that we will rely on contract manufacturers to develop and manufacture our product candidates for commercial sale. We maintain agreements with potential and existing manufacturers that include confidentiality and intellectual property provisions to protect our proprietary rights related to our product candidates.

License and Development Agreements

MASP-3

Novo Nordisk. Concurrent with the closing of the Transaction, Novo Nordisk granted to us exclusive, worldwide, royalty-free, transferrable (solely in connection with a permitted assignment of the APLA), sublicensable (in accordance with the APLA), perpetual and irrevocable (except as set forth in the APLA) licenses under certain technology that we licensed or assigned to Novo Nordisk pursuant to the APLA. This license, along with certain retained intellectual property rights, enables us to exploit certain grandfathered MASP-3 products and compounds directed to certain indications as permitted under the APLA.

PDE7

Under an agreement with Daiichi Sankyo, we hold an exclusive worldwide license to PDE7 inhibitors claimed in certain patents and pending patent applications owned by Daiichi Sankyo for use in the treatment of (1) movement disorders and other specified indications, (2) addiction and compulsive disorders and (3) all other diseases except those related to dermatologic conditions. Under the agreement, we agreed to make milestone payments to Daiichi Sankyo of up to an aggregate total of $33.5 million upon the achievement of certain events in each of these three fields; however, if only one of the three indications is advanced through the milestones, the total milestone payments would be $23.5 million. The milestone payment events include successful completion of preclinical toxicology studies; dosing of human subjects in Phase 1, 2 and 3 clinical trials; receipt of marketing approval of a PDE7 inhibitor product candidate; and reaching specified sales milestones. In addition, Daiichi Sankyo is entitled to receive from us a low single-digit percentage royalty of any net sales of a PDE7 inhibitor licensed under the agreement by us and/or our sublicensee(s) provided that, if the sales are made by a sublicensee, then the amount payable by us to Daiichi Sankyo is capped at an amount equal to a low double-digit percentage of all royalty and specified milestone payments received by us from the sublicensee.

The term of the agreement with Daiichi Sankyo continues so long as there is a valid, subsisting and enforceable claim in any patents covered by the agreement. The agreement may be terminated sooner by us, with or without cause, upon 90 days advance written notice or by either party following a material breach of the agreement by the other party that has not been cured within 90 days or immediately if the other party is insolvent or bankrupt. Daiichi Sankyo also has the right to terminate the agreement if we and our sublicensee(s) cease to conduct all research, development and/or commercialization activities for a PDE7 inhibitor covered by the agreement for a period of six consecutive months, in which case all rights held by us under Daiichi Sankyo's patents will revert to Daiichi Sankyo.

Competition

The pharmaceutical and biotechnology industry is highly competitive and characterized by a number of established, large pharmaceutical and biotechnology companies as well as smaller companies like ours. We expect to compete with other pharmaceutical and biotechnology companies, and our competitors may:

- develop and market products that are less expensive, more effective or safer than our future products;
- commercialize competing products before we can launch our products;
- operate larger research and development programs, possess greater manufacturing capabilities or have substantially greater financial resources than we do;
- initiate or withstand substantial price competition more successfully than we can;
- have greater success in recruiting skilled technical and scientific workers from the limited pool of available talent;
- more effectively negotiate third-party licenses and strategic relationships; and
- take advantage of acquisition or other opportunities more readily than we can.

YARTEMLEA is currently the only approved treatment for TA-TMA. However, a number of complement-targeted therapeutics that have historically been used off-label to treat TA-TMA patients, including the C5 inhibitors Soliris® (eculizumab) and Ultomiris® (ravulizumab-cwvz), and YARTEMLEA may face competition from continued off-label use of these products. A Phase 3 clinical trial of ravulizumab in pediatric TA-TMA patients did not meet its pre-specified primary endpoint. Additionally, we understand that a Phase 3 clinical trial of ravulizumab in adult patients with TA-TMA has been completed, although trial results have not been announced. YARTEMLEA would face increased competition in the market for TA-TMA therapies if ravulizumab or any other product is approved for treatment of TA-TMA.

In addition to Soliris and Ultomiris, there are a number of other therapeutics that are either on the market or are in advanced stages of clinical development, including Empaveli® (pegcetacoplan), Tavneos® (avocopan), PiaSky® (crovalimab-akkz), Voydeya (danicopan) and Fabhalta® (iptacopan). YARTEMLEA, OMS1029 and any of our other complement-targeting development candidates may face competition from branded, generic, and/or biosimilar versions of one or more of these products if approved for any indication(s) for which one or more of these potentially competitive products are also approved or for which a potentially competitive product is used off-label to treat a relevant condition.

Intellectual Property

We have retained control of all worldwide manufacturing, marketing, and distribution rights for YARTEMLEA and each of our product candidates and programs, with the exception of our MASP-3 inhibitor program following the sale and license to Novo Nordisk of assets and development rights related to zaltenibart and certain related compounds and products. Some of our product candidates and programs are based on inventions and other intellectual property rights that we acquired through assignments, exclusive licenses, or acquisitions described in further detail under "License and Development Agreements" above.

We own or hold worldwide exclusive licenses to issued patents and pending patent applications in the U.S. and foreign markets directed to therapeutic compositions and methods and other technologies related to YARTEMLEA and our research and development programs. For each program, our decision to seek patent protection in specific foreign markets, in addition to the U.S., is based on many factors, including one or more of the following: our available resources, the size of the commercial market, the presence of a potential competitor or a contract manufacturer in the market and whether the legal authorities in the market effectively enforce patent rights. Unless otherwise noted, our patents generally have the same term in the U.S. and Europe.

- *MASP-2 Program – YARTEMLEA (narsoplimab-wuug) (OMS721) and OMS1029.* We own and hold worldwide exclusive licenses to rights in connection with MASP-2, antibodies targeting MASP-2, small-molecule MASP-2 inhibitors, and related therapeutic applications. Within our MASP-2 program, our YARTEMLEA-related patents have terms that will expire as late as 2037 and, if currently pending patent applications are issued, as late as 2042. Other patents within our MASP-2 program have terms that will expire as late as 2042.

- *MASP-3 Program.* Pursuant to the APLA, Novo Nordisk received exclusive global rights in all indications to develop and commercialize zaltenibart (OMS906), and certain related compounds and products. We retained certain patent applications in connection with our grandfathered MASP-3 program unrelated to zaltenibart, and, if the currently pending patent applications are issued, they will have terms that expire as late as 2046. Further, we hold certain licenses from Novo Nordisk in connection with our grandfathered MASP-3 program unrelated to zaltenibart. For more information regarding these licenses, see "License and Development Agreements."

- *PDE7 Program – OMS527.* Our PDE7-related patents have terms that will expire as late as 2031 in the U.S. and 2033 in Europe and, if currently pending patent applications are issued, as late as 2044 in both the U.S. and Europe. Additionally, we hold certain licenses from Daiichi Sankyo. For a more detailed description of our agreement with Daiichi Sankyo, see "License and Development Agreements" above.

- *Oncology Program.* Our oncology-related patent applications have terms that will expire as late as 2046, if currently pending patent applications are issued.

- *T-CAT Program.* Our T-CAT-related patents have terms that will expire as late as 2042 and, if currently pending patent applications are issued, as late as 2046.

All of our employees enter into our standard employee proprietary information and inventions agreement, which includes confidentiality provisions and provides us ownership of all inventions and other intellectual property made by our employees that pertain to our business or that relate to our employees' work for us or that result from the use of our resources. Our commercial success will depend in part on obtaining and maintaining patent protection and trade secret protection of the use, formulation and structure of our product, product candidates and the methods used to manufacture them, as well as on our ability to defend successfully these patents against third-party challenges. Our ability to protect our product and product candidates from unauthorized making, using, selling, offering to sell or importing by third parties is dependent on the extent to which we have rights under valid and enforceable patents that cover these activities.

The patent positions of pharmaceutical, biotechnology and other life sciences companies can be highly uncertain and involve complex legal and factual questions for which important legal principles remain unresolved. No consistent policy regarding the breadth of claims allowed in biotechnology patents has emerged to date in the U.S., and tests used for determining the patentability of patent claims in all technologies are in flux. The pharmaceutical, biotechnology and other life sciences patent situation outside the U.S. is even more uncertain. Changes in either the patent laws or in interpretations of patent laws in the U.S. and other countries may diminish the value of our intellectual property. Accordingly, we cannot predict the breadth of claims that may be allowed or enforced in the patents that we own or have licensed or in third-party patents.

We have registered, and intend to maintain, the trademark "OMEROS", as well as the associated "alpha/omega" logo within the U.S. Patent and Trademark Office ("USPTO") and various foreign jurisdictions in connection with the products and services we offer. We also have registered, and intend to maintain, the trademark "YARTEMLEA", the brand name under which we market narsoplimab for commercial sale, within the USPTO and certain foreign jurisdictions. We are not aware of any material claims of infringement or other challenges to our right to use our trademarks in the U.S. or any other jurisdiction.

Government Regulation

Government authorities in the U.S., the European Union (the "EU") and other countries extensively regulate the research, development, testing, manufacture, labeling, promotion, advertising, distribution, marketing, and export and import of drug and biologic products including YARTEMLEA and the product candidates that we are developing. Failure to comply with applicable requirements, both before and after receipt of regulatory approval, may subject us, our third-party manufacturers, and other partners to administrative and judicial sanctions, such as warning letters, product recalls, product seizures, a delay in approving or refusal to approve pending applications, civil and other monetary penalties, total or partial suspension of production or distribution, injunctions, and/or criminal prosecutions.

In the U.S., our product candidates are regulated by FDA as drugs or biologics under the Federal Food, Drug, and Cosmetic Act ("FDCA") and implementing regulations and under the Public Health Service Act ("PHSA"). In the EU, our product candidates are regulated by the EMA and national medicines regulators under the rules governing medicinal products in the EU as well as national regulations in individual countries. YARTEMLEA has received marketing approval from the FDA and is under review by EMA in the EU. Our product candidates are in various stages of testing and none of our product candidates has received marketing approval from FDA or the applicable regulatory authorities in the EU.

The steps required before a product may be approved for marketing by FDA, or the applicable regulatory authorities outside of the U.S., typically include the following:

- formulation development and manufacturing process development;
- preclinical laboratory and animal testing;
- submission to FDA of an IND for human clinical testing, which must become effective before human clinical trials may begin; in the EU Member States and in European Economic Area countries a Clinical Trial Application ("CTA") is submitted to the Clinical Trials Information System; in other countries outside of the U.S. and Europe, a CTA is filed according to the country's local regulations;
- adequate and well-controlled human clinical trials to establish the efficacy and safety of the product for each indication for which approval is sought;
- adequate assessment of drug product stability to determine shelf life/expiry dating;
- in the U.S., submission to FDA of a New Drug Application ("NDA"), in the case of a drug product, or a BLA in the case of a biologic product and, in Europe, submission to the EMA or a national regulatory authority of an MAA;
- satisfactory completion of inspections of one or more clinical sites at which clinical trials with the product were carried out and of the manufacturing facility or facilities at which the product is produced to assess compliance with Good Clinical Practices ("GCP"), and cGMP; and
- FDA review and approval of an NDA or BLA, or review and approval of an MAA by the applicable regulatory authorities in the EU.

Manufacturing. Manufacturing of drug products for use in clinical trials must be conducted according to relevant national and international guidelines, for example, cGMP. Process and formulation development are undertaken to design suitable routes to manufacture the drug substance and the drug product for administration to animals or humans. Analytical development is undertaken to obtain methods to quantify the potency, purity and stability of the drug substance and drug product as well as to measure the amount of the drug substance and its metabolites in biological fluids, such as blood.

Preclinical Tests. Preclinical tests include laboratory evaluations and animal studies to assess efficacy, toxicity and pharmacokinetics. The results of the preclinical tests, together with manufacturing information, analytical data, clinical development plan, and other available information are submitted as part of an IND or CTA.

The IND/CTA Process. An IND or CTA must become effective before human clinical trials may begin. INDs are extensive submissions including, among other things, the results of the preclinical tests, together with manufacturing information and analytical data. In addition to including the results of the preclinical studies, the IND will also include one or more protocols for proposed clinical trials detailing, among other things, the objectives of the clinical trial, the parameters to be used in monitoring safety and the effectiveness criteria to be evaluated. An IND will become effective 30 days after receipt by FDA unless, before that time, FDA raises concerns or questions and imposes a clinical hold. In that event, the IND sponsor and FDA must resolve any outstanding FDA concerns or questions before the clinical hold is lifted and clinical trials can proceed. Similarly, a CTA must be cleared by the local independent ethics committee and competent authority prior to conducting a clinical trial in the country in which it was submitted. There can be no assurance that submission of an IND or CTA will result in authorization to commence clinical trials. Once an IND or CTA is in effect, there are certain reporting requirements.

Clinical Trials. Clinical trials involve the administration of the investigational product to human subjects under the supervision of qualified personnel and must be conducted in accordance with local regulations and GCP. Clinical trials are conducted under protocols detailing, for example, the parameters to be used in monitoring patient safety and the efficacy criteria, or endpoints, to be evaluated. Each trial must be reviewed and approved by an independent institutional review board or ethics committee for each clinical site at which the trial will be conducted before it can begin. Clinical trials are typically conducted in three defined phases, but the phases may overlap or be combined:

- Phase 1 usually involves the initial administration of the investigational product to human subjects, who may or may not have the disease or condition for which the product is being developed, to evaluate the safety, dosage tolerance, pharmacodynamics and, if possible, to gain an early indication of the effectiveness of the product.

- Phase 2 usually involves trials in a limited patient population with the disease or condition for which the product is being developed to evaluate appropriate dosage, to identify possible adverse side effects and safety risks, and to evaluate the effectiveness of the product for specific indications.

- Phase 3 clinical trials usually further evaluate and confirm effectiveness and test further for safety by administering the product in its final form in an expanded patient population.

We, our product development partners, institutional review boards or ethics committees, FDA or other regulatory authorities may suspend or terminate clinical trials at any time on various grounds, including a belief that the subjects are being exposed to an unacceptable health risk.

Disclosure of Clinical Trial Information. Sponsors of clinical trials of certain FDA-regulated products, including prescription drugs, are required to register and disclose certain clinical trial information on ClinicalTrials.gov, a public website maintained by the U.S. National Institutes of Health. Information related to the product, patient population, phase of investigation, study sites and investigator, and other aspects of an applicable clinical trial is made public as part of the registration. Sponsors are also obligated to disclose the results of such trials after completion. Disclosure of the results of these trials can be delayed for up to two years if the sponsor certifies that it is seeking approval of an unapproved product or that it will file an application for approval of a new indication for an approved product within one year. Clinical trials conducted in European countries are required to be registered at a similar public database maintained and overseen by European health authorities. Competitors may use this publicly available information to gain knowledge regarding the design and progress of our development programs.

The Application Process. If the necessary clinical trials are successfully completed, the results of the preclinical trials and the clinical trials, together with other detailed information, including information on the manufacture and composition of the product, are submitted to FDA in the form of an NDA or a BLA, as applicable, and to the EMA or national regulators in the form of an MAA, requesting approval to market the product for a specified indication. In the EU, an MAA may be submitted to the EMA for review and, if the EMA gives a positive opinion, the EC may grant a marketing authorization that is valid across the EU (centralized procedure). Alternatively, an MAA may be submitted to one or more national regulators in the EU according to one of several national or decentralized procedures. The type of submission in Europe depends on various factors and must be cleared by the appropriate authority prior to submission. For most of our product candidates, the centralized procedure will be either mandatory or available as an option.

If the regulatory authority determines that the application is not acceptable, it may refuse to accept the application for filing and review, outlining the deficiencies in the application and specifying additional information needed to file the application. Notwithstanding the submission of any requested additional testing or information, the regulatory authority ultimately may decide that the proposed product is not safe or effective, or that the application does not otherwise satisfy the criteria for approval. In the U.S., to support an approval an NDA must demonstrate, among other things, that the proposed drug product is safe and effective, has a favorable benefit-risk profile, is manufactured in a way that preserves its identity, strength, purity and potency, and that its labeling is adequate and not false or misleading. A similar standard exists for BLAs. Before approving an NDA or BLA, or an MAA, FDA or the EMA, respectively, may inspect one or more of the clinical sites at which the clinical studies were conducted to ensure that GCP were followed and may inspect facilities at which the product is manufactured to ensure satisfactory compliance with cGMP. The FDA may refer the NDA or BLA to an advisory committee for review and recommendation as to whether the application should be approved and under what conditions. The FDA is not bound by the recommendation of an advisory committee, but it generally follows such recommendation. In addition, even if a product candidate satisfied its endpoints with statistical significance during clinical trials, FDA could determine that the overall balance of risks and benefits for the product candidate is not adequate to support approval, or only justifies approval for a narrow set of clinical uses and/or subject to restricted distribution or other burdensome post-approval requirements or limitations. If approval is obtained changes to the approved product such as adding new indications, manufacturing changes, or additional labeling claims will require submission of a supplemental application, referred to as a variation in the EU, or, in some instances, a new application, for further review and approval. The testing and approval process requires substantial time, effort, and financial resources, and we cannot be sure that any future approval will be granted on a timely basis, if at all.

Some of our product candidates, such as those from our MASP-2, MASP-3, OncotoX-AML, and T-CAT programs, are considered biologics because they are proteins that are greater than 40 amino acids in size. The added complexity associated with manufacturing biologics may result in additional monitoring of the manufacturing process and product changes.

In addition, we, our suppliers and our contract manufacturers are required to comply with extensive regulatory requirements both before and after approval. For example, we must establish a pharmacovigilance system and are required to report adverse reactions and production problems, if any, to the regulatory authorities. We must also comply with certain requirements concerning advertising and promotion for our products. The regulatory authorities may impose specific obligations as a condition of the marketing authorization, such as additional safety monitoring, or the conduct of additional clinical trials or post-marketing safety studies, or the imposition of a REMS, which could include significant restrictions on distribution or use of the product. Also, quality control and manufacturing procedures must continue to conform to cGMP after approval. Accordingly, manufacturers must continue to expend time, money, and effort in all areas of regulatory compliance, including production and quality control to comply with cGMP. In addition, discovery of problems such as safety issues may result in changes in labeling or restrictions on a product manufacturer or marketing authorization holder, including removal of the product from the market.

Fast-Track and Priority Review Designations. Section 506(b) of the FDCA provides for the designation of a drug as a fast-track product if it is intended, whether alone or in combination with one or more other drugs, for the treatment of a serious or life-threatening disease or condition, and it demonstrates the potential to address unmet medical needs for such a disease or condition. A program with fast-track status is afforded greater access to FDA for the purpose of expediting the product's development, review and potential approval. Many products that receive fast-track designation are also considered appropriate to receive priority review, and their respective applications may be accepted by FDA as a rolling submission in which portions of an NDA or BLA are reviewed before the complete application is submitted. Together, these may reduce time of development and FDA review time. In Europe, products that are considered to be of major public health interest are eligible for accelerated assessment, which shortens the review period. The grant of fast-track status, priority review or accelerated assessment does not alter the standard regulatory requirements for obtaining marketing approval.

Breakthrough Therapy Designation. In 2012, Congress enacted the Food and Drug Administration Safety and Innovation Act. This law established a regulatory process allowing for increased interactions with FDA with the goal of expediting development and review of products designated as "breakthrough therapies." A product may be designated as a breakthrough therapy if it is intended, either alone or in combination with one or more other products, to treat a serious or life-threatening disease or condition and preliminary clinical evidence indicates that the product may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. The FDA may take certain actions with respect to breakthrough therapies, including holding meetings with the sponsor throughout the development process; providing timely advice to the product sponsor regarding development and approval; involving more senior staff in the review process; assigning a cross-disciplinary project lead for the review team; and taking other steps to design the clinical trials in an efficient manner.

Accelerated Approval. The FDA may grant accelerated approval to a product for a serious or life-threatening condition that provides a meaningful therapeutic advantage to patients over existing treatments based upon a determination that the product has an effect on a surrogate endpoint that is reasonably likely to predict clinical benefit. The FDA may also grant accelerated approval for such a condition when the product has an effect on an intermediate clinical endpoint that can be measured earlier than an effect on irreversible morbidity or mortality and that is reasonably likely to predict an effect on irreversible morbidity or mortality or other clinical benefit. In both cases, FDA must take into account the severity, rarity, or prevalence of the condition and the availability or lack of alternative treatments. Studies that are conducted to demonstrate a drug's effect on a surrogate or intermediate clinical endpoint for accelerated approval must be adequate and well-controlled as required by the FDCA.

Following accelerated approval, FDA requires that companies conduct confirmatory studies post-approval to verify and describe the anticipated effect on irreversible morbidity or mortality or other clinical benefit. FDA may also impose restrictions on distribution to assure safe use. Pursuant to statutory authority under the Food and Drug Omnibus Reform Act of 2022, FDA can require confirmatory studies to be underway at the time of the accelerated approval. If the required confirmatory studies fail to verify and describe the clinical benefit of the drug, or if the applicant fails to perform the required confirmatory studies with due diligence, FDA may withdraw approval of the drug under expedited procedures. FDA may also withdraw approval of a drug if, among other things, other evidence demonstrates that the drug product is not shown to be safe or effective under its conditions of use.

The EU also has accelerated approval programs. In the EU, a marketing authorization may be granted on the basis of less complete data than are normally required in certain "exceptional circumstances," such as when the product's indication is encountered so rarely that the applicant cannot reasonably be expected to provide comprehensive data. Alternatively, a conditional marketing authorization may be granted prior to obtaining the comprehensive clinical data required for a full MAA if a product fulfills an unmet medical need and the benefit to public health of the product's immediate availability outweighs the risk inherent in the incomplete data.

Orphan Drug Designation. Under the Orphan Drug Act ("ODA"), FDA may grant orphan drug designation to drugs or biologics intended to treat a rare disease or condition that affects fewer than 200,000 individuals in the U.S. or more than 200,000 individuals in the U.S. for which the cost of developing and making the product available in the U.S. for the applicable disease or condition is not likely to be recovered from U.S. sales for that product. The grant of orphan designation does not alter the standard regulatory requirements (other than payment of certain fees and the applicability of certain pediatric assessment requirements), nor does it alter the standards or process for obtaining marketing approval. The sponsor of a product that has an orphan drug designation qualifies for various development incentives specified in the ODA, including a tax credit of up to 25% of expenditures on qualified clinical testing for the orphan drug. Furthermore, if the orphan designated product subsequently receives the first FDA approval for the orphan indication, the product is entitled to an orphan drug exclusivity period, which means that FDA may not grant approval to any other application to market the same drug for the same indication for a period of seven years except in limited circumstances, such as a showing of clinical superiority to the product with orphan drug exclusivity for the protected indication. Orphan drug exclusivity does not prevent FDA from approving a different drug for the same disease or condition, or the same drug for a different disease or condition. The EU has a similar Orphan Drug program to that of the U.S., and it is administered through the EMA's Committee for Orphan Medicinal Products.

Pediatric Testing and Exclusivity. In the U.S., NDAs and BLAs are subject to both mandatory pediatric testing requirements and voluntary pediatric testing incentives in the form of exclusivity. An additional six months of exclusivity in the U.S. may be granted to a sponsor of an NDA or BLA if the sponsor conducts certain pediatric studies, which studies are conducted pursuant to a written request from FDA. This process is initiated when FDA issues a Written Request for pediatric studies to determine if the drug or biologic could have meaningful pediatric health benefits. If FDA determines that the sponsor has conducted the requested pediatric studies in accordance with the written request, then an additional six months of exclusivity may attach in the case of a drug to any other regulatory exclusivity or patent protection applicable to the drug and, in the case of a biologic, to any other regulatory exclusivity applicable to the biologic. The EU has a similar requirement and incentive for the conduct of pediatric studies according to the pediatric investigation plan, which must be adopted by the EMA before an MAA may be submitted.

Expanded Access. "Expanded access" refers to the use of an investigational drug where the primary purpose is to diagnose, monitor, or treat a patient's disease or condition rather than to collect information about the safety or effectiveness of a drug. There are three FDA-recognized categories of expanded access trials: expanded access for individual patients, including for emergency use; expanded access for intermediate-size patient populations; and expanded access for large patient populations under a treatment IND or treatment protocol. For all types of expanded access, FDA must determine prior to authorizing expanded access that: (1) the patient or patients to be treated have a serious or life-threatening disease or condition and there is no comparable or satisfactory alternative therapy; (2) the potential patient benefit justifies the potential risks of use and that the potential risks are not unreasonable in the context of the disease or condition to be treated; and (3) granting the expanded access will not interfere with the initiation, conduct, or completion of clinical studies in support of the drug's approval. Only a licensed physician or the drug's manufacturer may apply for expanded access. Manufacturers are not required to supply the investigational product for expanded access. The FDA has established streamlined processes for physicians to request individual patient expanded access whereby physicians can submit a single patient IND. In cases of individual patient emergency expanded access, physicians can receive FDA approval for access by phone and follow up with the abbreviated form. In addition, the sponsor of an expanded access IND must submit IND safety reports and, in the cases of protocols continuing for one year or longer, annual reports to FDA.

U.S. Labeling, Marketing and Promotion. The FDA closely regulates the labeling, marketing and promotion of drugs. In general, our labeling and promotion must not be false or misleading in any particular, and claims that we make must be adequately substantiated. In addition, our approved labeling must include adequate directions to physicians for each intended use of our products. Failure to comply with these requirements can result in adverse publicity, warning letters, corrective advertising, injunctions and potential civil and criminal penalties.

In addition to regulation by FDA, the research, manufacturing, distribution, sale and promotion of drug products in the U.S. are subject to regulation by various federal, state and local authorities, including CMS, other divisions of the U.S. Department of Health and Human Services (*e.g.*, the Office of Inspector General), the U.S. Department of Justice, state Attorneys General, and other state and local government agencies. All of these activities are also potentially subject to federal and state consumer protection and unfair competition laws. Violations of these laws are punishable by prison sentences, criminal fines, administrative civil money penalties, and exclusion from participation in federal healthcare programs.

There are also an increasing number of state laws that require manufacturers to make reports to states on pricing and marketing information or impose other special requirements for the sale and marketing of drug products. Many of these laws contain ambiguities as to what is required to comply with the laws. In addition, federal and state "transparency laws" require manufacturers to track and report certain payments made to health care providers and, under some state laws, other information concerning our products. These laws may affect our sales, marketing and other promotional activities by imposing administrative and compliance burdens on us. In addition, our reporting actions could be subject to the penalty provisions of the pertinent state and federal authorities.

Drug Supply Chain Security Act. Title II (the Drug Supply Chain Security Act (the "DSCSA")), of the Drug Quality and Security Act imposes on manufacturers of certain pharmaceutical products new obligations related to product tracking and tracing, among others, which began a several-year phase-in process in 2015. Among the requirements of this legislation, manufacturers subject to the DSCSA are required to provide certain documentation regarding the drug product to trading partners to which product ownership is transferred, label drug product with a product identifier (*i.e.*, serialize), respond to verification requests from trading partners, provide transaction documentation upon request by federal or state government entities, and keep certain records regarding the drug product. The transfer of information to subsequent product owners by manufacturers must be done electronically. For products and transactions falling within DSCSA's scope, manufacturers are required to verify that purchasers of the manufacturers' products are appropriately licensed. Further, under the DSCSA, covered manufacturers have drug product investigation, quarantine, disposition, and notification responsibilities for product that is reasonably believed or that credible evidence shows to be counterfeit, diverted, stolen, intentionally adulterated such that the product would result in serious adverse health consequences or death, be the subject of fraudulent transactions or be otherwise unfit for distribution such that they would be reasonably likely to result in serious health consequences or death. Anti-counterfeiting and serialization requirements similar to those under the DSCSA have also been adopted in the EU and became effective in February 2019.

Foreign Regulatory Requirements. Outside the U.S., our ability to conduct clinical trials or market our products will also depend on receiving the requisite authorizations from the appropriate regulatory authorities. The foreign regulatory approval processes include similar requirements and many of the risks associated with FDA and/or the EU approval process described above, although the precise requirements may vary from country to country.

Hatch-Waxman Act. In seeking approval for a drug through an NDA, applicants are required to list with FDA each patent with claims that cover the applicant's drug or an approved method of use of the drug. Upon approval of a drug, each of the patents listed in the application for the drug is then published in FDA's Approved Drug Products with Therapeutic Equivalence Evaluations, commonly known as the Orange Book. Drugs listed in the Orange Book can, in turn, be cited by potential competitors in support of approval of an Abbreviated New Drug Application ("ANDA") or a 505(b)(2) application. In this case the original NDA, i.e., the pioneer drug, is known as the "listed" drug or "reference-listed" drug. An ANDA provides for marketing of a drug that has the same active ingredients and, in some cases, also the same inactive ingredients, in the same strengths, route of administration and dosage form as the listed drug and has been shown through testing to be bioequivalent to the listed drug or receives a waiver from bioequivalence testing. ANDA applicants are generally not required to conduct or submit results of preclinical or clinical tests to prove the safety or effectiveness of their drug, other than the requirement for bioequivalence testing. Drugs approved in this way are considered therapeutically equivalent, and are commonly referred to as "generic equivalents" to the listed drug. These drugs then generally can be substituted by pharmacists under prescriptions written for the original listed drug.

The ANDA or 505(b)(2) applicant is required to certify to FDA concerning any patents listed for the referenced approved drug in FDA's Orange Book. Specifically, for each listed patent, the applicant must certify that: (1) the required patent information has not been filed; (2) the listed patent has expired; (3) the listed patent has not expired but will expire on a particular date and approval is sought after patent expiration; or (4) the listed patent is invalid, unenforceable or will not be infringed by the new drug. A certification that the new drug will not infringe the already approved drug's listed patents or that such patents are invalid or unenforceable is called a Paragraph IV certification. If the ANDA or 505(b)(2) applicant does not include a Paragraph IV certification, the ANDA or 505(b)(2) application will not be approved until all of the listed patents claiming the referenced drug have expired, except for any listed patents that only apply to uses of the drug not being sought by the ANDA or 505(b)(2) applicant.

If the ANDA or 505(b)(2) applicant has made a Paragraph IV certification, the applicant must also send a Paragraph IV Notice Letter to the NDA and patent holders once the ANDA or 505(b)(2) application has been accepted for filing by FDA. The NDA and patent holders may then initiate a patent infringement lawsuit in response to the Paragraph IV Notice Letter. The filing of a patent infringement lawsuit within 45 days of the receipt of a Paragraph IV Notice Letter automatically prevents FDA from approving the ANDA until the earlier of 30 months, expiration of the patent, settlement of the lawsuit, modification by a court or a decision in the infringement case that is favorable to the ANDA or 505(b)(2) applicant.

The ANDA or 505(b)(2) application also will not be approved until any applicable non-patent exclusivity, such as exclusivity for obtaining approval of a new chemical entity, listed in the Orange Book for the reference-listed drug has expired. The U.S. Drug Price Competition and Patent Term Restoration Act of 1984, more commonly known as the Hatch-Waxman Act, provides a period of five years following approval of a drug containing no previously approved active moiety, during which ANDAs for generic versions of those drugs and 505(b)(2) applications referencing those drugs cannot be submitted unless the submission contains a Paragraph IV challenge to a listed patent, in which case the submission may be made four years following the original drug approval. The Hatch-Waxman Act also provides for a period of three years of exclusivity following approval of a listed drug that contains previously approved active ingredients but is approved in a new dosage form, route of administration or combination, or for a new use, the approval of which was supported by new clinical trials other than bioavailability studies that were essential to the approval and conducted by or for the sponsor. During those three years of exclusivity, FDA cannot grant approval of an ANDA or 505(b)(2) application for the protected dosage form, route of administration or combination, or use of that listed drug.

In December 2019, the Creating and Restoring Equal Access to Equivalent Samples Act of 2019 ("CREATES Act") was signed into law. The legislation is intended to address the concern that some brand manufacturers have improperly denied generic and biosimilar product developers access to samples of brand products. The CREATES Act establishes a private cause of action that permits a generic or biosimilar product developer to sue the brand manufacturer to compel it to furnish the necessary samples on commercially reasonable, market-based terms. If the developer prevails, the court may grant the developer a monetary award up to the brand product's revenue for the period of delay in providing samples.

Biosimilars. The enactment of federal healthcare reform legislation in March 2010 provided a new pathway for approval of follow-on biologics (*i.e.*, biosimilars) under the PHSA. FDA licensure of a biosimilar is dependent upon many factors, including a showing that the proposed biosimilar is "highly similar" to the reference product, notwithstanding minor differences in clinically inactive components, and has no clinically meaningful differences from the reference product in terms of safety, purity, and potency. The types of data ordinarily required in a biosimilar application to show high similarity include analytical data, animal studies (including toxicity studies), and clinical studies (including immunogenicity and pharmacokinetic/pharmacodynamic studies). A biosimilar must seek licensure for a condition of use for which the reference-listed product is licensed.

Furthermore, the PHSA provides that for a biosimilar to be considered "interchangeable" (*i.e.*, the biological product may be substituted for the reference product without the intervention of the health care provider who prescribed the reference product), the applicant must make an additional showing that the biosimilar can be expected to produce the same clinical result as the reference product in any given patient, and if the product is administered more than once to a patient, that risks in terms of safety or diminished efficacy of alternating or switching between the biological product and the reference product is no greater than the risk of using the reference product without switching. Although FDA has provided guidance on what information and data an applicant should submit to enable an interchangeability determination, thus far FDA has not licensed any biologic as being interchangeable with its reference product.

The PHSA also provides a period of exclusivity for pioneer biologics. Specifically, FDA may not accept a biosimilar application referencing data from a pioneer biologic (i.e., one approved through a full BLA) until four years have elapsed from the date of first licensure of the pioneer biologic. FDA may not approve a biosimilar application referencing data from a pioneer biologic until 12 years have elapsed since the date of first licensure of the pioneer biologic. There are certain restrictions and limitations on the types of BLAs that are eligible for biologics exclusivity as well as what constitutes the date of first licensure for a pioneer biologic.

In the EU, a pathway for the approval of biosimilars has existed since 2005.

Healthcare compliance laws. In the U.S., commercialization of YARTEMLEA and our product candidates, if approved, is subject to regulation and enforcement under a number of federal and state healthcare compliance laws administered and enforced by various agencies. These include, but are not limited to, the following:

- the federal Anti-Kickback Statute, which prohibits offering or paying anything of value to a person or entity to induce or reward referrals for goods or services reimbursed by a federal healthcare program such as Medicare or Medicaid;
- the federal False Claims Act, which prohibits presenting or causing to be presented a false claim for payment by a federal healthcare program, and which has been interpreted to also include claims caused by improper drug-manufacturer product promotion or the payment of kickbacks;
- a variety of governmental pricing, price reporting, and rebate requirements, including those under Medicaid, Medicare, and the Veterans Health Care Act; and

- the so-called Sunshine Act and certain provisions of the Affordable Care Act, which require that we report to the federal government information on certain financial payments and other transfers of value made to certain health care providers and institutions, as well as certain information regarding our distribution of drug samples.

In addition to these federal law requirements, several U.S. states have enacted similar laws requiring periodic reporting and/or disclosure related to our marketing, sales and other activities, or regulating certain sales and marketing activities, such as provision of meals to certain health care providers. We may also be subject to federal or state privacy laws if we receive protected patient health information or consumer health information.

Similar requirements apply to our operations outside of the U.S. Laws in the U.S. such as the Foreign Corrupt Practices Act prohibit the offering or payment of bribes or inducements to foreign public officials for business, including physicians or other medical professionals who are employees of public healthcare entities. In addition, many non-U.S. jurisdictions in which we operate, or may operate in the future, have their own laws similar to the healthcare compliance laws that exist in the U.S.

Pharmaceutical Pricing and Reimbursement

Overview. In both U.S. and foreign markets, our ability to commercialize YARTEMLEA and any of our product candidates that are approved successfully, and to attract commercialization partners for YARTEMLEA and our product candidates, if approved, depends in significant part on the availability of coverage and adequate financial reimbursement from third-party payers including, in the U.S., managed care organizations and other private health insurers as well as governmental payers such as the Medicare and Medicaid programs. Reimbursement by a third-party payer may depend on a number of factors, including the payer's determination that use of a product is:

- a covered benefit under its health plan;
- safe, effective and medically necessary;
- appropriate for the specific patient;
- cost-effective; and
- neither experimental nor investigational.

Reimbursement by government payers is based on statutory authorizations and complex regulations that may change with annual or more frequent rulemaking, as well as legislative reform measures.

Third-party private and governmental payers are increasingly challenging the prices charged for medicines and examining their cost-effectiveness in addition to their safety and efficacy. We may need to conduct expensive pharmacoeconomic studies in order to demonstrate the cost effectiveness of our products or product candidates. Even with the availability of such studies, third-party private and/or governmental payers may not provide coverage and adequate financial reimbursement for our products or product candidates, in whole or in part.

United States. Political, economic and regulatory influences are subjecting the healthcare industry in the U.S. to fundamental changes. There have been, and we expect there will continue to be legislative and regulatory proposals to change the healthcare system in ways that could significantly affect our business. For example, legislation imposed a two percent across-the-board reduction to Medicare payments to providers, effective April 1, 2013, which, due to subsequent legislative amendments, will begin to increase gradually starting in April 2030, reaching four percent in April 2031 and continuing until the reduction ends in October 2031, unless additional congressional action is taken. The American Taxpayer Relief Act of 2012, among other things, reduced Medicare payments to several providers, and increased the period for the government to recover overpayments to providers from three to five years.

Containment of healthcare costs has been a priority of federal, state, and foreign governments, and the prices of drug products have been a focus of this effort. Governments have shown significant interest in implementing cost-containment programs. This interest has resulted in significant proposed and enacted reform measures affecting healthcare reimbursement and drug pricing, including the enactment in August 2022 of significant changes to potential Medicare drug product reimbursement through government negotiation of certain drug prices, as well as Medicare manufacturer discount and inflation rebate obligations under the Inflation Reduction Act (the "IRA").

We are unable to predict what additionallegislation, regulations, policies, executive orders or court orders, if any, relating to the healthcare industry or coverage and reimbursement may be enacted or imposed in the future or what effect such legislation, regulations, policies or court orders would have on our business. Any cost-containment measures, including those listed above, or other healthcare system reforms that are adopted could have a material adverse effect on our business prospects and financial operations.

Europe. Governments in the various member states of the EU influence or control the price of medicinal products in their countries through their pricing and reimbursement rules and control of national healthcare systems that fund a large part of the cost of those products to consumers. To obtain reimbursement or pricing approval, some of these countries may require the completion of clinical trials or pharmacoeconomic studies that assess the cost-effectiveness of a product or product candidate relative to currently available therapies or relative to a specified standard. The downward pressure on healthcare costs in general, and prescription medicines in particular, has become very intense and is creating increasingly high barriers to the entry of new products in these markets.

Research and Development

We have built a research and development organization that includes expertise in discovery research, preclinical development, product formulation, analytical and medicinal chemistry, manufacturing, clinical development and regulatory and quality assurance. We operate cross-functionally and are led by an experienced management team. We strive to make disciplined strategic decisions regarding our research and development programs and to limit the risk profile of our product pipeline. We also access relevant market information and key opinion leaders in creating target product profiles and, when appropriate, as we advance our programs to commercialization. We engage third parties on a limited basis to conduct portions of our preclinical research; however, we are not substantially dependent on any third parties for our preclinical research nor do any of these third parties conduct a major portion of our preclinical research. We also engage multiple clinical sites to conduct our clinical trials and rely on third-party contract research organizations ("CROs") to coordinate and execute aspects of clinical trial operations. None of these CROs or clinical sites are responsible for the major portion of our clinical trials and we are not substantially dependent on any one of them.

Employees

As of December 31, 2025, we had 175 full-time employees, 116 of whom are in research and development, 15 of whom are in sales and marketing and 44 of whom are in finance, legal, business development and administration. Our full-time employees include five with M.D.s and 39 with Ph.D.s., of whom four and 38, respectively, are in research and development. None of our employees are represented by a labor union, and we consider our employee relations to be good.

Information about Our Executive Officers and Significant Employees

The following table provides information regarding our executive officers and significant employees as of March 31, 2026:

Name	Age	Position(s)
Executive Officers:		
Gregory A. Demopulos, M.D.	67	President, Chief Executive Officer and Chairman of the Board of Directors
David J. Borges	62	Vice President, Finance, Chief Accounting Officer and Treasurer
Peter B. Cancelmo, J.D.	47	Vice President, General Counsel and Secretary
Significant Employees:		
Nadia Dac	56	Vice President, Chief Commercial Officer
Mariana N. Dimitrova, Ph.D.	60	Vice President, Chemistry, Manufacturing and Controls
George A. Gaitanaris, M.D., Ph.D.	69	Vice President, Science and Chief Scientific Officer
David W. Ghesquiere	59	Vice President, Chief Business Development Officer
Andreas Grauer, M.D.	65	Vice President, Chief Medical Officer
Catherine A. Melfi, Ph.D.	67	Vice President, Regulatory Affairs & Quality Systems and Chief Regulatory Officer
J. Steven Whitaker, M.D., J.D.	70	Vice President, Clinical Development
Peter W. Williams	58	Vice President, Human Resources

Gregory A. Demopulos, M.D. founded our company and has served as our president, chief executive officer and chairman of the board of directors since June 1994. He also served as our chief financial officer and treasurer from January 2009 to October 2013 in an interim capacity and as our chief medical officer from June 1994 to March 2010. Prior to founding Omeros, Dr. Demopulos completed his residency in orthopedic surgery at Stanford University and his fellowship training in hand and microvascular surgery at Duke University. Dr. Demopulos currently serves on the board of trustees of the Smead Funds Trust, an open-end mutual fund company registered under the Investment Company Act of 1940. Dr. Demopulos received his M.D. from the Stanford University School of Medicine and his B.S. from Stanford University. Dr. Demopulos is the brother of Peter A. Demopulos, M.D., a member of our board of directors.

David J. Borges has served as our vice president, finance, chief accounting officer and treasurer since June 2024. He joined Omeros in June 2020 as senior director, financial planning & analysis and served as associate vice president, financial planning & analysis from April 2022 to June 2024. Prior to joining Omeros, Mr. Borges served as vice president, finance and administration, at Bulletproof 360, Inc., a health and wellness company, where he directed and managed all aspects of corporate finance, accounting, information technology, human resources, facilities, and legal from October 2014 until October 2019. From May 2009 to June 2014, Mr. Borges served as chief financial officer and vice president of Advanced Refreshment LLC, a producer of private label bottled water and water-based beverages. From July 2001 to May 2009, Mr. Borges served as finance and business integration director at Merck & Co., Inc. ("Merck"), a biopharmaceutical company, after Merck acquired Rosetta Inpharmatics, where Mr. Borges had been serving as director of finance & administration/controller since 1998. Mr. Borges is a certified public accountant and received his B.S. in Commerce in Accounting from Santa Clara University.

Peter B. Cancelmo, J.D. has served as our vice president, general counsel and secretary since June 2019. He joined Omeros as deputy general counsel in January 2019. Prior to joining Omeros, Mr. Cancelmo was a principal and shareholder at Garvey Schubert Barer, P.C., where he represented clients in the life sciences and other technology industries in mergers, acquisitions, strategic alliances, public and private securities offerings, and a range of other corporate, commercial and financial transactions. He served as chair of the firm's business practice group from 2016 until his departure in December 2018. Mr. Cancelmo previously practiced corporate and transactional law at Davies, Ward, Philips and Vineberg LLP, in New York, and Choate, Hall & Stewart LLP, in Boston. Mr. Cancelmo received his J.D. from Boston University and his B.A. from Saint Michael's College.

Nadia Dac has served as our chief commercial officer since January 2021. Ms. Dac brings nearly three decades of international experience as a strategic commercial leader at large and small biopharmaceutical companies. Prior to joining Omeros, Ms. Dac served as the chief commercial officer at Alder Pharmaceuticals, Inc. (acquired in 2019 by Lundbeck) from April 2019 until June 2020 and as vice president of global specialty commercial development at AbbVie, Inc. from December 2014 to March 2019. She previously served as vice president of marketing at Auxilium Pharmaceuticals, Inc. from May 2013 to September 2014, when the company was acquired by Endo International plc. From 2009 to 2013, Ms. Dac held several roles of increasing responsibility at Novartis AG, including global vice president of neuroscience professional relations prior to her role as vice president of Novartis' multiple sclerosis franchise, and at Biogen Inc., Johnson & Johnson, and Eli Lilly and Company. She holds a B.S. in Marketing from Rutgers University.

Mariana N. Dimitrova, Ph.D., has served as our vice president, chemistry, manufacturing, and controls ("CMC") since October 2022. Prior to joining Omeros in this role, Dr. Dimitrova had 20 years of pharmaceutical experience with CMC leadership spanning formulation development, drug product and device development, drug delivery and human factors engineering, analytical sciences, process development, and clinical manufacturing. In her career, Dr. Dimitrova contributed to the development of a number of monoclonal antibodies, Fc-fusion proteins, PEG-proteins, bispecific molecules, cytokines, DNA, peptides, and small molecules at Amgen Inc., MedImmune (AstraZeneca), Biogen, and Jazz Pharmaceuticals. Dr. Dimitrova contributed to the commercialization of nine patient-convenient drug/device combination products for the treatment of autoimmune, respiratory, neurodegenerative, hematology, and infectious diseases. Most recently, from May 2019 to September 2022, Dr. Dimitrova was vice president of product and device development at Akero Therapeutics, developing Fc-FGF21 fusion protein for treatment of NASH. Prior to her industry work, Dr. Dimitrova spent five years in academia, including at the National Heart, Lung, and Blood Institute at the National Institutes of Health and the National Institute of Advanced Industrial Science and Technology ("AIST") in Japan. Dr. Dimitrova holds a Ph.D. in Biophysics and Biological Sciences from the Bulgarian Academy of Sciences and the AIST, and a M.S. in Chemistry from Kliment Ohridski University in Bulgaria.

George A. Gaitanaris, M.D., Ph.D. has served as our vice president, science since August 2006 and as our chief scientific officer since January 2012. From August 2003 until our acquisition of nura, inc., in August 2006, Dr. Gaitanaris served as the chief scientific officer of nura, a company that he co-founded, and that developed treatments for central nervous system disorders. From 2000 to 2003, Dr. Gaitanaris served as president and chief scientific officer of Primal, Inc., a biotechnology company that was acquired by nura in 2003. Prior to co-founding Primal, Dr. Gaitanaris served as staff scientist at the National Cancer Institute. Dr. Gaitanaris received his Ph.D. in cellular, molecular and biophysical studies and his M.Ph. and M.A. from Columbia University and his M.D. from the Aristotelian University of Greece.

David W. Ghesquiere has served as our chief business development officer since August 2024. Prior to joining Omeros, Mr. Ghesquiere served as managing director of Adrenaline Venture & Advisory LLC, an international advisory firm, advising biotech and technology companies, which he founded in 2012. Mr. Ghesquiere served, from November 2013 to December 2023, as senior vice president, corporate & business development of NanoString Technologies, focusing on life science tools, informatics, and molecular diagnostics (acquired by Bruker Corporation). Mr. Ghesquiere served as senior vice president, corporate & business development at Dendreon Corporation, a biotechnology company, from 2011 to 2012. From 2005 until its acquisition by Astellas in 2010, Mr. Ghesquiere also held a variety of executive positions at OSI Pharmaceuticals, including senior vice president of corporate & business development and managing director of OSI's corporate venture capital arm. Earlier in his career, Mr. Ghesquiere served in business development and alliance management roles at Aventis Pharmaceuticals (acquired by Sanofi) and worked in product marketing/new product planning at Johnson & Johnson. Mr. Ghesquiere received his M.B.A. from the University of Western Ontario's Ivey Business School and his B.A. in economics from the University of Western Ontario.

Andreas Grauer, M.D. has served as our chief medical officer since October 2023. Prior to joining Omeros, Dr. Grauer served as chief medical officer at Federation Bio from October 2021, where he led all clinical activities with a focus on hyperoxaluria and immuno-oncology. From March 2019 to August 2021, Dr. Grauer was chief medical officer of Corcept Therapeutics, Inc., leading its global development organization in the design and execution of clinical programs directed to oncology, neurology, endocrinology, and metabolism indications. From December 2007 to December 2018, Dr. Grauer held several roles of increasing responsibility at Amgen, most recently serving as vice president of global development, therapeutic area head, and co-chair of the franchise steering committee for bone, nephrology and inflammation. Earlier in his career, Dr. Grauer was at Proctor & Gamble Pharmaceuticals where he held roles as global executive medical director for bone and for new technology development. Dr. Grauer received his M.D. from the University of Heidelberg Medical School in Germany, where he also completed his clinical training in internal medicine and endocrinology. He did research in molecular and cellular endocrinology both there and during a post-doctoral fellowship at Baylor College of Medicine. He holds an active associate professorship of medicine at the University of Heidelberg Medical School.

Catherine A. Melfi, Ph.D. has served as our vice president, regulatory affairs and quality systems since October 2012 and has served as our chief regulatory officer since April 2016. Dr. Melfi previously served from January 1996 to September 2012 at Eli Lilly and Company, where she held technical and leadership roles of increasing scope and responsibility, including as senior director and scientific director in global health outcomes and regulatory affairs, respectively. Prior to joining Eli Lilly, Dr. Melfi held various faculty and research positions at Indiana University, including appointments in its Economics Department, in the School of Public and Environmental Affairs, and in the Indiana University School of Medicine. Dr. Melfi received her Ph.D. in Economics from the University of North Carolina - Chapel Hill and B.S. in Economics from John Carroll University.

J. Steven Whitaker, M.D., J.D. has served as our vice president, clinical development since joining Omeros in 2010, and served as our chief medical officer from March 2010 to August 2018 and from November 2019 to October 2023. From May 2008 to March 2010, Dr. Whitaker served as the chief medical officer, vice president of clinical development at Allon Therapeutics, Inc., a biotechnology company focused on developing drugs for neurodegenerative diseases. From August 2007 to May 2008, he served as a medical consultant to Accelerator Corporation, a biotechnology company investor and incubator. From May 1994 to May 2007, Dr. Whitaker served at ICOS Corporation, which was acquired by Eli Lilly and Company in 2007. At ICOS, he held roles of increasing responsibility in clinical research and medical affairs, most recently as divisional vice president, clinical research as well as medical director of the Cialis® global product team. Dr. Whitaker received his M.D. from the Indiana University School of Medicine, his J.D. from the University of Washington and his B.S. from Butler University.

Peter W. Williams has served as our vice president, human resources since June 2020. Prior to joining Omeros, Mr. Williams served as the senior vice president of human resources at Redbox Automated Retail, LLC from 2016 to 2019, where he led human resources and internal communications functions. From 2013 to 2016, Mr. Williams served as the vice president, human resources operations at Outerwall Inc. (Coinstar) and before that he held human resources leadership roles at Coinstar from 2009 to 2013. Prior to 2009, Mr. Williams held human resources leadership roles at various technology and consumer focused companies, including Washington Mutual, Inc., Sterling Commerce, Inc., Expedia, Inc., and Verio, Inc. Mr. Williams received a B.A. in Business Administration and a B.A. in English from the University of Washington.

Corporate Information

We were incorporated in 1994 as a Washington corporation. Our principal executive offices are located at 201 Elliott Avenue West, Seattle, Washington, 98119, and our telephone number is (206) 676-5000. Our website address is www.omeros.com. We make available, free of charge through our investor relations website at investor.omeros.com, our Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q, our Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act, including exhibits to those reports, as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. Our websites and the information contained therein or incorporated therein are not intended to be incorporated into this Annual Report on Form 10-K. The SEC maintains a website that contains reports, proxy and information statements, and other information regarding reports that we file or furnish electronically with them at www.sec.gov.

ITEM 1A. RISK FACTORS

The risks and uncertainties described below may have a material adverse effect on our business, prospects, financial condition or operating results. In addition, we may be adversely affected by risks that we currently deem immaterial or by other risks that are not currently known to us. You should carefully consider these risks before making an investment decision. The trading price of our common stock could decline due to any of these risks and you may lose all or part of your investment. In assessing the risks described below, you should also refer to the other information contained in this Annual Report on Form 10-K.

Risks Related to Our Products, Product Candidates, Programs and Operations

Our ability to achieve profitability is highly dependent on the commercial success of YARTEMLEA, and to the extent YARTEMLEA is not successful, our business, financial condition and results of operations may be materially adversely affected and the price of our common stock may decline.

YARTEMLEA is our only commercialized product and was approved by FDA for commercial sale in the United States in December 2025. Our near-term commercial prospects are highly dependent on YARTEMLEA in its approved indication, and any adverse developments affecting YARTEMLEA could have a disproportionate adverse effect on our business. We will need to generate substantial product revenue from YARTEMLEA to fund our operations fully and to achieve and sustain profitability. We may be unable to successfully commercialize YARTEMLEA for a number of reasons, including:

- a lack of acceptance by physicians, patients, third-party payers, and other members of the medical community;
- our limited experience in marketing, selling, and distributing YARTEMLEA;
- our limited experience managing third-party commercial manufacturing of YARTEMLEA;
- our reliance on a limited number of manufacturers and a limited number of suppliers of the product's active pharmaceutical ingredients, excipients, and packaging materials;
- reimbursement and coverage policies of government and private payers such as Medicare, Medicaid, group purchasing organizations, insurance companies, health maintenance organizations, and other plan administrators;
- the availability, relative price, and efficacy of the product as compared to alternative treatment options or competing products;
- an unknown safety risk;
- the failure to obtain regulatory approval, including for YARTEMLEA in the EU or other foreign territories;
- our reliance on partnerships and/or commercial services arrangements with third parties to market and sell YARTEMLEA outside the U.S., if approved outside the U.S., or the failure to enter into and maintain acceptable partnering arrangements for marketing, distribution, and sale of YARTEMLEA outside of the U.S., if approved outside of the U.S.;
- the failure to comply with post-approval U.S. regulatory requirements for YARTEMLEA including those relating to manufacturing, advertising and promotion, distribution, adverse event reporting, recordkeeping and reporting, import/export, post-marketing commitments specified in our approval letter, and supply chain monitoring;
- changed or increased regulatory restrictions in the U.S., EU, or other foreign territories; and
- a lack of adequate financial or other resources to commercialize the product successfully.

If we are not able to successfully commercialize YARTEMLEA for these or other reasons, our ability to generate sufficient revenues from product sales to achieve profitability will be adversely affected and the market price of our common stock could decline significantly.

If YARTEMLEA or any other product that we develop and commercialize does not receive adequate coverage or reimbursement from governments and/or private payers our prospects for revenue and profitability would suffer.

The success of YARTEMLEA or any product that we or our third-party business partners commercialize in the future will depend heavily on the pricing, availability and duration of adequate coverage or reimbursement for any such product from government, private and other third-party payers, both in the U.S. and in other countries.

There may be significant delays in obtaining coverage or reimbursement for newly approved products, and we may not be able to provide data sufficient to be granted adequate coverage or reimbursement. Even when a payer determines that a product is eligible for reimbursement, coverage may be limited to the uses of a product that are either approved by FDA (or, in other countries, the relevant country's regulatory agency) and/or appear in a recognized drug compendium, or other conditions may apply. Moreover, eligibility for coverage does not mean that any product will be reimbursed at a rate that allows us to make a profit or at a rate that covers our costs, including research, development, manufacturing, sales and distribution. Increasingly, government and private third-party payers that reimburse for healthcare services and products are requiring that companies provide them with predetermined discounts from list prices and are challenging the prices charged for medical products, which could adversely impact the pricing of our products. Any reduction in reimbursement from Medicare, including as a result of the Inflation Reduction Act, or other government programs may result in a similar reduction in payments from private payers. Pricing may also be adversely affected by changes in the terms, scope and/or complexity of government pricing requirements. Even if we achieve coverage or reimbursement for a product, the initial rate or method at which the product will be reimbursed could become unfavorable to us at the time reimbursement is initiated or in the future or may be of a limited duration. In addition, obtaining acceptable coverage and reimbursement from one payer does not guarantee that we will obtain similar acceptable coverage or reimbursement from another payer.

In non-U.S. jurisdictions, we must obtain separate reimbursement approvals and comply with related foreign legal and regulatory requirements. In some countries, including those in the EU, our products may be subject to government price controls. Pricing negotiations with governmental authorities can take a considerable amount of time and expenditure of resources after the receipt of marketing approval for a product. We provide no assurances that the price of any product in one or more of these countries or regions will allow us to make a profit or cover our costs, including research, development, manufacturing, sales and distribution, and as a result we may decide to delay, potentially indefinitely, initiating sales in the particular country or region.

If the reimbursement or pricing that we are able to obtain and maintain for any product that we develop and commercialize is inadequate, is significantly delayed or is subject to overly restrictive conditions, our ability to generate revenue, attain profitability and/or commercialize our product candidates may be impaired and there could be a material adverse effect on our business, financial condition, results of operations and growth prospects and the trading price of our stock could decline.

Our ability to realize further value from zaltenibart depends on the development and commercialization efforts of Novo Nordisk.

Our ability to realize further value from zaltenibart depends on Novo Nordisk's successful development, regulatory approval, and commercialization of zaltenibart. As a result of our APLA with Novo Nordisk, Novo Nordisk now controls key decisions regarding the development, regulatory strategy, manufacturing, and commercialization of zaltenibart. This means that whether we receive payments potentially due to us under the terms of the APLA, and the magnitude of such payments, depends on Novo Nordisk's ability to advance development and obtain regulatory approval of zaltenibart. Novo Nordisk may not successfully advance development, obtain regulatory approval or commercialize zaltenibart products for many reasons, including that it may determine not to pursue development in certain indications, may delay or discontinue development programs, or may prioritize other programs in its pipeline.

In addition, the potential consideration we may yet receive under the APLA consists of development milestones, sales milestones, and royalties on net sales of products containing zaltenibart. These payments are contingent on factors outside of our control such as the successful development, regulatory approval, and commercialization of zaltenibart, any of which may never occur. If Novo Nordisk does not successfully develop or commercialize zaltenibart, or if commercialization is less successful than anticipated, we may receive substantially less in milestone and royalty payments than we currently expect or no additional payments at all. Further, even if products containing zaltenibart are successfully commercialized, the amount of royalty revenue we receive may vary significantly from period to period and may be affected by factors such as pricing, reimbursement, sales volumes, competition, and other market conditions. In sum, our ability to realize further value from this transaction could be materially adversely affected and, in turn, our future operating results and financial condition could be materially adversely affected.

We have incurred cumulative operating losses since inception. If we are unable to raise additional capital when needed, we may be unable to complete the development and commercialization of our products and product candidates or to continue our other preclinical development programs.

Our operations have consumed substantial amounts of cash since our incorporation, As of December 31, 2025, we had cash, cash equivalents and short-term investments of $171.8 million. Our cash used in operations for the year ended December 31, 2025 was $116.1 million and our net loss for the year ended December 31, 2025 was $3.4 million. We expect to continue to spend substantial amounts to:

- initiate and conduct clinical trials and manufacture clinical and registration batches for our product candidates;
- commercialize YARTEMLEA and any other product candidates for which we may receive regulatory approval in the future;
- support YARTEMLEA sales and marketing;
- continue our research and development programs; and
- make principal, interest and fee payments as required under our convertible senior notes maturing on June 15, 2029 (the "2029 Notes").

We expect to continue to incur additional losses until such time as we generate significant revenue from the sale of YARTEMLEA or other commercial products or from our APLA with Novo Nordisk or other partnerships. We are unable to predict the extent of any future losses and cannot provide assurance that we will generate sufficient revenue from YARTEMLEA or commercial products in the future to fund our operations fully. If we are unable to generate sufficient revenue from YARTEMLEA or other commercialized products or partnership arrangements, we may never become and remain profitable and will be required to raise additional capital to continue to fund our operations. We cannot be certain that additional capital will be available to us on acceptable terms, if at all, when required. Adverse developments to our financial condition or business, as well as disruptions in the global equity and credit markets, may limit our ability to access capital. If we do not raise additional capital when needed through one or more funding avenues, such as debt or equity financings or corporate partnering, we may have to significantly delay, scale back or discontinue the development or commercialization of one or more of our product candidates or one or more of our preclinical programs or other research and development initiatives. In addition, we may be required to seek collaborators for one or more of our current or future products at an earlier stage than otherwise would be desirable or on terms that are less favorable than otherwise might be available or to relinquish or license on unfavorable terms our rights to technologies or products that we otherwise would seek to develop or commercialize ourselves. We also may have insufficient funds or otherwise be unable to advance our preclinical programs to a point where they can generate revenue through partnerships, collaborations or other arrangements. Any of these actions could limit the amount of revenue we are able to generate and harm our business and prospects.

Our indebtedness and liabilities and any future indebtedness could limit the cash flow available for our operations and expose us to risks that could adversely affect our business, financial condition and results of operations.

As of December 31, 2025, we had $17.1 million total aggregate principal amount outstanding of our 5.25% convertible senior notes due on February 15, 2026 (the "2026 Notes"), which have since matured and been repaid in full, $70.8 million total aggregate principal amount outstanding of our 2029 Notes, and approximately $1.2 million of outstanding finance lease obligations. We may incur additional indebtedness to meet future financing needs, which may have the effect of:

- requiring a substantial portion of our cash flow from operations to service and repay our indebtedness, which will reduce the amount of cash available for other purposes;
- limiting our ability to obtain additional financing;
- limiting our flexibility to plan for, or react to, changes in our business;
- diluting the interests of our existing stockholders as a result of issuing shares of our common stock upon any conversion of the 2029 Notes or additional convertible notes that we may issue in the future;
- placing us at a possible competitive disadvantage with competitors that are less leveraged than we are or have better access to capital; and

- increasing our vulnerability to adverse economic and industry conditions.

Our ability to make scheduled payments of the principal of, to pay interest on, or to refinance our indebtedness depends on our future performance, which is subject to many factors, including economic, financial, competitive and other circumstances beyond our control. Our business may not generate sufficient funds, and we may otherwise be unable to maintain sufficient cash reserves, to pay amounts due under our indebtedness and our cash needs may increase in the future. In addition, future indebtedness that we may incur may contain financial and other restrictive covenants that limit our ability to operate our business, raise capital or make payments under our other indebtedness. If we fail to comply with these covenants or to make payments under our indebtedness when due, then we would be in default under that indebtedness, which could, in turn, result in that and our other indebtedness becoming immediately payable in full.

Failure to obtain and maintain regulatory approval in the EU or other foreign jurisdictions would prevent us from commercializing and marketing YARTEMLEA or future commercialized products.

We intend to market YARTEMLEA and any of our product candidates that are approved in the future outside the U.S. In order to market our products in non-U.S. jurisdictions, we or our partners must obtain separate regulatory approvals and comply with numerous and varying regulatory requirements. The regulatory approval procedure varies among countries and can involve additional testing and data review. The requirements governing marketing authorization, the conduct of clinical trials, pricing and reimbursement vary from country to country. Approval by FDA does not ensure approval by the EMA, and approval by one foreign regulatory authority does not ensure approval by regulatory agencies in other foreign countries or by FDA. The time required to obtain regulatory approval outside the U.S. and EU may differ from that required to obtain FDA or EU approval. We may not obtain foreign regulatory approvals on a timely basis, or at all. In addition, even if we were able to obtain regulatory approval for a product in one or more foreign jurisdictions, we may need to complete additional requirements to maintain that approval and our ability to market the product in the applicable jurisdiction.

We may face a variety of risks associated with international operations that, if realized, could materially adversely affect our business.

We may be subject to additional risks for YARTEMLEA or any of our product candidates that are marketed outside the U.S., including:

- reduced protection for intellectual property rights;
- unexpected changes in tariffs, trade barriers, and regulatory requirements;
- economic weakness, including inflation, or political instability in particular foreign economies and markets;
- foreign currency fluctuations and other obligations incident to doing business in another country; and
- business interruptions resulting from geopolitical actions, including war and terrorism, adverse public health developments such as the outbreak of the COVID-19 coronavirus, or natural disasters including earthquakes, typhoons, floods, and fires.

Any of these risks, if realized, could increase our operating expenses and reduce our revenues.

Our operating results are unpredictable and may fluctuate.

Our operating results are difficult to predict and will likely fluctuate from quarter to quarter and year to year. We believe that our quarterly and annual results of operations may be affected by a variety of factors, including:

- the level and timing of commercial sales of YARTEMLEA, as well as our product candidates if and when approved or commercialized;
- the availability and adequacy of payer reimbursement for YARTEMLEA;
- the amount of YARTEMLEA chargebacks, rebates and product returns;
- the extent and magnitude of certain milestone and royalty payments to which we may be entitled based on Novo Nordisk's development, commercialization, and net sales of zaltenibart;
- the extent and magnitude of certain payments to which we may be entitled based on net sales of OMIDRIA by Rayner Surgical, Inc. ("Rayner") depend on Rayner's ability to successfully market and sell OMIDRIA and may be affected by the extent of coverage and reimbursement for OMIDRIA, market acceptance of the product and Rayner's ability to execute an effective sales strategy;
- the extent of any payments received from any collaboration agreements or development funding arrangements that we may enter into from time to time, as well as the extent of any payments that we are required to make under existing or future collaboration and license agreements, which may include sales-based royalties and milestone payments based on the achievement of development, regulatory and sales milestones and may vary significantly from quarter to quarter;
- the timing, cost and level of investment in our research and development activities as well as expenditures we may incur to acquire or develop additional technologies, products and product candidates, or in preparation for potential commercialization of our product candidates; and
- whether we are able to obtain marketing approval for any of our product candidates, the extent and timing of revenue from sales of any such approved product and the magnitude and timing of expenses associated with the manufacturing and sale of any such approved product.

Any of these risk factors, should one or more occur, could adversely affect our results of operations and financial condition and cause the trading price of our stock to decline.

Significant changes to the size, structure, powers and operations of the U.S. federal government, as well as policy actions by the U.S. federal government, may cause economic disruptions or changes in the regulatory environment that could, in turn, adversely impact our business, results of operations and financial condition.

The current U.S. administration has implemented significant changes to the size and scope of the federal government to achieve stated goals including reducing the federal budget deficit and national debt, improving the efficiency of government operations, and promoting innovation and economic growth. To date, these efforts have been carried out through a mix of executive actions aimed at eliminating or modifying federal agency and federal program funding, reducing the size of the federal workforce, reducing or altering the scope of activities conducted by, and possibly eliminating, various federal agencies and bureaus. These changes may have varied effects on the economy that are difficult to predict. For instance, the delivery of government services and the distribution of federal program funds and benefits may be disrupted or, in some cases, eliminated as a result of funding cuts, recasting of federal agency mandates or a substantial reduction of the federal workforce. We rely on the availability, predictability and efficiency of federal agencies including FDA, NIDA and others in connection with the operation of our business and programs. Our business, financial condition and results of operations could be materially and adversely affected by disruptions affecting these or other agencies in areas relevant to our programs and operations.

In addition, policy actions by the U.S. administration, including broad imposition of tariffs, may have an adverse impact on our business. Increased tariffs on critical raw materials, components, and finished goods could raise our production costs, disrupt our supply chain, and reduce our competitiveness in the marketplace. If these or other policy changes continue or expand, we may face increased costs. Although we cannot predict the full extent of these impacts, any prolonged disruption could adversely affect our business, financial condition, and results of operations.

We are subject to extensive government regulation and the failure to comply with these regulations may have a material adverse effect on our operations and business.

Both before and after approval of any product, we and our suppliers, contract manufacturers and clinical investigators are subject to extensive regulation by governmental authorities in the U.S. and other countries, covering, among other things, testing, manufacturing, quality control, clinical trials, post-marketing studies, reporting, risk management plans, labeling, advertising, promotion, distribution, import and export, governmental pricing, price reporting and rebate requirements. Failure to comply with applicable requirements could result in one or more of the following actions: warning letters; unanticipated expenditures; delays in approval or refusal to approve a product candidate; product recall or seizure; interruption of manufacturing or clinical trials; operating or marketing restrictions; injunctions; criminal prosecution and civil or criminal penalties including fines and other monetary penalties; adverse publicity; and disruptions to our business. Further, government investigations into potential violations of these laws would require us to expend considerable resources and face adverse publicity and the potential disruption of our business even if we are ultimately found not to have committed a violation.

Obtaining FDA approval of our product candidates requires substantial time, effort and financial resources and may be subject to both expected and unforeseen delays, and there can be no assurance that any approval will be granted on any of our product candidates on a timely basis, if at all. Even after collaborating closely with FDA or regulators with corollary responsibilities in jurisdictions outside the U.S. regarding the contents of a marketing application a regulator may decide that the design of our clinical trials or clinical data collection protocols as actually run, or our resulting data, are insufficient for approval of our product candidates. FDA or other regulators may require us to run additional preclinical, clinical or other studies or perform additional work related to chemistry, manufacturing and controls. In addition, we, FDA or an independent institutional review board or ethics committee may suspend or terminate human clinical trials at any time on various grounds, including a finding that the patients are or would be exposed to an unacceptable health risk or because of the way in which the investigators on whom we rely carry out the trials. We are subject to extensive government regulation of the testing of our investigational products, including the requirement that we conduct all of our clinical trials in accordance with FDA's GCP requirements and similar requirements outside of the U.S. If we are unable to comply with these requirements, if we are required to conduct additional trials or to conduct other testing of our product candidates beyond that which we currently contemplate for regulatory approval, if we are unable to complete our clinical trials or other testing successfully, or if the results of these and other trials or tests fail to demonstrate efficacy or raise safety concerns, we may face substantial additional expenses, be delayed in obtaining marketing approval for our product candidates or may never obtain marketing approval.

We are also required to comply with extensive governmental regulatory requirements after a product has received marketing authorization. Governing regulatory authorities may require post-marketing studies that may negatively impact the commercial viability of a product. Once on the market, a product may become associated with previously undetected adverse effects and/or may develop manufacturing difficulties. We are required to comply with other post-marketing requirements including cGMP, advertising and promotion restrictions, pharmacovigilance requirements including risk management activities, reporting and recordkeeping obligations, and other requirements. As a result of any of these or other problems or failure to comply with our regulatory obligations, a product's regulatory approval could be withdrawn, which could harm our business and operating results. In addition, we must maintain an effective healthcare compliance program in order to comply with U.S. and other laws applicable to marketed drug products and, in particular, laws (such as the Anti-Kickback Statute, the False Claims Act and the Sunshine Act) applicable when drug products are reimbursed by a federal or state healthcare program. U.S. laws such as the Foreign Corrupt Practices Act prohibit the offering or payment of bribes or inducements to foreign public officials, including potentially physicians or other medical professionals who are employees of public healthcare entities in jurisdictions outside the U.S. In addition, many countries have their own laws similar to the healthcare compliance laws that exist in the U.S. Implementing and maintaining an effective compliance program requires the expenditure of significant time and resources. If we are found to be in violation of any of these laws, we may be subject to significant penalties, including but not limited to civil or criminal penalties, damages and fines as well as exclusion from government healthcare programs.

Failure to comply with any YARTEMLEA post-marketing requirement or commitment could materially adversely affect the commercial prospects of YARTEMLEA and our business.

Following FDA approval of YARTEMLEA, we remain subject to ongoing regulatory oversight, including a post-marketing requirement and post-marketing commitments. These include, among other obligations, a post-marketing requirement safety registry and post-marketing commitments related to a pediatric PK/PD study and CMC. The associated timelines extend over multiple years.

Failure to satisfy these obligations in a timely manner, or at all, could result in actions from the FDA such as warning letters, misbranding findings, monetary penalties, or potentially even suspending or withdrawing approval for YARTEMLEA. In addition, the emergence of new safety, efficacy, or manufacturing information, whether from required studies, real-world use, or regulatory review, could lead the FDA or other regulatory authorities to impose labeling changes, restrict use, require additional studies, or, in more serious cases, suspend or withdraw approval. Any such actions could materially and adversely affect the commercial prospects of YARTEMLEA and our business.

We may face difficulties from changes to current regulations as well as future legislation.

Existing regulatory policies may change and additional government regulations may be enacted that could prevent, limit or delay regulatory approval of our product candidates or affect the pricing and other terms on which we may sell approved products. We cannot predict the likelihood, nature or extent of government regulation that may arise from future legislation or administrative action, either in the U.S. or abroad. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we are not able to maintain regulatory compliance, we may lose any marketing approval that we may have obtained and we may not achieve or sustain profitability.

Any reduction in reimbursement from Medicare resulting from the IRA or other legislative or policy changes or from other government programs may result in a similar reduction in payments from private payers. These healthcare reforms and the implementation of any future measures designed to contain the price of prescription drugs or other reforms may prevent us from being able to generate sufficient revenue, attain and/or maintain profitability or commercialize our product candidates. We cannot be sure whether additional legislative and regulatory changes, including as a result of the U.S. administration, will be enacted, whether existing legislation and regulatory proposals will be implemented, interpreted or enforced as anticipated, or what the impact of such changes on our product or product candidates, if any, may be.

We have no internal capacity to manufacture commercial or clinical supplies of YARTEMLEA or our product candidates, intend to continue to rely solely on third-party manufacturers, and thus may be materially harmed by issues impacting our contract manufacturers or our relationship with our contract manufacturers.

We rely and intend to continue to rely on third-party manufacturers to produce quantities of YARTEMLEA and clinical drug supplies of our product candidates that are needed for clinical trials and to support NDAs, BLAs, or similar applications to regulatory authorities seeking marketing approval for our product candidates, as well as to produce inventory of our product candidates for commercial use in anticipation of marketing approval. Global demand for contract manufacturing is volatile and the available supply of contract manufacturing capacity is limited and unpredictable. We cannot provide any assurance that we will be able to enter into or maintain these types of arrangements on commercially reasonable terms, or at all, or that manufacturing arrangements will meet our requirements. Our contract manufacturers previously have and may in the future require us to place orders or make other financial commitments several years in advance of manufacturing commencement based on forecasts of our long-term commercial supply requirements for product candidates that have not yet received, and may never receive, regulatory approval. We may be required to pay significant cancellation fees or other financial penalties in connection with the withdrawal or cancellation of any binding order for manufacturing that we later determine is not needed. The fees or other financial obligations that we may incur in connection with withdrawn or cancelled orders may be material and any such financial penalty would negatively impact our financial condition and results of operations.

If we or one of our manufacturers were to terminate one of these arrangements early, or the manufacturer was unable to supply product quantities sufficient to meet our requirements, we would be required to transfer manufacturing to an approved alternative facility and/or establish additional manufacturing and supply arrangements. We may also need to establish additional or replacement manufacturers, potentially with little or no notice, in the event that one of our manufacturers fails to comply with FDA and/or other pharmaceutical manufacturing regulatory requirements. Even if we are able to establish additional or replacement manufacturers, identifying these sources and entering into definitive supply agreements and obtaining regulatory approvals may require a substantial amount of time and cost and may create a shortage of the product. It can take several years to qualify and validate a new contract manufacturer, and we cannot guarantee that we would be able to complete in a successful and timely manner the appropriate validation processes or obtain the necessary regulatory approvals for one or more additional or replacement manufacturers. Such alternate supply arrangements may not be available on commercially reasonable terms, or at all. Additionally, if we are unable to engage multiple suppliers to manufacture our products, we may have inadequate supply to meet demand for our product.

In addition, YARTEMLEA, OMS1029, and OncotoX-AML are biologic drug products and other product candidates from certain of our programs, including but not limited to MASP-2, MASP-3, Oncotox-AML, and T-CAT, could be biologic drug products. We do not have the internal capability to produce biologics for use in clinical trials or on a commercial scale. There are only a limited number of manufacturers of biologic drug products, and we may be unable to enter into agreements on commercially reasonable terms with a sufficient number of them to meet clinical or commercial demand, if at all. The regulatory requirements for commercial supply are more stringent than for clinical supply and we cannot guarantee that a contract manufacturer producing drug product for clinical trials will be able to complete successfully the appropriate validation processes or obtain the necessary regulatory approvals for marketing approval and commercial supply in a timely manner or at all.

Our contract manufacturers may encounter difficulties with formulation, manufacturing, supply chain and/or release processes that could result in delays in clinical trials and/or regulatory submissions or that could impact adversely the commercialization of our products or product candidates, as well as in the initiation of enforcement actions by FDA and other regulatory authorities. For example, our manufacturers are required to comply with FDA's GMP requirements and are subject to periodic inspections by FDA. If our manufacturers are unable to comply with FDA requirements, they may be unable to meet our supply needs. These difficulties also could result in the recall or withdrawal of a product from the market or a failure to have adequate supplies to meet market demand. If the safety or manufacturing quality of YARTEMLEA or any product candidate supplied by contract manufacturers is compromised due to one or more of those contract manufacturers' failure to adhere to applicable laws or for other reasons, we may not be able to maintain regulatory approval for YARTEMLEA, to continue sales and marketing of YARTEMLEA, to maintain regulatory approval to run clinical trials, or to obtain and maintain regulatory approval for one or more of our product candidates, which would harm our business and prospects significantly.

Any significant delays in the manufacture and/or supply of clinical or commercial supplies could materially harm our business, financial condition, results of operations and prospects.

Ingredients, excipients, test kits and other materials necessary to manufacture YARTEMLEA or our product candidates may not be available on commercially reasonable terms, or at all, which may adversely affect sales of YARTEMLEA or development and commercialization of our product candidates.

We and our third-party manufacturers must obtain from third-party suppliers the APIs, excipients, and/or other raw materials plus primary and secondary packaging materials necessary for our contract manufacturers to produce YARTEMLEA and our product candidates for our clinical trials and, to the extent approved or commercialized, for commercial distribution. Although we have entered or intend to enter into agreements with third-party suppliers that will guarantee the availability and timely delivery of APIs, excipients, test kits and materials for YARTEMLEA and our product candidates, we have not entered into agreements for the supply of all such ingredients, excipients, test kits or materials, and we may be unable to secure all such supply agreements or guarantees on commercially reasonable terms, if at all. Even if we were able to secure such agreements or guarantees, our suppliers may be unable or choose not to provide us the ingredients, excipients, test kits or materials in a timely manner or in the quantities required. If we or our third-party manufacturers are unable to obtain the quantities of the ingredients, excipients or materials that are necessary for the manufacture of commercial supplies of YARTEMLEA, our ability to generate revenue from the sale of YARTEMLEA would be materially and adversely affected. Additionally, if Novo Nordisk or its third-party manufacturers are unable to obtain the quantities of the ingredients, excipients or materials that are necessary for the manufacture of zaltenibart for clinical development or commercial use, if approved by regulatory authorities, our receipt of certain milestones and the amount of royalty income we could expect to receive would be materially and adversely affected. Further, if we or our third-party manufacturers are unable to obtain APIs, excipients, test kits and materials as necessary for our clinical trials or for the manufacture of commercial supplies of our product candidates, if approved, potential regulatory approval or commercialization would be delayed, which would materially and adversely affect our ability to generate revenue from the sale of our product candidates.

If our clinical trials or clinical protocols are delayed, suspended or terminated, we may be unable to develop our product candidates on a timely basis, which would adversely affect our ability to obtain regulatory approvals, increase our development costs and delay or prevent commercialization of approved products.

We cannot predict whether we will encounter problems with any of our completed, ongoing or planned clinical trials or clinical data collection protocols that will cause regulatory agencies, institutional review boards or ethics committees, or us to delay our clinical trials or suspend or delay the analysis of the data from those trials. Clinical trials and clinical data protocols have been, and in the future can be, delayed for a variety of reasons, including:

- discussions with FDA, the EMA or other foreign authorities regarding the scope or design of our clinical trials or clinical data collection protocols;
- delays or the inability to obtain required approvals from institutional review boards, ethics committees or other responsible entities at clinical sites selected for participation in our clinical trials;
- delays in enrolling patients into clinical trials, collecting data from enrolled patients or collecting historical control data for any reason including disease severity, trial or data collection protocol design, study eligibility criteria, patient population size (*e.g.*, for orphan diseases or for some pediatric indications), proximity and/or availability of clinical trial sites for prospective patients, availability of competing therapies and clinical trials, regional differences in diagnosis and treatment, perceived risks and benefits of the product or product candidate, disruptions due to external events or conditions affecting the localities or regions in which our clinical trials are conducted, such as terrorism, political crises, natural disasters, war and wartime conditions, or outbreaks of contagious disease such as the COVID-19 pandemic, which previously slowed enrollment in our clinical trials of YARTEMLEA;
- lower than anticipated retention rates of patients in clinical trials;
- the need to repeat or conduct additional clinical trials as a result of inconclusive or negative results, failure to replicate positive early clinical data in subsequent clinical trials, failure to deliver an efficacious dose of a product candidate, poorly executed testing, a failure of a clinical site to adhere to the clinical protocol or to follow GCP or other study requirements, an unacceptable study design or other problems;
- adverse findings in clinical or nonclinical studies related to the safety of our product candidates in humans;
- an insufficient supply of product candidate materials or other materials necessary to conduct our clinical trials;
- the need to qualify new suppliers of product candidate materials for FDA and foreign regulatory approval;
- an unfavorable inspection or review by FDA or other regulatory authority of a clinical trial site or records of any clinical investigation;
- the occurrence of unacceptable drug-related side effects or adverse events experienced by participants in our clinical trials;
- the suspension by a regulatory agency of a trial by imposing a clinical hold; or
- the amendment of clinical trial or data collection protocols to reflect changes in regulatory requirements and guidance or other reasons as well as subsequent re-examination of amendments to clinical trial or data collection protocols by regulatory agencies, institutional review boards or ethics committees.

In addition, our clinical trial or development programs have been, and in the future may be, suspended or terminated by us, FDA or other regulatory authorities, or institutional review boards or ethics committees due to a number of factors, including:

- failure to conduct the clinical trial in accordance with regulatory requirements or our clinical protocols;
- inspection of the clinical trial operations or trial sites by FDA or other regulatory authorities resulting in the imposition of a clinical hold;
- our failure to comply with our regulatory obligations as a sponsor of clinical research, such as adverse event reporting, control of study drug, adequate study monitoring, and other obligations;
- the failure to remove a clinical hold in a timely manner, if at all;
- unforeseen safety issues or any determination that a trial presents unacceptable health risks;
- inability to deliver an efficacious dose of a product candidate; or
- lack of adequate funding to continue the clinical trial or development program, including as a result of unforeseen costs due to enrollment delays, requirements to conduct additional trials and studies and/or increased expenses associated with the services of our CROs, or other third parties.

If the results of our clinical trials are not available when we expect or if we encounter any delay in the analysis of data from our clinical trials, we may be unable to file for regulatory approval or conduct additional clinical trials on the schedule we currently anticipate. Many of the factors that cause, or lead to, a delay in the commencement or completion of clinical trials may also ultimately lead to the denial of regulatory approval of a product candidate. Any delays in completing our clinical trials could increase our development costs, could slow down our product development and regulatory submission process, could delay our receipt of product revenue and could make it difficult to raise additional capital. In addition, significant clinical trial delays also could allow our competitors to bring products to market before we do and impair our ability to commercialize our future products, potentially harming our business.

Because we have a number of product candidates and development programs, we may expend our limited resources to pursue a particular product candidate or indication and fail to capitalize on product candidates or indications for which there is a greater likelihood of obtaining regulatory approval and that may be more profitable, if approved.

We have limited resources and must focus on the product candidates and clinical and preclinical development programs that we believe are the most promising. As a result, we may forgo or delay the pursuit of opportunities with other product candidates or other indications that later prove to have greater commercial potential and may not be able to progress development programs as rapidly as otherwise possible. Further, if we do not accurately evaluate the commercial potential or target market for a particular product candidate, we may relinquish valuable rights to that drug through collaboration, license or other royalty arrangements in cases in which it would have been advantageous for us to retain sole development and commercialization rights.

Our obligations under the Transition Services Agreement require us to utilize significant internal resources that could otherwise be used to advance our other programs.

In connection with the APLA, we entered into a Transition Services Agreement under which we are required to provide certain transition services to facilitate the transfer of the acquired assets and liabilities under the APLA and to provide for the continued operation of relevant studies and program activities during the applicable term, subject to reimbursement by Novo Nordisk.

Providing these services requires us to devote management time and internal personnel and other resources that could otherwise be used to advance our drug candidates, programs, and operations. As a result, our obligations under the Transition Services Agreement may divert resources away from our drug candidates, programs, and operations and may delay or limit our ability to advance these drug candidates, programs, and operations.

Our product candidates may not successfully complete clinical development or be suitable for successful commercialization or generation of revenue through partnerships, and our preclinical programs may not produce product candidates that are suitable for clinical trials.

We must successfully complete preclinical testing, which may include demonstrating efficacy and the lack of toxicity in established animal models, before commencing clinical trials for any product candidate. Many pharmaceutical and biological product candidates do not successfully complete preclinical testing. There can be no assurance that positive results from preclinical studies will be predictive of results obtained from subsequent preclinical studies or clinical trials.

Even if preclinical testing is successfully completed, we cannot be certain that any product candidates that do advance into clinical trials will successfully demonstrate safety and efficacy in clinical trials. Even if we achieve positive results in early clinical trials, they may not be predictive of the results in later trials, and safety and/or efficacy outcomes of early clinical trials may not be consistent with outcomes of subsequent clinical trials, or FDA may take the position that despite the successful outcomes, they do not demonstrate the safety and effectiveness of our product candidates to FDA's satisfaction. There can be no assurance that we will be able to successfully commercialize our current or future product candidates or to meet our expectations with respect to revenues or profits from such products.

We may incur substantial costs as a result of commercial disputes, claims, litigation or other legal proceedings relating to our business operations, especially with regard to patent and other intellectual property rights, and such costs or an adverse outcome in such a proceeding may adversely affect our financial condition, results of operations and/or stock price.

Our business involves numerous commercial contractual arrangements, important intellectual property rights, potential product liability, uncertainties with respect to clinical development, manufacture and regulatory approvals and other aspects that create heightened risks of disputes, claims and legal proceedings. These include claims that may be faced in one or more jurisdictions related to the safety of YARTEMLEA and our product candidates, the development of our product candidates, our ability to obtain regulatory approval for our product candidates, our expectations regarding product development and regulatory approval, sales and marketing practices, commercial disputes including with contract manufacturers, competition, environmental matters, employment matters and other matters. These matters could consume significant time and resources, even if we are successful. Many of our competitors and contractual counterparties are significantly larger than we are and, as a result, may be able to sustain the costs of complex litigation more effectively than we can because they have substantially greater resources. In addition, we may pay damage awards or settlements or become subject to equitable remedies that could, individually or in the aggregate, have a material negative effect on our financial condition, results of operations or stock price. Any uncertainties resulting from the initiation and continuation of any litigation also could have a material adverse effect on our ability to raise the capital necessary to continue our operations.

We may initiate or become subject to litigation regarding patents and other intellectual property rights. Patent infringement litigation involves many complex technical and legal issues and its outcome is often difficult to predict and the risk involved in doing so can be substantial. Manufacturers of generic or biosimilar drugs could seek approval to market a generic or biosimilar version of our products or challenge our intellectual property rights with respect to our product candidates.

Further, our industry has produced a large number of patents, and it is not always clear which patents cover various types of products or methods of use. A third party may claim that we or our contract manufacturers are using inventions covered by the third party's patent rights and may go to court to stop us from engaging in the alleged infringing activity, including making, using or selling our products and product candidates. These lawsuits are costly and could affect our results of operations and divert the attention of managerial and technical personnel. There is a risk that a court would decide that we, or our contract manufacturers, are infringing the third party's patents and would order us or our contractors to stop the activities covered by the patents. In addition, if we or our contract manufacturers are found to have violated a third party's patent, we or our contract manufacturers could be ordered to pay damages to the other party. We have agreed or may in the future agree to indemnify our contract manufacturers against certain patent infringement claims and thus may be responsible for any of their costs associated with such claims and actions. If we were sued for patent infringement, we would need to demonstrate that our products and product candidates or methods of use either do not infringe the patent claims of the relevant patent or that the patent claims are invalid, and we might be unable to do this. Proving invalidity, in particular, is difficult since it requires clear and convincing evidence to overcome the presumption of validity enjoyed by issued patents.

It is difficult and costly to protect our intellectual property and our proprietary technologies, and we may not be able to ensure their protection.

Our commercial success will depend in part on obtaining and maintaining patent protection and trade secret protection for the use, formulation and structure of our products and product candidates, the methods used to manufacture them, the related therapeutic targets and associated methods of treatment as well as on successfully defending these patents against potential third-party challenges. Our ability to protect our products and product candidates from unauthorized making, using, selling, offering to sell or importing by third parties is dependent on the extent to which we have rights under valid and enforceable patents that cover these activities.

The patent positions of pharmaceutical, biotechnology and other life sciences companies can be highly uncertain and involve complex legal and factual questions for which important legal principles remain unresolved. Changes in either the patent laws or in interpretations of patent laws in the U.S. and other countries may diminish the value of our intellectual property. Further, the determination that a patent application or patent claim meets all of the requirements for patentability is a subjective determination based on the application of law and jurisprudence. The ultimate determination by the U.S. Patent and Trademark Office or by a court or other trier of fact in the U.S., or corresponding foreign national patent offices or courts, on whether a claim meets all requirements of patentability cannot be assured. Although we have conducted searches for third-party publications, patents and other information that may affect the patentability of claims in our various patent applications and patents, we cannot be certain that all relevant information has been identified. Accordingly, we cannot predict the breadth of claims that may be allowed or enforced in our patents or patent applications, in our licensed patents or patent applications or in third-party patents.

We cannot provide assurances that any of our patent applications will be found to be patentable, including over our own prior art patents, or will issue as patents. Neither can we make assurances as to the scope of any claims that may issue from our pending and future patent applications nor to the outcome of any proceedings by any potential third parties that could challenge the patentability, validity or enforceability of our patents and patent applications in the U.S. or foreign jurisdictions. Any such challenge, if successful, could limit patent protection for our products and product candidates and/or materially harm our business.

The degree of future protection for our proprietary rights is uncertain because legal means afford only limited protection and may not adequately protect our rights or permit us to gain or keep our competitive advantage. In addition, to the extent that we are unable to obtain and maintain patent protection for one of our products or product candidates or in the event that such patent protection expires or is limited to method of use patent protection, it may no longer be cost-effective to extend our portfolio by pursuing additional development of a product or product candidate for follow-on indications.

We also may rely on trade secrets to protect our technologies or product candidates, especially where we do not believe patent protection is appropriate or obtainable. Although we use reasonable efforts to protect our trade secrets, our employees, consultants, contractors, outside scientific collaborators and other advisers may unintentionally or willfully disclose our information to competitors. Enforcing a claim that a third-party entity illegally obtained and is using any of our trade secrets is expensive and time-consuming, and the outcome is unpredictable. In addition, courts outside the U.S. are sometimes less willing to protect trade secrets. Moreover, our competitors may independently develop equivalent knowledge, methods and know-how.

Novo Nordisk controls significant aspects of the prosecution, maintenance, and enforcement of key intellectual property covering zaltenibart products, and its failure to protect, enforce, or maintain that intellectual property could adversely affect the commercial value of zaltenibart products and, in turn, the milestone or royalty payments we receive.

Under our APLA with Novo Nordisk, we transferred certain patent rights and other intellectual property relating to zaltenibart and granted Novo Nordisk rights to exploit that intellectual property. As a result, Novo Nordisk controls significant aspects of the prosecution, maintenance, and enforcement of key intellectual property covering zaltenibart products.

Because Novo Nordisk controls these activities, we have limited ability to influence how such intellectual property is prosecuted, maintained, defended, or enforced. Novo Nordisk may decide not to pursue, enforce, or defend certain intellectual property rights or may do so in a manner with which we disagree. If intellectual property protecting zaltenibart products is not adequately protected, enforced, or maintained, the commercial value of zaltenibart products and, in turn, the milestone payments or royalties we may receive could be adversely affected.

Competitors may develop products that are less expensive, safer or more effective, or which may otherwise diminish or eliminate the success of any products that we may commercialize.

We may not achieve commercial success if our competitors, many of which have significantly more resources and experience than we have, market products that are safer, more effective, less expensive or faster to reach the market than any products that we may develop and commercialize. Our competitors also may market a product that proves to be unsafe or ineffective, which may affect the market for future product we are developing, regardless of the safety or efficacy of our product. The failure of YARTEMLEA or any future product that we may market to compete effectively with products marketed by our competitors would impair our ability to generate revenue, which would have a material adverse effect on our future business, our financial condition and our results of operations.

The loss of members of our management team could substantially disrupt our business operations.

Our success depends to a significant degree on the continued individual and collective contributions of our management team. The members of our management team are at-will employees, and we do not maintain any key-person life insurance policies other than on the life of Gregory A. Demopulos, M.D., our president, chief executive officer and chairman of the board of directors. Losing the services of any key member of our management team, whether from death or disability, retirement, competing offers or other causes, without having a readily available and appropriate replacement could delay the execution of our business strategy, cause us to lose a strategic partner, or otherwise materially affect our operations.

We rely on highly skilled personnel and, if we are unable to retain or motivate key personnel or hire qualified personnel, we may not be able to maintain our operations or grow effectively.

Our performance is largely dependent on the talents and efforts of highly skilled individuals, many of whom possess specialized expertise that may be difficult to replace. Our transition to a commercial-stage company requires operational and commercial expertise, and the loss of key personnel could disrupt our ability to execute our business strategy. Our future success depends on our continuing ability to identify, hire, develop, motivate and retain highly skilled personnel for all areas of our organization. If we are unable to hire and train a sufficient number of qualified employees for any reason, we may not be able to implement our current initiatives or grow effectively. We maintain a rigorous, highly selective and time-consuming hiring process. We believe that our approach to hiring has significantly contributed to our success to date. If we do not succeed in attracting qualified personnel and retaining and motivating existing personnel, our existing operations may suffer and we may be unable to grow effectively.

We may encounter difficulties managing our growth, which could delay our business plans or adversely affect our results of operations.

To manage our future growth, we must continue to implement and improve our managerial, operational and financial systems and continue to recruit, train and retain qualified personnel. We may not be able to implement necessary business processes and systems, recruit, train and retain additional qualified personnel and otherwise manage the growth of our enterprise due to factors such as limited financial resources and competition for qualified personnel within local, national and international markets. The expansion of our operations may lead to significant costs and may divert our management and business development resources. Any inability to manage growth could delay the execution of our business plans or disrupt our operations. Additionally, our inability to manage growth effectively could cause our operating costs to exceed our forecasts.

Product liability claims may damage our reputation and, if insurance proves inadequate, these claims may harm our business.

We may be exposed to the risk of product liability claims that is inherent in the biopharmaceutical industry. A product liability claim may damage our reputation by raising questions about our product's safety and efficacy and could limit our ability to sell one or more products by preventing or interfering with commercialization of our products and product candidates. In addition, product liability insurance for the biopharmaceutical industry is generally expensive to the extent it is available at all. There can be no assurance that we will be able to obtain or maintain such insurance on acceptable terms for YARTEMLEA or any other product we bring to market. Further, our product liability insurance coverage may not provide coverage for or may be insufficient to reimburse us for any or all expenses or losses we may suffer. A successful claim against us with respect to uninsured liabilities or in excess of insurance coverage could have a material adverse effect on our business, financial condition and results of operations.

We rely on third parties to conduct portions of our preclinical research and clinical trials. If these third parties do not perform as contractually required or otherwise expected, or if we fail to adequately supervise or monitor these parties, we may not be able to obtain regulatory approval for or commercialize our product candidates.

We rely on third parties, such as CROs, medical and research institutions and clinical investigators, to conduct a portion of our preclinical research, assist us in conducting our clinical trials or to conduct third party-sponsored clinical trials of our product candidates. Nonetheless, we are responsible for confirming that our preclinical research and clinical trials are conducted in accordance with applicable regulations, the relevant trial protocol and within the context of approvals by an institutional review board or ethics committee, and we may not always be successful in ensuring such compliance. Our reliance on these third parties does not relieve us of responsibility for ensuring compliance with FDA and other regulations and standards for conducting, monitoring, recording and reporting the results of preclinical research and clinical trials to assure that data and reported results are credible and accurate and that the trial participants are adequately protected. If these third parties do not successfully carry out their contractual duties or regulatory obligations or meet expected deadlines, if the third parties need to be replaced or if the quality or accuracy of the data they obtain is compromised due to their failure to adhere to our clinical protocols or regulatory requirements or for other reasons, our preclinical and clinical development processes may be extended, delayed, suspended or terminated, and we may not be able to commercialize or obtain regulatory approval for our product candidates.

If we are unable to obtain licenses from third parties on commercially reasonable terms or fail to comply with our obligations under such agreements, our business could be harmed.

It may be necessary for us to use the patented or proprietary technology of third parties to commercialize our products, in which case we would be required to obtain a license from these third parties. If we are unable to license such technology, or if we are forced to license such technology on unfavorable terms, our business could be materially harmed. If we are unable to obtain a necessary license, we may be unable to develop or commercialize the affected products or product candidates, which could materially harm our business and the third parties owning such intellectual property rights could seek either an injunction prohibiting our sales, or, with respect to our sales, an obligation on our part to pay royalties and/or other forms of compensation. Even if we are able to obtain a license, it may be non-exclusive, which could enable our competitors to obtain access to the same technologies licensed to us.

If we fail to comply with our obligations under license agreements, our counterparties may have the right to terminate these agreements, in which event we might not be able to develop, manufacture or market, or may be forced to cease developing, manufacturing or marketing, any product that is covered by these agreements or may face other penalties under such agreements. Such an occurrence could materially adversely affect the value of the product or product candidate being developed under any such agreement. Termination of these agreements or reduction or elimination of our rights under these agreements may result in our having to negotiate new or reinstated agreements with less favorable terms, cause us to lose our rights under these agreements, including our rights to important intellectual property or technology, or impede, delay or prohibit the further development or commercialization of one or more product candidates that rely on such agreements.

Our use of artificial intelligence exposes us to deficient outputs, unintentional disclosures, and an evolving regulatory landscape.

We use artificial intelligence ("AI"), including machine learning and generative AI technologies, in various aspects of our business, including research and development, data analysis, and certain internal functions. Use of AI systems presents risks and uncertainties, as they may generate inaccurate, incomplete, or biased outputs. Reliance on such deficient outputs could lead to flawed analyses, operational errors, or suboptimal decision-making, including in connection with scientific, regulatory, or commercial activities, which, in turn, could adversely affect our business, financial condition, and results of operations.

In addition, some of the AI tools we use are provided by third-party vendors, and our use of these technologies may involve the processing of proprietary, confidential, or other sensitive data. If such data were improperly disclosed, accessed by unauthorized parties, incorporated into external AI training models, or otherwise misused, our intellectual property, competitive position, and reputation could be harmed. Our use of AI also exposes us to evolving legal and regulatory requirements relating to data privacy, cybersecurity, intellectual property, and the use of automated decision-making technologies, and compliance with these requirements may increase our costs or limit our ability to deploy AI tools effectively. If we fail to manage these risks effectively, our business, financial condition, and results of operations could be adversely affected.

Further, the landscape of available AI is rapidly evolving. If our competitors adopt more effective AI, we may be adversely affected by the competitive disadvantage.

The availability of royalties from Rayner is dependent on Rayner's net sales of OMIDRIA and may be of lesser magnitude than anticipated or may not become payable at all and we do not expect to receive a sales-based milestone payment from DRI.

In February 2024, we sold to DRI an expanded interest in OMIDRIA royalties payable by Rayner. Pursuant to the Amendment with DRI, DRI is entitled to receive all royalties on U.S. net sales of OMIDRIA between January 1, 2024 and December 31, 2031. We retain the right to receive all royalties payable by Rayner on any net sales of OMIDRIA outside the U.S. as well as royalties on global net sales of OMIDRIA payable from and after December 31, 2031. However, the availability of royalties from Rayner is dependent on Rayner's net sales of OMIDRIA and may be of lesser magnitude than anticipated or may not become payable at all. Additionally, while we are entitled to receive a separate milestone payment ranging between $8.0 million and $27.5 million if U.S. net sales of OMIDRIA reach applicable thresholds ranging between a total of $181.0 million and $185.0 million for any period of four consecutive quarters prior to January 1, 2028, we do not expect to receive this milestone based on current U.S. net sales of OMIDRIA. If the payments we receive from Rayner and/or DRI are less than we anticipate, this may adversely impact our financial condition and results of operation.

As a non-accelerated filer, we are not required to comply with the auditor attestation requirements of the Sarbanes-Oxley Act.

We are a non-accelerated filer under the Exchange Act and, therefore, we are not required to comply with the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act. Therefore, our internal control over financial reporting will not receive the level of review provided by the process relating to the auditor attestation included in annual reports of issuers that are subject to the auditor attestation requirements. In addition, we cannot predict if investors will find our common stock less attractive because we are not required to comply with the auditor attestation requirements. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and the trading price for our common stock may be negatively affected.

General Risk Factors Related to our Business

Cyber-attacks or other failures in telecommunications or information technology systems could result in information theft, data corruption and significant disruption of our business operations.

We utilize information technology systems and networks to process, transmit and store electronic information in connection with our business activities. As use of digital technologies has increased, cyber incidents, including deliberate attacks and attempts to gain unauthorized access to computer systems and networks, have increased in frequency and sophistication. These threats pose a risk to the security of our systems and networks, the confidentiality and the availability and integrity of our data. There can be no assurance that we will be successful in preventing cyber-attacks or mitigating their effects. Similarly, there can be no assurance that our collaborators, CROs, third-party logistics providers, distributors and other contractors and consultants will be successful in protecting our clinical and other data that is stored on their systems. While we have not experienced any previous cybersecurity incidents that have had a material adverse effect on or company, we cannot provide assurance that a future cybersecurity incident will not occur or that it would not materially affect our business, results of operations or financial condition. In addition, we may suffer reputational harm or face litigation or adverse regulatory action as a result of cyber-attacks or other data security breaches and may incur significant additional expense to implement further data protection measures.

Our stock price has been and may continue to be volatile, and the value of an investment in our common stock may decline.

During the 12-month period ended December 31, 2025, the closing price of our stock ranged from as high as $17.18 per share and as low as $2.97 per share. The trading price of our common stock is likely to continue to be highly volatile and could be subject to wide fluctuations in response to numerous factors, many of which are beyond our control. In addition, the stock market has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of publicly traded companies. Broad market and industry factors may seriously affect the market price of companies' stock, including ours, regardless of actual operating performance. These fluctuations may be even more pronounced in the trading market for our stock. In addition, in the past, following periods of volatility in the overall market and the market price of a particular company's securities, securities class action litigation has often been instituted against these companies. This litigation, if instituted against us, could result in substantial costs and a diversion of our management's attention and resources.

If we issue additional shares of our common stock or other securities that may be convertible into, or exercisable or exchangeable for, our common stock, our existing shareholders would experience further dilution.

To the extent that we raise additional funds in the future by issuing equity securities, our shareholders would experience dilution, which may be significant and could cause the market price of our common stock to decline significantly. In addition, approximately 18.3 million shares of common stock were subject to outstanding options as of December 31, 2025 and may become eligible for sale in the public market to the extent permitted by the provisions of various vesting agreements. As of December 31, 2025, we also had approximately 3.9 million additional shares of common stock reserved for future issuance under our employee benefit plans that are not subject to outstanding options. Further, to the extent we issue common stock upon conversion of the 2029 Notes, such conversion would dilute the ownership interests of existing stockholders. If the holders of outstanding options elect to exercise some or all of them, or if the shares subject to our employee benefit plans are issued and become eligible for sale in the public market, or we issue common stock upon conversion of the 2029 Notes, our shareholders would experience dilution and the market price of our common stock could decline.

If we or the third parties upon whom we rely are adversely affected by natural disasters or other events, our business continuity and disaster recovery plans may not adequately protect us from such interruptions.

Any unplanned event, such as flood, fire, explosion, earthquake, tsunami, extreme weather condition, power shortage, power outage, telecommunication failure, or other natural or man-made accidents or incidents could disrupt our operations. If a natural disaster or other event were to occur that prevents us from using all or a significant portion of our headquarters, that damages critical infrastructure, such as the manufacturing facilities of our third-party manufacturers, or that otherwise disrupts operations, it may be difficult or, in certain cases, impossible for us to continue our business for a substantial period of time. We may not carry sufficient business interruption insurance to compensate us for all losses that may occur. The disaster recovery and business continuity plans we have in place may not be adequate in the event of a serious disaster or similar event. We may incur substantial expenses as a result of a natural disaster or other event, which could have a material adverse effect on our business, and we could potentially lose valuable data and other items. The occurrence of any of the foregoing could have a material adverse effect on our business, financial condition and results of operations.

Anti-takeover provisions in our charter documents and under Washington law could make an acquisition of us, which may be beneficial to our shareholders, difficult and prevent attempts by our shareholders to replace or remove our current management.

Provisions in our articles of incorporation and bylaws and under Washington law may delay or prevent an acquisition of us or a change in our management. These provisions include a classified board of directors, a prohibition on shareholder actions by less than unanimous written consent, restrictions on the ability of shareholders to fill board vacancies and the ability of our board of directors to issue preferred stock without shareholder approval. In addition, because we are incorporated in Washington, we are governed by the provisions of Chapter 23B.19 of the Washington Business Corporation Act, which, among other things, restricts the ability of shareholders owning 10% or more of our outstanding voting stock from merging or combining with us. Although we believe these provisions collectively provide for an opportunity to receive higher bids by requiring potential acquirers to negotiate with our board of directors, they would apply even if an offer may be considered beneficial by some shareholders. In addition, these provisions may frustrate or prevent any attempts by our shareholders to replace or remove our current management by making it difficult for shareholders to replace members of our board of directors, which is responsible for appointing the members of our management.

We have never declared or paid dividends on our capital stock, and we do not anticipate paying dividends in the foreseeable future.

Our business requires significant funding. We currently plan to invest all available funds and future earnings, if any, in the development and growth of our business. Therefore, we have no intention of paying any cash dividends on our common stock in the foreseeable future. As a result, a rise in the market price of our common stock, which is uncertain and unpredictable, will be the sole source of potential gain for shareholders in the foreseeable future, and an investment in our common stock for dividend income should not be relied upon.

Our ability to use our net operating loss carryforwards and certain other tax attributes to offset taxable income or taxes may be limited.

We have incurred substantial losses during our history, and we may never become or remain profitable. As of December 31, 2025, we had U.S. federal net operating loss ("NOL") carryforwards of approximately $386.4 million and state NOL carryforwards of approximately $229.8 million. Pre-2018 U.S. federal NOL carryforwards of $45.4 million expire between 2035 and 2037. Under the Internal Revenue Code of 1986, as amended (the "Code"), our post-2018 U.S. federal NOL carryforwards will not expire and may be carried forward indefinitely but the deductibility of such NOL carryforwards is limited to no more than 80% of current year taxable income (with certain adjustments). In addition, under Sections 382 and 383 of the Code, if a corporation undergoes an "ownership change," generally defined as a greater than 50 percentage point change (by value) in its equity ownership by certain stockholders over a three-year period, the corporation's ability to use its pre-change NOL carryforwards and other pre-change tax attributes to offset its post-change income or taxes may be limited. We completed a Section 382 study through December 31, 2025, which showed no limitation on the use of our NOLs or tax credits. However, there may be ownership changes since the completion of that study, including in connection with this offering or as a result of subsequent changes in our stock ownership, some of which may be outside of our control. As a result, if we undergo an ownership change, and our ability to use our pre-change NOL carryforwards and other pre-change tax attributes (such as research tax credits) to offset our post-change income or taxes is limited, it would harm our future results of operations by effectively increasing our future tax obligations. Similar provisions of state tax law may also apply to limit our use of accumulated state tax attributes. In addition, at the state level, there may be periods during which the use of NOL carryforwards is suspended or otherwise limited, which could accelerate or permanently increase our state taxes owed. As a result, even if we attain profitability, we may be unable to use all or a material portion of our NOL carryforwards and other tax attributes, which could adversely affect our future cash flows.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Risk Management and Strategy

Omeros maintains a cybersecurity risk management program that is designed to assess, identify, manage and respond to risks from cybersecurity threats in a robust manner. This program shares certain common methodologies, reporting channels and governance processes applicable to our management of other risk areas, such as legal, compliance, strategic, operational and financial risk.

We utilize a range of internal and external resources to assess and identify cybersecurity threats and vulnerabilities. We access and utilize information drawn from a variety of publications, reports and services to assess our cybersecurity risk profile, develop awareness of emerging cybersecurity threats and threat actors and identify risk factors that are particularly relevant to the biotechnology and pharmaceutical sector and to our company. We also work with third parties that assist us to identify, assess and manage cybersecurity risks, including external auditors, consulting firms, managed security service providers and penetration testing firms.

We have implemented and maintain various technical, physical and organizational measures, processes, standards and/or policies designed to manage and mitigate material risks from cybersecurity threats. These include data encryption, network security controls, access controls, physical security, asset management, system hardening, vulnerability management and patching and continuous monitoring of information technology systems and network telemetry data using a variety of manual and automated tools and systems designed to detect and respond to suspicious or unusual activity. We maintain systems and plans for business continuity and disaster recovery and have implemented tools and procedures for cybersecurity incident detection and response. We also operate a cybersecurity training program for employees that includes required webinars and deployment of simulated phishing and similar attacks in which threat actors utilize social engineering to gain access to company systems.

We take a risk-weighted approach to mitigation of cybersecurity risks associated with use of third-party service providers. Based on an assessment of the cybersecurity risks presented by a given third-party service provider, we seek to minimize third-party cybersecurity risk on a case-by-case basis, generally through a combination of due diligence in the selection of qualified vendors and the imposition of contractual terms requiring the vendor to maintain specified cybersecurity safeguards and/or to accept financial responsibility for security breaches occurring within the vendor's area of responsibility.

We are not aware of any specific risks from specific cybersecurity threats, and have not experienced any previous cybersecurity incidents, that have materially affected or are reasonably likely to materially affect our company, including our business strategy, results of operations or financial condition. While we continue to invest in the security and resiliency of our information technology systems and to enhance our cybersecurity controls and processes, we cannot provide assurance that a future cybersecurity incident will not occur or that it would not materially affect our company. Please see Item 1A of Part I of this Annual Report under the heading "Risk Factors" for additional discussion about risks related to cybersecurity.

Governance

Cybersecurity is an important part of our risk management processes and an area of focus for our board of directors and management. Pursuant to its charter, the audit committee of our board of directors is responsible for the oversight of management's efforts to address cybersecurity risk. Management reports to the audit committee on cybersecurity risk matters periodically, typically twice annually. These reports normally address matters such as: the evolving cybersecurity risk environment and the emergence of new threats; outcomes and learnings from penetration testing, security audits or vulnerability assessments; evaluation of existing controls, tools and procedures and progress on implementation of any new initiatives to manage and mitigate cybersecurity risk. In addition, members of our board of directors regularly engage in discussions with management on cybersecurity-related news events and discuss any updates to our cybersecurity risk management and strategy programs.

Our cybersecurity risk management program is managed by our Director of Information Technology (the "IT Director"), whose team is responsible for leading enterprise-wide cybersecurity strategy, policy, standards, architecture and processes. The IT Director has been with the organization since 2007, has a post-graduate degree in Information Security, and is a member of InfraGard, a partnership between the Federal Bureau of Investigation and members of the private sector for the protection of U.S. critical infrastructure. The IT Director is informed about and monitors prevention, detection, mitigation and remediation of cybersecurity risks and incidents through various means, which may include, among other things, briefings with dedicated internal security personnel, threat intelligence and other information obtained from governmental, public or private sources, including external consultants engaged by us, and alerts and reports produced by security tools deployed in our information technology environment. The IT Director provides periodic reports on cybersecurity risk to the audit committee of our board of directors, as well as our chief executive officer and other members of our senior management as appropriate.

ITEM 2. PROPERTIES

We lease approximately 106,949 square feet for our principal office and laboratory space in the building located at 201 Elliott Avenue West, Seattle, Washington (the Omeros Building), which includes 1,134 square feet of laboratory space that we are subleasing to third parties. The lease term for our space is through November 2027. We also have two options to extend the lease term, each by five years. The annual base rent due under the lease for our principal office and laboratory space is $6.6 million for 2026, and $5.7 million for 2027. In addition, we are responsible for paying our proportionate share of the building's utilities, taxes, insurance and maintenance as well as a property management fee.

We believe that our facilities are sufficient for our anticipated near-term needs.

ITEM 3. LEGAL PROCEEDINGS

From time to time, in the ordinary course of business, we may be involved in various claims, lawsuits and other proceedings. As of the date of filing of this Annual Report on Form 10-K, we were not involved in any material legal proceedings.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

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

Market Information

Our common stock is traded on The Nasdaq Global Market under the symbol "OMER."

Holders

As of March 27, 2026, there were approximately 71,996,171 shares of our common stock outstanding, which were held by 76 holders of record.

Dividends

We have never declared or paid any cash dividends on our capital stock. We expect to retain all available funds and future earnings to fund the development and growth of our business and we do not anticipate paying any cash dividends in the foreseeable future.

Recent Sales of Unregistered Securities

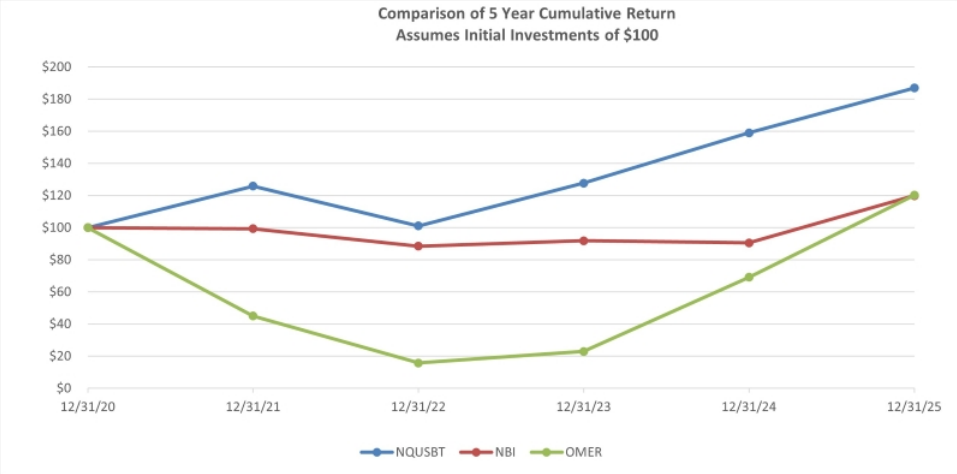
On May 12, 2025, under note conversion agreements, two holders converted $10.0 million aggregate principal amount of their 2026 Notes into 2,819,866 shares of our common stock (the "Equitization Transaction") in three tranches. We did not receive new cash proceeds in connection with the Equitization Transaction. The shares of common stock were issued in reliance on the exemption from registration provided under Section 4(a)(2) of the Securities Act.

Issuer Purchases of Equity Securities

On November 29, 2025, the Board of Directors approved a new share repurchase program under which we are permitted to repurchase from time to time up to $100.0 million of our common stock in the open market or through privately negotiated transactions. We did not repurchase any shares of common stock during the year ended December 31, 2025.

Stock Performance Graph

The following graph compares the cumulative total shareholder return for our common stock (OMER), the Nasdaq Biotechnology Index (NBI) and the Nasdaq U.S. Benchmark TR Index (NQUSBT) for the period beginning December 31, 2020 and ending December 31, 2025. This graph assumes that $100 was invested on December 31, 2020 in our common stock, the Nasdaq Biotechnology Index and the Nasdaq U.S. Benchmark TR Index. It also assumes that any dividends, if any, were reinvested. The data shown in the following graph are not necessarily indicative of future stock price performance.



The foregoing information in this stock performance graph shall not be deemed to be "soliciting material" or to be "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to liability under that Section. In addition, the foregoing information shall not be deemed to be incorporated by reference into any of our filings under the Exchange Act or the Securities Act, except to the extent that we specifically incorporate this information by reference.

ITEM 6. [RESERVED]

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

The following discussion and analysis should be read in conjunction with the audited annual consolidated financial statements and the related notes thereto included elsewhere in this Annual Report on Form 10-K. This discussion contains forward-looking statements reflecting our current expectations that involve risks and uncertainties. Actual results may differ materially from those discussed in these forward-looking statements due to a number of factors, including those set forth in the section entitled "Risk Factors" and elsewhere in this Annual Report on Form 10-K. For further information regarding forward-looking statements, please refer to the special note regarding forward-looking statements at the beginning of this Annual Report on Form 10-K. Throughout this discussion, unless the context specifies or implies otherwise, the terms "Company," "we," "us" and "our" refer to Omeros Corporation and our wholly owned subsidiaries.

Overview

We are an innovative, commercial-stage biotechnology company that discovers and develops first-in-class protein and small-molecule therapeutics for large-market and orphan indications, with particular emphasis on complement-mediated diseases, cancers, and addictive or compulsive disorders.

Complement Inhibitor Programs

The complement system plays a role in the body's inflammatory response and becomes activated as a result of tissue damage or trauma or microbial pathogen invasion. Inappropriate or uncontrolled activation of the complement system can cause diseases characterized by serious tissue injury. Three main pathways can activate the complement system: classical, lectin, and alternative. We are focused on development of therapeutics to treat diseases associated with the lectin and/or alternative pathways of complement. We are developing antibodies as well as small-molecule inhibitors of key enzymes known to be centrally involved in the in activation of the targeted pathway of complement.

Lectin Pathway / MASP-2

MASP-2 is a novel pro-inflammatory protein target that is the effector enzyme of the lectin pathway and is required for the function of this pathway. We are developing antibodies and small-molecule inhibitors of MASP-2 as potential therapeutics for diseases in which the lectin pathway has been shown to contribute to significant tissue injury and pathology. When not treated, these diseases are typically characterized by significant end-organ damage, such as kidney or central nervous system injury. Importantly, inhibition of MASP-2 has been demonstrated not to interfere with the antibody-dependent classical complement activation pathway, a critical component of the acquired immune response to infection.

The lead product and product candidate in our pipeline of complement-targeted therapeutics is narsoplimab (OMS721), a proprietary, patented human monoclonal antibody targeting MASP-2, the key activator of the lectin pathway of complement. Our lead lectin pathway inhibitor YARTEMLEA® (narsoplimab-wuug) is FDA-approved and commercially available in the U.S. for the treatment of TA-TMA in adult and pediatric patients aged two years and older. An MAA for YARTEMLEA in TA-TMA is currently under review by the EMA. Clinical development of narsoplimab is anticipated to continue to expand the approved label in TA-TMA and to develop the drug in additional indications. Clinical development efforts have previously been directed to ARDS, including severe acute COVID-19, which can result in PASC. We are also developing OMS1029, our long-acting antibody targeting MASP-2, which we expect will be well-suited to indications requiring long-term, chronic administration. In addition, we have directed efforts towards the development of small-molecule inhibitors of MASP-2, designed for oral administration. For more information, see Part I, Item 1 in this Annual Report on Form 10-K under the heading "Complement Inhibitor Programs: *MASP-2 Program – Lectin Pathway Disorders*".

Commercial Product – YARTEMLEA

Our commercial product, YARTEMLEA, is the first and only approved inhibitor of the lectin pathway of complement. On December 23, 2025, FDA approved YARTEMLEA for the treatment of TA-TMA in adults and in children ages two years and older. TA-TMA is a severe and often-fatal complication of hematopoietic stem cell transplantation in adults and children, driven by systemic endothelial injury triggered by conditioning regimens, immunosuppressants, infection, graft-versus-host disease, and other transplant-related factors. Activation of the lectin pathway of complement plays a central role in disease pathogenesis. YARTEMLEA selectively inhibits MASP-2, blocking pathway activation while preserving classical and alternative complement functions important for host defense. In TA-TMA, MASP-2 inhibition prevents lectin pathway-mediated cellular injury, including endothelial damage in small blood vessels, and thrombus formation.

Commercial distribution and sales of YARTEMLEA commenced in January 2026.

For more information, see Part I, Item 1 in this Annual Report on Form 10-K under the heading "Overview: *Our Commercial Product – YARTEMLEA*".

Sale of Zaltenibart / MASP-3

On November 25, 2025, we completed the Transaction pursuant to our APLA with Novo Nordisk for our candidate drug zaltenibart (formerly OMS906). Zaltenibart is a first-in-class, late-stage clinical humanized monoclonal antibody targeting MASP-3, the most upstream and key activator of the alternative pathway of the complement system. Zaltenibart has shown multiple potential advantages over other alternative pathway inhibitors in development and on the market.

At the closing of the Transaction, we received an upfront cash payment of $240.0 million. In addition, we are eligible to receive (i) up to $510.0 million in one-time milestone payments upon the first achievement by Novo Nordisk or its affiliates or sublicensees of each of the development and approval milestone events as set forth in the APLA and (ii) up to $1.3 billion in one-time milestone payments upon the first achievement by Novo Nordisk or its affiliates or sublicensees of certain sales-based milestone events as set forth in the APLA. We are also eligible under the APLA to receive tiered royalties on annual net sales of products at percentage rates ranging from high single digit to high teens, subject to reduction in certain circumstances, as set forth in the APLA. In total, we are eligible to receive up to an additional $1.8 billion in potential development and commercial milestones, plus tiered royalties on net sales.

Pursuant to the APLA, we sold and transferred, and Novo Nordisk purchased zaltenibart and certain related assets, and the parties agreed to grant and receive certain intellectual property licenses to facilitate the continued development and commercialization activities of both companies. We retain rights to our MASP-3 small-molecule program unrelated to zaltenibart, including the ability to develop and commercialize small-molecule MASP-3 inhibitors, across a range of therapeutic areas, including, but not limited to, ophthalmology, neurology, gastrointestinal disorders, dermatology, musculoskeletal diseases, and oncology. We also retain rights to our "grandfathered" MASP-3 antibodies, with temporal and indication restrictions on commercialization and for use in advancing our small-molecule therapeutics.

In accordance with the APLA, at the closing of the Transaction, Omeros and Novo Nordisk entered into the Transition Services Agreement pursuant to which we are providing certain transition services to Novo Nordisk to facilitate the transfer of the acquired assets and liabilities under the APLA and to provide for the continued operation of relevant studies and program activities during the applicable term. Subject to certain exceptions and limitations, Novo Nordisk reimburses us for costs and expenses we incur under the Transition Services Agreement, including third-party costs and expenses, costs associated with delivery of transition services by Omeros personnel on an hourly basis at rates specified in the Transition Services Agreement, and for our inventories of zaltenibart drug substance and product.

Other Development Programs

PDE7 Inhibitor Program

Our PDE7 inhibitor program, which we refer to as OMS527, comprises multiple PDE7 inhibitor compounds and is based on our discoveries of previously unknown links between PDE7 and any addiction or compulsive disorder, and between PDE7 and any movement disorders. In April 2023, we were awarded a grant from NIDA, part of the National Institutes of Health, to develop our lead orally administered PDE7 inhibitor compound, for which we have successfully completed a Phase 1 study, for the treatment of cocaine use disorder. With NIDA funding, we successfully completed preclinical cocaine interaction/toxicology studies to assess safety of the OMS527 compound when co-administered with cocaine. FDA subsequently requested additional preclinical information prior to initiating the clinical in-patient study in cocaine users. Together with our collaborators at NIDA, we are scheduled to meet with FDA to discuss that request. For more information, see Part I, Item 1 in this Annual Report on Form 10-K under the heading "Other Development Programs: *PDE7 Inhibitor Programs – OMS527*".

Preclinical Programs - OncotoX-AML

We continue to progress preclinical studies within our novel oncology program, which is focused on developing novel, proprietary large molecule therapeutics designed to selectively target and kill dividing cancer cells. We have completed selection of a drug development candidate, and IND-enabling studies are underway for this program, which we refer to as OncotoX-AML. AML, an aggressive and highly fatal bone marrow and blood cancer, is the lead indication for development. The effectiveness of current AML treatments, such as chemotherapeutics and antibody-drug conjugates, is limited by a number of factors, including high relapse rates and substantial side effects.

OncotoX-AML is an engineered biologic designed to selectively kill both AML blasts (abnormal myeloid cells) and relapse-related leukemia stem cells. Its unique mechanism of action is independent of myeloid cell genetic mutations, including TP53, NPM1, KMT2A, and FLT3, which are collectively found in approximately 90% of AML patients and are historically difficult to treat. For more information, see Part I, Item 1 in this Annual Report on Form 10-K under the heading "Other Development Programs: OncotoX-AML".

Preclinical Programs - T-CAT

We are also advancing our T-CAT platform: a new class of recombinant antibodies intended for broad action against bacteria, fungi, viruses, and parasites. T-CAT is designed to harness complement activation to kill pathogens directly, which represents a novel approach to infectious disease treatment.

As preclinical animal data continue to accumulate across multiple pathogen classes and species, we believe that T-CAT demonstrates potential against MDROs. Effective MDRO therapies remain one of the most urgent and unmet needs in medicine, and we believe that T-CAT has the potential to address this need without contributing to drug resistance. For more information, see Part I, Item 1 in this Annual Report on Form 10-K under the heading "Other Development Programs: *T-CAT - Infectious Disease*".

OMIDRIA Sale and Royalty Monetization Transactions

We previously developed and commercialized OMIDRIA® (phenylephrine and ketorolac intraocular solutions) 1%/0.3%, which is approved by FDA for use during cataract surgery or intraocular lens replacement ("IOL") to maintain pupil size by preventing intraoperative miosis (pupil constriction) and to reduce postoperative ocular pain. We marketed OMIDRIA in the U.S. from the time of its commercial launch in 2015 until December 2021.

On December 23, 2021, we sold OMIDRIA to Rayner pursuant to an Asset Purchase Agreement, dated December 1, 2021 (the "Asset Purchase Agreement"). In February 2023, we received a $200.0 million milestone payment from Rayner (the "Milestone Payment"), plus accrued interest, upon an event (the "Milestone Event") that established separate payment for OMIDRIA for a continuous period of at least four years when furnished in an ambulatory surgery center ("ASC") setting. The Asset Purchase Agreement also provides for the payment of royalties by Rayner based on Rayner's net sales of OMIDRIA for a term that extends for the life of the patents covering OMIDRIA in the relevant jurisdiction, the longest of which in the United States is currently into 2035. The applicable royalty rates are currently 30% in the United States and 15% outside the United States ("ex-U.S."), subject to reduction upon certain events described in the Asset Purchase Agreement.

Upon the occurrence of certain events described in the Asset Purchase Agreement, including during any specific period in which OMIDRIA is no longer eligible for separate payment (i.e., becomes included in the packaged payment rate for the surgical procedure) under Medicare Part B, or in certain circumstances involving entry of generic competition for OMIDRIA, the U.S. base royalty rate would be further reduced to 10%. Pursuant to legislation enacted in late 2022, we expect separate payment for OMIDRIA under Medicare Part B to extend until at least January 1, 2028.

As a result of the OMIDRIA divestiture, we recorded an OMIDRIA contract royalty asset on our consolidated balance sheet. The results of OMIDRIA activities are classified as discontinued operations in our consolidated statements of operations and comprehensive loss and excluded from continuing operations for all periods presented. See Part II, Item 8, "Note 8 — Discontinued Operations – Sale of OMIDRIA" to our Consolidated Financial Statements in this Annual Report on Form 10-K.

On September 30, 2022, we entered into a Royalty Purchase Agreement (the "Original Agreement") with DRI Healthcare Acquisitions LP ("DRI") under which we received $125.0 million in exchange for a portion of the royalties to which we were entitled from Rayner under the Asset Purchase Agreement on global net sales of OMIDRIA between September 1, 2022 and December 31, 2030, subject to certain annual caps on the royalty amounts payable to DRI. DRI was entitled under that arrangement to receive royalties on OMIDRIA net sales between September 1, 2022 and December 31, 2030, subject to certain annual caps.

On February 1, 2024, we sold an expanded interest in our future OMIDRIA royalties to DRI under an Amended and Restated Royalty Purchase Agreement (the "Amendment") for which we received $115.5 million in cash consideration. We record the amounts payable to DRI as an OMIDRIA royalty obligation on our consolidated balance sheet. The Amendment eliminated the previously existing annual caps on royalty payments after January 1, 2024,

and provides that DRI receives all royalties on U.S. net sales of OMIDRIA payable between January 1, 2024 and December 31, 2031. All royalties earned on OMIDRIA sales within the U.S. through December 31, 2031 are remitted by Rayner to an escrow account established by Omeros, from which payments are made to DRI.

We retain the rights to receive all royalties payable by Rayner on any net sales of OMIDRIA outside the U.S. as well as royalties on global net sales of OMIDRIA payable from and after December 31, 2031. To date, international royalties have not been significant.

DRI has no recourse to our assets other than its interest in OMIDRIA royalties. Interest expense on the OMIDRIA royalty obligation is recorded as a component of continuing operations. See Part II, Item 8, "Note 9 – OMIDRIA Royalty Obligation" to our Consolidated Financial Statements in this Annual Report on Form 10-K for additional information.

Debt Financing Transactions

Repayment at Maturity of 2023 Notes

On November 15, 2023, we extinguished $95.0 million of our 6.25% convertible senior notes (the "2023 Notes") at par upon maturity.

Repurchase of 2026 Notes for Cash

In December 2023, we repurchased $9.1 million par value of our 2026 Notes on the open market at approximately 55% of par value, realizing a $4.1 million non-cash gain on extinguishment.

Exchange of 2026 Notes for Term Loan and Cash

On June 3, 2024, we, with certain subsidiaries, as guarantors, entered into a Credit and Guaranty Agreement (the "Credit Agreement") with certain funds managed by Athyrium Capital Management, LP and certain funds managed by Highbridge Capital Management, LLC, as lenders (together with additional lenders from time to time, the "Lenders") and Wilmington Savings Fund Society, FSB, as administrative agent and collateral agent. Along with borrowings of $67.1 million under the Credit Agreement (the "Term Loan") and $21.7 million of cash on hand (for a total aggregate purchase price of $88.8 million), we repurchased from the lenders $118.1 million aggregate principal amount of our 2026 Notes. The $29.3 million difference between the $118.1 million aggregate principal amount of the 2026 Notes and the $88.8 million aggregate repurchase price was recorded as a premium (i.e., an increase) to the Term Loan on the Company's consolidated balance sheet instead of being recognized as a gain on early extinguishment of debt as this was accounted for as a troubled debt restructuring.

Exchange of 2026 Notes for 2029 Notes and Equitization Transaction

On May 14, 2025, we completed the exchange (the "Convertible Note Exchange") of $70.8 million of our 2026 Notes on a one-for-one basis for newly-issued 2029 Notes. The Convertible Note Exchange was conducted with a limited number of holders of the 2026 Notes pursuant to exchange agreements dated as of May 12, 2025. The 2029 Notes are convertible at the option of the holders into shares of common stock, cash or a combination thereof, as elected by the Company, at any time prior to the close of business on the second scheduled trading day immediately preceding the maturity date. Holders who convert their 2029 Notes after November 13, 2025 and prior to June 1, 2029 (except for any conversion in connection with a make-whole fundamental change) are entitled to an interest make-whole payment equal to the sum of the remaining scheduled payments of interest that would have been made had the 2029 Notes remained outstanding from their conversion date through the earlier of (i) the date that is 18 months following their conversion date, and (ii) June 15, 2029, the maturity date. The initial conversion rate for the 2029 Notes is equivalent to an initial conversion price of approximately $6.18 per share of our common stock. The conversion rate is subject to adjustment in certain circumstances.

The 2029 Notes include both a derivative for the interest make-whole feature and a derivative for the conversion feature available to holders allowing them to convert their notes to common stock, cash or a combination thereof. At each reporting date, we remeasure the embedded derivative instruments to fair market value. Increases or decreases in our stock price may materially affect the fair value of the derivative. The remeasurement of the derivative is presented in our consolidated statement of operations and comprehensive loss. At contract inception, we recorded a net $23.0 million embedded derivative as a component of our 2029 Notes. However, with the sale of OMS906 to Novo Nordisk and the announcement of FDA approval of TA-TMA, our stock price significantly increased. At December 31, 2025, the fair market value of our embedded derivative was $157.2 million. We marked-to-market the initial $23.0 million embedded derivative on the 2029 Notes and recorded a $134.2 million non-cash loss on remeasurement to our consolidated statement of operations and comprehensive loss.

On May 12, 2025, we entered into the note conversion agreements (each, a "Note Conversion Agreement") with two holders of the 2026 Notes to convert $10.0 million aggregate principal amount of 2026 Notes into shares of our common stock in three tranches. We completed the conversion of the final tranche in September 2025, resulting in the issuance of an aggregate of 2,819,866 shares of our common stock to the two holders in exchange for the $10.0 million aggregate principal amount of 2026 Notes. We did not receive new cash proceeds in these transactions. We performed an assessment of the Convertible Note Exchange and Equitization Transaction and determined that these transactions were not a troubled debt restructuring and were a partial extinguishment of our 2026 Notes.

These transactions resulted in a net $3.0 million non-cash loss on extinguishment of the 2026 Notes due to (1) expensing of the unamortized debt issuance costs of the extinguished 2026 Notes, (2) recording the 2029 Notes to fair market value (i.e., at a discount) which we recorded both to our statement of operations and comprehensive loss and as debt on our balance sheet and (3) recording the fair market value of the share-settled liability upon settlement.

Repayment of Term Loan

On November 25, 2025, concurrent with the closing of the sale and licensing of zaltenibart (OMS906) to Novo Nordisk under the APLA, we were required under the terms of the Credit Agreement to repay in full the $67.1 million principal outstanding under the Term Loan along with a 5% prepayment premium. We recognized a net non-cash gain on extinguishment in the amount of $17.0 million which represents the de-recognition of $17.9 million in unamortized premium and debt issuance costs, derecognition of $2.6 million of embedded derivatives, partially offset by $3.5 million of prepayment premium and related transaction expenses.

Repayment of our obligations under the Credit Agreement resulted in the release in full of all liens and covenants thereunder including the covenant requiring us to maintain a minimum of $25.0 million in unrestricted cash, cash equivalents and short-term investments at all times.

Repayment at Maturity of Remaining 2026 Notes

On February 17, 2026, we repaid the remaining $17.1 million aggregate principal amount of outstanding 2026 Notes in full upon maturity.

See Part II, Item 8, "Note 7 – Debt" and "Note 12 – Shareholders Equity (Deficit)" to our Consolidated Financial Statements in this Annual Report on Form 10-K for additional information on any of these refinancing transactions.

Equity Financing Transactions

At the Market Sales Agreement

We have a sales agreement to sell shares of our common stock from time to time, through an "at the market" ("ATM") equity offering program. During the year ended December 31, 2025, we sold 4.4 million shares of common stock pursuant to our ATM program, generating $19.0 million in net proceeds at an average price per share of $4.51. On November 14, 2025, the Company filed a shelf registration statement and prospectus supplement renewing the ATM program for an aggregate offering price up to $150.0 million, and as of the date of this annual report, we have $150.0 million in shares of our common stock available to sell under our ATM program.

Registered Direct Offering

On July 28, 2025, we issued and sold 5,365,853 shares of our common stock in a registered direct offering to entities managed by Polar Asset Management Partners at a price of $4.10 per share, representing a 14% premium to the closing price of our common stock on the date of the definitive agreement for the purchase of shares. We received $20.3 million in cash proceeds net of offering expenses.

Share Repurchase Programs

On November 9, 2023, the Board of Directors approved a share repurchase program under which we were permitted to repurchase from time to time up to $50.0 million of our common stock in the open market or through privately negotiated transactions. For the year ended December 31, 2023, we repurchased and retired 1.8 million shares of common stock at an average price of $2.54 per share for an aggregate purchase price of $4.7 million. During the first quarter of 2024, we repurchased and retired 3.2 million shares of common stock at an average of $3.71 per share for an aggregate purchase price of $11.9 million. The terms of the Credit Agreement prohibited us from repurchasing our common stock unless expressly agreed to by the Lenders. Consequently, the Board of Directors terminated the share repurchase program effective upon the execution of the Credit Agreement in May 2024. Repayment of our obligations under the Credit Agreement resulted in the release in full of all liens and covenants thereunder including the covenant prohibiting the Company from repurchasing its shares.

On November 29, 2025, the Board of Directors approved a new share repurchase program under which we are permitted to repurchase from time to time up to $100.0 million of our common stock in the open market or through privately negotiated transactions.

See Part II, Item 8, "Note 12 – Shareholders Equity (Deficit)" to our Consolidated Financial Statements in this Annual Report on Form 10-K for additional information on any of these refinancing transactions.

Financial Summary

As of December 31, 2025, we had cash, cash equivalents and short-term investments of $171.8 million. We had $87.9 million in aggregate principal amount of debt at December 31, 2025, reflecting a decrease of $77.1 million or 46.7% compared to our $164.9 million in aggregate principal amount of debt at December 31, 2024.

Results of Operations

Research and Development Expenses

Our research and development expenses can be divided into three categories: direct external expenses, which include clinical research and development and preclinical research and development activities; internal overhead and other expenses; and stock-based compensation expense. Direct external expenses consist primarily of expenses incurred pursuant to agreements with third-party manufacturing organizations prior to receiving regulatory approval for a product candidate, CROs, clinical trial sites, collaborators, licensors and consultants. Preclinical research and development includes costs prior to beginning Phase 1 studies in human subjects. Internal overhead and other expenses primarily consist of costs for personnel, overhead, rent, utilities and depreciation. Our accounting policy is to expense all manufacturing costs related to product candidates until regulatory approval is reasonably assured in either the U.S. or EU.

The following table illustrates our expenses associated with these activities:

	Year Ended Year Ended December 31,		
	2025	2024	2023
		(In thousands)	
Research and development expenses:			
Direct external expenses:			
Clinical research and development:			
MASP-3 program - OMS906 (zaltenibart)	$ 16,109	$ 24,997	$ 22,853
MASP-2 program - OMS721 (narsoplimab)	14,126	35,913	35,352
MASP-2 program - OMS1029 and other	579	4,059	6,249
PDE7 program - (NIDA)	744	115	153
Total clinical research and development	31,558	65,084	64,607
Preclinical research and development	4,071	6,465	5,172
Total direct external expenses	35,629	71,549	69,779
Internal, overhead and other expenses	42,137	43,841	40,337
Stock-based compensation expenses	3,530	4,133	4,754
Total research and development expenses	$ 81,296	$ 119,523	$ 114,870

Clinical research and development expenses decreased $33.5 million between 2025 and 2024. This change was primarily due to releasing $17.5 million in narsoplimab and $4.4 million of zaltenibart drug substance batches in the prior year. We experienced further reduction in spend of $5.5 million during the year related to the further close out of our IgA nephropathy program. In addition, we have also been in the process of closing out and winding down various studies as they relate to Phase 1 of OMS1029 and early Phase 2 studies of OMS906.

Clinical research and development expenses increased $0.5 million between 2024 and 2023. The change primarily relates to $16.1 million of TA-TMA drug manufacturing costs in anticipation of our BLA, mentioned above, and $2.1 million in zaltenibart clinical trials expense and associated costs to manufacture drug supply. These costs are partially offset by a $15.5 million reduction in IgA nephropathy expenses with the closing out of the program and a $2.2 million reduction in OMS1029 expenses primarily due to the completion of one of our single ascending dose studies.

Preclinical research and development expenses decreased $2.4 million in 2025 compared to 2024 primarily due to the completion of certain animal studies under our NIDA grant. In 2025, we also engaged in general cost cutting measures to conserve cash in anticipation of BLA approval of YARTEMLEA.

Preclinical research and development expenses increased $1.3 million in 2024 compared to 2023, primarily due to increased preclinical oncology research and cocaine addiction work related to our NIDA grant during 2024.

Internal overhead and other expenses decreased $1.7 million for the year ended December 31, 2025 primarily due to reduced employee compensation costs and reduced overhead. Internal overhead and other expenses increased $3.5 million for the year ended December 31, 2024 primarily due to additional employee related costs and having received an employee retention tax credit in the prior year that was recorded as an offset to expense.

The changes in stock-based compensation expense between the three covered years were due to the valuation and timing of the vesting of employee stock options.

We expect our overall research and development costs in 2026 to be lower than in 2025. This anticipated decrease is primarily attributable to reduced clinical trial costs for zaltenibart as these program costs will be incurred by Novo Nordisk in connection with the APLA and the Transition Services Agreement, the absence of development milestone payments under our existing licensing agreement related to zaltenibart, and reduced spend on overall drug manufacturing. Our accounting policy is to expense all manufacturing costs related to product candidates until regulatory approval is reasonably assured in either the U.S. or Europe.

At this time, we are unable to estimate with certainty the longer-term costs we will incur in the continued development of our product candidates due to the inherently unpredictable nature of our preclinical and clinical development activities. Clinical development timelines, the probability of success and development costs can differ materially as new data become available and as expectations change. Our future research and development expenses will depend, in part, on the preclinical or clinical success of each product candidate as well as ongoing assessments of each program's commercial potential. In addition, we cannot forecast with precision which product candidates, if any, may be subject to future collaborations, when such arrangements will be secured, if at all, and to what degree such arrangements would affect our development plans and capital requirements.

We are required to expend substantial resources in the development of our product candidates due to the lengthy process of completing clinical trials and seeking regulatory approval. Any failure or delay in completing clinical trials, or in obtaining regulatory approvals, could delay our generation of product revenue and increase our research and development expenses.

Selling, General and Administrative Expenses

Our selling, general and administrative expenses are comprised primarily of salaries, benefits and stock-based compensation costs for marketing and administrative personnel who are not directly engaged in research and development. Costs also include marketing expenses, professional and legal services, general corporate costs and an allocation of our occupancy costs.

	Year Ended December 31,		
	2025	2024	2023
		(In thousands)	
Selling, general and administrative expenses:			
Selling, general and administrative expenses, excluding stock-based compensation expense (1)	$ 36,838	$ 41,070	$ 42,520
Stock-based compensation expense	4,662	6,360	7,140
Total selling, general and administrative expenses	$ 41,500	$ 47,430	$ 49,660

(1)Prior year general and administrative expenses included $2.3 million of income tax expense which we now separately disclose as income tax expense for comparability purposes below.

Selling, general and administrative expense, excluding stock-based compensation expense, decreased $4.2 million between 2025 and 2024 primarily due to reduced spend on third-party consultants and legal fees. In addition, we enacted cost containment measures in 2025 to conserve cash in anticipation of the launch of YARTEMLEA. The changes in stock-based compensation expense between the three covered years were due to the valuation and timing of vesting related to employee stock options.

We expect selling, general and administrative expenses in 2026 to increase compared to 2025, primarily reflecting costs associated with building our commercial infrastructure, including the hiring of a field sales force, marketing expenditures, and other commercial launch activities for YARTEMLEA.

Gain on Sale of zaltenibart

	Year Ended December 31,		
	2025	2024	2023
	(In thousands)		
Gain on sale of zaltenibart	$ 237,594	$ —	$ —

On November 25, 2025, we closed the Transaction under the APLA with Novo Nordisk, pursuant to which Novo Nordisk received exclusive global rights in all indications to develop and commercialize zaltenibart and certain related compounds and products. Upon closing, we received net proceeds of $237.6 million comprising $240.0 million in upfront cash less $2.4 million in transaction fees.

Gain on Early Extinguishment of Term Debt, Net

	Year Ended December 31,		
	2025	2024	2023
	(In thousands)		
Gain on early extinguishment of term debt, net	$ 17,035	$ —	$ —

In November 2025, concurrent with the closing of the sale of zaltenibart to Novo Nordisk, the Company repaid in full the $67.1 million principal outstanding under the Term Loan. As a result, we recognized a net non-cash gain on extinguishment in the amount of $17.0 million which represents the de-recognition of $17.9 million in unamortized premium and debt issuance costs, derecognition of $2.6 million of embedded derivatives, offset by $3.5 million of prepayment premium and related transaction expenses.

Gain (Loss) on Early Extinguishment of 2026 Notes

	Year Ended December 31,		
	2025	2024	2023
	(In thousands)		
Gain (loss) on early extinguishment of 2026 Notes	$ (2,968)	$ —	$ 4,112

In May 2025, we completed the Convertible Note Exchange and entered into the Equitization Transaction whereby we exchanged $70.8 million of aggregate principal amount of our 2026 Notes for the same aggregate principal amount of our new 2029 Notes and $10.0 million of aggregate principal amount of 2026 Notes for shares of our common stock. Our obligation to deliver these shares in three tranches was initially accounted for as a share-settled liability measured at fair value. We completed the conversion of the final tranche in September 2025, resulting in the issuance of an aggregate of 2,819,866 shares of our common stock to the two holders in exchange for the $10.0 million of aggregate principal amount of 2026 Notes. These transactions resulted in a net $3.0 million non-cash loss on extinguishment of our 2026 Notes due to (i) expensing of the unamortized debt issuance costs of the extinguished 2026 Notes, (ii) recording the 2029 Notes to fair market value (i.e., at a discount) which we recorded both to our consolidated statement of operations and comprehensive loss and as debt on our consolidated balance sheet and (iii) recording the fair market value of the share-settled liability upon settlement.

In December 2023, we repurchased $9.1 million par value of our 2026 Notes at a discount, realizing a $4.1 million non-cash gain on extinguishment.

Interest and Other Income

	Year Ended December 31,		
	2025	2024	2023
	(In thousands)		
Interest and other income	$ 4,096	$ 11,285	$ 16,342

Interest and other income principally includes interest earned on our investments, and to a lesser extent, sublease income and grant income from NIDA. The decreases over both years are primarily due to holding lower average cash and investment balances than in the preceding year.

We expect interest and other income in 2026 to be higher than 2025 primarily due to higher average cash and investment balances during 2026.

Interest Expense

Interest expense is comprised of contractual cash and accrued interest on our 2029 Notes, 2026 Notes, 2023 Notes and Term Loan. In addition, we record pass through interest on the OMIDRIA royalty obligation, non-cash interest comprised of remeasurement adjustments taken on our OMIDRIA royalty obligation and amortization of debt discount or premiums on our notes and term debt.

Interest expense, net of premiums, discounts, issuance costs and remeasurement adjustments is shown below:

	Year Ended December 31,		
	2025	2024	2023
	(In thousands)		
OMIDRIA royalty obligation			
Pass through interest remitted to administrative agent	$ 19,166	$ 20,634	$ 11,848
Non-cash remeasurement adjustment	(33,435)	(5,614)	—
Interest expense, net of remeasurement on OMIDRIA royalty obligation	(14,269)	15,020	11,848
2026 Notes			
Contractual interest expense	2,547	7,772	11,774
Amortization of debt discount and issuance costs	287	859	1,234
Interest expense on 2026 Notes	2,834	8,631	13,008
Term Loan			
Contractual interest expense	8,021	5,525	—
Amortization of debt premium and issuance costs	(5,578)	(4,681)	—
Interest expense on Term Loan	2,443	844	—
2029 Notes			
Contractual interest expense	4,220	—	—
Amortization of debt discount and issuance costs	3,658	—	—
Interest expense on 2029 Notes	7,878	—	—
2023 Notes			
Contractual interest expense	—	—	5,195
Amortization of debt discount and issuance costs	—	—	619
Interest expense on 2023 Notes	—	—	5,814
Finance leases and other	154	180	174
Total interest expense, net of remeasurement adjustments and other	$ (960)	$ 24,675	$ 30,844

Interest on our OMIDRIA royalty obligation is calculated under the effective interest method and represents a portion of the royalties remitted by Rayner to our administrative agent, Wilmington Savings Fund Society, FSB, along with principal. Pass-through interest paid to DRI is offset by non-cash remeasurement adjustments taken to properly reflect the OMIDRIA royalty obligation for changes in probable cash flows on our future expected Rayner royalties.

Contractual interest expense is comprised of cash interest paid during the year and the net change in accrued interest. Amortization of debt discounts, premiums and issuance costs are reflected as non-cash interest expense. Debt discounts on the 2026 Notes and 2029 Notes are accretive whereas the premium on the Term Loan is deducted from contractual interest expense.

Interest expense decreased $25.6 million in 2025 compared to 2024. The decrease primarily relates to a $27.8 million change in non-cash remeasurement costs on the OMIDRIA royalty obligation to reflect a change in forecasted OMIDRIA cash flows from Rayner. Excluding any non-cash remeasurement adjustments of the DRI royalty obligation and any non-cash amortization of debt discount, premium, or issuance costs, contractual interest expense remains relatively unchanged from the prior year.

Interest expense decreased $6.2 million in 2024 compared to 2023 primarily due to the extinguishment of $95.0 million in aggregate principal amount of our 2023 Notes at maturity in November 2023 and partially repurchasing $127.2 million in aggregate principal amount of our 2026 Notes in December 2023 and June 2024 for a collective reduction in interest expense of $10.2 million. This decrease was partially offset by increased interest expense of $3.2 million related to our OMIDRIA royalty obligation as we added $115.5 million of principal upon sale in February 2024 to DRI of our remaining OMIDRIA U.S. royalty earnings through 2031. In addition, with the execution of the Credit Agreement, we incurred $0.8 million in effective interest on our Term Loan.

For further information see Part II, Item 8, “Note 7 – Debt” and “Note 9 – OMIDRIA Royalty Obligation” to our Consolidated Financial Statements in this Annual Report on Form 10-K.

Gain (Loss) on Change in Fair Value of Financial Instruments, Net

	Year Ended December 31,		
	2025	2024	2023
	(In thousands)		
Gain (loss) on change in fair value of financial instruments, net	$ (136,717)	$ 19	$ —

Our embedded derivative comprises an interest make-whole and conversion option related to our 2029 Notes. As of December 31, 2025, the $136.7 million net loss on the embedded derivatives reflects marking to market the option of the 2029 Note holders to convert their notes into shares of common stock, cash or a combination thereof.

Swings in our stock price could significantly affect the valuation of the 2029 Note conversion derivative. In addition, a decrease in interest rates could increase the valuation of the derivative.

Income Tax Expense

	Year Ended December 31,		
	2025	2024	2023
	(In thousands)		
Income tax expense	$ (2,012)	$ (2,305)	$ —

Income tax expense represents taxes payable to various state jurisdictions.

For further information see Part II, Item 8, “Note 14 – Income Taxes” to our Consolidated Financial Statements in this Annual Report on Form 10-K.

Net Income from Discontinued Operations, Net of Tax

On December 23, 2021, we sold our commercial drug, OMIDRIA, to Rayner. As a result of the OMIDRIA divestiture, the results of OMIDRIA operations have been classified as discontinued operations for all periods presented.

Net income from OMIDRIA discontinued operations, net of tax is shown below:

	Year Ended December 31,		
	2025	2024	2023
	(In thousands)		
Interest on OMIDRIA contract royalty asset	$ 14,717	$ 16,922	$ 15,315
Remeasurement adjustments	(12,657)	7,969	41,167
Other income (expense), net	(58)	1,211	1,087
Ex-US royalties	12	—	—
Income before income tax	2,014	26,102	57,569
Income tax expense [1]	(556)	(288)	(462)
Net income from discontinued operations, net of tax	$ 1,458	$ 25,814	$ 57,107

[1] For further discussion of income tax expense, please refer to Part II, Item 8, “Note 14 – Income Taxes” to our Consolidated Financial Statements in this Annual Report on Form 10-K.

Interest on OMIDRIA contract royalty asset

During the years ended December 31, 2025, 2024 and 2023, we recorded $14.7 million, $16.9 million and $15.3 million, respectively, of income in discontinued operations representing interest income on the outstanding OMIDRIA contract royalty asset at an implied effective interest rate of 11.0%.

Remeasurement Adjustments

Periodically, but at least annually, we remeasure the OMIDRIA contract royalty asset when there is a greater probability of achieving materially higher or lower royalty earnings than previously expected. To measure the OMIDRIA contract royalty asset, we use the expected value approach, which is the sum of the discounted probability-weighted royalty payments we would receive using a range of potential outcomes, to the extent that it is probable that a significant reversal in the amount of cumulative income recognized will not occur. Remeasurement is impacted by any changes to the probability-weighting applied to the range of potential outcomes that could occur. For further discussion of discontinued operations, please refer to Part II, Item 8, "Note 8 – Discontinued Operations – Sale of OMIDRIA" to our Consolidated Financial Statements in this Annual Report on Form 10-K.

Milestone Income

The Milestone Event occurred in December 2022, entitling us to receive a Milestone Payment of $200.0 million from Rayner. We received the Milestone Payment together with accrued interest in February 2023.

Income Tax Expense

For the years ended December 31, 2025, 2024 and 2023, we recorded state income tax expense of $0.6 million, $0.3 million and $0.5 million, respectively, in discontinued operations.

Financial Condition - Liquidity and Capital Resources

The Transaction with Novo Nordisk, which closed on November 25, 2025, provided us with $240.0 million in upfront cash. Under the Credit Agreement, the Company used a portion of the proceeds from the Transaction to repay the $67.1 million outstanding principal on the Term Loan, along with $3.5 million in related prepayment premiums and transaction expenses. Repayment of our obligations under the Credit Agreement resulted in the release in full of all liens and covenants thereunder, including the covenant requiring us to maintain a minimum of $25.0 million in unrestricted cash, cash equivalents and short-term investments at all times.

As of December 31, 2025, we had cash, cash equivalents and short-term investments of $171.8 million. We had $87.9 million in aggregate principal amount of debt at December 31, 2025, reflecting a decrease of $77.1 million, or 46.7%, compared to $164.9 million in aggregate principal amount of debt at December 31, 2024. Subsequent to year end, we repaid at maturity the remaining $17.1 million aggregate principal amount of our 2026 Notes in February 2026.

We expect that we will be able to fund more than 12 months of operations from the remaining proceeds from our current cash, cash equivalents, and short-term investments, along with funds we expect to receive from commercial sales of YARTEMLEA from the date of issuance of the financial statements.

Should it be necessary or determined to be strategically advantageous, we also could pursue public and private offerings of our equity securities, debt transactions or restructurings, future royalty sales, or other strategic transactions, which may include licensing or selling a portion or all of one or more of our existing technologies. In addition, we have a sales agreement to sell shares of our common stock, from time to time, in an “at the market” equity offering facility through which we may offer and sell shares of our common stock equaling an aggregate amount of up to $150.0 million.

Cash Flow Data

	Year Ended December 31,		
	2025	2024	2023
		(In thousands)	
Selected cash flow data			
Cash provided by (used in):			
Operating activities	$ (116,094)	$ (148,803)	$ 74,726
Investing activities	$ 164,523	$ 82,217	$ 27,454
Financing activities	$ (42,169)	$ 62,881	$ (106,084)

Operating Activities. Net cash used in operating activities decreased by $32.7 million for the year ended December 31, 2025 compared to the same period in 2024. The change was primarily due to a decrease in net loss of $153.5 million and $112.8 million of change in non-cash charges, partially offset by a $237.6 million gain on sale of zaltenibart to Novo Nordisk.

Net cash used in operating activities for the year ended December 31, 2024 decreased by $223.5 million compared to the same period in 2023. This change was primarily due to collecting the $200.0 million Milestone Payment from Rayner in February 2023 and a $15.5 million decrease in accounts payable and accrued expenses in the current year.

Investing Activities. Net cash provided by investing activities for the year ended December 31, 2025 increased $82.3 million as compared to the same period in 2024 primarily due to proceeds received from the sale of zaltenibart in the fourth quarter.

Net cash provided by investing activities for the year ended December 31, 2024 increased $54.8 million as compared to the same period in 2023. Significant initial investment purchases during the periods were the investment of the $200.0 million Milestone Payment we received from Rayner in February 2023 and the $115.5 million we received from DRI in February 2024 related to the sale of future OMIDRIA royalties.

Financing Activities. Net cash used in financing activities increased $105.1 million during 2025 compared to the prior year primarily due to (i) receiving $115.5 million in cash from DRI for the sale of future OMIDRIA royalties in February 2024 and (ii) repayment of the Term Loan of $67.1 million along with payments totaling $3.5 million related to prepayment premiums and transaction related fees. These changes were partially offset by net proceeds received from a registered direct offering of $20.3 million, net issuances of common stock through our ATM of $19.0 million and an increase in proceeds from the exercise of stock options of $7.1 million in the current year. Additionally, we used $21.7 million to repurchase our 2026 Notes and $11.9 million to repurchase common stock.

Net cash provided by financing activities increased $169.0 million during 2024 compared to the prior year. The increase was primarily due to receiving $115.5 million in cash from DRI related to the sale of future OMIDRIA royalties in February 2024 and extinguishing $95.0 million of par value on our 2023 Notes at maturity in August 2023. This was partially offset by increased payments to DRI of $17.6 million in 2024 related to the OMIDRIA royalty obligation, an additional $16.9 million paid to repurchase our 2026 Notes and increased common stock repurchases of $7.2 million.

Contractual Obligations and Commitments

Operating and Finance Leases

We have operating leases related to our office and laboratory space. The initial term of the leases is through November 2027, and we have two options to extend the lease term, each by five years. As of December 31, 2025, the remaining aggregate non-cancelable rent payable under the initial term of the lease, excluding common area maintenance and related operating expenses, was $12.7 million.

We have finance leases for certain laboratory and office equipment that have lease terms expiring through October 2029. As of December 31, 2025, the remaining aggregate non-cancellable finance lease payable was $1.3 million.

Debt

For more information regarding the repayment of our 2023 Notes, 2026 Notes and Term Loan, as well as issuance of our 2029 Notes, see Part II, Item 8, "Note 7 - Debt".

OMIDRIA Royalty Obligation

For more information regarding the OMIDRIA Royalty Obligation, see Part II, Item 8, "Note 9 - OMIDRIA Royalty Obligation".

Goods & Services

We have certain non-cancellable obligations under other agreements for the acquisitions of goods and services associated with the manufacturing of our product candidates, which contain firm commitments. As of December 31, 2025, our aggregate firm commitments were $2.6 million.

We may be required, in connection with in-licensing or asset acquisition agreements, to make certain royalty and milestone payments and we cannot, at this time, determine when or if the related milestones will be achieved or whether the events triggering the commencement of payment obligations will occur. For information regarding agreements that include these royalty and milestone payment obligations, see Part II, Item 8, "Note 11 - Commitments and Contingencies" to our Consolidated Financial Statements in this Annual Report on Form 10-K.

Critical Accounting Policies and Significant Judgments and Estimates

The preparation of our consolidated financial statements in conformity with U.S. generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. We base our estimates on historical experience and on various other factors that we believe are reasonable under the circumstances; however, actual results could differ from those estimates. An accounting policy is considered critical if it is important to a company's financial condition and results of operations and if it requires the exercise of significant judgment and the use of estimates on the part of management in its application. Although we believe that our judgments and estimates are appropriate, actual results may differ materially from our estimates. For a summary of our critical accounting policies, see Part II, Item 8, "Note 2 - Significant Accounting Policies" to our Consolidated Financial Statements in this Annual Report on Form 10-K.

We believe the following to be our critical accounting policies because they are both important to the portrayal of our financial condition and results of operations and they require critical judgment by management and estimates about matters that are uncertain:

- OMIDRIA royalties and contract asset accounting;
- OMIDRIA royalty obligation accounting;
- accounting for debt issuances, primarily related to fair valuing debt and issuance costs; and
- valuation of embedded derivative.

If actual results or events differ materially from those contemplated by us in making these estimates, our reported financial condition and results of operations for future periods could be materially affected.

OMIDRIA Royalties, Milestones and Contract Royalty Assets

We have rights to receive future royalties from Rayner on OMIDRIA net sales at royalty rates that vary based on geography and certain regulatory contingencies. Therefore, future OMIDRIA royalties are treated as variable consideration. To measure the OMIDRIA contract royalty asset, we used the expected value approach, which is the discounted sum of probability-weighted royalty payments we would receive using a range of potential outcomes at an implied effective interest rate of 11%. The contract royalty asset excludes any revenue which potentially may be reversed in the event of an over estimation.

We receive monthly royalty reports of Rayner's OMIDRIA product sales in accordance with the Asset Purchase Agreement. Upon the closing of the Asset Purchase Agreement, we determined the expected minimum net present value of future OMIDRIA royalty receipts and recognized the amount as a gain on the sale of OMIDRIA in discontinued operations on our consolidated statement of operations and comprehensive income and as an OMIDRIA contract royalty asset on our consolidated balance sheet.

Upon achieving the Milestone Event in February 2023, the royalty rate applicable to U.S. net sales of OMIDRIA was reduced from 50% to 30%. The 30% royalty rate continues until the expiration or termination of the last issued and unexpired U.S. patent, which we expect to occur no earlier than 2035. We currently earn a royalty rate of 15% on net ex-U.S. sales. Royalties earned are recorded as a reduction to the OMIDRIA contract royalty asset.

The OMIDRIA contract royalty asset is subject to changes in net sales of OMIDRIA. All else being equal, a 10% decrease or increase in net sales results in a $12.2 million change in value of the OMIDRIA contract royalty asset, resulting in a potential OMIDRIA contract royalty asset valued within the range of $109.6 million to $134.0 million. Changes in net sales could occur due to various risks such as competitors entering the market, changes in the standard of care for cataract patients and loss of separate payment status for OMIDRIA. In determining the value of the OMIDRIA contract royalty asset, we have considered all of these factors. The OMIDRIA contract royalty asset is remeasured periodically using the expected value approach based on actual results and future expectations. The royalties earned and any remeasurement adjustments are recorded in discontinued operations.

OMIDRIA Royalty Obligations

The sale of any portion of our OMIDRIA royalty receipts is treated as a liability on our consolidated balance sheet, as this does not result in the transfer of a participating interest. We amortize royalty obligation liabilities over the term of the arrangement using the effective interest method and classify interest expense as a component of continuing operations.

To the extent our estimates of future royalties are less than previous estimates, we will adjust the carrying amount of the royalty obligation to the present value of the revised estimated cash flows, discounted at the original effective interest rate utilizing the cumulative catch-up method. Any remeasurement adjustment is recognized as a component of interest expense in net loss from continuing operations. Our estimate of cash flows from future royalties is derived from the contract royalty asset accounting described above.

Debt Issuances and Repayment

Transactions involving contemporaneous exchanges of cash between the same debtor and creditor in connection with the issuance of a new debt obligation and satisfaction of an existing debt obligation by the debtor are first evaluated as to whether they qualify as a troubled debt restructuring ("TDR") under ASC Topic 470-60, *Debt - Troubled Debt Restructuring by Debtors* ("ASC 470-60"). ASC 470-60 requires debt modifications to be evaluated if (1) the borrower is experiencing financial difficulty, and (2) the lender grants the borrower a concession. If both conditions are met under TDR accounting, we would record as the carrying value of the new debt any repurchased old debt less any cash paid. No gain on restructuring is recognized unless the carrying value of the new debt exceeds the undiscounted cash flows of the new debt. Any cancellation of debt income is amortized over the term of the new debt. We determined that the Term Loan qualified as a TDR. Therefore, we amortized as debt premium the cancellation of debt income from the partial repurchase of the 2026 Notes against the Term Loan.

If a TDR is determined to not have occurred, we evaluate the modification in accordance with ASC Topic 470-50-40, *Debt - Modifications and Extinguishments,* which requires modification of debt instruments to be evaluated to assess whether the modifications are considered "substantial". In instances where our future cash flows change more than 10%, we record our debt at fair value based on factors available to us for similar borrowings and use the extinguishment accounting method.

We refer to debt as being "extinguished" if the debt is repaid due to mandatory repayment features in the contract or upon maturity of the debt.

In November 2023, we repaid our 2023 Notes at maturity. This did not result in any gain or loss on our consolidated statement of operations and comprehensive loss as the related debt discount and issuance costs were already fully amortized.

The partial repurchase of the 2026 Notes in 2023 was deemed to be a modification whereby we were able to recognize a $4.1 million gain on debt extinguishment.

In May 2025, the Convertible Note Exchange and Equitization Transactions were treated as a partial extinguishment of the 2026 Notes under the debt accounting guidance. These transactions resulted in a net $3.0 million non-cash loss on extinguishment of our 2026 Notes due to (1) expensing of the unamortized debt issuance costs of the extinguished 2026 Notes, (2) recording the 2029 Notes to fair market value (i.e., at a discount) which we recorded both to our consolidated statement of operations and comprehensive loss and as debt on our consolidated balance sheet and (3) recording the fair market value of the share-settled liability upon settlement.

In November 2025, the sale of zaltenibart to Novo Nordisk triggered the mandatory and full repayment of all outstanding principal under the Term Loan. As a result, we recognized a net non-cash gain on extinguishment in the amount of $17.0 million which represents the de-recognition of $17.9 million in unamortized premium and debt issuance costs, derecognition of $2.6 million of embedded derivatives, offset by $3.5 million of prepayment premium and related transaction expenses.

In February 2026, we repaid the remaining outstanding aggregate principal amount of our 2026 Notes in full upon maturity.

Please refer to Part II, Item 8, "Note 7 - Debt" to our Consolidated Financial Statements in this Annual Report on Form 10-K.

Recent Accounting Pronouncements

Please refer to Part II, Item 8, "Note 2 - Significant Accounting Policies" to our Consolidated Financial Statements in this Annual Report on Form 10-K for information regarding recent accounting pronouncements.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our exposure to market risk is primarily confined to our investment securities, debt instruments and embedded derivatives.

Cash, Cash Equivalents and Short-Term Investments

Our exposure to market risk is primarily confined to our investment securities. The primary objective of our investment activities is to preserve our capital to fund operations, and we do not enter into financial instruments for trading or speculative purposes. We also seek to maximize income from our investments without assuming significant risk. To achieve our objectives, we maintain a portfolio of investments in high-credit-quality securities. As of December 31, 2025, we had cash, cash equivalents and short-term investments of $171.8 million. In accordance with our investment policy, we invest funds in highly liquid, investment-grade securities. The money market funds in our investment portfolio are not leveraged and are classified as available-for-sale. We currently do not hedge interest rate exposure. Because of the short-term maturities of our investments, we do not believe that an increase in market rates would have a material negative effect on the realized value of our investment portfolio. We actively monitor changes in interest rates and, with our current portfolio of short-term investments, we are not exposed to significant loss due to changes in interest rates.

Convertible Notes, Term Debt and Embedded Derivatives

As of December 31, 2025 and December 31, 2024, we had fixed-rate borrowings from our 2026 Notes and 2029 Notes. We record all of our fixed-rate borrowings at amortized cost and, therefore, do not experience any risk for changes in interest rates. However, we include embedded derivatives along with our debt in our reporting of our 2029 Notes and Term Loan in our consolidated balance sheets. The repayment of our Term Loan in November 2025 resulted in the de-recognition of the associated embedded derivative as of December 31, 2025. The derivatives on our 2029 Notes are marked to fair value every reporting period. The fair value inputs to the 2029 Notes' derivative valuation include stock price, unsecuritized discount rate, risk-free rate, volatility, and term. Swings in our stock price could significantly affect the valuation of the 2029 Note conversion derivative. In addition, a decrease in interest rates could increase the valuation of the derivative. As of December 31, 2025, a 20% decrease or increase in our stock price results in an approximate $39.0 million change in the fair value of the 2029 Notes embedded derivative within the range of $119.0 million to $197.0 million.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Index to Consolidated Financial Statements

	Page
Report of Independent Registered Public Accounting Firm (PCAOB ID: 42)	49
Consolidated Balance Sheets	50
Consolidated Statements of Operations and Comprehensive Loss	51
Consolidated Statement of Shareholders' Equity (Deficit)	52
Consolidated Statements of Cash Flows	53
Notes to Consolidated Financial Statements	54

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Omeros Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Omeros Corporation (the Company) as of December 31, 2025 and 2024, the related consolidated statements of operations and comprehensive loss, shareholders' equity (deficit) and cash flows for each of the three years in the period ended December 31, 2025, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

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

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion**.**

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

OMIDRIA Contract Royalty Asset

Description of the Matter	As more fully described in Note 2 of the financial statements, the Company recorded a contract royalty asset in connection with its sale of OMIDRIA to Rayner Surgical, Inc. on December 23, 2021. To measure that contract royalty asset, the Company used the expected value approach, which is the discounted sum of the probability-weighted royalty payments using a range of potential outcomes, to the extent that it is probable that a significant reversal in the amount of cumulative income recognized will not occur. Auditing management's forecasts of expected royalty payments is complex and requires judgment due to the level of estimation uncertainty and the sensitivity of the asset's value to changes in forecast assumptions. In particular, the value of the OMIDRIA contract royalty asset is sensitive to changes in significant assumptions such as forecasted royalties due from Rayner Surgical, Inc. in various scenarios, and the probability weighting of those scenarios, which are affected by expectations of future market and regulatory conditions.
How We Addressed the Matter in Our Audit	To test the measurement of the OMIDRIA contract royalty asset, we performed audit procedures that included, among others, evaluating (1) the estimated future royalties in various scenarios, and (2) management's probability weighting of those scenarios. To evaluate the appropriateness and likelihood of occurrence of the estimated future royalties in various scenarios and probability weighting included in management's calculation, we considered historical results of the Company's business and third-party data. We verified the clerical accuracy of the contract royalty asset calculation and agreed it to royalty rates in the asset purchase agreement. We also evaluated the Company's disclosures in the consolidated financial statements related to these matters.

/s/Ernst & Young LLP

We have served as the Company's auditor since 1998.

Seattle, Washington

March 31, 2026

OMEROS CORPORATION

CONSOLIDATED BALANCE SHEETS

(In thousands, except share and per share data)

	December 31, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	$ 9,660	$ 3,400
Short-term investments	162,144	86,732
OMIDRIA contract royalty asset	25,351	29,083
Receivables	10,917	7,739
Prepaid expense and other assets	7,595	7,166
Total current assets	215,667	134,120
OMIDRIA contract royalty asset, non-current	96,435	124,266
Right of use assets	10,708	14,961
Property and equipment, net	1,768	2,678
Restricted investments	1,054	1,054
Total assets	$ 325,632	$ 277,079
Liabilities and shareholders' equity (deficit)		
Current liabilities:		
Accounts payable	$ 4,764	$ 5,905
Accrued expenses	29,388	26,005
OMIDRIA royalty obligation	20,547	20,645
2026 Notes, net	17,063	—
Term debt	—	21,000
Lease liabilities	6,300	5,971
Total current liabilities	78,062	79,526
OMIDRIA royalty obligation, non-current	147,319	195,612
2026 and 2029 Notes, non-current, net	51,364	97,178
2029 Notes embedded derivative, non-current	157,171	—
Term debt, non-current, net	—	69,640
Term debt, embedded derivative, non-current	—	(235)
Lease liabilities, non-current	7,245	13,466
Other accrued liabilities, non-current	5,702	4,501
Commitments and contingencies (Note 10)		
Shareholders' equity/(deficit):		
Preferred stock, par value $0.01 per share, 20,000,000 shares authorized; none issued and outstanding at December 31, 2025 and December 31, 2024	—	—
Common stock, par value $0.01 per share, 150,000,000 shares authorized at December 31, 2025 and December 31, 2024; 71,670,791 and 58,044,465 shares issued and outstanding at December 31, 2025 and December 31, 2024, respectively.	716	580
Additional paid-in capital	791,748	727,156
Accumulated deficit	(913,695)	(910,345)
Total shareholders' equity/(deficit)	(121,231)	(182,609)
Total liabilities and shareholders' equity/(deficit)	$ 325,632	$ 277,079

See accompanying Notes to Consolidated Financial Statements

OMEROS CORPORATION

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(In thousands, except share and per share data)

	Year Ended December 31,		
	2025	**2024**	**2023**
Costs and expenses:			
Research and development	$ 81,296	$ 119,523	$ 114,870
Selling, general and administrative	41,500	47,430	49,660
Total costs and expenses	122,796	166,953	164,530
Loss from operations	(122,796)	(166,953)	(164,530)
Gain on sale of zaltenibart	237,594	—	—
Gain on early extinguishment of term debt, net	17,035	—	—
Gain (loss) on early extinguishment of 2026 Notes	(2,968)	—	4,112
Interest and other income	4,096	11,285	16,342
Interest expense, net of remeasurement adjustments and other	960	(24,675)	(30,844)
Gain (loss) on change in fair value of financial instruments, net	(136,717)	19	—
Loss from continuing operations before income tax expense	(2,796)	(180,324)	(174,920)
Income tax expense	(2,012)	(2,305)	—
Net loss from continuing operations, net of tax	(4,808)	(182,629)	(174,920)
Net income from discontinued operations, net of tax	1,458	25,814	57,107
Net loss	$ (3,350)	$ (156,815)	$ (117,813)
Basic and diluted net income (loss) per share:			
Net loss from continuing operations	$ (0.08)	$ (3.14)	$ (2.79)
Net income from discontinued operations	0.03	0.44	0.91
Net loss	$ (0.05)	$ (2.70)	$ (1.88)
Weighted-average shares used to compute basic and diluted net income (loss) per share	63,510,201	58,170,931	62,739,227

See accompanying Notes to Consolidated Financial Statements

OMEROS CORPORATION

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY (DEFICIT)

(In thousands, except share data)

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Shareholders' Equity/(Deficit)
	Shares	Amount			
Balance at December 31, 2022	62,828,765	$ 628	$ 720,773	$ (635,717)	$ 85,684
Issuance of common stock upon exercise of stock options	36,726	—	150	—	150
Issuance of common stock upon vesting of restricted stock units	67,250	1	(1)	—	—
Repurchases of common stock	(1,804,144)	(18)	(4,636)		(4,654)
Stock-based compensation	—	—	11,650	—	11,650
Net loss	—	—	—	(117,813)	(117,813)
Balance at December 31, 2023	61,128,597	611	727,936	(753,530)	(24,983)
Issuance of common stock upon exercise of stock options	111,109	1	546	—	547
Repurchases of common stock	(3,195,241)	(32)	(11,819)	—	(11,851)
Stock-based compensation	—	—	10,493	—	10,493
Net loss	—	—	—	(156,815)	(156,815)
Balance at December 31, 2024	58,044,465	580	727,156	(910,345)	(182,609)
Issuance of common stock - registered direct offering, net	5,365,853	53	20,274	—	20,327
Issuance of common stock - at-the-market equity offering facility, net	4,367,628	44	18,972	—	19,016
Issuance of common stock - 2026 Notes equitization, net	2,819,866	28	9,514	—	9,542
Issuance of common stock upon exercise of stock options	1,072,979	11	7,640	—	7,651
Stock-based compensation	—	—	8,192	—	8,192
Net loss	—	—	—	(3,350)	(3,350)
Balance at December 31, 2025	71,670,791	$ 716	$ 791,748	$ (913,695)	$ (121,231)

See accompanying Notes to Consolidated Financial Statements

OMEROS CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

	Year Ended December 31,		
	2025	**2024**	**2023**
Operating activities:			
Net loss	$ (3,350)	$ (156,815)	$ (117,813)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:			
Gain on sale of zaltenibart	(237,594)	—	—
Remeasurement on fair value of financial instruments	136,717	(19)	—
Stock-based compensation expense	8,192	10,493	11,650
Depreciation and amortization	964	950	920
(Gain) loss on early extinguishment of 2026 Notes	2,968	—	(4,112)
Amortization of discount and issuance costs on 2026 Notes and 2029 Notes	3,945	859	1,853
Amortization of premium and issuance costs on term debt	(5,578)	(4,681)	—
Gain on early extinguishment on term debt, gross	(20,579)	—	—
Non-cash interest remeasurement on OMIDRIA royalty obligation	(33,435)	(5,614)	—
Non-cash interest on OMIDRIA contract royalty asset	(14,717)	(16,922)	(15,315)
Remeasurement on OMIDRIA contract royalty asset	12,657	(7,969)	(41,167)
Accretion on U.S. government treasury bills, net	—	(4,371)	(8,714)
Changes in operating assets and liabilities:			
OMIDRIA contract royalty asset	33,623	39,651	40,595
Accounts payable and accrued expense	4,582	(5,239)	4,682
Receivables	(3,178)	357	205,125
Prepaid expenses and other	(1,311)	517	(2,978)
Net cash provided by (used in) operating activities	(116,094)	(148,803)	74,726
Investing activities:			
Gross cash proceeds from sale of zaltenibart	240,000	—	—
Proceeds from the sale and maturities of investments	109,900	1,069,767	1,046,482
Purchases of investments	(185,312)	(987,385)	(1,018,602)
Purchases of property and equipment	(65)	(165)	(426)
Net cash provided by investing activities	164,523	82,217	27,454
Financing activities:			
Proceeds from registered direct offering, net	20,327	—	—
Proceeds from issuance of common stock from the ATM facility, net	19,016	—	—
Proceeds upon exercise of stock options	7,651	547	150
Repayment of term debt principal	(67,077)	—	—
Principal payments on OMIDRIA royalty obligation	(14,956)	(18,780)	(1,152)
Prepayment premium and transaction costs on repayment of term debt	(3,544)	—	—
Payment of debt issuance costs related to 2029 Notes	(2,837)	—	—
Payments on finance lease obligations	(749)	(829)	(555)
Proceeds from sale of future royalties	—	115,525	—
Payment on maturity of 2023 Notes	—	—	(95,000)
Cash paid to repurchase 2026 Notes	—	(21,731)	(4,873)
Repurchases of common stock	—	(11,851)	(4,654)
Net cash provided by (used in) financing activities	(42,169)	62,881	(106,084)
Net increase (decrease) in cash and cash equivalents	6,260	(3,705)	(3,904)
Cash and cash equivalents at beginning of period	3,400	7,105	11,009
Cash and cash equivalents at end of period	$ 9,660	$ 3,400	$ 7,105
Supplemental cash flow information			
Exchange of 2026 Notes for 2029 Notes	$ 70,785	$ —	$ —
Exchange of 2026 Notes for common stock	$ 10,000	$ —	$ —
Cash paid for interest	$ 35,419	$ 35,686	$ 29,923
Cash paid for income taxes, net	$ 153	$ 165	$ 3,292
Equipment acquired under finance lease	$ —	$ 1,523	$ 952

See accompanying Notes to Consolidated Financial Statements

OMEROS CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1—Organization and Basis of Presentation

General

Omeros Corporation ("Omeros," the "Company" or "we") is an innovative, commercial-stage biotechnology company that discovers and develops first-in-class protein and small-molecule therapeutics for large-market and orphan indications, with particular emphasis on complement-mediated diseases, cancers, and addictive or compulsive disorders.

Our clinical-stage development programs include: narsoplimab, our antibody targeting mannan-binding lectin-associated serine protease 2 ("MASP-2"), the effector enzyme of the lectin pathway of complement; OMS1029, our long-acting antibody targeting MASP-2; and OMS527, our phosphodiesterase 7 ("PDE7") inhibitor program. During 2025, we sold to Novo Nordisk Health Care AG the exclusive global rights in all indications to develop and commercialize zaltenibart, also known as OMS906, our antibody targeting mannan-binding lectin-associated serine protease-3 ("MASP-3"), the key activator of the alternative pathway of complement.

FDA Approval of YARTEMLEA®

On December 23, 2025, FDA approved YARTEMLEA® (narsoplimab-wuug) for the treatment of hematopoietic stem cell transplant-associated thrombotic microangiopathy ("TA-TMA"). TA-TMA is a severe and often-fatal complication of hematopoietic stem cell transplantation in adults and children, driven by systemic endothelial injury triggered by conditioning regimens, immunosuppressants, infection, graft-versus-host disease, and other transplant-related factors. Activation of the lectin pathway of complement plays a central role in disease pathogenesis. YARTEMLEA selectively inhibits MASP-2, blocking pathway activation while preserving classical and alternative complement functions important for host defense. In TA-TMA, MASP-2 inhibition prevents lectin pathway-mediated cellular injury, including endothelial damage in small blood vessels, and thrombus formation.

YARTEMLEA is the first and only approved inhibitor of the lectin pathway of complement. YARTEMLEA is approved for use in adults and in children ages two years and older.

Commercial distribution and sales of YARTEMLEA commenced in January 2026.

A marketing authorization application ("MAA") for YARTEMLEA in TA-TMA has been submitted to the European Medicines Agency ("EMA") and is being reviewed under EMA's centralized review procedure, which allows review of a single marketing authorization application. If the MAA is approved, it would authorize the product to be marketed in all EU member states and European Economic Area countries. The European Commission (the "EC") has granted narsoplimab designation as an orphan medicinal product for treatment in hematopoietic stem cell transplantation.

Sale of Zaltenibart

On November 25, 2025, we completed a transaction (the "Transaction") pursuant to an Asset Purchase and License Agreement ("APLA") between Omeros and Novo Nordisk Healthcare AG ("Novo Nordisk"), dated October 10, 2025, in which Novo Nordisk received exclusive global rights in all indications to develop and commercialize our lead investigational MASP-3 inhibitor, zaltenibart (formerly OMS906), and certain related compounds and products. Zaltenibart is a first-in-class, late-stage clinical humanized monoclonal antibody targeting MASP-3, the most upstream and key activator of the alternative pathway of the complement system. Zaltenibart has shown multiple potential advantages over other alternative pathway inhibitors in development and on the market.

At the closing of the Transaction, we received an upfront cash payment of $240.0 million. In addition, we are eligible to receive (i) up to $510.0 million in one-time milestone payments upon the first achievement by Novo Nordisk or its affiliates or sublicensees of each of the development and approval milestone events as set forth in the APLA and (ii) up to $1.3 billion in one-time milestone payments upon the first achievement by Novo Nordisk or its affiliates or sublicensees of certain sales-based milestone events as set forth in the APLA. We are also eligible under the APLA to receive tiered royalties on annual net sales of products at percentage rates ranging from high single digit to high teens, subject to reduction in certain circumstances, as set forth in the APLA. In total, we are eligible to receive up to an additional $1.8 billion in potential development and commercial milestones, plus tiered royalties on net sales.

Pursuant to the APLA, we sold and transferred, and Novo Nordisk purchased zaltenibart and certain related assets, and the parties agreed to grant and receive certain intellectual property licenses to facilitate the continued development and commercialization activities of both companies. We retain rights to our MASP-3 small-molecule program unrelated to zaltenibart, including the ability to develop and commercialize small-molecule MASP-3 inhibitors, across a range of therapeutic areas, including, but not limited to, ophthalmology, neurology, gastrointestinal disorders, dermatology, musculoskeletal diseases, and oncology. We also retain rights to our "grandfathered" MASP-3 antibodies, with temporal and indication restrictions on commercialization and for use in advancing our small-molecule therapeutics.

In accordance with the APLA, at the closing of the Transaction, Omeros and Novo Nordisk entered into a transition services agreement (the "Transition Services Agreement") pursuant to which we are providing certain transition services to Novo Nordisk to facilitate the transfer of the acquired assets and liabilities under the APLA and to provide for the continued operation of relevant studies and program activities during the applicable term. Subject to certain exceptions and limitations, Novo Nordisk reimburses us for costs and expenses we incur under the Transition Services Agreement, including third-party costs and expenses, costs associated with delivery of transition services by Omeros personnel on an hourly basis at rates specified in the Transition Services Agreement, and for our inventories of zaltenibart drug substance and product.

Other Development Programs

Our lectin pathway program also includes OMS1029, our long-acting antibody targeting MASP-2. We have completed Phase 1 clinical trials evaluating both single-ascending and multiple ascending doses of OMS1029. Results of these studies support once-quarterly dosing administered either intravenously or subcutaneously. OMS1029 has been well tolerated to date with no safety concerns identified. We are working to finalize selection of an indication and initiate Phase 2 clinical development of OMS1029.

Our phosphodiesterase 7 ("PDE7") inhibitor program, which we refer to as OMS527, comprises multiple PDE7 inhibitor compounds and is based on our discoveries of previously unknown links between PDE7 and any addiction or compulsive disorder, and between PDE7 and any movement disorders. In April 2023, we were awarded a grant from the National Institute on Drug Abuse ("NIDA"), to develop an orally administered PDE7 inhibitor compound for the treatment of cocaine use disorder ("CUD"). NIDA awarded the grant to us for a total of $6.24 million over three years, of which we have claimed and received $2.2 million of funding to date and for the year ended December 31, 2025 recognized $0.9 million into Other Income in our consolidated statement of operations and comprehensive loss. FDA subsequently requested additional preclinical information prior to initiating the clinical in-patient study in cocaine users. Together with our collaborators at NIDA, we are scheduled to meet with FDA to discuss that request.

We also have various programs in preclinical research and development.

Basis of Presentation

Our consolidated financial statements include the financial position and results of operations of Omeros and our wholly owned subsidiaries. All inter-company transactions have been eliminated. The accompanying consolidated financial statements reflect all adjustments, consisting of normal recurring adjustments and non-recurring adjustments, considered necessary for the fair presentation of such information. Our financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP").

Liquidity and Capital Resources

The Transaction with Novo Nordisk, which closed on November 25, 2025, provided us with $240.0 million in upfront cash. Under that certain Credit and Guarantee Agreement, dated June 3, 2024 (the "Credit Agreement"), among the Company, the Lenders (as defined below) from time to time party thereto, and Wilmington Savings Fund Society, FSB, as administrative agent and collateral agent, the Company used a portion of the proceeds from the sale of zaltenibart to repay the $67.1 million outstanding principal on the term debt (the "Term Loan") under the Credit Agreement, along with $3.5 million in related prepayment premiums and transaction expenses. Repayment of our obligations under the Credit Agreement resulted in the release in full of all liens and covenants thereunder including the covenant requiring us to maintain a minimum of $25.0 million in unrestricted cash, cash equivalents and short-term investments at all times.

As of December 31, 2025, we had cash, cash equivalents and short-term investments of $171.8 million. We had $87.9 million in aggregate principal amount of debt at December 31, 2025, reflecting a decrease of $77.1 million, or 46.7%, compared to $164.9 million in aggregate principal amount of debt at December 31, 2024.

On February 17, 2026, using funds received upon the closing of the Transaction, we repaid at maturity the remaining $17.1 million principal balance on our 5.25% convertible senior notes due 2026 (the "2026 Notes"). Omeros expects that it will be able to fund more than 12 months of operations from the date the financial statements are issued, utilizing our current cash, cash equivalents, and short-term investments, along with funds we expect to receive from commercial sales of YARTEMLEA.

Should it be necessary or determined to be strategically advantageous, we also could pursue public and private offerings of our equity securities, debt transactions or restructurings, future royalty sales, or other strategic transactions, which may include licensing or selling a portion or all of one or more of our existing technologies. In addition, we have a sales agreement to sell shares of our common stock, from time to time, in an "at the market" equity offering facility through which we may offer and sell shares of our common stock in an aggregate amount of up to $150.0 million.

For purposes of determining available capital resources, future royalty and/or milestone receipts are excluded.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Significant items subject to such estimates include the OMIDRIA contract royalty asset, OMIDRIA royalty obligation valuations and the embedded derivatives associated with our debt. We base our estimates on historical experience and on various other factors that we believe are reasonable under the circumstances; however, actual results could differ from these estimates.

Note 2—Significant Accounting Policies

Segment Reporting

We operate in one business segment focusing on the research, discovery, development and commercialization of small-molecule and protein therapeutics targeting immunologic diseases, including complement-mediated diseases and cancers related to dysfunction of the immune system, as well as addictive and compulsive disorders. The Company defines its operating segment based on internally reported financial information that is regularly used by the Chief Operating Decision Maker ("CODM") to analyze performance, make decisions and allocate resources. The Company's CODM is our Chief Executive Officer. For the year ended December 31, 2025, the Company has identified one operating and reporting segment. The CODM reviews net income (loss) and expenses reported on the consolidated statement of operations and comprehensive income (loss). The measurement of segment assets is reported on the consolidated balance sheet as total consolidated assets. All long-lived assets are held in the U.S. Our segment net loss aligns with our consolidated statement of operations and comprehensive loss.

Research and Development

Research and development expenses are comprised primarily of contracted research, clinical trial study and manufacturing costs prior to approval; consulting services; contract milestones; materials and supplies; costs for personnel, including salaries, benefits and stock compensation; depreciation; an allocation of our occupancy costs; and other expenses incurred to sustain our overall research and development programs. Advance payments for goods or services that will be used for future research and development activities are deferred and then recognized as an expense as the related goods are delivered or the services are performed. All other research and development costs are expensed as incurred.

Selling, General and Administrative

Selling, general and administrative expenses are comprised primarily of marketing expenses; professional and legal services; patent costs; and salaries, benefits, and stock-compensation costs for marketing and other personnel not directly engaged in research and development. Additionally, selling, general and administrative expenses include depreciation; an allocation of our occupancy costs; and other general corporate expenses. Advertising costs are expensed as incurred. We had no advertising costs during the years ended December 31, 2025, 2024 and 2023.

Stock-Based Compensation

Stock-based compensation expense is recognized for all share-based payments, including grants of stock option awards and restricted stock units based on estimated fair values. The fair value of our stock is calculated using the Black-Scholes option-pricing model, which requires assumptions around volatility, forfeiture rates, risk-free interest rate and expected term. Compensation expense is recognized over the requisite service periods, which is generally the vesting period, using the straight-line method. Forfeiture expense is estimated at the time of grant and revised in subsequent periods if actual forfeitures differ from those estimates.

Income Taxes

The Company included the impact of the One Big Beautiful Bill Act ("OBBBA") in its income tax provision for the twelve months ended December 31, 2025. The enactment of the OBBBA reduced the Company's taxable income for federal income tax purposes, resulting in no federal taxable income for the year. The impact of the OBBBA on state income taxes varies by jurisdiction due to differences in state conformity with federal tax law, and the Company incurred state income tax expense in certain jurisdictions.

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their tax bases. Deferred tax assets and liabilities are measured using enacted tax rates applied to taxable income in the years in which those temporary differences are expected to be recovered or settled. We recognize the effect of income tax positions only if those positions are more likely than not to be sustained upon an examination by the relevant taxing authority. A valuation allowance is established when it is more likely than not that the deferred tax assets will not be realized. (For further details, see "Note 14 — Income Taxes").

Asset Sale Transactions

The Company evaluates transactions involving the sale of our compounds, products or drug programs to determine whether such arrangements represent a sale of a business or a sale of a nonfinancial asset. Transactions that do not meet the definition of a business are accounted for as the sale of a nonfinancial asset under Accounting Standards Codification ("ASC") 610-20, *Other Income—Gains and Losses from the Derecognition of Nonfinancial Assets*.

Upon transfer of control of the compound, product or drug program asset to a counterparty, the Company recognizes consideration received. Any excess of consideration over the carrying value of the asset sold is recognized as a gain in the consolidated statements of operations.

Potential Milestone Income

The APLA with Novo Nordisk includes variable consideration in the form of milestone payments that are contingent upon the achievement of specified development, regulatory, or commercialization events. The Company applies the variable consideration and constraint guidance in ASC 606, *Revenue from Contracts with Customers*, by analogy. At contract inception and throughout the term of the arrangement, the Company assesses whether the achievement of each milestone is probable and estimates variable consideration using the most likely amount method. Contingent milestone payments are excluded from the transaction price until the related milestone is achieved and it is probable that a significant reversal of cumulative revenue recognized will not occur.

Amounts are included in the transaction price only to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved. The Company re-evaluates the transaction price at each reporting period, including the estimated variable consideration and the application of the constraint, to reflect changes in circumstances. Factors considered in these evaluations include the clinical or technical complexity of the milestone, the stage of development, and the risk of regulatory approval. Because of the risk that products in development will not receive regulatory approval, we generally do not recognize any contingent payments that would be due to us until regulatory approval.

Discontinued Operations

We review the presentation of planned or completed business dispositions in the consolidated financial statements based on the available information and events that have occurred. The review consists of evaluating whether the business meets the definition of a component for which the operations and cash flows are clearly distinguishable from the other components of the business and, if so, whether it is anticipated that after the disposal the cash flows of the component would be eliminated from continuing operations and whether the disposition represents a strategic shift that has a major effect on operations and financial results. Planned or completed business dispositions are presented as discontinued operations when all the criteria described above are met.

We determined that the sale of OMS906 to Novo Nordisk did not meet the above criteria. As such, we have recorded the gain on sale of zaltenibart in Other Income in our consolidated statement of operations and comprehensive loss.

On December 23, 2021, we closed on an Asset Purchase Agreement (the "Asset Purchase Agreement") with Rayner Surgical Inc. ("Rayner") for the sale of our commercial product OMIDRIA which we record as an OMIDRIA contract asset on our consolidated balance sheet. As a result of the divestiture, the results of OMIDRIA activities are classified as discontinued operations in our consolidated statement of operations and comprehensive loss and excluded from continuing operations for all periods presented. We have rights to receive future royalties from Rayner on OMIDRIA net sales at royalty rates that vary based on geography and certain regulatory contingencies. Therefore, future OMIDRIA royalties are treated as variable consideration. The sale of OMIDRIA qualified as an asset sale under GAAP. To measure the OMIDRIA contract royalty asset, we use the expected value approach which is the sum of the discounted probability-weighted royalty payments we would receive using a range of potential outcomes, to the extent that it is probable that a significant reversal in the amount of cumulative income recognized will not occur.

All U.S. royalties received from Rayner through December 31, 2031 are remitted by Rayner to an escrow account established by Omeros, from which payments are made to DRI Healthcare Acquisition LP ("DRI") and are entirely pass-through in nature to the Company. These payments comprise interest expense, with the remainder treated as a reduction of the OMIDRIA royalty obligation. The amount recorded in discontinued operations in future periods will reflect interest earned on the outstanding OMIDRIA contract royalty asset at 11.0% and any amounts we receive that are different from the expected royalties. The OMIDRIA contract royalty asset is re-measured quarterly using the expected value approach, which incorporates actual results and future expectations. (For further details see "Note 8 — Discontinued Operations —Sale of OMIDRIA").

OMIDRIA Royalty Obligation

On September 30, 2022, we sold to DRI a portion of our future OMIDRIA royalty receipts for a purchase price of $125.0 million and recorded an OMIDRIA Royalty Obligation for the same amount. On February 1, 2024, DRI purchased our remaining U.S. OMIDRIA royalty receipts through December 31, 2031 for $115.5 million in cash under an Amended and Restated Royalty Purchase Agreement (the "Amendment"). The Amendment with DRI eliminated the previously existing annual caps on royalty payments after January 1, 2024, and provides that DRI receives all royalties on U.S. net sales of OMIDRIA payable between January 1, 2024 and December 31, 2031. We accounted for the Amendment as a modification of our existing debt from DRI. The OMIDRIA royalty obligation is valued based on our estimates of future OMIDRIA royalties and is amortized through December 31, 2031.

To the extent our estimates of future royalties differ materially from the previous estimates, we will adjust for future OMIDRIA royalties to the present value of the revised estimated cash flows, discounted at the implied effective interest rate of 10.27% utilizing the cumulative catch-up method. We record interest expense as a component within continuing operations. Any such remeasurement adjustment is recognized as non-cash interest expense within continuing operations (see "Note 9 - OMIDRIA Royalty Obligation").

Cash and Cash Equivalents, Short-Term Investments and Restricted Investments

Cash and cash equivalents include highly liquid instruments with a maturity of three months or less on the date of purchase, which can be easily converted into cash without a significant impact on their value. Short-term investment securities are classified as held-to-maturity, except for money market funds which are classified as available-for-sale. Investments classified as available-for-sale are measured at fair value. Investments classified as held-to-maturity are carried at cost. Amortization, accretion, interest, and dividends, realized gains and losses and declines in value judged to be other-than-temporary are included within other income.

The cost of securities sold is based on the specific-identification method. Investments with maturities of less than one year, or those for which management intends to use the investments to fund current operations, are included in current assets. We evaluate whether an investment is other-than-temporarily impaired based on the specific facts and circumstances. Factors that are considered in determining whether an other-than-temporary decline in value has occurred include: the market value of the security in relation to its cost basis; the financial condition of the investee; and the intent and ability to retain the investment for a sufficient period of time to allow for recovery in the market value of the investment. Restricted investments held in money-market funds include security deposits on our office lease.

Investment income, which is included as a component of other income, consists primarily of interest earned.

Receivables

Receivables primarily consist of royalties receivable from Rayner and receivables from Novo Nordisk for work performed under the Transition Services Agreement. Considering the nature of our receivables, we concluded an allowance for doubtful accounts was not necessary as of December 31, 2025 and 2024, respectively.

Property and Equipment, Net

Property and equipment are stated at cost, and depreciation is calculated using the straight-line method over the estimated useful life of the assets, which is generally between three and ten years. Expenditures for repairs and maintenance are expensed as incurred.

Inventory

We expense inventory costs related to product candidates as research and development expenses until regulatory approval is reasonably assured in the U.S. or the European Union ("EU"). Once approval is reasonably assured, costs, including amounts related to third-party manufacturing, labelling, transportation and internal labor and overhead, are capitalized.

Debt

Transactions involving contemporaneous exchanges of cash between the same debtor and creditor in connection with the issuance of a new debt obligation and satisfaction of an existing debt obligation are evaluated as a modification or an extinguishment depending on whether the exchange is determined to have substantially different terms.

Repayment at Maturity of 2023 Notes

On November 15, 2023, we repaid $95.0 million aggregate principal amount of our 6.25% convertible senior notes (the "2023 Notes") at maturity.

Repurchase of 2026 Notes for Cash

In December 2023, we repurchased $9.1 million aggregate principal amount of our 2026 Notes at a discount, realizing a $4.1 million non-cash gain on extinguishment.

Repurchase of 2026 Notes under the Credit Agreement

On June 3, 2024, we entered into a Credit Agreement with certain funds managed by Athyrium Capital Management, LP and certain funds managed by Highbridge Capital Management, LLC, as lenders (together with additional lenders from time to time, the "Lenders") and Wilmington Savings Fund Society, FSB, as administrative agent and collateral agent. The Credit Agreement provided for the Term Loan. We used the Term Loan along with $21.7 million in cash on hand, to repurchase from the Lenders $118.1 million aggregate principal amount of our 2026 Notes.

In June 2024, we performed an assessment of the Credit Agreement and determined that it met the criteria to be accounted for as a troubled debt restructuring. As a result, the $29.3 million difference between the $118.1 million aggregate principal amount of the 2026 Notes (as defined above) repurchased by the Company and the $88.8 million aggregate repurchase price (consisting of the $67.1 million Term Loan and $21.7 million cash on hand) was recorded as a premium (i.e. an increase) to the term debt recorded on our consolidated balance sheet instead of being recognized as a gain on early extinguishment of debt. We amortize the premium as both a reduction of term debt in the consolidated balance sheet and as interest expense in the consolidated statement of operations and comprehensive loss over the duration of the Term Loan.

Exchange of 2026 Notes for 2029 Notes and Equitization Transaction

On May 14, 2025, we completed the exchange (the "Convertible Note Exchange") of $70.8 million of our existing 2026 Notes on a one-for-one basis for newly-issued convertible senior notes maturing on June 15, 2029 (the "2029 Notes").

On May 12, 2025, we entered into note conversion agreements (each, a "Note Conversion Agreement") with two holders of the 2026 Notes to convert $10.0 million aggregate principal amount of 2026 Notes into shares of our common stock (the "Equitization Transaction") in three tranches. Our obligation to deliver shares in three tranches was initially accounted for as a share-settled liability measured at fair value. We completed the conversion of the final tranche in September 2025, resulting in the issuance of an aggregate of 2,819,866 shares of our common stock to the two holders in exchange for $10.0 million aggregate principal amount of 2026 Notes. We did not receive new cash proceeds in these transactions. We performed an assessment of the Convertible Note Exchange and Equitization Transaction and determined that these transactions were not a troubled debt restructuring and were a partial extinguishment of our 2026 Notes.

Together with the Equitization Transaction, these transactions resulted in a net $3.0 million non-cash loss on extinguishment due to (i) expensing of the unamortized debt issuance costs of the extinguished 2026 Notes, (ii) recording the 2029 Notes to fair market value (i.e., at a discount) which we recorded both in our consolidated statement of operations and comprehensive loss and as debt on our consolidated balance sheet and (iii) recording the fair market value of the share-settled liability upon settlement.

The Convertible Note Exchange and the Equitization Transaction reduced the aggregate principal balance of our 2026 Notes from $97.9 million to $17.1 million.

Repayment of 2026 Notes

In February 2026, we repaid in full the remaining $17.1 million principal balance on our 2026 Notes upon maturity.

Repayment of Term Loan under the Credit Agreement

On November 25, 2025, concurrent with the closing of the sale of zaltenibart (OMS906) to Novo Nordisk under the APLA, the Company repaid in full the $67.1 million principal outstanding under the Term Loan. As a result, we recognized a net non-cash gain on extinguishment in the amount of $17.0 million which represents the de-recognition of $17.9 million in unamortized premium and debt issuance costs, derecognition of $2.6 million of embedded derivatives, offset by $3.5 million of prepayment premium and related transaction expenses. (For further details, see "Note 7 – Debt").

Embedded Derivatives

We account for convertible instruments in accordance with ASC 470-20, *Debt with Conversion and Other Options*, when we determine that embedded conversion features do not require bifurcation from the host instrument. We account for convertible instruments (when we have determined that the embedded conversion options should be bifurcated from their host instruments) in accordance with ASC 815 – *Derivative and Hedge Accounting* ("ASC 815"). Under ASC 815, proceeds received upon the issuance of the hybrid contract are allocated between the fair value of the notes and the fair value of the derivative. The derivative is subsequently marked-to-market at each reporting date based on current fair value, with the changes in fair value reported in the consolidated statements of operations and comprehensive loss.

The embedded derivative on our 2029 Notes represents the conversion feature and interest make-whole feature available to holders of the 2029 Notes allowing them to convert the notes into cash, common stock and/or a combination thereof. The embedded derivative on our Term Loan was eliminated upon repayment on November 25, 2025. (For further details, see "Note 5 – Fair Value Measurements" and "Note 7 – Debt").

Right-of-Use Assets and Related Lease Liabilities

We record operating leases as right-of-use assets and recognize the related lease liabilities equal to the fair value of the lease payments using our incremental borrowing rate when the implicit rate in the lease agreement is not readily available. We recognize variable lease payments when incurred. Costs associated with operating lease assets are recognized on a straight-line basis within operating expenses over the term of the lease.

We record finance lease obligations as a component of property and equipment and amortize these assets within operating expenses on a straight-line basis to their residual values over the shorter of the term of the underlying lease or the estimated useful life of the equipment. The interest component of finance lease obligations is included in interest expense and recognized using the effective interest method over the lease term.

We account for leases with initial terms of 12 months or less as an operating expense.

Impairment of Long-Lived Assets

We assess the impairment of long-lived assets, whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. Recoverability of these assets is measured by comparing the carrying value to future undiscounted cash flows that the asset is expected to generate. If the asset is impaired, the amount of any impairment will be reflected in the results of operations in the period of impairment. We have not recognized any impairment losses for the years ended December 31, 2025, 2024 and 2023.

Common Stock Repurchases

We have repurchased shares of our common stock from time to time under authorization made by our Board of Directors. Under applicable Washington State law, repurchased shares are retired and not presented separately as treasury stock in the consolidated financial statements.

Accumulated Other Comprehensive Income (Loss)

Accumulated other comprehensive income (loss) is comprised of net income (loss) and certain changes in equity that are excluded from net income (loss). There were no differences between comprehensive loss and net loss for the years ended December 31, 2025, 2024 and 2023.

Financial Instruments and Concentrations of Credit Risk

Cash and cash equivalents, receivables, accounts payable and accrued liabilities, which are recorded at invoiced amount or cost, approximate fair value based on the short-term nature of these financial instruments. The fair value of short-term investments is based on quoted market prices. Financial instruments that potentially subject us to concentrations of credit risk consist primarily of cash and cash equivalents, short-term investments and receivables. Cash and cash equivalents are held by financial institutions and are federally insured up to certain limits. At times, our cash and cash equivalents balance held at a financial institution may exceeds the federally insured limits. To limit the credit risk, we invest our excess cash in high-quality securities such as money market mutual funds, certificates of deposit and U.S. treasury bills.

Recent Accounting Pronouncements

In November 2024, the Financial Accounting Standards Board ("FASB") issued ASU 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures* (Subtopic 220-40): *Disaggregation of Income Statement Expense*, requiring public entities to disclose additional information about specific expense categories in the notes to the financial statements on an interim and annual basis. ASU 2024-03 is effective for fiscal years beginning after December 15, 2026, and for interim periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact on its financial statement disclosures.

In December 2025, the FASB issued ASU 2025-10, *Government Grants (Topic 832): Accounting for Government Grants Received by Business Entities*, which establishes authoritative guidance on the recognition, measurement, presentation, and disclosure of government grants. Under ASU 2025-10, government grants are recognized when it is probable that the entity will both comply with the conditions of the grant and the grant will be received. The ASU provides specific accounting models for grants related to assets and grants related to income, including options to recognize government grants as deferred income or as a reduction of the asset's cost basis. The ASU also requires enhanced disclosures regarding the nature of government grants, significant terms and conditions, accounting policies applied, and amounts recognized in the financial statements. ASU 2025-10 is effective for fiscal years beginning after December 15, 2028, including interim periods within those fiscal years, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2025-10.

In December 2025, the FASB issued ASU 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements*, which clarifies the guidance in Topic 270 to improve the consistency of interim financial reporting. The ASU provides a comprehensive list of required interim disclosures and introduces a disclosure principle requiring entities to disclose events since the end of the last annual reporting period that have a material impact on the entity. ASU 2025-11 is effective for fiscal years beginning after December 15, 2027, including interim periods within those fiscal years, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2025-11.

Recently Adopted Accounting Pronouncements

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which requires public entities, on an annual basis, to provide disclosure of specific categories in the rate reconciliation, as well as disclosure of income taxes paid disaggregated by jurisdiction. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024, with early adoption permitted. The Company prospectively adopted ASU 2023-09 for the year ended December 31, 2025, and applied the new disclosure requirements.

In November 2024, the FASB issued ASU 2024-04, *Debt with Conversion and Other Options (Subtopic 470-20), Induced Conversions of Convertible Debt Instruments*, which clarifies the requirements for determining whether certain settlements of convertible debt instruments should be accounted for as an induced conversion or extinguishment of convertible debt. The Company early adopted ASU 2024-04 during the year ended December 31, 2025, applying the guidance prospectively as of January 1, 2025. The adoption of this standard did not have an impact on the Company's consolidated financial statements.

In September 2025, the FASB issued ASU 2025-07*, Derivatives and Hedging* (Topic 815) and *Revenue from Contracts with Customers* (Topic 606): *Scope Clarification and Share-Based Consideration*. The update refines the scope of derivative accounting by expanding the scope exception for certain non-exchange-traded contracts with underlyings based on the operations or activities of one of the parties to the contract, such as regulatory approvals or development milestones, and clarifies the accounting for share-based noncash consideration received from a customer under Topic 606. The Company early adopted ASU 2025-07 during the year ended December 31, 2025. The adoption did not result in any reclassification within the Company's consolidated financial statements.

Note 3—Gain on Sale of Zaltenibart

On November 25, 2025, we closed a previously announced transaction under an APLA with Novo Nordisk, pursuant to which Novo Nordisk received exclusive global rights in all indications to develop and commercialize zaltenibart, the Compounds, and the Products. At the closing, we received net proceeds of $237.6 million comprising $240.0 million in upfront cash less $2.4 million in transaction fees.

As set forth in the APLA, beyond the $240.0 million, we are eligible to receive (i) up to an additional $510.0 million in one-time milestone payments upon the first achievement by Novo Nordisk or its affiliates or sublicensees of each of the development and approval milestone events and (ii) up to $1.3 billion in one-time milestone payments upon the first achievement by Novo Nordisk or its affiliates or sublicensees of certain sales-based milestone events. We are also eligible under the APLA to receive tiered royalties on annual net sales of Products at percentage rates ranging from high single digit to high teens, subject to reduction in certain circumstances.

In accordance with the APLA, at the closing of the Transaction, Omeros and Novo Nordisk entered into the Transition Services Agreement pursuant to which we are providing certain transition services to Novo Nordisk to facilitate the transfer of the acquired assets and liabilities under the APLA and to provide for the continued operation of relevant studies and program activities during the applicable term. Subject to certain exceptions and limitations, Novo Nordisk reimburses us for costs and expenses we incur under the Transition Services Agreement, including third-party costs and expenses, costs associated with delivery of transition services by Omeros personnel on an hourly basis at rates specified in the Transition Services Agreement, and for our inventories of zaltenibart drug substance and product. We report such expenses net of reimbursement within Other Income in our statement of operations and comprehensive loss.

Note 4—Net Loss Per Share

Basic net loss per share ("Basic EPS") is computed by dividing net loss by the weighted average number of common shares outstanding during the period. Diluted net loss per share ("Diluted EPS") is computed by dividing net loss by the weighted average number of common shares and potentially dilutive common shares outstanding during the period. Our potentially dilutive securities include common shares related to our stock options using the treasury stock method and convertible senior notes calculated using the if-converted method. In periods where we have a net loss from continuing operations but overall net income, we do not compute Diluted EPS because the effect would be antidilutive. When there is a net loss, potentially dilutive securities, like stock options or convertible debt, are typically excluded from the diluted net loss per share calculation. Potentially dilutive securities excluded from Diluted EPS are calculated based on a weighted average of days in the quarter from when the respective transactions occurred and are shown as follows:

	Year Ended December 31,		
	2025	2024	2023
2029 Notes convertible to common stock (1)	7,248,896	—	—
2026 Notes convertible to common stock (1)(2)(3)	2,614,893	7,980,438	11,132,366
2023 Notes convertible to common stock (4)	—	—	4,318,944
Outstanding options to purchase common stock	2,941,957	252,397	38,462
Total dilutive shares excluded from net loss per share	12,805,746	8,232,835	15,489,772

(1) On May 14, 2025, we exchanged $70.8 million aggregate principal amount of our 2026 Notes for 2029 Notes on a one-for-one basis in the Convertible Note Exchange and recorded a reduction of an additional $10.0 million aggregate principal amount of our 2026 Notes to arrangement that potentially increases the dilutive effect of conversion as described in "Note 7 — Debt."
(2) The 2026 Notes were subject to a capped call arrangement that potentially reduced the dilutive effect of conversion as described in "Note 7 — Debt." Any potential impact of the capped call arrangement is excluded from this table. The remaining outstanding 2026 Notes w
(3) On June 3, 2024, we repurchased $118.1 million aggregate principal amount of our 2026 Notes, reducing any effect of the dilution related to these notes. (For further details refer to "Note 7 — Debt").
(4) The 2023 Notes were fully repaid at maturity on November 15, 2023.

Note 5—Investments and Fair-Value Measurements

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability, an exit price, in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The accounting standard establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs, where available. The following summarizes the three levels of inputs required:

Level 1—Observable inputs for identical assets or liabilities, such as quoted prices in active markets;

Level 2—Inputs other than quoted prices in active markets that are either directly or indirectly observable; and

Level 3—Unobservable inputs in which little or no market data exists, therefore they are developed using estimates and assumptions developed by us, which reflect those that a market participant would use.

We review the fair value hierarchy classification on a quarterly basis. Changes in the observability of valuation inputs may result in a reclassification of levels for certain securities within the fair value hierarchy. There have been no transfers of assets or liabilities between fair value measurement classifications during the year ended December 31, 2025.

Our fair value hierarchy for our financial assets and liabilities measured at fair value on a recurring basis are as follows:

	December 31, 2025		
	Level 1	Level 3	Total
		(In thousands)	
Assets:			
Cash and cash equivalents:			
Certificate of deposit classified as non-current restricted investments	$ 1,054	$ —	$ 1,054
Short-term investment:			
Money-market funds	162,144	—	162,144
Total Assets	$ 163,198	$ —	$ 163,198
Liabilities:			
2029 Notes:			
2029 Note conversion option derivative	$ —	$ (157,171)	$ (157,171)
Total Liabilities	$ —	$ (157,171)	$ (157,171)

	December 31, 2024		
	Level 1	Level 3	Total
		(In thousands)	
Assets:			
Cash and cash equivalents:			
Certificate of deposit classified as non-current restricted investments	$ 1,054	$ —	$ 1,054
Short-term investment:			
Money-market funds	86,732	—	86,732
Total Assets	$ 87,786	$ —	$ 87,786
Liabilities:			
Term Loan			
Call and put options derivative (1)	$ —	$ 235	$ 235
Total Liabilities	$ —	$ 235	$ 235

(1) While the Term Loan is recorded as a liability, the embedded call and put options that have been identified as requiring bifurcation are recognized as a net embedded derivative asset reflected as a component of the Term Loan on the consolidated balance sheet.

Cash held in demand deposit accounts of $9.7 million and $3.4 million is excluded from our fair-value hierarchy disclosure as of December 31, 2025 and 2024, respectively. The carrying amounts for receivables, accounts payable and accrued liabilities, and other current monetary assets and liabilities, including lease financing obligations, approximate fair value.

All of our investments, which are classified as Level 1 assets, are short-term and held in our name. Money market funds are classified as available-for-sale on the accompanying consolidated balance sheets. Interest income is included as a component of interest and other income on our consolidated statement of operations and comprehensive loss. Interest and other income for the years ended December 31, 2025, December 31, 2024 and December 31, 2023 consists primarily of interest earned from investments of $2.3 million, $8.4 million and $14.7 million, respectively.

The fair value of both of our embedded derivatives were determined using the Lattice and Discounted Cash Flow models with the following key assumptions:

2029 Note conversion option derivative

	December 31, 2025
Stock price (per share)	$ 17.18
Unsecuritized discount rate	18.03%
Risk-free rate	3.53%
Stock price volatility	75%
Dividend yield	—%
Term (in years)	3.5

Changes in valuation assumptions could have a significant impact on the 2029 Note conversion option derivative. The Company can provide no assurance that changes in yield or in our price would not have a significant impact on the derivative in the future. An increase in our stock price volatility could increase the valuation of the 2029 Note conversion option derivative, whereas an increase in interest rates could decrease the valuation of the 2029 Note conversion option derivative. (For further details see “Note 7 — Debt”).

Term Loan derivative

	December 31, 2024
Interest is comprised of:	
SOFR benchmark rate	3.91 - 4.30%
Securitized discount rate	13.16%
Yield volatility	21%
Probability weighted term (in years)	3.4

The repayment of our Term Loan on November 25, 2025 eliminated the related Term Loan embedded derivative as of December 31, 2025.

The following table sets forth a summary of changes in the fair value of Level 3 liabilities for the year ended December 31, 2025:

	Balance as of December 31, 2024	Additions	Change in Fair Value	Conversions & Extinguishment	Balance as of December 31, 2025
			(In thousands)		
Liabilities:					
2026 Note:					
Share-settled liability	$ —	$ (9,838)	$ 295	$ 9,543	$ —
Term Loan:					
Call and put options derivative	235	—	(2,829)	2,594	—
2029 Note:					
Conversion option derivative	—	(22,988)	(134,183)	—	(157,171)
Total Liabilities	$ 235	$ (32,826)	$ (136,717)	$ 12,137	$ (157,171)

See “Note 7 - Debt” for the estimated fair market values of our 2029 Notes and 2026 Notes. See “Note 9 – OMIDRIA Royalty Obligation” for the estimated fair value of our OMIDRIA royalty obligation.

Note 6—Certain Balance Sheet Accounts

OMIDRIA contract royalty asset

OMIDRIA contract royalty asset consists of the following:

	December 31, 2025	December 31, 2024
	(In thousands)	
Short-term OMIDRIA contract royalty asset	$ 25,351	$ 29,083
Long-term OMIDRIA contract royalty asset	96,435	124,266
Total OMIDRIA contract royalty asset	$ 121,786	$ 153,349

See “Note 8 — Discontinued Operations – Sale of OMIDRIA” for discussion regarding the estimated fair value of our OMIDRIA contract royalty asset.

OMIDRIA royalty obligation

OMIDRIA royalty obligation consists of the following:

	December 31, 2025	December 31, 2024
	(In thousands)	
Short-term OMIDRIA royalty obligation	$ 20,547	$ 20,645
Long-term OMIDRIA royalty obligation	147,319	195,612
Total OMIDRIA royalty obligation	$ 167,866	$ 216,257

See “Note 9 — OMIDRIA Royalty Obligation” for further details.

Receivables

Receivables consist of the following:

	December 31, 2025	December 31, 2024
	(In thousands)	
OMIDRIA royalty receivables	$ 6,443	$ 6,940
Novo Nordisk receivables	3,724	—
Other receivables	750	799
Total receivables	$ 10,917	$ 7,739

OMIDRIA royalty receivables represents approximately two months of royalty earnings from Rayner. All U.S. royalties received from Rayner are remitted by Rayner to an escrow account, established by Omeros, from which payments are made on our behalf to DRI. These payments are entirely pass-through in nature to the Company with DRI as the recipient.

Property and Equipment, Net

Property and equipment, net consists of the following:

	December 31, 2025	December 31, 2024
	(In thousands)	
Equipment under finance leases	$ 8,323	$ 8,323
Laboratory equipment	3,744	3,690
Computer equipment	1,113	1,113
Office equipment and furniture	624	624

Total cost	13,804	13,750
Less accumulated depreciation and amortization	(12,036)	(11,072)
Total property and equipment, net	$ 1,768	$ 2,678

For the years ended December 31, 2025, 2024 and 2023, depreciation and amortization expenses were $1.0 million, $1.0 million and $0.9 million, respectively.

Accrued Expenses

Accrued expenses consist of the following:

	December 31, 2025	December 31, 2024
	(In thousands)	
Employee compensation	$ 10,348	$ 8,868
Clinical trials	6,248	7,100
Contract research and development	5,773	4,334
Deferred income	2,473	183
Consulting and professional fees	2,406	2,602
Income taxes payable	1,146	55
Interest payable	616	2,667
Other accrued expenses	378	196
Total accrued expenses	$ 29,388	$ 26,005

Deferred income as of December 31, 2025 primarily relates to billings under the Transition Services Agreement to Novo Nordisk.

Note 7—Debt

Convertible senior notes, net, and term debt balances are comprised of the following:

		December 31, 2025	December 31, 2024
		(In thousands)	
2029 Notes, net maturing on June 15, 2029	Long-term	$ 51,364	$ —
Term Loan, net maturing on June 3, 2028, repaid November 25, 2025	Short-term	—	21,000
Term Loan, net maturing on June 3, 2028, repaid November 25, 2025	Long-term	—	69,640
2026 Notes, net maturing on February 15, 2026, repaid February 13, 2026	Short-term	17,063	—
2026 Notes, net maturing on February 15, 2026, repaid February 13, 2026	Long-term	—	97,178
		$ 68,427	$ 187,818
Term Loan embedded derivative reported at fair value	Long-term	$ —	$ (235)
2029 Notes embedded derivative reported at fair value	Long-term	$ 157,171	$ —

2029 Notes

Exchange of 2026 Notes for 2029 Notes and Equitization Transaction

On May 14, 2025, we completed the Convertible Note Exchange of $70.8 million in aggregate principal amount of our existing 2026 Notes on a one-for-one basis for newly-issued 2029 Notes. The Convertible Note Exchange was conducted with a limited number of holders of the 2026 Notes pursuant to exchange agreements dated as of May 12, 2025. The 2029 Notes are convertible at the option of the holders into shares of common stock, cash or a combination thereof, as elected by the Company, at any time prior to the close of business on the second scheduled trading day immediately preceding the maturity date.

The 2029 Notes were issued pursuant to an Indenture, dated as of August 14, 2020 (the "Base Indenture"), between the Company and Computershare Trust Company, National Association, as successor to Wells Fargo Bank, National Association, as trustee (the "Trustee"), as supplemented by a Second Supplemental Indenture, dated as of May 14, 2025 (the "Second Supplemental Indenture"), between the Company and the Trustee (the Base Indenture, as amended and supplemented by the Second Supplemental Indenture, the "Indenture"). The 2029 Notes will mature on June 15, 2029 unless earlier converted, redeemed or repurchased in accordance with their terms prior to such date.

Embedded Derivative

The embedded derivative on the 2029 Notes includes both a derivative for the interest make-whole feature and a derivative for the conversion feature available to holders allowing them to convert their notes to common stock, cash or a combination thereof. At each reporting date, we remeasure the embedded derivative instruments to fair market value. At contract inception, we recorded a net $23.0 million embedded derivative as a component of our 2029 Notes. However, with the sale of OMS906 to Novo Nordisk and the announcement of FDA approval of TA-TMA, our stock price significantly increased. At December 31, 2025, the fair market value of our embedded derivative was $157.2 million. We marked-to-market the initial $23.0 million embedded derivative on the 2029 Notes and recorded a $134.2 million non-cash loss on remeasurement in our consolidated statement of operations and comprehensive loss. Increases or decreases in our stock price may materially affect the value of the derivative.

Interest Make Whole Feature

Holders who convert their 2029 Notes after November 13, 2025 and prior to June 1, 2029 (except for any conversion in connection with a make-whole fundamental change) are entitled to an interest make-whole payment equal to the sum of the remaining scheduled payments of interest that would have been made had the 2029 Notes remained outstanding from their conversion date through the earlier of (i) the date that is 18 months following their conversion date, and (ii) June 15, 2029, the maturity date.

Conversion Feature

The 2029 Notes are convertible at the option of the holder into shares of common stock, cash or a combination thereof at any time prior to the close of business on the second scheduled trading day immediately preceding the maturity date. The Company elects whether the conversion occurs in common stock, cash or a combination thereof. The conversion rate is 161.81 shares of our common stock per $1,000 of note principal (equivalent to an initial conversion price of approximately $6.18 per share of common stock), which equals approximately 11.5 million shares issuable upon conversion. The conversion rate is subject to adjustment in certain circumstances as described in the Indenture.

The 2029 Notes are comprised of the following:

	December 31, 2025
	(In thousands)
Principal amount	$ 70,785
Unamortized debt discount, net of issuance costs	(19,421)
Total 2029 Notes	$ 51,364
Fair value of outstanding 2029 Notes (1)	$ 111,992
Fair value of 2029 Notes embedded derivative (2)	$ 157,171

(1)The fair value is classified as a Level 2 liability due to the limited trading activity for the 2029 Notes. This balance reflects the fair value of the 2029 Notes based on quoted prices in an over-the counter market using the most recent trading information at the end of the reporting period.
(2)The fair value of the 2029 Notes embedded derivative is classified as a Level 3 liability due to unobservable inputs in which little or no market data exists. (For further details refer to "Note 5 — Investments and Fair-Value Measurements").

Interest on the 2029 Notes is payable semi-annually in arrears at a rate of 9.50% per annum on each June 15 and December 15, beginning on December 15, 2025. The carrying value of the 2029 Notes includes a discount which we amortize over the duration of the term as non-cash interest expense in the consolidated statement of operations and comprehensive loss. Due to the discount amortization on the 2029 Notes, interest expense is currently being recognized at an implied effective interest rate of 1.82%.

The following table sets forth interest expense recognized on the 2029 Notes:

	Twelve Months Ended December 31, 2025
	(In thousands)
Contractual interest expense	$ 4,222
Amortization of debt discount and issuance costs	3,658
Total interest expense	$ 7,880

The 2029 Notes are redeemable, in whole or in part, at our option at any time, and from time to time, on or after June 20, 2027 and on or before the 50th scheduled trading day immediately before the maturity date, at a cash redemption price equal to the principal amount of the 2029 Notes to be redeemed, plus accrued and unpaid interest to, but excluding, the redemption date, but only if the last reported sale price per share of our common stock exceeds 130% of the conversion price on (i) each of at least 20 trading days, whether or not consecutive, during the 30 consecutive trading days ending on, and including, the trading day immediately before the date we send the related redemption notice and (ii) the trading day immediately before the date we send such notice. In addition, calling any 2029 Note for redemption will constitute a "make-whole fundamental change" (as defined in the Indenture) with respect to that 2029 Note, in which case the conversion rate applicable to the conversion of that 2029 Note will be increased in certain circumstances if it is converted after it is called for redemption.

The Indenture contains customary terms and covenants and events of default. If an event of default (other than certain events of bankruptcy, insolvency or reorganization involving the Company) occurs and is continuing, the Trustee or the holders of at least 25% in aggregate principal amount of the 2029 Notes then outstanding may declare the principal amount of, and all accrued and unpaid interest on, all of the 2029 Notes then outstanding to become due and payable immediately. Upon the occurrence of certain events of bankruptcy, insolvency or reorganization involving the Company, the principal amount of, and all accrued and unpaid interest, if any, on all of the 2029 Notes then outstanding will immediately become due and payable without any further action or notice by the Trustee or any holder. Notwithstanding the foregoing, the Indenture provides that, to the extent we elect and for up to 180 days, the sole remedy for an event of default relating to certain failures by us to comply with certain reporting covenants in the Indenture may consist exclusively of the right to receive special interest on the 2029 Notes.

The 2029 Notes are structurally subordinated to all existing and future indebtedness and other liabilities, including trade payables, and (to the extent we are not a holder thereof) preferred equity, if any, of its subsidiaries.

Equitization Transaction

On May 12, 2025, we entered into Note Conversion Agreements with two holders of the 2026 Notes to convert $10.0 million aggregate principal amount of 2026 Notes into shares of our common stock in three tranches. Our obligation to deliver shares in three tranches was initially accounted for as a share-settled liability measured at fair value. We completed the conversion of the final tranche in September 2025, resulting in the issuance of an aggregate of 2,819,866 shares of our common stock to the two holders in exchange for $10.0 million aggregate principal amount of the 2026 Notes. We did not receive new cash proceeds in these transactions.

We performed an assessment of the Convertible Note Exchange and Equitization Transaction and determined that these transactions were not a troubled debt restructuring and were a partial extinguishment of our 2026 Notes. These exchanges resulted in a net $3.0 million non-cash loss on extinguishment due to (i) expensing of the unamortized debt issuance costs of the extinguished 2026 Notes, (ii) recording the 2029 Notes to fair market value (i.e., at a discount) which we recorded both to our consolidated statement of operations and comprehensive loss and as debt on our consolidated balance sheet and (iii) recording the difference between the principal value of converted 2026 Notes and the fair market value of the share-settled liability.

The Convertible Note Exchange and Equitization Transaction reduced the aggregate principal balance of our 2026 Notes from $97.9 million to $17.1 million. The $80.8 million reduction reflects the exchange of $70.8 million aggregate principal amount of 2026 Notes for the same amount of principal under the 2029 Notes and the reduction of $10.0 million in aggregate principal amount of 2026 Notes for common stock.

Term Loan

On June 3, 2024, we entered into a Credit Agreement to borrow $67.1 million under our Term Loan. In connection with our entry into the Credit Agreement, we used the Term Loan of $67.1 million, along with $21.7 million of cash on hand (for a total aggregate purchase price of $88.8 million) to repurchase $118.1 million aggregate principal amount of the 2026 Notes held by the Lenders. The $29.3 million difference between the $118.1 million aggregate principal amount of the 2026 Notes and the $88.8 million aggregate repurchase price was recorded as a premium (i.e., an increase) to the Term Loan on the Company's consolidated balance sheet instead of being recognized as a gain on early extinguishment of debt.

On November 25, 2025, concurrent with the closing of the sale and licensing of zaltenibart (OMS906) to Novo Nordisk under the APLA, we were required under the terms of the Credit Agreement to repay in full the $67.1 million principal outstanding under the Term Loan along with a 5% prepayment premium. We recognized a net non-cash gain on extinguishment in the amount of $17.0 million which represents the de-recognition of $17.9 million in unamortized premium and debt issuance costs, derecognition of $2.6 million of embedded derivatives, and partially offset by $3.5 million of prepayment premium and related transaction expenses. The repayment of the Term Loan eliminated the embedded derivative associated with the Term Loan as of December 31, 2025.

Pursuant to a covenant under the Credit Agreement, we were required to maintain $25.0 million of unrestricted cash, cash equivalents and short-term investments at all times. Repayment of our obligations under the Credit Agreement resulted in the release in full of all liens and covenants thereunder including the covenant requiring us to maintain a minimum of $25.0 million in unrestricted cash, cash equivalents and short-term investments.

The amount outstanding on the Term Loan is as follows:

	December 31, 2025	December 31, 2024
	(In thousands)	
Principal amount	$ —	$ 67,077
Unamortized debt premium, net of issuance costs and other	—	23,563
Total term debt	$ —	$ 90,640
Fair value of outstanding term debt (1)	$ —	$ 69,530
Fair value of term debt embedded derivative (2)	$ —	$ (235)

(1)The fair value was classified as Level 3 liability. We determine the fair market value by discounting future flows based on adjusted SOFR on each measurement date.
(2)While the Term Loan is recorded as a liability, the embedded call and put options that have been identified as requiring bifurcations are recognized as a net embedded derivative asset reflected as a component of the Term Loan on the consolidated balance sheet. (For further details refer to "Note 5 — Investments and Fair-Value Measurements")

The Term Loan had a stated maturity date of June 3, 2028, bearing interest at an adjusted secured overnight financing rate ("adjusted SOFR"), subject to a 3.0% floor, plus 8.75% per annum, payable quarterly from the closing date. As of December 31, 2025 and 2024, the contractual interest rate on the Term Loans was 13.02% and 13.32%, respectively. We amortized the premium as both a non-cash reduction of long-term debt in the consolidated balance sheets and as interest expense in the consolidated statement of operations and comprehensive loss.

Due to the premium amortization on the Term Loan, interest expense was being recognized at an implied effective interest rate of 3.38%.

The following table sets forth interest expense recognized related to the Term Loan:

	Year Ended December 31,	
	2025	2024
	(In thousands)	
Contractual interest expense	$ 8,021	$ 5,525
Amortization of debt premium and issuance costs	(5,578)	(4,681)
Total interest expense	$ 2,443	$ 844

2026 Notes

As of December 31, 2025, we had outstanding $17.1 million aggregate principal amount of unsecured convertible senior notes, which accrued interest at an annual rate of 5.25% per annum, payable semi-annually in arrears on February 15 and August 15 of each year. The 2026 Notes matured on February 15, 2026.

The 2026 Notes were issued in the third quarter of 2020 in an aggregate principal amount of $225.0 million. In order to reduce the dilutive impact or potential cash expenditure associated with the conversion of the 2026 Notes, we entered into capped call transactions in connection with the issuances of the 2026 Notes (the "2026 Capped Call"). The 2026 Capped Call was a separate transaction and not part of the terms of the 2026 Notes and was executed separately from the issuance of the 2026 Notes. The amount paid for the 2026 Capped Call was recorded as a reduction to additional paid-in capital in the consolidated balance sheet. As of December 31, 2025, approximately 12.2 million shares remained outstanding under the 2026 Capped Call. Further, we concluded the 2026 Capped Call qualifies for a derivative scope exception for instruments that are both indexed to an entity's own stock and classified in stockholders' equity in its balance sheet. Consequently, the fair value of the 2026 Capped Call of $23.2 million is classified as equity. The 2026 Capped Call expired upon maturity of the 2026 Notes on February 15, 2026.

In December 2023, we repurchased $9.1 million aggregate par value of our 2026 Notes for cash on hand of $5.0 million, resulting in a $4.1 million non-cash gain on extinguishment (approximately 55% of par value).

In connection with our entry into the Credit Agreement, we used the $67.1 million in Term Loan proceeds along with $21.7 million of cash on hand for a total purchase price of $88.8 million to repurchase $118.1 million aggregate principal amount of the 2026 Notes held by the Lenders (approximately 75% of par value).

The May 2025 Convertible Note Exchange and Equitization Transaction further reduced the aggregate principal balance of our 2026 Notes by $80.8 million. The $80.8 million reduction reflects the exchange of $70.8 million aggregate principal amount of 2026 Notes for the same amount of principal under the 2029 Notes and the reduction of $10.0 million in aggregate principal amount of 2026 Notes for common stock. The Convertible Note Exchange and the Equitization Transaction resulted in a net $3.0 million non-cash loss on extinguishment as previously discussed.

As of December 31, 2025, we had $17.1 million outstanding principal under the 2026 Notes. This balance was repaid in full at maturity in February 2026. The 2026 Capped Call expired upon maturity of the 2026 Notes.

Unamortized debt issuance costs are amortized to interest expense at an effective interest rate of 5.9% over the remaining term of the loan.

The 2026 Notes were comprised of the following:

	December 31, 2025	December 31, 2024
	(In thousands)	
Principal amount	$ 17,077	$ 97,862
Unamortized debt issuance costs	(14)	(684)
Total 2026 Notes, net	$ 17,063	$ 97,178
Fair value of outstanding 2026 Notes (1)	$ 16,996	$ 93,752

(1)The fair value is classified as Level 2 liability due to the limited trading activity for the unsecured convertible senior notes. The fair value of the 2026 Notes is determined based on quoted prices in an over-the counter market using the most recent trading information available at the end of the reporting period. The value of the conversion feature of the 2026 Notes is not deemed to be significant as subsequent to year-end, no holders converted their notes prior to repayment

The following table sets forth interest expense recognized related to the 2026 Notes:

	Year Ended December 31,		
	2025	2024	2023
		(In thousands)	
Contractual interest expense	$ 2,547	$ 7,772	$ 11,774

Amortization of debt issuance costs	287	859	1,355
Total interest expense	$ 2,834	$ 8,631	$ 13,129

2023 Notes

We repaid the $95.0 million aggregate principal amount of our 6.25% convertible senior notes (the "2023 Notes") that remained outstanding at maturity on November 15, 2023. The following table sets forth interest expense recognized related to the 2023 Notes:

	Year Ended December 31,		
	2025	**2024**	**2023**
		(In thousands)	
Contractual interest expense	$ —	$ —	$ 5,195
Amortization of debt issuance costs	—	—	619
Total interest expense	$ —	$ —	$ 5,814

Minimum Commitments

As of December 31, 2025, the most probable principal payments on our 2026 Notes and 2029 Notes are as follows:

	2026 Notes	**2029 Notes**	**Total**
		(In thousands)	
2026	$ 17,077	$ —	$ 17,077
2027	—	—	—
2028	—	—	—
2029	—	70,785	70,785
2030 and thereafter	—	—	—
Total principal payments	17,077	70,785	87,862
Net unamortized discounts and issuance costs	(14)	(19,421)	(19,435)
Carrying value of debt	$ 17,063	$ 51,364	$ 68,427

Note 8—Discontinued Operations - Sale of OMIDRIA

On December 23, 2021, we sold the rights to OMIDRIA and related assets to Rayner, which is reported as discontinued operations in our consolidated statements of operations and comprehensive loss and excluded from continuing operations for all periods presented.

As contemplated by the Asset Purchase Agreement between Omeros and Rayner, in December 2022, we earned a $200.0 million milestone payment upon the establishment of separate payment for OMIDRIA for a continuous period of at least four years when furnished in the ambulatory surgery center setting (the "Milestone Event"). We received the $200.0 million in February 2023. Upon achieving the Milestone Event, the royalty rate applicable to U.S. net sales of OMIDRIA was reduced from 50% to 30%. The 30% royalty rate continues until the expiration or termination of the last issued and unexpired U.S. patent, which we expect to occur no later than early 2035. We currently earn a royalty rate of 15% on net ex-U.S. sales. To date, ex-U.S. royalties have not been significant.

The results of operations for OMIDRIA are recorded as income from discontinued operations in the consolidated statements of operations and comprehensive loss are as follows:

	Year Ended December 31,		
	2025	2024	2023
		(In thousands)	
Interest on OMIDRIA contract royalty asset	$ 14,717	$ 16,922	$ 15,315
Remeasurement adjustments	(12,657)	7,969	41,167
Other income (expense), net	(58)	1,211	1,087
Ex-US royalties	12	—	—
Income before income tax	2,014	26,102	57,569
Income tax expense (1)	(556)	(288)	(462)
Net income from discontinued operations, net of tax	$ 1,458	$ 25,814	$ 57,107

(1)For further discussion of income tax expense refer to "Note 14 – Income Taxes".

The following schedule is a rollforward of the OMIDRIA contract royalty asset (in thousands):

Balance at December 31, 2023	$ 168,109
Royalties earned	(39,651)
Interest on OMIDRIA contract royalty asset	16,922
Remeasurement adjustments	7,969
Balance at December 31, 2024	153,349
Royalties earned	(33,623)
Interest on OMIDRIA contract royalty asset	14,717
Remeasurement adjustments	(12,657)
Balance at December 31, 2025	$ 121,786

We remeasure the OMIDRIA contract royalty asset on a quarterly basis using the expected value approach, which incorporates actual results and future expectations.

Cash flow from discontinued operations is as follows:

	Year Ended December 31,		
	2025	2024	2023
		(In thousands)	
Net cash provided by discontinued operations from operating activities	$ 32,122	$ 40,484	$ 243,405

Net cash provided by discontinued operations primarily represents royalties received and a $200.0 million milestone payment that we collected from Rayner in February 2023. All royalties earned on OMIDRIA net sales within the U.S. through December 31, 2031 are remitted by Rayner to an escrow account established by Omeros, from which payments are made to DRI.

Note 9—OMIDRIA Royalty Obligation

On September 30, 2022, we sold to DRI a portion of our future OMIDRIA royalty receipts for a purchase price of $125.0 million and recorded an OMIDRIA royalty obligation for the same amount. On February 1, 2024, DRI purchased our remaining U.S. OMIDRIA royalty receipts through December 31, 2031 for $115.5 million in cash under the Amendment. The Amendment with DRI eliminated the previously existing annual caps on royalty payments after January 1, 2024, and provides that DRI receives all royalties on U.S. net sales of OMIDRIA payable between January 1, 2024 and December 31, 2031. We accounted for the Amendment as a modification of our existing debt from DRI. The OMIDRIA royalty obligation is valued based on our estimates of future OMIDRIA royalties and is amortized through December 31, 2031. All royalties earned on OMIDRIA sales within the U.S. through December 31, 2031 are remitted by Rayner to an escrow account established by Omeros, from which payments are made to DRI. DRI has no recourse to our assets other than in its interest in OMIDRIA royalties.

We currently retain the right to receive all royalties payable by Rayner on any ex-U.S. net sales. After December 31, 2031, we retain the right to receive all global royalties payable by Rayner on net sales of OMIDRIA.

Changes in the OMIDRIA royalty obligation are as follows (in thousands):

Balance at December 31, 2023	$ 125,126
Additional proceeds	115,525
Principal payments	(18,780)
Non-cash interest	(5,614)
Balance at December 31, 2024	216,257
Non-cash interest	(33,435)
Principal payments	(14,956)
Balance at December 31, 2025	$ 167,866

The OMIDRIA royalty obligation is classified as a Level 3 liability as its valuation requires substantial judgment and estimation of factors that are not currently observable in the market. The fair value of the OMIDRIA royalty obligation is determined by calculating the net present value of our estimated future OMIDRIA cash flows using the interest rate at inception of our royalty purchase agreement with DRI, adjusted for the change in the prime rate through the remeasurement date. As of December 31, 2025, the approximate fair value of our obligation was $166.7 million.

Interest expense is comprised of cash interest which is paid by escrow directly from Rayner and non-cash interest is comprised of remeasurement adjustments taken on the OMIDRIA royalty obligation based on changes in Rayner's forecasted OMIDRIA cash flows:

	Year Ended December 31,		
	2025	2024	2023
		(In thousands)	
OMIDRIA royalty obligation			
Pass through interest remitted to administrative agent	$ 19,166	$ 20,634	$ 11,848
Non-cash remeasurement adjustment	(33,435)	(5,614)	—
Interest expense, net of remeasurement on OMIDRIA royalty obligation	(14,269)	15,020	11,848

As of December 31, 2025, the expected scheduled principal and interest payments (based on an implied effective interest rate of 10.27%) are as follows:

	Principal	Interest	Total
		(In thousands)	
2026	$ 20,547	$ 15,323	$ 35,870
2027	22,691	13,266	35,957
2028	25,738	10,939	36,677
2029	29,107	8,303	37,410
2030	32,832	5,326	38,158
Thereafter	36,951	1,971	38,922
Total scheduled payments	$ 167,866	$ 55,128	$ 222,994

Note 10—Lease Liabilities

We have operating leases related to our office and laboratory space. The initial term of the leases is through November 2027, and we have two options to extend the lease term, each by five years. We have finance leases for certain laboratory and office equipment that have lease terms expiring through October 2029.

Lease-related assets and liabilities recorded on our consolidated balance sheet are as follows:

	December 31, 2025	December 31, 2024
	(In thousands)	
Assets		
Operating lease assets	$ 10,708	$ 14,961
Finance lease assets, net	1,287	2,025
Total lease assets	$ 11,995	$ 16,986
Liabilities		
Current:		
Operating leases	$ 5,797	$ 5,239
Finance leases	503	732
Non-current:		
Operating leases	6,524	12,224
Finance leases	721	1,242
Total lease liabilities	$ 13,545	$ 19,437
Weighted-average remaining lease term		
Operating leases (years)	1.9	2.9
Finance leases (years)	3.0	3.5
Weighted-average discount rate		
Operating leases	12.80%	12.62%
Finance leases	5.33%	5.87%

The components of total lease costs are as follows:

	Year Ended December 31,	
	2025	2024
	(In thousands)	
Lease cost		
Operating lease cost	$ 6,162	$ 6,403
Finance lease cost:		
Amortization	738	708
Interest	152	171
Variable lease cost	3,723	3,471
Sublease income	(892)	(1,589)
Net lease cost	$ 9,883	$ 9,164

The supplemental cash flow information related to leases is as follows:

	Year Ended December 31,	
	2025	2024
	(In thousands)	
Cash paid for amounts included in the measurement of lease liabilities		
Cash payments for operating leases	$ 6,828	$ 7,003
Cash payments for financing leases	901	944

The future maturities of our lease liabilities as of December 31, 2025 are as follows:

	Operating Leases	Finance Leases	Total
		(In thousands)	
2026	$ 6,606	$ 569	$ 7,175
2027	6,128	299	6,427
2028	—	272	272
2029	—	201	201
2030	—	—	—
Total undiscounted lease payments	12,734	1,341	14,075
Less interest	(414)	(116)	(530)
Total lease liabilities	$ 12,320	$ 1,225	$ 13,545

Note 11—Commitments and Contingencies

Contracts

We have various agreements with third parties that collectively require payment of termination fees totaling $2.6 million as of December 31, 2025 if we cancel the work within specific time frames, either prior to commencing or during performance of the contracted services.

Payment of Development Milestones and Product Royalties

We have entered a variety of development, collaboration, licensing or similar agreements with third parties under which we have accessed technology or services in connection with our development assets and programs. Some of these agreements require milestone payments based on achievements of development, regulatory or sales milestones, and/or low-single to low-double digit royalties on net income or net sales of the relevant product. For the years ended December 31, 2025 and 2024, development milestones were not significant. For the year ended December 31, 2023, we paid $5.0 million in development milestones.

Note 12—Shareholders' Equity (Deficit)

Common Stock

As of December 31, 2025, we had reserved shares of common stock under our equity plans as follows:

Stock options outstanding	18,273,105
Awards available to issue under the 2017 Plan	3,893,710
Total shares reserved	22,166,815

At the Market Sales Agreement - 2021 – We have a sales agreement to sell shares of our common stock, from time to time, through an "at the market" ("ATM") equity offering program. During the year ended December 31, 2025, we sold 4.4 million shares of common stock pursuant to our ATM program, generating $19.0 million in net proceeds at an average price per share of $4.51. On November 14, 2025, the Company filed a shelf registration statement and prospectus supplement renewing the ATM for an aggregate offering price up to $150.0 million, and as of the date of this annual report, we have $150.0 million in shares of our common stock available to sell under our ATM program.

Amendment of 2017 Omnibus Incentive Compensation Plan - At our June 23, 2023 annual meeting, our shareholders approved a 5,000,000 share increase in the number of shares of common stock available for grant under the 2017 Omnibus Incentive Compensation Plan, as amended and restated.

Share Repurchase Program - 2023 - On November 9, 2023, the Board of Directors approved a share repurchase program under which we were permitted to repurchase from time to time up to $50.0 million of our common stock in the open market or through privately negotiated transactions. For the year ended December 31, 2023, we repurchased and retired 1.8 million shares of common stock at an average price of $2.54 per share for an aggregate purchase price of $4.7 million. During the first quarter of 2024, we repurchased and retired 3.2 million shares of common stock at an average of $3.71 per share for an aggregate purchase price of $11.9 million. The terms of the Credit Agreement prohibited us from repurchasing our common stock unless expressly agreed to by the Lenders. Consequently, the Board of Directors terminated the share repurchase program effective upon the execution of the Credit Agreement.

Share Repurchase Program - 2025 - On November 29, 2025, the Board of Directors approved a new share repurchase program under which we are permitted to repurchase from time to time up to $100.0 million of our common stock in the open market or through privately negotiated transactions.

Equitization Transaction - On May 12, 2025, we entered into Note Conversion Agreements with two holders of the 2026 Notes which resulted in the conversion of $10.0 million aggregate principal amount of 2026 Notes into 2,819,866 shares of our common stock. (For further details, see "Note 7 – Debt").

Registered Direct Offering - On July 28, 2025, we issued and sold 5,365,853 shares of our common stock in a registered direct offering to entities managed by Polar Asset Management Partners at a price of $4.10 per share, representing a 14% premium to the closing price of our common stock on the date of the definitive agreement for the purchase of the shares. We received $20.3 million in cash proceeds net of offering expenses.

Note 13—Stock-Based Compensation

Our equity plans provide for the grant of incentive and non-statutory stock options, stock appreciation rights, restricted stock awards, restricted stock units, performance units, performance shares and other stock and cash awards to employees and consultants. Stock options are granted with an exercise price not less than the fair market value of Omeros' common stock on the date of the grant. Any unexercised options expire 10 years from grant date, and any unvested stock options granted which are subsequently canceled become available for future reissuance.

Vesting schedules for our equity plans generally are as follows:

Grant Type	Vesting Schedule
Employee initial options grants	25% at one-year anniversary, 1/48 monthly thereafter
Employee recurring options grants	1/48 monthly
Non-employee consultant options grants	1/12 or 1/48 monthly

Stock-based compensation expense is as follows:

	Year Ended December 31,		
	2025	2024	2023
		(In thousands)	
Continuing operations:			
Research and development	$ 3,530	$ 4,133	$ 4,754
Selling, general and administrative	4,662	6,360	7,140
Total stock-based compensation in continuing operations	8,192	10,493	11,894
Discontinued operations	—	—	(244)
Total stock-based compensation	$ 8,192	$ 10,493	$ 11,650

The fair value of each option grant is estimated on the date of grant using the Black-Scholes option-pricing model. The following assumptions were applied to stock option grants during the periods ended:

	Year Ended December 31,		
	2025	2024	2023
Estimated weighted-average fair value	$ 2.63	$ 2.68	$ 2.44
Weighted-average assumptions:			
Expected volatility	101%	95%	93%
Expected life, in years	7.3	7.2	7.2
Risk-free interest rate	4.13%	4.36%	3.97%
Expected dividend yield	—%	—%	—%

Expected volatility is based on the historical volatility of our stock price weighted by grant issuances over the reporting period. We estimated the expected life of the stock options granted using the historical exercise behavior of option holders. The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the time of grant. Forfeiture expense is estimated at the time of grant and revised in subsequent periods if actual forfeitures differ from those estimates.

Stock option activity for all stock plans is as follows:

	Options Outstanding	Weighted- Average Exercise Price per Share	Remaining Contractual Life (In years)	Aggregate Intrinsic Value (In thousands)
Balance at December 31, 2024	16,690,882	$ 8.17		
Granted	3,323,400	3.30		
Exercised	(1,072,979)	7.13		
Forfeited	(668,198)	10.15		
Balance at December 31, 2025	18,273,105	$ 7.27	6.1	$ 182,253
Vested and expected to vest at December 31, 2025	17,711,818	$ 7.40	6.0	$ 174,415
Exercisable at December 31, 2025	12,685,226	$ 9.07	4.9	$ 104,093

Of the 18.3 million common stock options outstanding as of December 31, 2025, 0.4 million have an exercise price above the $17.18 closing price of our stock on the Nasdaq Global Market on December 31, 2025. The total intrinsic value of stock options exercised during the years ended December 31, 2025, 2024 and 2023 was $6.2 million, $0.5 million and $0.1 million, respectively.

At December 31, 2025 and December 31, 2024, there were 5.6 million and 5.4 million unvested stock options outstanding, respectively, that vest over a weighted-average period of 2.5 years and 2.4 years, respectively. The remaining estimated compensation expense to be recognized in connection with these unvested stock options is $12.1 million and $12.5 million for the years ended December 31, 2025 and December 31, 2024, respectively.

Note 14—Income Taxes

The components of income tax benefit from continuing and discontinued operations were as follows:

	December 31,		
	2025	2024	2023
		(In thousands)	
Continuing operations:			
Current income tax expense:			
Federal	$ —	$ —	$ —
State	2,012	2,305	—
Total current income tax expense	2,012	2,305	—
Deferred income tax benefit:			
Federal	—	—	—
State	—	—	—
Total deferred income tax benefit	—	—	—
Income tax expense in continuing operations	$ 2,012	$ 2,305	$ —
Income tax expense as a component of discontinued operations	$ 556	$ 288	$ 462

Our income is wholly derived from domestic U.S. operations, and we have no income from foreign subsidiaries for all years presented. For the years ended December 31, 2025, 2024 and 2023, we have net losses from continuing operations before income tax expense of $2.8 million, $180.3 million and $174.9 million, respectively. For the years ended December 31, 2025, 2024 and 2023, we have net pre-tax income from discontinued operations of $2.0 million, $26.1 million and $57.6 million, respectively. In 2025 and 2023, we had net losses for federal income tax purposes and no federal tax liability. In 2024, we had net income for federal income tax purposes; therefore, we utilized existing net operating losses ("NOLs") of $62.5 million, to fully offset our federal tax liability for the period.

We recorded state income tax expense in continuing operations of $2.0 million and $2.3 million in 2025 and 2024, and $0.6 million, $0.3 million and $0.5 million in discontinued operations in 2025, 2024 and 2023, respectively, as we did not have adequate NOLs and tax credits to fully offset our state tax liability.

The Tax Cuts and Jobs Act was enacted on December 22, 2017 and includes the requirement to capitalize and amortize research and development expenditures beginning in 2022. The U.S. government enacted the OBBBA on July 4, 2025, which includes new Section IRC 174A. This section allows for immediate expensing of domestic research and development expenditures for tax years beginning after December 31, 2024, reversing the prior requirement under the 2017 Tax Cuts and Jobs Act which capitalized domestic research and development costs over five years. As a result of the most recent OBBBA legislation, we have chosen to accelerate the previously capitalized and unamortized U.S. research and development expenditures as a current year deduction which allows us to reduce our federal tax liability in the current year to zero. We plan to expense our U.S. research and development expenditures moving forward. Foreign research and development expenditures continue to be subject to capitalization and amortization requirements. State income tax treatment of research and development expenditures continues to vary, as not all states conform to federal provisions, which may result in differences between federal and state taxable income.

At December 31, 2025, 2024, and 2023, we had federal NOL carryforwards of $386.5 million, $331.7 million and $398.6 million, respectively. Pre-2018 federal NOL carryforwards of $45.4 million expire between 2036 and 2037. Post-2018 federal NOL carryforwards of $340.9 million do not expire. Research and development tax credit carryforwards of $111.8 million expire between 2026 and 2044. At December 31, 2025, 2024 and 2023, we had state NOL carryforwards of $229.8 million, $233.2 million and $245.8 million, respectively. We file federal and certain state income tax returns, which provides varying statutes of limitations on assessments. However, because of NOL carryforwards, substantially all of our tax years remain open to federal and state tax examination.

Deferred income tax assets and liabilities reflect the tax effect of NOL and tax credit carryforwards and the net temporary difference between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

Significant components of deferred income taxes were as follows:

	December 31,	
	2025	2024
	(In thousands)	
Deferred tax assets:		
Research and development tax credits	$ 111,757	$ 104,772
Net operating loss carryforwards	91,713	80,414
OMIDRIA royalty obligation	38,820	50,446
Debt derivative	36,332	—
Capitalized research and development	19,448	52,388
Stock-based compensation	8,183	9,573
Inventory	6,933	6,993
Intangibles	5,436	5,903
Other	6,681	13,085
Total deferred tax assets	325,303	323,574
Deferred tax liabilities:		
OMIDRIA contract royalty asset	(28,163)	(35,772)
Other	(6,613)	(3,839)
Total deferred tax liabilities	(34,776)	(39,611)
Net deferred tax assets before valuation allowance	290,527	283,963
Less valuation allowance	(290,527)	(283,963)
Net deferred tax liabilities	$ —	$ —

The valuation allowance relates primarily to net U.S. deferred tax assets from research tax credit carryforwards, operating losses, the OMIDRIA royalty obligation, the 2029 Notes derivative, capitalized research and development, and amounts paid and accrued for which the tax treatment requires capitalization and amortization.

The Company maintains a full valuation allowance on its net U.S. deferred tax assets. The assessment regarding whether a valuation allowance is required considers both positive and negative evidence when determining whether it is more likely than not that deferred tax assets are recoverable. In making this assessment, significant weight is given to evidence that can be objectively verified. In its evaluation, the Company considered its cumulative losses and its forecasted losses in the near term as significant negative evidence. Based upon a review of the four sources of income identified within ASC 740, *Accounting for Income Taxes*, the Company determined that the negative evidence outweighed the positive evidence, and a full valuation allowance on its net deferred tax assets should be maintained. The Company will continue to assess the realizability of its deferred tax assets going forward and will adjust the valuation allowance as needed.

The following table summarizes the activities related to the Company's gross unrecognized tax benefits (in thousands):

Balance at December 31, 2023	$ 1,966
Increase in balance related to tax positions taken during prior years	2,509
Decrease in balance as a result of a lapse of the applicable statute of limitations	(12)
Balance at December 31, 2024	4,463
Decrease in balance related to tax positions taken during current year	(52)
Decrease in balance as a result of a lapse of the applicable statute of limitations	(34)
Balance at December 31, 2025	$ 4,377

As of December 31, 2025, 2024 and 2023, the total amount of gross unrecognized tax benefits was $4.4 million, $4.5 million and $2.0 million, respectively. Accrued interest and penalties of $1.5 million, $0.5 million and $0.3 million, respectively, were included within our unrecognized tax benefits as of December 31, 2025, December 2024 and December 2023, which are excluded from the table above. As of December 31, 2025, $4.4 million of the total unrecognized tax benefits, if recognized, would have an impact on the Company's effective tax rate. The Company's policy is to recognize interest and penalties accrued on any unrecognized tax benefits as a component of income tax expense.

Rate Reconciliation

The Company adopted ASU 2023-09 Income Taxes (Topic 740): *Improvements to Income Tax Disclosure*s on a prospective basis beginning with the year ended December 31, 2025. The following table presents required disclosure pursuant to ASU 2023-09 and reconciles the Company's U.S. federal statutory tax amount and rate to its actual effective amount and rate:

	December 31, 2025	
	(In thousands)	Percent
U.S. federal tax at statutory rate	$ (587)	(21.0)%
State tax, net of federal benefit [1]	1,289	46.1%
Change in valuation allowance	6,122	219.0%
Changes in unrecognized tax benefits	625	22.4%
Tax credits		
Research and development credit	(1,243)	(44.5)%
Orphan drug credit	(5,779)	(206.7)%
Non-deductible items		
Stock based compensation awards	295	10.5%
Section 162(m) limitations	1,405	50.2%
State taxes	(250)	(8.9)%
Other items	135	4.9%
Effective tax rate	$ 2,012	72.0%

(1)The states and local jurisdiction that contribute to the majority (greater than 50%) of the tax effect in this category include California, Michigan and Minnesota

The following table presents the required disclosures prior to the Company's adoption of ASU 2023-09 and reconciles the U.S. federal statutory income tax rate to the actual global effective income tax rate for the years ended December 31, 2024 and December 31, 2023:

	Year ended December 31,	
	2024	2023
U.S. federal statutory rate on net loss	(21.0)%	(21.0)%
State tax, net of federal tax benefit	(2.3)%	(2.1)%
Change in valuation allowance	28.2%	27.7%
Tax credits	(6.6)%	(8.0)%
Nondeductible items	0.1%	0.0%
Stock compensation	1.7%	1.5%
Other	1.2%	1.9%
Effective tax rate	1.3%	0.0%

Income taxes paid, net of refunds received for the year ended December 31, 2025 are shown as follows (in thousands):

	December 31, 2025
New York	$ 111
Texas	21
Massachusetts	18
All other states	3
Income tax, net of amounts refunded	$ 153

We did not pay any federal or foreign income taxes during 2025. The amount of cash income taxes paid by the Company during the years ended December 31, 2025, December 31, 2024 and December 31, 2023 was $0.2 million, $0.2 million and $3.3 million, respectively.

Note 15—401(k) Retirement Plan

Our 401(k) retirement plan provides for an annual company discretionary match on employee contributions.For each of the three years ended December 31, 2025, 2024 and 2023, Omeros' 401(k) match expense was $0.6 million. We match up to 4.0% of each participant's eligible earnings, with a maximum annual company match of $4,000 per employee. All employees are eligible to participate in the 401(k) match.

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

None.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Our management, with the participation of our principal executive officer and principal financial officer, evaluated the effectiveness of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, as of December 31, 2025. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives, and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures as of December 31, 2025, our principal executive and principal financial officers concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f). Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Internal control over financial reporting cannot provide absolute assurance of achieving financial reporting objectives because of its inherent limitations. Internal control over financial reporting is a process that involves human diligence and compliance and is subject to lapses in judgment and breakdowns resulting from human failures. Internal control over financial reporting also can be circumvented by collusion or improper management override. Because of such limitations, there is a risk that material misstatements may not be prevented or detected on a timely basis by internal control over financial reporting. However, these inherent limitations are known features of the financial reporting process. Therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this risk.

Our management, with the participation of our principal executive and principal financial officers, conducted an assessment of the effectiveness of our internal control over financial reporting as of December 31, 2025. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control-Integrated Framework (2013 framework). Based on the results of this assessment and on those criteria, our management concluded that our internal control over financial reporting was effective as of December 31, 2025.

There was no change in our internal control over financial reporting identified in connection with the evaluation required by Rules 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during our fourth fiscal quarter of 2025 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

(a) None.

(b) During the three months ended December 31, 2025, none of our directors or officers adopted or terminated any contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act or any "non-Rule 10b5-1 trading arrangement" (as defined in Item 408(c) of Regulation S-K).

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information required by this item will be contained in our definitive proxy statement issued in connection with the 2026 Annual Meeting of Shareholders and is incorporated herein by reference. Certain information required by this item concerning executive officers is set forth in Part I of this Annual Report on Form 10-K under the heading "Business - Information About Our Executive Officers and Significant Employees."

ITEM 11. EXECUTIVE COMPENSATION

The information required by this item will be contained in our definitive proxy statement issued in connection with the 2026 Annual Meeting of Shareholders and is incorporated herein by reference.

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

Except for the information set forth below, the information required by this item will be contained in our definitive proxy statement issued in connection with the 2026 Annual Meeting of Shareholders and is incorporated herein by reference.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table provides certain information regarding our equity compensation plans in effect as of December 31, 2025:

	Number of Securities to be Issued Upon Exercise of Outstanding Options and Rights	Weighted-Average Exercise Price of Outstanding Options and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans
Equity compensation plans approved by security holders:			
2017 Omnibus Incentive Compensation Plan (1)	15,954,865	$ 6.71	3,893,710
2008 Equity Incentive Plan (2)	2,318,240	$ 11.12	—
Total	18,273,105	$ 7.27	3,893,710

(1) Our 2017 Plan provides for the grant of incentive and non-statutory stock options, restricted stock, restricted stock units, stock appreciation rights, performance units and performance shares to employees, directors and consultants and subsidiary corporations' employees and consultants. The 2017 Plan replaced the 2008 Plan, and as a result we will not grant any new awards under the 2008 Plan. Any stock option awards granted under the 2008 Plan that were outstanding as of the effective date of the 2017 Plan remained in effect pursuant to their terms and, if the award is canceled or is repurchased, the shares underlying such award become available for grant under the 2017 Plan.

(2) The 2008 Plan provided for the grant of incentive and non-statutory stock options, restricted stock, stock appreciation rights, performance units and performance shares to employees, directors and consultants and subsidiary corporations' employees and consultants.

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

The information required by this item will be contained in our definitive proxy statement issued in connection with the 2026 Annual Meeting of Shareholders and is incorporated herein by reference.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The information required by this item will be contained in our definitive proxy statement issued in connection with the 2026 Annual Meeting of Shareholders and is incorporated herein by reference.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

1. Financial Statements

See the Index to Consolidated Financial Statements in Part II, Item 8 of this Form 10-K.

2. Financial Statement Schedules

All schedules have been omitted as the required information is either not required, not applicable or otherwise included in the Financial Statements and notes thereto.

3. Exhibits

The following list of exhibits includes exhibits submitted with this Form 10-K as filed with the SEC and those incorporated by reference to other filings.

EXHIBIT INDEX

Exhibit No.	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit No.	Filing Date	
1.1	Sales Agreement, dated March 1, 2021, between Omeros Corporation and Cantor Fitzgerald & Co.	10-K	001-34475	1.1	03/01/2021	
3.1	Amended and Restated Articles of Incorporation of Omeros Corporation	10-K	001-34475	3.1	03/31/2010	
3.2	Amended and Restated Bylaws of Omeros Corporation	10-K	001-34475	3.2	03/31/2010	
4.1	Description of Common Stock	10-K	001-34475	4.1	03/01/2021	
4.2	Form of Omeros Corporation Common Stock Certificate	S-1/A	333-148572	4.1	10/02/2009	

4.3	Indenture, dated as of August 14, 2020, between Omeros Corporation and Wells Fargo Bank, National Association, as trustee	8-K	001-34475	4.1	08/14/2020
4.4	Second Supplemental Indenture, dated as of May 14, 2025, between the Company and Computershare Trust Company, National Association, as trustee (including the form of 9.50% Convertible Senior Notes due 2029)	8-K/A	001-34475	4.2	05/16/2025
10.1*	Form of Indemnification Agreement entered into between Omeros Corporation and its directors and officers	S-1	333-148572	10.1	01/09/2008
10.2*	2008 Equity Incentive Plan (as amended)	10-K	001-34475	10.6	03/16/2017
10.3*	Form of Stock Option Award Agreement under the 2008 Equity Incentive Plan	10-Q	001-34475	10.2	11/07/2013
10.4*	2017 Omnibus Incentive Compensation Plan (as amended and restated effective as of June 23, 2023)	8-K	001-34475	10.1	06/28/2023
10.5*	Form of Stock Option Award Agreement under the 2017 Omnibus Incentive Compensation Plan	S-8	333-218882	4.4	06/21/2017

10.6*	Second Amended and Restated Employment Agreement between Omeros Corporation and Gregory A. Demopulos, M.D. dated April 7, 2010	8-K	001-34475	10.1	04/12/2010
10.7*	Omeros Corporation Non-Employee Director Compensation Policy	10-K	001-34475	10.11	03/13/2023
10.8	Lease dated January 27, 2012 between Omeros Corporation and BMR-201 Elliott Avenue LLC	8-K	001-34475	10.1	02/01/2012
10.9	First Amendment to Lease dated November 5, 2012 between Omeros Corporation and BMR-201 Elliott Avenue LLC	10-Q	001-34475	10.2	11/09/2012
10.10	Second Amendment to Lease dated November 16, 2012 between Omeros Corporation and BMR-201 Elliott Avenue LLC	10-K	001-34475	10.18	03/18/2013
10.11	Third Amendment to Lease dated October 16, 2013 between Omeros Corporation and BMR-201 Elliott Avenue LLC	10-K	001-34475	10.18	03/13/2014
10.12	Fourth Amendment to Lease dated September 8, 2015 between Omeros Corporation and BMR-201 Elliott Avenue LLC	10-Q	001-34475	10.3	11/09/2015
10.13	Fifth Amendment to Lease dated September 1, 2016 between Omeros Corporation and BMR-201 Elliott Avenue LLC	10-Q	001-34475	10.1	05/10/2017
10.14	Sixth Amendment to Lease dated October 18, 2018 between Omeros Corporation and BMR-201 Elliott Avenue LLC	10-K	001-34475	10.19	03/01/2019

10.15	Seventh Amendment to Lease dated April 15, 2019 between Omeros Corporation and BMR-201 Elliott Avenue LLC	10-Q	001-34475	10.1	08/08/2019
10.16	Eighth Amendment to Lease dated October 18, 2019 between Omeros Corporation and BMR-201 Elliott Avenue LLC	10-K	001-34475	10.20	03/02/2020
10.17	Ninth Amendment to Lease dated January 15, 2020 between Omeros Corporation and BMR-201 Elliott Avenue LLC	10-Q	001-34475	10.1	05/11/2020
10.18	Tenth Amendment to Lease dated September 15, 2020 between Omeros Corporation and BMR-201 Elliott Avenue LLC	10-Q	001-34475	10.1	11/09/2020
10.19	Eleventh Amendment to Lease dated October 23, 2020 between Omeros Corporation and BMR-201 Elliott Avenue LLC	10-K	001-34475	10.23	03/01/2021
10.20	Twelfth Amendment to Lease dated January 1, 2021 between Omeros Corporation and BMR-201 Elliott Avenue LLC	10-K	001-34475	10.24	03/01/2021
10.21	Thirteenth Amendment to Lease dated January 1, 2021 between Omeros Corporation and BMR-201 Elliott Avenue LLC	10-Q	001-34475	10.1	08/09/2021
10.22	Fourteenth Amendment to Lease dated January 14, 2022 between Omeros Corporation and BMR-201 Elliott Avenue LLC	10-Q	001-34475	10.1	05/10/2022

10.23	Fifteenth Amendment to Lease dated November 1, 2022 between Omeros Corporation and BMR-201 Elliott Avenue LLC	10-Q	001-34475	10.3	08/07/2024
10.24	Sixteenth Amendment to Lease dated July 8, 2024 between Omeros Corporation and BMR-201 Elliott Avenue LLC	10-Q	001-34475	10.1	11/13/2024
10.25	Seventeenth Amendment to Lease dated December 18, 2024 between Omeros Corporation and BMR-201 Elliott Avenue LLC	10-K	001-34475	10.25	03/31/2025
10.26†	License Agreement between Omeros Corporation and Daiichi Sankyo Co., Ltd. (successor-in-interest to Asubio Pharma Co., Ltd.) dated March 3, 2010	10-K	001-34475	10.23	04/01/2024
10.27†	Amendment No. 1 to License Agreement with an effective date of January 5, 2011 between Omeros Corporation and Daiichi Sankyo Co., Ltd.	10-K	001-34475	10.24	04/01/2024
10.28†	Amendment No. 2 to License Agreement with an effective date of January 25, 2013 between Omeros Corporation and Daiichi Sankyo Co., Ltd.	10-K	001-34475	10.25	04/01/2024

10.29†	Combined Development and Commercial Supply Agreement, effective as of May 16, 2018, between Omeros Corporation and Vetter Pharma international GmbH	10-K	001-34475	10.30	03/31/2025	
10.30†	Master Services Agreement, dated July 28, 2019, between Omeros Corporation and Lonza Biologics Tuas Pte. Ltd.	10-Q	001-34475	10.1	11/12/2019	
10.31†	Asset Purchase Agreement, dated as of December 1, 2021 among Omeros Corporation, Rayner Surgical Inc. and Rayner Surgical Group, Limited, as Parent Guarantor	10-K	001-34475	10.1	03/01/2022	
10.32†	Amended and Restated Royalty Purchase Agreement between Omeros Corporation and DRI Healthcare Acquisitions LP dated February 1, 2024	10-K	001-34475	10.30	04/01/2024	
10.33†	Asset Purchase and License Agreement, dated as of October 10, 2025, between Omeros Corporation and Novo Nordisk Health Care AG					X
19.1	Omeros Corporation Insider Trading Policy	10-K	001-34475	19.1	03/31/2025	
23.1	Consent of Independent Registered Public Accounting Firm					X
31.1	Certification of Principal Executive Officer Pursuant to Rule 13-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934 as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
31.2	Certification of Principal Financial Officer Pursuant to Rule 13-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934 as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
32.1	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
32.2	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
97.1	Omeros Corporation Compensation Clawback Policy	10-K	001-34475	97.1	04/01/2024	
101.INS	Inline XBRL Instance Document					X
101.SCH	Inline XBRL Taxonomy Extension Schema Document					X
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document					X
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document					X
101.LAB	Inline XBRL Taxonomy Extension Labels Linkbase Document					X

101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document	X
104.1	Cover Page Interactive Data File, formatted in Inline XBRL (included in Exhibit 101)	X

* Indicates management contract or compensatory plan or arrangement.
† Certain identified information has been excluded from the exhibit because it both (A) is not material and (B) is the type that the registrant treats as private or confidential.

ITEM 16. FORM 10-K SUMMARY

Not included.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

OMEROS CORPORATION

/s/ GREGORY A. DEMOPULOS, M.D.
Gregory A. Demopulos, M.D.
President, Chief Executive Officer
and Chairman of the Board of Directors

Dated: March 31, 2026

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ GREGORY A. DEMOPULOS, M.D. Gregory A. Demopulos, M.D.	President, Chief Executive Officer and Chairman of the Board of Directors (Principal Executive Officer)	March 31, 2026
/s/ DAVID J. BORGES David J. Borges	Vice President, Finance, Chief Accounting Officer and Treasurer (Principal Financial Officer and Principal Accounting Officer)	March 31, 2026
/s/ THOMAS F. BUMOL, PH.D. Thomas F. Bumol, Ph.D.	Director	March 31, 2026
/s/ THOMAS J. CABLE Thomas J. Cable	Director	March 31, 2026
/s/ PETER A. DEMOPULOS, M.D. Peter A. Demopulos, M.D.	Director	March 31, 2026
/s/ ARNOLD C. HANISH Arnold C. Hanish	Director	March 31, 2026
/s/ LEROY E. HOOD, M.D., PH.D. Leroy E. Hood, M.D., Ph.D.	Director	March 31, 2026
/s/ DIANA PERKINSON, M.D. Diana Perkinson, M.D.	Director	March 31, 2026
/s/ RAJIV SHAH, M.D. Rajiv Shah, M.D.	Director	March 31, 2026

CERTAIN INFORMATION IN THIS DOCUMENT, MARKED BY [***], HAS BEEN EXCLUDED PURSUANT TO REGULATION S-K, ITEM 601(b)(10)(iv). SUCH EXCLUDED INFORMATION IS NOT MATERIAL AND IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

ASSET PURCHASE AND LICENSE AGREEMENT

BETWEEN

OMEROS CORPORATION

AND

NOVO NORDISK HEALTH CARE AG

TABLE OF CONTENTS

			Page
1.	DEFINITIONS.		1
2.	ASSET ACQUISITION; ASSUMPTION OF LIABILITIES		26
	2.1	Acquired Assets	26
	2.2	Excluded Assets	29
	2.3	Assumed Liabilities	30
	2.4	Excluded Liabilities	30
	2.5	Assignment of Certain Transferred Assets; Shared Contracts	31
3.	CLOSING		33
	3.1	Closing	33
	3.2	Payment of Consideration	34
	3.3	Closing Deliveries by Omeros	34
	3.4	Closing Deliveries by Novo Nordisk	35
4.	EFFORTS; ANTITRUST APPROVAL		35
5.	LICENSE GRANT; EXCLUSIVITY		36
	5.1	Licenses to Novo Nordisk	36
	5.2	Licenses to Omeros	36
	5.3	Sublicenses	37
	5.4	Exclusivity	37
	5.5	No Implied Right	38
	5.6	Technology Transfer	39
	5.7	Know-How Disclosure	39
	5.8	Manufacturing Technology Transfer Obligations	39
6.	DEVELOPMENT, MEDICAL AFFAIRS, AND COMMERCIALIZATION		40
	6.1	Development and Medical Affairs	40
	6.2	Clinical Records and Regulatory Assistance	40
	6.3	Right of Reference	40
	6.4	Commercialization	40
	6.5	Diligence Obligations	40
	6.6	Omeros Support	41
	6.7	Acknowledgment	41
	6.8	Rare Pediatric Priority Review Voucher	41
7.	FINANCIAL TERMS		41
	7.1	Upfront Fee	41
	7.2	Development Milestones	42
	7.3	Sales Milestones	42
	7.4	Net Sales Payments	43
	7.5	Expiration of the Net Sales Term	43
	7.6	Payment Reductions	43
	7.7	Payment Terms	44

	7.8	Currency and Exchange Rate	44
	7.9	Mode of Payment	45
	7.10	Royalty Reports	45
	7.11	Audit Right	45
	7.12	Taxes	46
8.	INTELLECTUAL PROPERTY.		48
	8.1	Ownership of Background Technology	48
	8.2	Ownership of Arising Technology	48
	8.3	Prosecution and Maintenance	48
	8.4	Third Party Infringement	49
	8.5	Third Party Rights	50
	8.6	Patent Right Term Extension	51
	8.7	Regulatory Patent Right Listings	51
9.	CONFIDENTIALITY; PUBLICITY; PRIVILEGE.		51
	9.1	Confidential Information; Non-Disclosure and Non-Use Obligations	51
	9.2	Exemptions	52
	9.3	Permitted Disclosures	52
	9.4	Breaches of Confidentiality	53
	9.5	Publication	54
	9.6	Publicity	54
	9.7	Attorney-Client Privilege	55
10.	REPRESENTATIONS AND WARRANTIES; COVENANTS.		55
	10.1	Mutual Representations	55
	10.2	Representations of Omeros	58
	10.3	DISCLAIMER OF WARRANTIES	74
	10.4	Additional Covenants by Omeros	75
	10.5	Compliance	79
	10.6	Prohibited Conduct	80
	10.7	Further Assurances	80
	10.8	PIIA Rights	80
	10.9	Access to Information	81
	10.10	Transfer of Acquired Assets	82
	10.11	Wrong Pockets	82
11.	Conditions to Close		83
	11.1	Conditions to Each Party's Obligations	83
	11.2	Conditions to Obligations of Novo Nordisk	83
	11.3	Conditions to Obligations of Omeros.	84
	11.4	Frustration of Closing Conditions	85
12.	INDEMNIFICATION		85
	12.1	Survival	85
	12.2	Indemnification by Omeros	86
	12.3	Indemnification by Novo Nordisk	87
	12.4	Indemnification Procedures	87
	12.5	Third Party Claim Procedures	89

	12.6	Limitation of Liability	89
	12.7	Set-Off	89
	12.8	Insurance	90
	12.9	No Double Recovery	90
	12.10	Scrape	90
	12.11	Mitigation	90
	12.12	Exclusive Remedy	90
13.	TERM; TERMINATION		91
	13.1	Term	91
	13.2	Termination Prior to Closing	91
	13.3	Termination for Bankruptcy; Rights in Bankruptcy	92
	13.4	Effects of Termination	93
	13.5	Remedies	94
	13.6	Novo Nordisk Termination Fee.	95
	13.7	Survival	95
14.	DISPUTE RESOLUTION		95
	14.1	Governing Law; Venue	95
	14.2	Disputes	95
	14.3	Equitable Relief	96
	14.4	Excluded Claims	96
15.	MISCELLANEOUS		96
	15.1	Assignment	96
	15.2	Omeros Change of Control.	97
	15.3	Relationship of the Parties	98
	15.4	Entire Agreement	98
	15.5	Amendments	98
	15.6	Severability	98
	15.7	Force Majeure	98
	15.8	Notices	99
	15.9	Construction	100
	15.10	Interpretation	100
	15.11	Headings	100
	15.12	Waiver and Non-Exclusion of Remedies	100
	15.13	Performance by Affiliates	101
	15.14	Further Assurances	101
	15.15	No Third Party Beneficiary Rights	101
	15.16	Counterparts	101

Schedules

Schedule1.52	Compound Sequences
Schedule1.86	Excluded Contracts
Schedule1.120	Grandfathered MASP-3 Antibody
Schedule1.123	Grandfathered SMOL MASP-3 Molecule
Schedule1.151	Licensed Background Know-How
Schedule1.152	Licensed Background Patent Rights
Schedule1.171	Multi-Target Patent Rights
Schedule1.188	Novo Nordisk Licensed Technology
Schedule1.191	Omeros Account
Schedule1.251(b)	Shared Contracts
Schedule1.278	Unrestricted Field
Schedule2.1.1(a)	Physical Acquired Assets
Schedule2.1.1(b)(i)	Transferred Patent Rights
Schedule2.1.1(b)(ii)	Transferred Know-How
Schedule2.1.1(c)	Closing Transferred Contracts
Schedule2.1.2(a)	Delayed Transferred Contracts
Schedule2.1.2(b)	Delayed Transferred Regulatory Submissions
Schedule2.5.1	Non-Transferrable Assets
Schedule2.5.2	Non-Transferrable Licenses
Schedule2.5.6	Shared Contract Sublicenses
Schedule3.3.2	Assignment and Assumption Agreement
Schedule3.3.3	Bill of Sale
Schedule3.3.6	Lien Release Consent
Schedule3.3.7	Transition Services Agreement
Schedule3.3.8	Intellectual Property Assignment Agreement
Schedule5.1.2	Certain Licensed Patent Rights
Schedule7.7	Invoice Instructions
Schedule9.6.1	Press Release
Schedule11.1.1	Governmental Consents

ASSET PURCHASE AND LICENSE AGREEMENT

This **ASSET PURCHASE AND LICENSE AGREEMENT** (this "**Agreement**") is entered into as of October 10, 2025 (the "**Execution Date**") by and between Omeros Corporation, a corporation located at 201 Elliott Avenue West, Seattle, Washington 98119, U.S.A. and organized and existing under the laws of Washington ("**Omeros**") and Novo Nordisk Health Care AG, a corporation located at The Circle 32/38, 8058 Zurich, Switzerland, Co. Reg. Nr.: CHE-101.209.164 and organized and existing under the laws of Switzerland ("**Novo Nordisk**"). Omeros and Novo Nordisk are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**."

Background

Whereas, Omeros is engaged in, among other things, the Development and Manufacturing of pharmaceutical products, including the Compound and Product, and the operation of the Program; and

Whereas, Omeros wishes to sell to Novo Nordisk, and Novo Nordisk wishes to purchase from Omeros the Acquired Assets, and Omeros wishes to transfer to Novo Nordisk, and Novo Nordisk wishes to assume from Omeros, the Assumed Liabilities (collectively, the "**Asset Sale**"), each upon the terms and subject to the conditions set forth herein, and in connection therewith, the Parties wish to enter into the transactions contemplated by this Agreement and by the Ancillary Agreements;

Whereas, Novo Nordisk desires to obtain from Omeros, and Omeros desires to grant to Novo Nordisk, an exclusive license under certain intellectual property rights and other rights, information, and materials, in accordance with the terms and conditions of this Agreement.

Now Therefore, in consideration of the foregoing premises and the mutual promises, covenants, and conditions contained in this Agreement, the Parties agree as follows:

1. DEFINITIONS.

The following initially capitalized terms have the following meanings (and derivative forms of them will be interpreted accordingly):

1.1. [***].

1.2. "**Accounting Standards**" means, with respect to a Party or its Affiliate (or, in the case of Novo Nordisk, its or its Affiliates' Sublicensee), GAAP or IFRS, as such Party, Affiliate, or Sublicensee uses for its financial reporting obligations, in each case consistently applied, which in the case of Novo Nordisk, will be IFRS.

1.3. "**Acquired Assets**" has the meaning set forth in Section 2.1.1 (Acquired Assets).

1.4. "**Acquiring Entity**" means (a) a Third Party that acquires all or at least a majority of the outstanding voting equity securities of Omeros (whether in one transaction or a series of related transactions) or to which Omeros transfers all or substantially all of its (i) clinical or commercial business and assets or (ii) business and assets related to compounds and products Directed To targets within the alternative pathway or complement factors, (b) a Third Party that acquires greater than 50% of the outstanding voting equity securities of Omeros and otherwise has the power, directly or indirectly, to exercise managerial authority over the business and affairs of Omeros, or (c) any Affiliate of the Third Party described in clause (a) and (b), other than Omeros or any Affiliates of Omeros prior to the date of the transaction pursuant to which such Third Party became an Acquiring Entity.

1.5. "**Additional Permitted Product**" has the meaning set forth in Section 2.5.8 (Assignment of Certain Transferred Assets; Shared Contracts).

1.6. "**Additional Product Economic Terms**" has the meaning set forth in Section 2.5.8 (Assignment of Certain Transferred Assets; Shared Contracts).

1.7. "**Adverse Law or Order**" means (a) any Applicable Law enacted, promulgated, or enforced by any Governmental Authority of competent jurisdiction that prohibits or makes illegal the consummation of the transactions contemplated by this Agreement or (b) any Order preventing the consummation of the transactions contemplated by this Agreement, whether preliminary or final.

1.8. "**Affiliate**" means, with respect to a Person, any other Person that controls, is controlled by, or is under common control with such Person, in each case, for so long as such control exists. For purposes of this Agreement, a Person will be deemed to control another Person if it owns, directly or indirectly, more than 50% of the equity securities or capital stock of such other Person entitled to vote in the election of directors (or, in the case that such other Person is not a corporation, for the election of the corresponding managing authority), or otherwise has the power, directly or indirectly, to appoint at least a majority of the members of the board of directors (or similar governing body) of such Person. The Parties acknowledge that in the case of certain entities organized under the laws of certain countries outside the United States, the maximum percentage ownership permitted by law for a foreign investor may be less than 50%, and that in such case, such lower percentage will be substituted in the preceding sentence; *provided* that such foreign investor has the power, directly or indirectly, to direct or cause the direction of the management and policies of such entity. For purposes of this definition, notwithstanding the foregoing, Novo Holdings A/S, the Novo Nordisk Foundation, and their respective affiliates (other than Novo Nordisk A/S, Novo Nordisk and its or their subsidiaries and any Person that controls the foregoing other than Novo Holdings A/S or the Novo Nordisk Foundation) will not be considered Affiliates of Novo Nordisk hereunder and each will be considered a Third Party hereunder.

1.9. "**Agreement**" has the meaning set forth in the preamble.

1.10. "**aHUS**" means atypical hemolytic uremic syndrome.

1.11. "**[***]**" means [***] Corporation.

1.12. "**[***] MSA**" means that certain Master Services Agreement, dated as of [***] [***] by and between [***] and Omeros, as amended by that certain Amendment #1, dated as of [***], and as further amended by that certain Amendment #2, dated as of [***].

1.13. "**Alternative Pathway Target**" means [***], or any precursors, catalytic forms, or intermediates of the foregoing [***].

1.14. "**Ancillary Agreements**" means the Intellectual Property Assignment Agreement, the Bill of Sale, the Assignment and Assumption Agreement, the Transition Services Agreement, and any certificate delivered by a Party hereto or any of the Parties' respective Affiliates at the Closing or otherwise pursuant to this Agreement.

1.15. "**Anti-Corruption Laws**" means all U.S. and non-U.S. Applicable Laws relating to the prevention of corruption or bribery, including the U.S. Foreign Corrupt Practices Act of 1977, as amended.

1.16. "**Anticipated Product**" means a Product that (a) comprises, consists of, incorporates, or contains the CDR sequences of '906 or [***], but (b) expressly excluding any Product for which, [***].

1.15. "**Antitrust Approval**" means (a) the HSR Conditions and (b) any other consent of a Governmental Authority of competent jurisdiction under Antitrust Laws, in each case (a) and (b), as required to consummate the transactions contemplated by this Agreement.

1.16. "**Antitrust Laws**" means any Applicable Law designed or intended to prohibit, restrict, or regulate actions having the purpose or effect of monopolization or restraint of trade or lessening competition through merger or acquisition, including the HSR Act, the Sherman Act, the Clayton Act and the Federal Trade Commission Act, in each case, as amended along with the rules and regulations promulgated under each, and other similar antitrust, competition, or trade regulation laws of any jurisdiction other than the United States, including any requirement relating to competition and foreign direct investment laws.

1.17. "**Applicable Law**" means any applicable international, national, federal, state, regional, provincial, municipal or local government law, rule, treaty (including Tax treaty), regulation or stock exchange listing requirement, as such may be amended from time to time, together with any rules, regulations, and requirements promulgated thereunder (including all additions, supplements, extensions, and modifications thereto), including the FD&C Act and any other laws, rules, regulations, guidelines, or requirements of Regulatory Authorities, each as may be then in effect, as applicable and amended from time to time.

1.18. "**Applicable Privacy Laws**" has the meaning set forth in Section 1.64 (Data Protection and Security Requirements).

1.19. "**Arising Know-How**" means any and all Know-How conceived, invented, developed, or otherwise made during the Term by or on behalf of either Party or any of its Affiliates, licensees, sublicensees, or subcontractors, either alone or jointly with the other Party or any such other Party's Affiliates, licensees, sublicensees, or subcontractors, in each case, in the performance of activities or exercise of rights under this Agreement, the Transition Services Agreement, or any Ancillary Agreement. Arising Know-How includes Arising Sideground Know-How and Know-How within Assigned Arising Technology.

1.20. "**Arising Sideground Know-How**" has the meaning set forth in Section 8.2.1 (Arising Sideground Technology).

1.21. "**Arising Sideground Patent Rights**" has the meaning set forth in Section 8.2.1 (Arising Sideground Technology).

1.22. "**Arising Sideground Technology**" has the meaning set forth in Section 8.2.1 (Arising Sideground Technology).

1.23. "**Asset Sale**" has the meaning set forth in the Recitals.

1.24. "**Assigned Arising Technology**" has the meaning set forth in Section 8.2.2 (Other Arising Technology).

1.25. "**Assignment and Assumption Agreement**" has the meaning set forth in Section 3.3.2 (Closing Deliveries by Omeros).

1.26. "**Assumed Liabilities**" has the meaning set forth in Section 2.3.1 (Assumed Liabilities).

1.27. "**Audited Party**" has the meaning set forth in Section 7.11 (Audit Right).

1.28. "**Auditor**" has the meaning set forth in Section 7.11 (Audit Right).

1.29. "**Bankruptcy Code**" means Title 11, United States Code, as amended, or analogous provisions of Applicable Law outside the United States.

1.30. "**Bill of Sale**" has the meaning set forth in Section 3.3.3 (Closing Deliveries by Omeros).

1.31. "**Biosimilar Product**" means, with respect to a given Product in a given country, a product that (a) is sold or marketed for sale in such country by a Third Party that has not obtained the rights to market or sell such product as a Sublicensee of Novo Nordisk or any Novo Nordisk Affiliate and (b) (i) has been licensed as a biosimilar or interchangeable biological product by the FDA pursuant to section 351(k) of the PHSA, or any subsequent or superseding law, statute or regulation, and for which a Product is the reference product, as defined by section 351(i)(4) of the PHSA, (ii) has been granted a marketing authorization as a similar biological medicinal product by the European Union pursuant to Directive 2001/83/EC and Parliament and Council Regulation No. (EC) 726/2004, each as may be amended, or any subsequent or superseding law, statute or regulation, and for which a Product is the reference medicinal product as defined by Article 10(2)(A) of Directive 2001/83/EC, or (iii) [***].

1.32. "**Business Day**" means a day other than Saturday, Sunday, or any other day on which commercial banking institutions located in Seattle, Washington or Copenhagen, Denmark, are authorized or obligated by Applicable Law to close.

1.33. "**[***]**" means [***].

1.34. "**Calendar Quarter**" means the respective periods of three consecutive calendar months ending on March 31, June 30, September 30, and December 31, except that (a) the first Calendar Quarter of the Term will commence on the Effective Date and end on the day immediately prior to the first to occur of January 1, April 1, July 1, or October 1 after the Effective Date, and (b) the last Calendar Quarter will end upon the expiration or termination of this Agreement.

1.35. "**Calendar Year**" means the respective periods of 12 months commencing on January 1 and ending on December 31, except that (a) the first Calendar Year of the Term will commence on the Effective Date and end on December 31 of the year in which the Effective Date occurs and (b) the last Calendar Year of the Term will end on the effective date of expiration or termination of this Agreement.

1.36. "**Cap**" has the meaning set forth in Section 12.2.3 (Indemnification by Omeros).

1.37. "**CDR**" has the meaning set forth in Section 1.52 (Definition of "Compound").

1.38. "**Change of Control**" means, with respect to Omeros (a) the acquisition (in a transaction or series of related transactions) by any Third Party or group of Third Parties acting in concert, together with its Affiliates, of ownership, directly or indirectly, of more than 50% of the then-outstanding voting equity securities of Omeros; (b) the consummation of a business combination (including a merger, reorganization, or consolidation) involving Omeros with a Third Party, unless, following such business combination, the stockholders of Omeros immediately prior to such business combination own directly or indirectly more than 50% of the then-outstanding voting power of the surviving entity immediately after such business combination; or (c) the sale, exchange, lease, contribution, disposition, or other transfer to a Third Party or group of Third Parties acting in concert of all or substantially all of Omeros' assets or business taken as a whole or relating to the subject matter of this Agreement, in one transaction or a series of related transactions.

1.39. "**Change of Control Notice**" has the meaning set forth in Section 15.2.1 (Notification of Change of Control).

1.40. "**Claim**" has the meaning set forth in Section 12.4.1(a) (Direct Claim Procedures).

1.41. "**Claim Notice**" has the meaning set forth in Section 12.5 (Third Party Claim Procedures).

1.42. "**Clinical and Technical Data**" means true, complete, and accurate copies of data, files (including data files), reports, plans, operating records, protocols, and other documents in any form (including in paper or electronically stored formats), including: (a) the foregoing for Manufacturing, Manufacturing process records and regulatory interactions thereof, including records, data, procedures, experimental techniques, test protocols, specifications, quality control data and information, manufacturing methods, chemical formulae, and processes, and other files and documents relating to the Manufacture of one or more products (including any active pharmaceutical ingredient, component, and other material contained therein or any intermediates thereof); (b) all results, information, records, raw data, data analyses, reports, forms, methods, processes, practices, formulae, instructions, techniques, procedures, files (including data files) and documents related to the Development of a pharmaceutical product, including scientific data, including preclinical and clinical data, laboratory notebooks and data, procedures, tests, dosage information, criteria for patient selection, case report forms, adverse event reports, statistical analysis plans, informed consent forms, study recruitment materials, materials disseminated to patients, clinical investigators or clinical sites, safety and efficacy analysis, and study protocols related to research, preclinical, and clinical testing and studies (including in vitro, ex vivo, or in vivo studies, and indication development data) conducted or generated by or on behalf of, or otherwise in the possession of (including through vendors) or Control of, Omeros or any of its Affiliates; (c) investigators brochures, and (d) all pharmacovigilance and other safety records, in each case, in all forms, including in paper or electronically stored formats, in which they are stored or maintained, and all data and information included or referenced therein.

1.43. "**Clinical Trial**" means any clinical investigation in which a pharmaceutical product is administered or dispensed to, or used involving, human subjects, including any Phase 2 Trial or Phase 3 Trial.

1.44. "**Closing**" has the meaning set forth in Section 3.1 (Closing).

1.45. "**Closing Transferred Contracts**" has the meaning set forth in Section 2.1.1(c) (Acquired Assets).

1.46. "**Closing Transferred Regulatory Submissions**" has the meaning set forth in Section 2.1.1(d) (Acquired Assets).

1.47. "**Combination Product**" means a Product that is (a) sold in the form of a combination that contains or comprises a Compound together with one or more other separate, therapeutically active pharmaceutical agents (whether co-formulated or co-packaged or otherwise sold for a single price), (b) sold for a single invoice price together with any (i) companion diagnostic related to such Product, or (ii) process, service, or therapy other than a Compound (such additional therapeutically active pharmaceutical agent and each of (i)-(ii), an "**Other Component**"), or (c) otherwise defined as a "combination product" by the FDA pursuant to 21 C.F.R. §3.2(e) or its foreign equivalent, in each case (a), (b), or (c) whether combined in a single formulation or package, as applicable, or formulated separately but packaged under a single label approved by a Regulatory Authority and, in each case, sold together for a single price.

1.48. "**Commercialization**" or "**Commercialize**" means any and all activities directed to the marketing, promotion, distribution matters, offering for sale, sale, having sold, importing, having imported, exporting, having exported, or other commercialization of a pharmaceutical or biologic product (including pricing matters), but expressly excluding activities directed to Development, Manufacturing, or performance of Medical Affairs. "**Commercialize**," "**Commercializing**," and "**Commercialized**" will be construed accordingly.

1.49. "**Commercially Reasonable Efforts**" means, with respect to any activities or decision-making by Novo Nordisk pursuant to Section 6.5 (Diligence Obligations), those efforts that are [***].

1.50. "**Competing Infringement**" has the meaning set forth in Section 8.4.1 (Notification).

1.51. "**Competing Product**" means any product or candidate in any modality or field of use that is Directed To the [***].

1.52. "**Compound**" means (a) Omeros' monoclonal antibody targeting the Target, referred to as "zaltenibart" or "OMS906", as further set forth in the IND for such Compound ("**906**"), (b) [***] in each case, that are Directed To the Target, but in all cases, excluding any Grandfathered SMOL MASP-3 Molecule.

1.53. "**Confidential Information**" means (a) the terms of this Agreement and the Ancillary Agreements, and (b) with respect to a Party, all confidential or proprietary information (including chemical or biological materials, sequence listings, correspondence, customer lists, data, formulae, improvements, inventions, Know-How, processes, Regulatory Approvals, Regulatory Submissions and other regulatory filings, reports, strategies, techniques, or other information) that is disclosed by or on behalf of such Party or any of its Affiliates to the other Party or any of its Affiliates or representatives in connection with this Agreement and the transactions contemplated hereby, or arising from or related to the Program, Acquired Assets, Assumed Liabilities, the Excluded Assets, the Excluded Liabilities, or the Licensed Technology, regardless of whether any of the foregoing are marked "confidential" or "proprietary" or communicated to the other Party by or on behalf of the Disclosing Party in oral, written, visual, graphic, or electronic form.

1.54. "**Consent**" has the meaning set forth in Section 2.5.1 (Assignment of Certain Transferred Assets; Shared Contracts).

1.55. "**Contract**" means any contract, agreement, lease, instrument, note, indenture, license or sublicense, or other legally binding commitment.

1.56. "**Control**" means the possession by a Party (whether by ownership, license, or otherwise), other than as described in this Agreement, of, (a) with respect to any materials, the legal authority or right to physical possession of such materials, with the right to provide such materials to the other Party on the terms set forth herein, (b) with respect to Patent Rights, Regulatory Approvals, Regulatory Submissions, Know-How, or other intellectual property, the legal authority or right to grant a license, sublicense, access, or right to use (as applicable) to the other Party under such Patent Rights, Regulatory Approvals, Regulatory Submissions, Know-How, or other intellectual property on the terms set forth herein, or (c) with respect to a product or component thereof, the legal authority or right to grant a license, sublicense, access, or right to use (as applicable) to the other Party under Patent Rights that Cover or proprietary Know-How that is incorporated in or embodies, such product or component on the terms set forth herein, in each case ((a), (b) and (c)), without breaching or otherwise violating the terms of any arrangement or agreement with a Third Party in existence as of the time such Party or its Affiliates would first be required hereunder to grant the other Party such access, right to use, licenses, or sublicense. Notwithstanding anything to the contrary in this Agreement, the following shall not be deemed to be Controlled by Omeros or its Affiliates: (i) any materials, Patent Rights, Regulatory Approvals, Regulatory Submissions, Know-How, or other intellectual property owned or licensed by any Acquiring Entity immediately prior to the effective date of the merger, consolidation or transfer making such Third Party an Acquiring Entity, (ii) any materials, Patent Rights, Regulatory Approvals, Regulatory Submissions, Know-How, or other intellectual property that any Acquiring Entity subsequently develops without accessing or practicing the Licensed Technology, any Confidential Information of Novo Nordisk, unless, in each case ((i)-(ii)), Omeros or its Affiliates uses, incorporates, or otherwise practices any of the same in the performance of activities under this Agreement or any Ancillary Agreement; or (iii) any Novo Nordisk Licensed Technology.

1.57. "**Cover**," "**Covering**," or "**Covered**" means, when used to refer to the relationship between a particular Patent Right and particular subject matter, that the manufacture, use, sale, offer for sale, or importation of such subject matter (a) falls within the scope of one or more claims in, or (b) is otherwise claimed by, such Patent Right.

1.58. "**Covered Product**" means any Anticipated Product that is Covered by a Valid Claim included in the Net Sales Term Extending Patent Rights.

1.59. "**Creditor**" means Wilmington Savings Fund Society, FSB, as Administrative Agent and Collateral Agent under the Credit and Guaranty Agreement, dated June 3, 2024, among Omeros and the Lenders party thereto.

1.60. "**Creditor Account**" means the account set forth in the Lien Release Consent.

1.61. "**Creditor Lien Release Amount**" means the payoff amount set forth in the Lien Release Consent calculated through the Effective Date.

1.62. "**[***]**" means [***].

1.63. "[***] **MSA**" means, collectively, that certain Master Services Agreement, dated as of [***], by and between [***] and Omeros, as amended by that Amendment No. 1 to the Master Services Agreement, dated as of [***], including that certain Data Protection Addendum, dated [***], that certain Work Order No. 1, dated as of as [***], that certain Work Order No. 2, dated as of [***], that certain First Addendum to Work Order No. 2, dated as of [***], that certain Work Order No. 3, dated as of [***], and that certain First Addendum to Work Order No. 3, dated as of [***].

1.64. "**Data Protection and Security Requirements**" means (a) all state, federal, local, or other domestic or foreign laws and regulations regarding data privacy, data or cyber security, breach notification, or data localization that are applicable to the Processing of Personal Information by or for Omeros or its Affiliates including, to the extent applicable, HIPAA, Regulation (EU) 2016/679, the United Kingdom Data Protection Act 2018, and comparable foreign or state laws regulating the privacy and security of Personal Information; (b) all regulatory guidelines and published interpretations by Governmental Authorities of such laws; (c) Executive Order 14117 of February 28, 2024 (Preventing Access to Americans' Bulk Sensitive Personal Data and United States Government-Related Data by Countries of Concern) and the U.S. Department of Justice Final Rule titled "Access to U.S. Sensitive Personal Data and Government-Related Data by Countries of Concern or Covered Persons," 28 C.F.R. Part 202 (the "**DOJ Bulk Data Final Rule**") (collectively (a)-(c), "**Applicable Privacy Laws**") and (d) all published, public-facing policies, and notices of Omeros regarding its Processing of Personal Information.

1.65. "[***]" has the meaning set forth in Section 12.2.2 (Indemnification by Omeros).

1.66. "**Delayed Acquired Assets**" has the meaning set forth in Section 2.1.2 (Delayed Acquired Assets).

1.67. "**Delayed Transferred Contracts**" has the meaning set forth in Section 2.1.2 (Delayed Acquired Assets).

1.68. "**Delayed Transferred Regulatory Submissions**" has the meaning set forth in Section 2.1.2 (Delayed Acquired Assets).

1.69. "**Development**" means all activities relating to research and other non-clinical and clinical drug development activities, including toxicology, carcinogenicity, pharmacology, assay development and other non-clinical efforts, statistical analysis, formulation development, delivery system development, translational medicine activities, companion diagnostics development, the performance of Clinical Trials or other activities (including interacting with Regulatory Authorities) in furtherance of obtaining Regulatory Approval of products. When used as a verb, "**Develop**" means to engage in Development activities. For clarity, "Development" will not include any Commercialization, Medical Affairs, or Manufacturing activities.

1.70. "**Development Milestone Event**" has the meaning set forth in Section 7.2.1 (Development Milestone Events and Payments).

1.71. "**Development Milestone Payments**" has the meaning set forth in Section 7.2.1 (Development Milestone Events and Payments).

1.72. "**Direct Claim Notice**" has the meaning set forth in Section 12.4.1(a) (Direct Claim Procedures).

1.73. "**Directed To**" means, with respect to a compound, molecule, antibody, other substance, fragments thereof, or product and a biological target (whether *in vitro*, *ex vivo*, or *in vivo*), that such compound, molecule, antibody, other substance, fragments thereof, or [***]. When required grammatically, the defined term "Directed To" may be separated and shall have the same meaning set forth above (*e.g.*, when discussing targets To which a compound or product is Directed).

1.74. "**Disclosing Party**" has the meaning set forth in Section 9.1 (Confidential Information; Non-Disclosure and Non-Use Obligations).

1.75. "**Dispute**" has the meaning set forth in Section 14.2 (Disputes).

1.76. "**DOJ**" means the U.S. Department of Justice.

1.77. "**DOJ Bulk Data Final Rule**" has the meaning set forth in Section 1.64 (Data Protection and Security Requirements).

1.78. "**Dollar**" or "**USD**" means a U.S. dollar, and "**$**" will be interpreted accordingly.

1.79. "**DPA**" has the meaning set forth in Section 10.2.8 (Program Not a TID U.S. Business).

1.80. "**Effect**" has the meaning set forth in Section 1.165 (Material Adverse Effect).

1.81. "**Effective Date**" has the meaning set forth in Section 3.1 (Closing).

1.82. "**EMA**" has the meaning set forth in Section 6.5 (Diligence Obligations).

1.83. "**EU**" has the meaning set forth in Section 6.5 (Diligence Obligations).

1.84. "**Event Quarter**" has the meaning set forth in Section 7.6.5 (Inflation Reduction Act Deductions).

1.85. "**Excluded Assets**" has the meaning set forth in Section 2.2 (Excluded Assets).

1.86. "**Excluded Contracts**" means all Contracts other than the Closing Transferred Contracts, Delayed Transferred Contracts, and the Contracts for In-Licensed Intellectual Property, including those Contracts set forth on Schedule 1.86 and the Shared Contracts.

1.87. "**Excluded Liabilities**" has the meaning set forth in Section 2.4 (Excluded Liabilities).

1.88. "**Excluded Licenses**" means non-exclusive licenses to commercial off-the-shelf software, confidentiality agreements, or employment agreements.

1.89. "**Excluded Regulatory Submissions and Approvals**" means any Regulatory Submission, Regulatory Approval, or Pricing and Reimbursement Approval Controlled by Omeros that does not reference a Compound or a Product.

1.90. "**Execution Date**" has the meaning set forth in the preamble.

1.91. "**Executive Officers**" means (a) with respect to Omeros, its Chief Executive Officer and (b) with respect to Novo Nordisk, its Chief Scientific Officer, or, in each case ((a) and (b)), any other person that such officer designates from time to time.

1.92. "**Existing Credit Facility**" means the credit facilities and other arrangements provided pursuant to that certain Credit and Guaranty Agreement, dated as of June 3, 2024, among Omeros, as borrower, certain of its Subsidiaries, as guarantors, the lenders party thereto from time to time, Wilmington Savings Fund Society, FSB, as administrative agent for the lenders and as collateral agent for the secured parties therein and any other documents entered into in connection therewith, in each case, as have been or may be amended, restated, supplemented, or otherwise modified from time to time in a manner not otherwise prohibited hereunder.

1.93. "**Exploitation**" means to Develop, Manufacture, perform Medical Affairs activities, Commercialize, or otherwise exploit. When used as a verb, to "**Exploit**" means to engage in any of the foregoing activities.

1.94. "**Family 1**" means [***] and all Patent Rights that share a common priority therewith.

1.95. "**Family 2**" means [***] and all Patent Rights that share a common priority therewith.

1.96. "**Family 3**" means [***] and all Patent Rights that share a common priority therewith.

1.97. "**Family 4**" means [***] and all Patent Rights that share a common priority therewith.

1.98. "**Family 5**" means [***] and all Patent Rights that share a common priority therewith.

1.99. "**Family 6**" means U.S. Patent Application No. [***], U.S. Patent Application No. [***], and all Patent Rights that share a common priority with either of the foregoing.

1.100. "**Family 7**" means [***] and all Patent Rights that share a common priority therewith.

1.101. "**Family 8**" means that certain provisional patent application claiming [***], and all Patent Rights that share a common priority therewith.

1.102. "**FD&C Act**" means the United States Federal Food, Drug, and Cosmetic Act, 21 U.S.C. §§ 301 *et seq.*, as amended from time to time, together with any rules, regulations, and requirements promulgated thereunder.

1.103. "**FDA**" means the United States Food and Drug Administration and any successor Regulatory Authority having substantially the same function.

1.104. "**Firewall Indications**" means (a) any Indication in the following [***], (b) [***], and (c) [***].

1.105. "**Firewalls**" means reasonable walls and screens established between Omeros, on the one hand, and on the other hand an Acquiring Entity, that are consistent with the industry standard to ensure that no Confidential Information of Novo Nordisk, or any non-public information or materials (such as lab notebooks, document management systems, or other documented or memorialized Know-How) or resources (personnel or otherwise) relating to any Acquired Assets, Licensed Technology, or Program In-Licenses are accessible by personnel of such Acquiring Entity of Omeros participating in the Exploitation of a Competing Product or an Alternative Pathway Product, as applicable, during the Term of this Agreement and, other than with respect to any Licensed Technology or Program In-Licenses, thereafter.

1.106. "**First Commercial Sale**" means, with respect to a Product in any country, on a Product-by-Product and country-by-country basis, the first commercial transfer or disposition for value of such Product for end use in such country to a Third Party (not being a Sublicensee for the relevant Product) by Novo Nordisk or any of its Affiliates or Sublicensees after such Product has been granted Regulatory Approval in such country and where the sale results in recordable Net Sales. The following sales will not constitute a "First Commercial Sale": (a) any distribution or other sale solely for so-called investigational new drug sales, clinical studies, compassionate or emergency use, named patient programs, promotional samples, testing samples, donations, or any similar instances; and (b) sales between Novo Nordisk or its Affiliates or Sublicensees for resale.

1.107. "**First Reimbursed Sale**" means, with respect to a Product in a country, the First Commercial Sale by Novo Nordisk or any of its Affiliates or Sublicensees after receipt of any applicable Pricing and Reimbursement Approvals for such Product in such country.

1.108. "**Force Majeure**" means conditions beyond a Party's control, including acts of God; war, terrorism, or civil commotion; labor strike or lock-out; any new regulation, law, or order of any Governmental Authority; epidemics or pandemics; failure or default of public utilities or common carriers; and destruction of facilities or materials by fire, earthquake, storm, or like catastrophe.

1.109. "**Fraud**" means, with respect to a Party, fraud in respect of the making of any representation or warranty set forth in this Agreement, as applicable, or in any certificate delivered pursuant to this Agreement and requires (a) a false representation (b) knowledge or belief that such representation is false or with reckless indifference to its falsity, (c) an intention to induce the Party to whom such representation is made to act or refrain from acting, (d) that Party's action or inaction resulted from reasonable reliance upon such false representation, and (e) such Party suffered damage.

1.110. "**FTC**" means the United States Federal Trade Commission or any successor agency thereto.

1.111. "**FTE**" means the equivalent of a full-time employee or consultant based on annual working hours of [***] hours per year (with no further reductions for vacations and holidays). Overtime, and work on weekends, holidays and the like will not be counted with any multiplier (*e.g.*, time-and-a-half or double time) toward the number of hours that are used to calculate the FTE contribution. Additionally, any individual contributing fewer than [***] hours per Calendar Year (or equivalent pro-rata portion thereof for any partial Calendar Year during the Term) will be deemed a fraction of an FTE on a pro-rata basis. The portion of an FTE year devoted by an employee or consultant to activities contemplated by this Agreement will be determined by dividing the number of hours during any [***] period devoted by such employee or consultant to such activities by [***]; *provided* that no matter how many hours an individual employee or consultant works in such [***] period, such employee or consultant will in no event count for more than [***] FTE.

1.112. "**FTE Costs**" means, for any period, the FTE Rate multiplied by the number of FTEs in such period. FTEs will be pro-rated on a daily basis if necessary. The FTE Rate for each Calendar Year after [***] shall be subject to an annual adjustment equal to the change in the consumer price index for the immediately preceding Calendar Year as reported by the United States Bureau of Labor Statistics.

1.113. "**FTE Rate**" means a rate of $[***], per FTE per Calendar Year (pro-rated for any partial Calendar Year and for any partial Calendar Year during the Term). The FTE Rate shall be deemed to encompass compensation for expenses of salaries, benefits, supplies, other employee expenses and supporting overhead and general and administration allocations.

1.114. "**GAAP**" means the United States generally accepted accounting principles.

1.115. "**Good Laboratory Practices**" or "**GLPs**" means (a) the then-current requirements, standards, practices, and procedures promulgated or endorsed by the FDA as defined in 21 C.F.R. Part 58; and (b) the equivalent Applicable Laws in any relevant country, each as may be amended and applicable from time to time.

1.116. "**Good Manufacturing Practices**" or "**GMPs**" means (a) the then-current good manufacturing practices and standards promulgated or endorsed by the FDA, as set forth in 21 C.F.R. Parts 210 and 211 and (b) the equivalent Applicable Laws in any relevant country, each as may be amended and applicable from time to time.

1.117. "**Government Official**" means: (a) any officer, employee (including physicians, hospital administrators, or other healthcare professionals), agent, representative, department, agency, official, or subdivision of any government, military, or international organization, including any ministry or department of health or any state-owned or affiliated company or hospital; (b) any candidate for political office, any political party, or any official of a political party; or (c) any Person acting in an official capacity on behalf of any of the foregoing.

1.118. "**Governmental Authority**" means any United States or foreign federal, state, or local government authority of any nature or political subdivision thereof, any multinational organization or authority, or any authority, agency, or commission entitled to exercise any administrative, executive, judicial, legislative, police, regulatory, or Taxing Authority of any governmental authority or other governmental instrumentality, including, for clarity, a Regulatory Authority, or any governmental court or tribunal (or any department, bureau, or division thereof), or any arbitrator or arbitral body.

1.119. "**Governmental Authorizations**" means, other than Regulatory Approvals, all licenses, consents, permits, certificates, filings, registrations, notifications, record-filings, franchises, concessions, authorizations, approvals, ratifications, permissions, clearances, confirmations, exemptions, endorsements, waivers, designations or qualifications issued, granted, given or otherwise made available by or under the authority of any Governmental Authority or pursuant to any requirement under the Applicable Law, including INDs.

1.120. "**Grandfathered MASP-3 Antibody**" means any antibody Directed To MASP-3 that contains the CDR sequences set forth on Schedule 1.120.

1.121. "**Grandfathered MASP-3 Antibody Products**" means any and all products containing or comprising a Grandfathered MASP-3 Antibody, or any modifications, improvements, or derivatives thereof, in each case, that are Directed To MASP-3.

1.122. "**Grandfathered MASP-3 Products**" means any and all Grandfathered MASP-3 Antibody Products and Grandfathered SMOL MASP-3 Products.

1.123. "**Grandfathered SMOL MASP-3 Molecule**" means any small molecule Directed To MASP-3 that contains any scaffold that is set forth on Schedule 1.123.

1.124. "**Grandfathered SMOL MASP-3 Products**" means any and all small molecule products containing or comprising a Grandfathered SMOL MASP-3 Molecule, or any modifications, improvements or derivatives thereof, in each case, that are Directed To MASP-3.

1.125. "**Health Care Laws**" has the meaning set forth in Section 10.2.7(b) (Compliance with Law).

1.126. "**HIPAA**" means the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act and the regulations promulgated thereunder governing privacy, security, and breach notification obligations with respect to individually identifiable health information.

1.127. "**HSR Act**" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder.

1.128. "**HSR Conditions**" means the following collective conditions, to the extent applicable: (a) any applicable mandatory waiting period under the HSR Act will have expired or earlier been terminated; (b) no injunction (whether temporary, preliminary, or permanent) under any Antitrust Law prohibiting consummation of the transactions contemplated by this Agreement or any material portion thereof will be in effect; and (c) no judicial or administrative proceeding under any Antitrust Law opposing consummation of all or any part of the transactions contemplated by this Agreement will be pending.

1.129. "**HSR Filing**" has the meaning set forth in Section 4.1 (Efforts; Antitrust Approval).

1.130. "**IFRS**" means the International Financial Reporting Standards.

1.131. "**[***]**" has the meaning set forth in Section 7.2.1 (Development Milestone Events and Payments).

1.132. "**In-Licensed Intellectual Property**" means the Intellectual Property licensed to Omeros or any of its Affiliates by a Third Party pursuant to an Intellectual Property license or other agreement and that is used or held for use in connection with (a) the Program or (b) the Development, Manufacture, Commercialization, or other Exploitation of a Product or Compound.

1.133. "**IND**" means an investigational new drug application filed with the FDA pursuant to 21 C.F.R. Part 312 or any similar application filed with a Regulatory Authority in a country other than the U.S. required to commence Clinical Trials of a pharmaceutical or biologic product, and all supplements or amendments that may be filed with respect to the foregoing.

1.134. "**Indemnification Objection Notice**" has the meaning set forth in Section 12.4.1(c) (Direct Claim Procedures).

1.135. "**Indemnification Objection Period**" has the meaning set forth in Section 12.4.1(c) (Direct Claim Procedures).

1.136. "**Indemnified Party**" has the meaning set forth in Section 12.4.1(a) (Direct Claim Procedures).

1.137. "**Indemnify**" has the meaning set forth in Section 12.2.1 (Indemnification by Omeros).

1.138. "**Indemnifying Party**" has the meaning set forth in Section 12.4.1(a) (Direct Claim Procedures).

1.139. "**Indication**" means a separate and distinct disease, syndrome, disorder, or medical condition in humans that a Product (a) that is in a Clinical Trial is intended to treat in such Clinical Trial, or (b) has received a separate and distinct Regulatory Approval (*provided* that **[***]**.

1.140. "**Indirect Tax**" has the meaning set forth in Section 7.12.5 (Indirect Tax).

1.141. "**Inflation Reduction Act**" or "**IRA**" means P.L. 117-169 (Aug. 16, 2022), as codified at 42 U.S.C. § 1320f, 42 U.S.C. § 1395w-3a and 42 U.S.C. § 1395w-114a (*inter alia*), as it may be amended from time to time, together with any rules, regulations and requirements promulgated thereunder (including all additions, supplements, extensions, and modifications thereto).

1.142. "**Infringement**" has the meaning set forth in Section 8.4.1 (Notification).

1.143. "**Initiate**" means with respect to a Clinical Trial, the first dosing of a human subject pursuant to the protocol for such Clinical Trial. "**Initiated**" will have corresponding meaning.

1.144. "**Intellectual Property**" means intellectual property or other proprietary rights anywhere in the world, including registered, unregistered, applied for and pending: (a) Patent Rights; (b) Know-How; (c) trademarks, service marks, trade names, trade dress, corporate names, logos, in each case whether or not registered, together with derivations and combinations thereof, and common law rights thereto, and the goodwill associated with the foregoing, and applications (including intent to use applications), registration and renewals of the foregoing; and (d) published and unpublished works of authorship including computer software programs, applications, source code and object code, and technical databases, copyrights in and to the foregoing, together with common law rights and moral rights therein, and any applications and registrations therefor, including extensions, renewals, restorations, reversions, derivatives, translations, localizations, adaptations and combinations of the above; and all rights to collect royalties and proceeds in connection with any of the foregoing, and to sue and bring other claims for past, present and future infringement, misappropriation or other violation of any of the foregoing, and to recover damages in connection therewith.

1.145. "**Intellectual Property Assignment Agreement**" has the meaning set forth in Section 3.3.8 (Closing Deliveries by Omeros).

1.146. "**Invention Assignment Agreement**" has the meaning set forth in Section 10.2.11(g) (Employee Invention Assignment and Confidentiality).

1.147. "**Inventory**" means, as of the Closing, (a) all inventory of finished Product (including those manufactured for clinical studies) owned by Omeros or any of its Affiliates, whether or not Labeled, (b) all Product work-in-progress (including drug substances and those manufactured for clinical studies) owned by Omeros or any of its Affiliates, and (c) all other inventory (including any non-GMP materials, reference materials, any associated drug products, drug substances, and any active pharmaceutical ingredient related impurities) owned by Omeros or any of its Affiliates, in each case, used or held for use in connection with the Exploitation of any Compound or any Product, whether located at a facility of Omeros or any of its Affiliates or its suppliers and manufacturers.

1.148. "**Know-How**" means all commercial, technical, scientific, and other know-how and information, in each case, that is not in the public domain or otherwise publicly known, including concepts, strategies, models, instructions, materials, protocols, inventions, discoveries, trade secrets, knowledge, technology, methods, processes, practices, formulae, amino acid sequences, nucleotide sequences, instructions, skills, techniques, procedures, ideas, technical assistance, designs, drawings, assembly procedures, specifications, and data and results (including biological, chemical, pharmacological, toxicological, pharmaceutical, physical and analytical, preclinical, clinical, safety, manufacturing, and quality control data and know-how, including regulatory data, study designs, and protocols), in all cases, whether or not patentable and in written, electronic, or any other form now known or hereafter developed, but expressly excluding all published Patent Rights. For clarity, Know-How includes any such information comprised or embodied in any applicable physical materials, but excludes published Patent Rights.

1.149. "**Labeling**" (and the correlative terms "**Label**" and "**Labeled**") has the meanings as defined in Sections 201(k) and 201(m) of the FDCA (21 U.S.C. § 321(k), (m)) and other comparable non-U.S. Applicable Law relating to the subject matter thereof, including the applicable Product's label, packaging and package inserts accompanying such Product, and any other written, printed, or graphic materials accompanying such Product, including patient instructions or patient medication guides.

1.150. "**Liability**" means, with respect to any Person, any debt, liability, duty, or obligation of such Person, whether known or unknown, absolute or contingent, accrued or unaccrued, matured or unmatured, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable, or otherwise.

1.151. "**Licensed Background Know-How**" means, other than Transferred Know-How, any other Know-How Controlled by Omeros or any of its Affiliates as of the Effective Date, that is necessary or reasonably useful to Exploit one or more Compounds or Products or otherwise conduct the Program, including the Know-How set forth on Schedule 1.151.

1.152. "**Licensed Background Patent Right**" means, other than Transferred Patent Rights, (a) any other Patent Rights Controlled by Omeros or any of its Affiliates as of the Effective Date, that Cover any Licensed Background Know-How or are otherwise necessary or reasonably useful to Exploit one or more Compounds or Products or otherwise conduct the Program, including those Patent Rights set forth on Schedule 1.152, (b) any other Patent Rights that come into the Control of, or are Controlled by, Omeros or any of its Affiliates during the period commencing on the Effective Date and expiring on the expiration of the applicable Net Sales Term that Cover any Licensed Background Know-How or are otherwise are necessary or reasonably useful to Exploit one or more Products, (c) Multi-Target Patent Rights unless and until divisionals or continuations thereof are filed in accordance with Section 2.5.7 (Assigned and Retained Target Patent Rights) to create Novo Nordisk Assigned Target Patent Rights and Omeros Retained Target Patent Rights, and (d) all Patent Rights in Family 7.

1.153. "**Licensed Background Technology**" means the Licensed Background Know-How and the Licensed Background Patent Rights.

1.154. "**Licensed Know-How**" means (a) the Licensed Background Know-How, (b) the Arising Sideground Know-How that is necessary or reasonably useful to Exploit one or more Compounds or Products, and (c) any Know-How licensed to Omeros pursuant to a Non-Transferrable License unless and until such Consent is obtained to sell, convey, assign, transfer, or deliver the applicable Non-Transferrable License, but in all cases, expressly excluding all Know-How included in the Transferred Intellectual Property.

1.155. "**Licensed Patent Right**" means (a) the Licensed Background Patent Rights, (b) the Arising Sideground Patent Rights that Cover any Licensed Know-How or are otherwise necessary or reasonably useful to Exploit one or more Compounds or Products, (c) any Patent Right licensed to Omeros pursuant to a Non-Transferrable License unless and until such Consent is obtained to sell, convey, assign, transfer, or deliver the applicable Non-Transferrable License, and (d) the Omeros Retained Target Patent Rights that Cover any Licensed Know-How or are otherwise necessary or reasonably useful to Exploit one or more Compounds or Products, but in all cases, expressly excluding all Transferred Patent Rights and any Patent Right that Novo Nordisk elects to exclude from the Licensed Patent Rights in accordance with Section 7.4 (Net Sales Payments).

1.156. "**Licensed Technology**" means all Licensed Know-How and all Licensed Patent Rights.

1.157. "**Lien**" means any lien, encumbrance, mortgage, security interest, pledge, license, conditional sale agreement, or other title retention agreement.

1.158. "**Lien Release Consent**" has the meaning set forth in Section 3.3.6 (Closing Deliveries by Omeros).

1.159. "**Losses**" has the meaning set forth in Section 12.2.1 (Indemnification by Omeros).

1.160. "**MAA**" or "**Marketing Authorization Application**" means a biologics license application submitted to the FDA as defined in the Public Health Service Act and 21 C.F.R. 601.2 (including all additions, supplements, extensions, and modifications thereto) or other marketing authorization application, in each case, filed with the applicable Regulatory Authority in a country or other regulatory jurisdiction, which application is required to commercially market or sell a pharmaceutical or biologic product in such country or jurisdiction (and any amendments thereto).

1.161. "**Major European Market**" means any of France, Germany, Italy, Spain, or the United Kingdom.

1.162. "**Manufacture**" or "**Manufacturing**" means, with respect to any product (including active pharmaceutical ingredient and other material contained therein), any and all activities related to the manufacture of such product, including qualification, validation and scale-up, pre-clinical, clinical, and commercial manufacture, packaging, labeling, filling, finishing, assembly, processing, in-process and finished product testing, release of such product or any component or ingredient thereof, quality assurance, quality control and audit activities related to manufacturing, testing and release of such product, ongoing stability tests, record-keeping, storage, shipping, supply or storage of such product (or any components or process steps involving such product or any companion diagnostic), placebo or comparator agent, as the case may be, product characterization, technical support activities, and regulatory activities related to any of the foregoing, but excluding any activities directed to Development, Commercialization, or Medical Affairs.

1.163. "**MASP-1**" means mannan-binding lectin-associated serine protease-1.

1.164. "**MASP-2**" means mannan-binding lectin-associated serine protease-2.

1.165. "**Material Adverse Effect**" means any event, fact, condition, occurrence, change, or effect (each, an "**Effect**") that individually or in the aggregate, (a) has had or would reasonably be expected to have a material adverse effect on the Acquired Assets, the Assumed Liabilities, the Exploitation of any Compound or Product by Omeros, or the condition of the Program, taken as a whole, or (b) prevents or materially impairs or delays beyond the Outside Date, or would reasonably be expected to prevent or materially impair or delay beyond the Outside Date, the consummation by Omeros of the transactions contemplated by this Agreement; *provided*, *however*, that no Effect arising or resulting from the following will be deemed to constitute a Material Adverse Effect or will be taken into account for the purposes of the foregoing clause (a) when determining whether a Material Adverse Effect has occurred or would reasonably be expected to occur: [***].

1.166. "**Maximum Fair Price**" means, with respect to a year during a Price Applicability Period for a Selected IRA Drug, the price negotiated pursuant to Section 1194 (and updated pursuant to Section 1195(b), as applicable) under the Inflation Reduction Act for such drug and year.

1.167. "**Medical Affairs**" means, with respect to a Product, any and all activities performed by or on behalf of a Party's or its Affiliates' medical affairs departments interacting with physicians or other healthcare professionals who may utilize or conduct research related to a pharmaceutical or biological product, including: supporting continuing medical education and other medical programs and communications; patient advocacy programs; development, publication, and dissemination of publications; development and fulfillment of medical information responses; development and execution of disease awareness education including symposia and digital education initiatives; sponsorship and booth exhibition at key congresses; conducting health economic, burden of illness/disease, natural history (to support endpoint validation) and real world evidence studies; seroprevalence studies and registry studies; supporting educational fellowships and research grants, supporting external research efforts such as scientific research agreements and investigator initiated trials (following Regulatory Approval); medical resourcing, training and allocation; medical and scientific platform and content development; conducting appropriate activities involving opinion leaders, including communications and engagement; conducting medical science liaison activities; advisory boards or other consulting programs (to the extent related to medical affairs or clinical guidance); establishing patient registries and expanded access programs; post-approval investigator initiated trials or scientific research agreements; post-approval life cycle management activities and clinical research (other than required by Regulatory Authorities as part of any conditional approval). "**Medical Affairs**" does not include Development, Manufacturing, or Commercialization.

1.168. "**Medicare Price**" means, in respect of a Product, the average negotiated price (as defined in Section 1860D-2(d) of the Social Security Act) under prescription drug plans or MA-PD plans for such Product during the plan year immediately prior to the Initial Price Applicability Year (as defined in Section 1191(b)(1) of the Social Security Act).

1.169. "**Milestone Events**" has the meaning set forth in Section 7.3 (Sales Milestones).

1.170. "**Milestone Payments**" has the meaning set forth in Section 7.3 (Sales Milestones).

1.171. "**Multi-Target Patent Rights**" means the Patent Rights in each of Family 1 and Family 4, which are set forth on Schedule 1.171 (Multi-Target Patent Rights), and the Patent Rights in Family 2 that are set forth on Schedule 1.171 (Multi-Target Patent Rights).

1.172. "**Mutual Confidentiality Agreement**" means the Mutual Confidential Disclosure Agreement dated [***], between the Parties (as amended from time to time).

1.173. "**Net Sales**" means, as calculated with respect to a Product in the same manner as Novo Nordisk calculates net sales reported to its shareholders, all revenues recognized in accordance with IFRS applied on a consistent basis from the sale of such Product by Novo Nordisk or its Affiliates, licensees, assignees, and Sublicensees to Third Party(ies) (including distributors), less the following deductions, in each case, that are not duplicative and that are actually incurred, allowed, paid, accrued, or otherwise allocated to or for such Product:

(a) [***]

1.174. "**Net Sales Payments**" has the meaning set forth in Section 7.4 (Net Sales Payments).

1.175. "**Net Sales Term**" means, on a Product-by-Product and country-by-country basis, the time period beginning on the First Reimbursed Sale of a Product in a country and expiring on the latest of: [***].

1.176. "**Net Sales Term Extending Patent Right**" means, with respect to a Product, [***].

1.177. "**Non-Transferrable Asset**" has the meaning set forth in Section 2.5.1 (Assignment of Certain Transferred Assets; Shared Contracts).

1.178. "**Non-Transferrable License**" has the meaning set forth in Section 2.5.2 (Assignment of Certain Transferred Assets; Shared Contracts).

1.179. "**Novo Nordisk**" has the meaning set forth in the preamble.

1.180. "**Novo Nordisk Assigned Target Patent Rights**" has the meaning set forth in Section 2.5.7(a) (Assigned and Retained Target Patent Rights).

1.181. "**Novo Nordisk Back Up Omeros Retained Target Patent Rights**" means the Omeros Retained Target Patent Rights described in Section 2.5.7(b)(i)(B) (Assigned and Retained Target Patent Rights) and Section 2.5.7(b)(ii)(B) (Assigned and Retained Target Patent Rights).

1.182. "**Novo Nordisk Closing Certificate**" has the meaning set forth in Section 11.3.1(c) (Conditions to Obligations of Omeros).

1.183. "**Novo Nordisk Disclosure Schedule**" has the meaning set forth in Section 10.1 (Mutual Representations).

1.184. "**Novo Nordisk First Right Licensed Patent Rights**" has the meaning set forth in Section 8.3.4 (Novo Nordisk First Right).

1.185. "**Novo Nordisk First Right Net Sales Patent Rights**" has the meaning set forth in Section 8.3.4 (Novo Nordisk First Right).

1.186. "**Novo Nordisk Fundamental Representations**" means the representations and warranties of Novo Nordisk as set forth in Section 10.1.1 (Organization), Section 10.1.2 (Binding Agreement), Section 10.1.3 (Authorization) and Section 10.1.4(b) (No Conflicts).

1.187. "**Novo Nordisk Indemnitees**" has the meaning set forth in Section 12.2.1 (Indemnification by Omeros).

1.188. "**Novo Nordisk Licensed Technology**" means [***] in each case ((a)-(c)), that is necessary [***] in accordance with this Agreement.

1.189. "**OFAC**" has the meaning set forth in Section 1.247 (Sanctioned Person).

1.190. "**Omeros**" has the meaning set forth in the preamble.

1.191. "**Omeros Account**" means the account (or accounts) set forth on Schedule 1.191 hereto or such other account (or accounts) as may be designated by Omeros in writing from time to time.

1.192. "**Omeros Closing Certificate**" has the meaning set forth in Section 11.2.1(d) (Conditions to Obligations of Novo Nordisk).

1.193. "**Omeros Disclosure Schedule**" has the meaning set forth in Section 10.1 (Mutual Representations).

1.194. "**Omeros Fundamental Representations**" means the representations and warranties [***].

1.195. "**Omeros Indemnitees**" has the meaning set forth in Section 12.3.1 (Indemnification by Novo Nordisk).

1.196. "**Omeros**' **Knowledge**", as used in Omeros' representations and warranties in Article 10 (Representations and Warranties; Covenants), means the actual knowledge of [***] and [***].

1.197. "**Omeros Reimbursement Amount**" means an amount [***].

1.198. "**Omeros Retained Target Patent Rights**" has the meaning set forth in Section 2.5.7(b) (Assigned and Retained Target Patent Rights).

1.199. "**Omeros Systems**" has the meaning set forth in Section 1.249 (Definition of "Security Incident").

1.200. "**Order**" means any writ, judgment, edict, decree, injunction, ruling, order, determination, or other binding obligation issued by any Governmental Authority (whether preliminary or final).

1.201. "**Organizational Documents**" means, with respect to any Person, collectively, its certificate of incorporation, certificate of formation, articles of organization, articles of association, bylaws, operating agreement, certificate of limited partnership, partnership agreement, or equivalent organizational document, as applicable.

1.202. "**Other Components**" has the meaning set forth in Section 1.47 (Combination Product).

1.203. "**Out-of-Pocket Costs**" means costs and expenses paid by a Party or any of its Affiliates to Third Parties for goods or services, but not including any FTE Costs or such Party's, or any of its Affiliates', other internal or general overhead costs or expenses, and expressly excluding any travel costs (unless such travel was expressly requested by Novo Nordisk in writing) and other expenses incurred by a Party's or any of its Affiliates' personnel (even if paid to a Third Party).

1.204. "**Outside Date**" has the meaning set forth in Section 13.2.2(a) (Termination Prior to Closing).

1.205. "**Party**" or "**Parties**" has the meaning set forth in the preamble.

1.206. "**Patent Right**" means all issued patents and pending patent applications (which, for purposes of this Agreement, include certificates of invention, applications for certificates of invention and priority rights) in any country or region where filed, including all provisional applications, non-provisional applications, substitutions, continuations, supplementary protection certificates, continuations-in-part, continued prosecution applications including requests for continued examination, divisional applications and renewals, and all letters patent or certificates of invention granted thereon, and all reissues, reexaminations, extensions (including pediatric exclusivity patent extensions), term restorations, renewals, substitutions, confirmations, registrations, revalidations, revisions, and additions of or to any of the foregoing, and all foreign counterparts of any of the foregoing.

1.207. "**Patent Term Extension**" has the meaning set forth in Section 8.6 (Patent Right Term Extension).

1.208. "**Paying Party**" has the meaning set forth in Section 7.12.2 (Withholding Tax).

1.209. "**Permitted Financing**" means (a) the Existing Credit Facilities and (b) any other arrangements or agreements for the incurrence of indebtedness by Omeros or its Subsidiaries that the creditor requires must be secured by all assets Controlled by Omeros or such Subsidiary (subject to customary or *de minimis* exceptions).

1.210. "**Permitted Financing Liens**" means, subject to Section 10.4.5 (No Encumbrances), any Liens securing a Permitted Financing.

1.211. "**Permitted Lien**" means the following Liens: (a) Liens for Taxes, assessments or other governmental charges or levies that are not yet due and payable or that are being contested in good faith by appropriate proceedings and for which adequate reserves have been established in accordance with GAAP; and (b) with respect to any Transferred Contract, any Lien reflected in the terms and conditions of such Transferred Contract.

1.212. "**Person**" means an individual, sole proprietorship, partnership, limited partnership, limited liability partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture, or other similar entity or organization, including a government or political subdivision, department, or agency of a government.

1.213. "**Personal Information**" means any information relating to an identified or identifiable individual or household, including any such information that constitutes "personal data," "personal information," "personally identifiable information," "protected health information," or an analogous term under applicable Data Protection and Security Requirements.

1.214. "**Phase 2 Trial**" means a Clinical Trial of a Product that is designed to evaluate initial efficacy and safety for a particular Indication in patients with the disease or condition under study and that satisfies the requirements of a Phase 2 study in 21 C.F.R. § 312.21(b), or any successor regulation thereto or foreign equivalents.

1.215. "**Phase 3 Trial**" means a Clinical Trial of a Product that is designed to demonstrate that such product is safe and effective for an Indication and that satisfies the requirements of a Phase 3 study in 21 C.F.R. § 312.21(c), or any successor regulation thereto or foreign equivalents. Notwithstanding any provision to the contrary set forth in this Agreement, treatment of patients as part of an expanded access program, compassionate sales or use program (including named patient program or single patient program), or an indigent program, in each case, will not be included in determining whether or not a Clinical Trial is a Phase 3 Trial or whether a patient has been dosed thereunder. [***].

1.216. "**PHS Act**" means the Public Health Services Act (Title 42, U.S.C., Chapter 6A).

1.217. "**PIIAs**" has the meaning set forth in Section 10.8 (PIIA Rights).

1.218. "**PNH**" has the meaning set forth in Section 7.2.1 (Development Milestone Events and Payments).

1.219. "**Pre-Closing Period**" has the meaning set forth in Section 10.4.1(a) (Conduct of the Business).

1.220. "**Price Applicability Period**" means, with respect to a qualifying single source drug, the period beginning on or after 2026 with respect to which such drug becomes a Selected IRA Drug and ending at the end of the last year during which such drug is a Selected IRA Drug.

1.221. "**Pricing and Reimbursement Approval**" means [***].

1.222. "**Priority Review Voucher**" has the meaning set forth in Section 6.8 (Rare Pediatric Priority Review Voucher).

1.223. "**Proceeding**" or "**Proceedings**" means any claim, action, arbitration, audit, hearing, inquiry, prosecution, contest, examination, proceeding, investigation, litigation, suit (whether civil, criminal, administrative, or investigative or appellate proceeding) commenced, brought, conducted, or heard by or before, or otherwise involving any Governmental Authority, arbitrator, or arbitration panel.

1.224. "**Process**" or "**Processing**" means any operation or set of operations whether or not by automatic means, including collection, recording, organization, storage, retention, access, adaptation, alteration, retrieval, consultation, use, disclosure, dissemination, making available, alignment, combination, blocking, deleting, erasure, or destruction.

1.225. "**Product**" means a product that comprises, consists of, incorporates, or contains one or more Compounds, in any presentation, format, formulation or dosage form, but excluding the Grandfathered MASP-3 Products. [***].

1.226. "**Program**" means the business of Omeros and its Affiliates relating to the Exploitation of the Compounds and Products, or any candidate, precursor, or intermediate thereof, in each case, as it exists as of the Execution Date or the Effective Date.

1.227. "**Program In-License**" means (a) that certain [***] Agreement, dated as of [***], by and between Omeros Corporation and [***] as such agreement may be amended, restated, modified or supplemented from time to time (the "[***] **License**"); (b) that certain [***] Agreement, dated [***], by and between Omeros Corporation and the [***]; (c) [***]Agreement, dated [***], by and among [***] and Omeros Corporation; and (d) [***]Agreement, dated [***], by and between Omeros Corporation and [***] ("[***]") as such agreement may be amended, restated, modified, or supplemented from time to time (the "[***] **Agreement**").

1.228. "**Proposed Summary**" has the meaning set forth in Section 6.1 (Development and Medical Affairs).

1.229. "**Prosecution and Maintenance**" or "**Prosecute and Maintain**" means, with regard to a particular Patent Right in a jurisdiction in the Territory, the preparation, drafting, filing, prosecution, maintenance, correspondences with the applicable Governmental Authorities therefor, and extension of such Patent Right (including any patent office proceedings such as any oppositions, interferences, reissue proceedings, *ex-parte* reexaminations, and post-grant proceedings for such Patent Right).

1.230. "**Receiving Party**" has the meaning set forth in Section 9.1 (Confidential Information; Non-Disclosure and Non-Use Obligations).

1.231. "**Recipient**" has the meaning set forth in Section 7.12.2 (Withholding Tax).

1.232. "**Redacted Agreement**" has the meaning set forth in Section 9.6.2 (Confidential Treatment).

1.233. "**Registered Intellectual Property**" has the meaning set forth in Section 10.2.11(a) (Registered Intellectual Property).

1.234. "**Regulatory Approval**" means, individually or collectively, any and all approvals (including MAAs), licenses, registrations, or authorizations of any Regulatory Authority that are necessary to Commercialize a pharmaceutical or biologic product (including a Product) in a given jurisdiction, including any supplements and amendments thereto, but expressly excluding all Pricing and Reimbursement Approvals.

1.235. "**Regulatory Authority**" means any Governmental Authorities with authority over the Development, Manufacture, Commercialization, or other Exploitation of a pharmaceutical or biologic product (including a Product), including the right to grant Regulatory Approvals or Pricing and Reimbursement Approvals, which includes the FDA in the U.S., and any other applicable Governmental Authorities having jurisdiction.

1.236. "**Regulatory Exclusivity**" means, with respect to an Anticipated Product in a country, any period of market exclusivity [***] granted or afforded by Applicable Law or by a Regulatory Authority in such country that (a) confers exclusive marketing rights [***], and (c) [***]

1.237. "**Regulatory Submissions**" means all (a) applications, filings, dossiers, and other documents submitted to a Regulatory Authority in support of the Development, Manufacture, Commercialization, or Exploitation of, or to obtain Regulatory Approval or Pricing and Reimbursement Approvals for, a pharmaceutical or biologic product, including all INDs and MAAs; (b) correspondence and reports submitted to or received from Regulatory Authorities or Review Boards (including all email correspondence and any minutes and official contact reports relating to any communications with any Regulatory Authority) and all supporting documents and data with respect thereto, including complete adverse event files, complaint files, and related documents; (c) supplements, amendments, or changes to any of the foregoing following receipt of Regulatory Approval; (d) supporting documentation, filings, notifications, and other items for any of the foregoing, including informed consents or quality-, Manufacturing-, or patient-related documents; and (e) clinical, non-clinical, chemical, biological, analytical, manufacturing, and other data (including from *in vitro*, *ex vivo*, or *in vivo* studies, and indication development data) contained in, referenced in, or relied upon in any of the foregoing; in each case ((a), (b), (c), (d), and (e)) relating to a Compound or Product.

1.238. "**Representatives**" has the meaning set forth on Section 10.1.7 (Non-Use and Non-Disclosure by Representatives).

1.239. "**Restricted Field**" means the treatment, prevention, diagnosis, or cure of any Indication that is not in the Unrestricted Field.

1.240. "**Restricted Field Period**" means the period starting on the Effective Date and ending on the [***] anniversary of the First Commercial Sale of a first Product under the Agreement.

1.241. "**Restricted Indication**" means any of the following Indications: [***] *provided* that if Novo Nordisk or its Affiliates, licensees, assignees, or Sublicensees has not [***] within [***] years after the Effective Date (the "**Restricted Indication Period**"), then, on an Indication-by-Indication basis, such unpursued Indication(s) will no longer be included as a Restricted Indication; [***].

1.242. "**Restricted Indication Period**" has the meaning set forth in Section 1.241 (Restricted Indication).

1.243. "**Review Board**" means all institutional review boards, data safety monitoring boards, or ethics committees responsible for review, oversight, or approval of any study (preclinical or clinical) involving any Product in any jurisdiction.

1.244. "**Sales Milestone Event**" has the meaning set forth in Section 7.3 (Sales Milestones).

1.245. "**Sales Milestone Payment**" has the meaning set forth in Section 7.3 (Sales Milestones).

1.246. "**Sanctioned Country**" means any country or region that is the subject or target of a comprehensive embargo under Trade Control Laws (including Cuba, Iran, North Korea, Syria and the Crimea, the so-called Donetsk People's Republic, and the so-called Luhansk People's Republic regions of Ukraine).

1.247. "**Sanctioned Person**" means any individual or entity that is the subject or target of sanctions or restrictions under applicable Sanctions Laws, including: (a) any individual or entity listed on any applicable U.S. or non-U.S. sanctions- or export-related restricted party list, including the List of Specially Designated Nationals and Blocked Persons administered by the U.S. Department of the Treasury's Office of Foreign Assets Control ("**OFAC**"); (b) any entity that is, in the aggregate, 50% or greater owned by, directly or indirectly, one or more individuals or entities described in clause (a); or (c) any entity or individual located in, organized under the laws of, a blocked national of, or ordinarily resident in, any Sanctioned Country.

1.248. "**Sanctions Laws**" means all Applicable Laws relating to economic or trade sanctions administered or enforced by the United States (including by OFAC or the U.S. Department of State) or any other applicable Governmental Authority.

1.249. "**Security Incident**" means (a) any unauthorized access, acquisition, interruption, alteration or modification, loss, theft, corruption or other unauthorized Processing of Personal Information or other confidential information in the possession or control of Omeros or any of its Affiliates, (b) inadvertent, unauthorized, or unlawful sale, or rental of Personal Information or confidential information by Omeros or any of its Affiliates, or (c) any breach of the security of or other unauthorized access to or use of or other compromise to the integrity or availability of the information systems used by Omeros to Process Confidential Information or Personal Information, in each case, in the course of performing activities related to the Program, Acquired Assets, Assumed Liabilities, or any Compound or Product ("**Omeros Systems**").

1.250. "**Selected IRA Drug**" means a Product that was selected for Medicare Price negotiation and published by the Secretary of the U.S. Department of Health and Human Services, in each case, under the Inflation Reduction Act.

1.251. "**Sharable Summary**" has the meaning set forth in Section 6.1 (Development and Medical Affairs).

1.252. "**Shared Contracts**" means any Contract that is used in or necessary for both (a) the Program and (b) the operation of any of the businesses or programs of Omeros or its Subsidiaries, other than the Program, including the Contracts set forth on Schedule 1.251(b).

1.253. "**Sublicensee**" means any Person, other than a Party or an Affiliate of a Party, to whom Novo Nordisk (or a downstream Sublicensee of Novo Nordisk or owner of the Acquired Assets) grants a sublicense under the licenses or rights granted to Novo Nordisk (or such downstream Sublicensee) under this Agreement.

1.254. "**Subsidiary**" means, with respect to any Person, any company, corporation or other organization or Person, whether incorporated or unincorporated, of which (a) such party or any other subsidiary of such party is a general partner (excluding such partnerships where such party or any subsidiary of such party does not have a majority of the voting interest in such partnership) or (b) at least a majority of the securities or other interests having by their terms ordinary voting power to elect a majority of the board of directors or others performing similar functions with respect to such corporation or other organization is directly or indirectly owned or controlled by such party or by any one or more of its subsidiaries or Affiliates.

1.255. "**Target**" means mannan-binding lectin-associated serine protease-3 (also commonly referred to as MASP-3).

1.256. "**Tax**" means (whether disputed or not) any (a) wherever arising federal, state, local, regional, municipal, or other tax or taxation, levy duty, charge, withholding, capital gains taxes, tariffs, or other assessment of any kind (including any related fine, penalty, addition to tax surcharge, or interest) imposed by, or payable to, a Governmental Authority, including sales, use, excise, stamp, transfer, property, employment, social security, ad valorem, alternative minimum tax, value added, goods and services, withholding, and franchise taxes, and (b) liability for the payment of any amounts of the type described in clause (a) as a result of being party to any tax sharing agreement or as a result of any express or implied obligation to indemnify any other Person with respect to the payment of such amounts.

1.257. "**Taxing Authority**" means any federal, state, local or foreign government, any subdivision, agency, commission, or authority thereof, or any quasi-governmental body, exercising tax regulatory authority.

1.258. "**Term**" has the meaning set forth in Section 13.1 (Term).

1.259. "**Territory**" means worldwide.

1.260. "**Third Party**" means any Person other than a Party or a Party's Affiliates.

1.261. "**Third Party Claim**" has the meaning set forth in Section 12.5 (Third Party Claim Procedures).

1.262. "**Third Party Claim Notice**" has the meaning set forth in Section 12.5 (Third Party Claim Procedures).

1.263. "**Third Party Expert**" has the meaning set forth in Section 2.5.8 (Assignment of Certain Transferred Assets; Shared Contracts).

1.264. "**Third Party IP Payments**" has the meaning set forth in Section 7.6.3 (Third Party Payments).

1.265. "**Top Suppliers**" has the meaning set forth in Section 10.2.15 (Suppliers).

1.266. "**Trade Control Laws**" means (a) any applicable Sanctions Laws, (b) any Applicable Law concerning the importation, exportation, re-exportation, or transfer of goods, software, or technology, including the Export Administration Regulations administered by the U.S. Department of Commerce's Bureau of Industry and Security, the International Traffic in Arms Regulations administered by the U.S. Department of State's Directorate of Defense Trade Controls, and customs and import Applicable Laws administered by U.S. Customs and Border Protection, and (c) the antiboycott Applicable Laws administered by the U.S. Department of Commerce's Office of Antiboycott Compliance and the IRS.

1.267. "**Transfer Plan**" has the meaning set forth in Section 5.6 (Technology Transfer).

1.268. "**Transferred Books and Records**" has the meaning set forth in Section 2.1.1(e) (Acquired Assets).

1.269. "**Transferred Clinical and Technical Data**" has the meaning set forth in Section 2.1.1(f) (Acquired Assets).

1.270. "**Transferred Contracts**" means the Closing Transferred Contracts and the Delayed Transferred Contracts.

1.271. "**Transferred Intellectual Property**" has the meaning set forth in Section 2.1.1(b) (Acquired Assets).

1.272. "**Transferred Know-How**" has the meaning set forth in Section 2.1.1(b) (Acquired Assets).

1.273. "**Transferred Patent Rights**" has the meaning set forth in Section 2.1.1(b) (Acquired Assets).

1.274. "**Transferred Regulatory Submissions**" has the meaning set forth in Section 2.1.1(d) (Acquired Assets).

1.275. "**Transition Services Agreement**" has the meaning set forth in Section 3.3.7 (Closing Deliveries by Omeros).

1.276. "[***]" has the meaning set forth in Section 1.227 (Program In-License).

1.277. "[***] **Agreement**" has the meaning set forth in Section 1.227 (Program In-License).

1.278. "**Unrestricted Field**" means the treatment, prevention, diagnosis, or cure of (a) any Indication in the following disease areas: ophthalmology, dermatology, or oncology, (b) any Indication in the following disease areas that is included on Schedule 1.278: musculoskeletal, gastrointestinal, and neurology, or (c) any other Indication in which Omeros is permitted to Exploit a Grandfathered SMOL MASP-3 Product in accordance with Section 5.2 (Licenses to Omeros) or as otherwise agreed in writing by the Parties.

1.279. "**Upfront Fee**" has the meaning set forth in Section 7.1 (Upfront Fee).

1.280. "**U.S.**" or "**United States**" means the United States of America and its possessions and territories, including Puerto Rico.

1.281. "**Valid Claim**" means, with respect to a Patent Right and a particular country, (a) a claim of any issued and unexpired patent in such country whose validity, enforceability, or patentability has not been terminated by any of the following: (i) irretrievable lapse, abandonment, revocation, dedication to the public, or disclaimer; or (ii) a holding, finding, or decision of invalidity, unenforceability, or non-patentability, from which decision no appeal can be further taken, or (b) a claim within a patent application in such country that has not been pending for more than [***] from the earliest date to which such claim or the applicable patent application is entitled to claim priority and which claim has not been revoked, cancelled, withdrawn, held invalid, abandoned, or finally rejected by a Governmental Authority from which no appeal can be or has been taken.

1.282. "**Willful Breach**" means a deliberate act or omission by a Party, with knowledge of, or reckless disregard for, the reasonably likely consequences of such act or omission, that constitutes a breach of this Agreement.

1.283. "[***] **License**" has the meaning set forth in Section 1.227 (Program In-License).

1.284. "**906**" has the meaning set forth in Section 1.52 (Compound).

2. ASSET ACQUISITION; ASSUMPTION OF LIABILITIES

2.1 **Acquired Assets.**

2.1.1 At the Closing, in accordance with and pursuant to the terms and subject to the conditions of this Agreement, for consideration consisting of the Upfront Fee and any applicable Milestone Payments, Omeros will and will cause its applicable Affiliates to, grant, sell, transfer, convey, assign, and deliver to Novo Nordisk, or any of its Affiliates, as designated by Novo Nordisk, and Novo Nordisk will purchase and accept from Omeros or its Affiliates, all rights, title, and interests of Omeros and its Affiliates, as applicable, as of the Closing, in and to all of the following assets, properties, rights, and interests (collectively, the "**Acquired Assets**"), free and clear of all Liens, other than Permitted Liens:

(a) the physical materials under the direct or indirect control of Omeros or its applicable Affiliates, that are [***] to the Compounds or Products or the Development, Manufacture, Commercialization, or other Exploitation thereof, research controls, retained materials from Clinical Trials, and other biological materials, in each case as listed on Schedule 2.1.1(a), *except* all Inventories (which will be Delayed Acquired Assets to be delivered to Novo Nordisk A/S or its designated Affiliate). Novo Nordisk A/S (or its designated Affiliate) shall pay for, and take possession of certain of, such Inventories in accordance with Section 2.1.2 (Delayed Acquired Assets) below and the Transition Services Agreement;

(b) (i) the Patent Rights that are owned (whether solely or jointly) or purported to be owned by Omeros or any of its Affiliates [***] any Compound or Product, or any candidate, precursor, or intermediate thereof, or the Manufacture or use thereof (including all composition of matter, method of use, or method of manufacturing Patent Rights) and are, [***] (collectively, the "**Transferred Patent Rights**"), subject to any limitations, obligations, and rights further set forth in Schedule 2.1.1(b)(i) and Section 2.5.7 (Assigned and Retained Target Patent Rights); (ii) all Know-How owned (solely or jointly) or purported to be owned by Omeros or any of its applicable Affiliates that is [***] and discloses, describes, teaches, or otherwise increases the benefits or reduces the burdens of Exploiting such Compound or Product, or any candidate, precursor, or intermediate thereof or conducting the Program, including the Know-How that is described on Schedule 2.1.1(b)(ii) (collectively, the "**Transferred Know-How**"); and (iii) all Intellectual Property (other than Patent Rights and Know-How) owned (solely or jointly) or purported to be owned by Omeros or its Affiliates that is [***], including any trademarks, domain names, copyrights, and other brand-associated Intellectual Property relating primarily or specifically to any Product (including "zaltenibart", domain names containing or comprising "zaltenibart" and variations thereof) (and, together with the Transferred Patent Rights and Transferred Know-How, the "**Transferred Intellectual Property**"); and in each case ((i)-(iii)), including the right to sue and recover for infringement, misappropriation, unauthorized use, or disclosure with respect to the Transferred Intellectual Property;

(c) all Contracts identified on Schedule 2.1.1(c), including all rights, benefits, and interests thereunder (the "**Closing Transferred Contracts**");

(d) all Regulatory Submissions held by or on behalf of Omeros or its Affiliates, other than Delayed Transferred Regulatory Submissions, for the Compounds or Products, [***] (the "**Closing Transferred Regulatory Submissions**", and together with Delayed Transferred Regulatory Submissions, collectively, "**Transferred Regulatory Submissions**");

(e) copies of all books and records, including supplier and consultant lists, data, reports, specifications, account lists, distribution lists, batch records, development and commercialization plans and life cycle management data, plans or documents including market research, documents and records of advisory boards, documents and records of Medical Affairs, scientific publications, and any other documents or materials discussed with or distributed to payors or formulary committees, supplier correspondence (in all cases, in any form or medium) and scientific records and files (including laboratory notebooks and invention disclosures), in each case, [***] the Program or the Compounds or Products, or the Development, Manufacture, Commercialization, or other Exploitation thereof [***] (the "**Transferred Books and Records**");

(f) all Clinical and Technical Data [***] the Compounds or Products (the "**Transferred Clinical and Technical Data**");

(g) (i) any and all rights to causes of action, lawsuits, judgments, claims, counterclaims, rights of recovery, and demands and (ii) amounts due to Omeros or any of its applicable Affiliates in respect of a Proceeding or Order, in each case, [***] to or arising from the Transferred Contracts, Compounds or Products, or the Development, Manufacture, Commercialization, or other Exploitation thereof and arising in respect of, or otherwise attributable to, the period on or after the Effective Date;

(h) all rights under any guaranties, warranties, indemnities, rights of contribution, rights to refunds, rights of reimbursement, and other rights of recovery and similar rights [***] to the Compounds or Products, or the Development, Manufacture, Commercialization, or other Exploitation thereof or the Assumed Liabilities, in each case, to the extent arising on or after the Closing; and

(i) any other asset, property, or right owned by or belonging to Omeros or its Affiliates, that are not physical materials (including Inventory), Patent Rights or other Intellectual Property, or Contracts, that [***] to the Compounds or Products, or any candidate, precursor, or intermediate thereof, or the Development, Manufacture, Commercialization, or other Exploitation thereof, in each case, [***].

2.1.2 Notwithstanding any provision to the contrary set forth in this Agreement, including in Section 2.1.1 (Acquired Assets), all Contracts identified on Schedule 2.1.2(a) (the "**Delayed Transferred Contracts**") and all Regulatory Submissions identified on Schedule 2.1.2(b), as well as all (a) applications, filings, supplements, amendments, and other documents submitted to a Regulatory Authority; (b) correspondence and reports submitted to or received from Regulatory Authorities or Review Boards (including all email correspondence, meeting minutes, and contact reports), including complete adverse event files, complaint files, and related documents; and (c) all supporting documents, reports, and clinical, non-clinical, chemical, analytical, manufacturing, and other data contained in, referenced in, or relied upon in any of the foregoing; in each case ((a), (b), and (c), relating to the Regulatory Submissions identified in Schedule 2.1.2(b) (the "**Delayed Transferred Regulatory Submissions**"), and all Inventories, and all rights, benefits, and interests thereunder, after the Closing, including any rights to (i) Inventory and any manufacturing capacity, reservations, or allocations under any Delayed Transferred Contracts or (ii) being the direct, named party with respect to any Governmental Authorities under any Delayed Transferred Regulatory Submissions; in each case, will not be granted, transferred, conveyed, assigned, or delivered at Closing by Omeros to Novo Nordisk (or in the case of Inventories, Novo Nordisk A/S or its designated Affiliate), and instead, (A) will be utilized as further provided in the Transition Services Agreement, and (B) except as otherwise provided in the Transition Services Agreement or directed by Novo Nordisk, upon termination or expiration of the Transition Services Agreement, Omeros will grant, transfer, convey, assign, and deliver to Novo Nordisk (and in the case of Inventories, Novo Nordisk A/S or its designated Affiliate), and Novo Nordisk (and in the case of Inventories, Novo Nordisk A/S or its designated Affiliate) will accept from Omeros, all rights, title, and interests of Omeros and its Affiliates, as applicable, at the time of such transfer, conveyance, assignment or delivery, in and to such Delayed Transferred Contracts, Delayed Transferred Regulatory Submissions, and Inventories (collectively, the "**Delayed Acquired Assets**"), free and clear of all Liens, other than Permitted Liens, in accordance with and pursuant to the terms and subject to the conditions of this Agreement and the Transition Services Agreement. For the avoidance of doubt (x) all Inventory included in the Delayed Acquired Assets will remain owned by Omeros until the transfer, conveyance, assignment, or delivery to Novo Nordisk or its Affiliate pursuant to Section 4.11 of the Transition Services Agreement, and (y) all Delayed Acquired Assets constitute a part of Acquired Assets.

2.2 **Excluded Assets**. Notwithstanding any provision to the contrary set forth in this Agreement, other than pursuant to Section 2.1.2 (Delayed Acquired Assets) above or the licenses granted under Section 5.1 (Licenses to Novo Nordisk) or as expressly provided in any Ancillary Agreement, Omeros and its applicable Affiliates will retain and will not grant, sell, transfer, convey, assign, or deliver to Novo Nordisk, and Novo Nordisk will not purchase, accept, or otherwise acquire any rights, title, or interests in any assets of Omeros that are not Acquired Assets, including the following assets, which are expressly excluded from the Acquired Assets and are not to be acquired by Novo Nordisk pursuant to this Agreement (the "**Excluded Assets**"):

2.2.1 all cash, cash equivalents, deposits, bank accounts, other pre-Closing balance sheet assets, and securities and similar cash items of Omeros;

2.2.2 the Licensed Background Technology;

2.2.3 the (a) Omeros Retained Target Patent Rights, and (b) Family 7 Patent Rights;

2.2.4 the Grandfathered MASP-3 Products;

2.2.5 narsoplimab or any other compound or molecule of Omeros or its Affiliates that is not a Compound or Product, including any compound or molecule that is not Directed To the Target;

2.2.6 rights of Omeros or its Affiliates arising under this Agreement or the Ancillary Agreements, as applicable, and all books, documents, records, files, or other items relating to the negotiation and consummation of this Agreement and the other transactions contemplated by this Agreement or the Ancillary Agreements or otherwise prepared in connection with the transactions contemplated hereby and thereby, including all confidential communications with legal counsel representing Omeros and the right to assert attorney-client privilege with respect thereto;

2.2.7 all Tax refunds, credits, offsets, rebates, recoveries, credits of Taxes, Tax losses, loss and credit carry-forwards, and similar benefits related to the Acquired Assets for any taxable period (or portion thereof) ending on or before the Closing or to the extent relating to the other Excluded Assets or any Excluded Liability for all periods;

2.2.8 any rights, claims, causes of action, privileges, counterclaims, or defenses of Omeros or its Affiliates against Third Parties to the extent not related to, or arising from the Program, Acquired Assets, or Assumed Liabilities;

2.2.9 all Excluded Contracts;

2.2.10 any and all personnel, employment compensation, medical and benefits and labor relations records relating to the current and former employees, independent contractors, officers, and directors of Omeros or its Affiliates, or any assets thereof; and

2.2.11 all real property owned by Omeros, and all leasehold interests in real property, that are held by Omeros or any of its Affiliates.

2.3 **Assumed Liabilities.**

2.3.1 At the Closing, in accordance with and pursuant to the terms and conditions of this Agreement, Novo Nordisk will assume and agree to satisfy and discharge the following Liabilities of Omeros and its applicable Affiliates relating to the Acquired Assets, whether arising on or after the Closing (collectively, the "**Assumed Liabilities**"):

(a) all Liabilities arising out of Novo Nordisk's or any of its Affiliates', assignees', licensees' or Sublicensees' ownership or use of, or performance under, the Program, any Acquired Asset, any Compounds or Products, or the Exploitation thereof, solely to the extent (i) first arising on or after the Closing and (ii) not arising out of or accruing as a result of any facts or occurrences existing prior to the Closing, including not arising out of or accruing as a result of any failure to perform or other breach, default, or violation by Omeros or any of its Affiliates prior to the Closing;

(b) all Liabilities arising out of or relating to, or requiring performance under, any Transferred Contracts, solely to the extent (i) arising on or after the Closing and (ii) not arising out of or accruing as a result of any facts or occurrences existing prior to the Closing, including not arising out of or accruing as a result of any failure to perform or other breach, default, or violation by Omeros or any of its Affiliates of any such Transferred Contracts prior to the Closing; and

(c) all Liabilities arising under any Non-Transferrable Asset arising after the Closing, to the extent not arising from any breach, default or violation of such Non-Transferrable Asset by Omeros prior to the Closing, including not arising out of or accruing as a result of any failure to perform or other breach, default, or violation by Omeros or any of its Affiliates prior to the Closing.

2.3.2 Notwithstanding any provision to the contrary set forth in this Agreement, without duplication of any amounts owed to Omeros under the Transition Services Agreement, Novo Nordisk will assume and agree to satisfy and discharge Assumed Liabilities relating to the Delayed Acquired Assets pursuant to this Agreement on the Effective Date, and the Liabilities of Omeros or its Affiliates relating to such Delayed Acquired Assets shall constitute Assumed Liabilities, to the extent that such Liabilities do not arise from any breach, default, or violation of any Delayed Acquired Assets by Omeros on or prior to the date on which such Delayed Acquired Assets are assigned or transferred to Novo Nordisk.

2.4 **Excluded Liabilities**. Notwithstanding any provision to the contrary set forth in this Agreement, neither Novo Nordisk nor any of its Affiliates will assume, nor will they be or become responsible for, any Liabilities of the Program or of Omeros or any of its Affiliates other than the Assumed Liabilities, including the following (collectively, the "**Excluded Liabilities**"):

2.4.1 all Liabilities related to the Grandfathered MASP-3 Products; and

2.4.2 all Liabilities related to or arising out of the activities performed by or on behalf of Omeros or any of its Affiliates in the performance of any activities under Section 5.2 (Licenses to Omeros) or otherwise permitted by Section 5.4 (Exclusivity), including in the Exploitation of any Grandfathered MASP-3 Antibody Products, Grandfathered SMOL MASP-3 Products, or products Directed To an Alternative Pathway Target.

2.5 **Assignment of Certain Transferred Assets; Shared Contracts.**

2.5.1 Notwithstanding any provision to the contrary set forth in this Agreement or in the Transition Service Agreement, this Agreement will not constitute an agreement for Omeros to sell, convey, assign, transfer, or deliver to Novo Nordisk any Acquired Asset or any claim or right or any benefit arising thereunder or resulting therefrom or for Novo Nordisk to purchase, acquire, or receive any Acquired Asset or assume any liability, in each case, if an attempted sale, conveyance, assignment, transfer, or delivery thereof, without the consent, authorization, or approval of a Third Party (including any Governmental Authority) (a "**Consent**"), would constitute a breach thereof or a violation of Applicable Law (each, a "**Non-Transferrable Asset**"). For clarity, any Non-Transferrable Asset that would otherwise constitute an Acquired Asset will not be deemed an Acquired Asset unless and until such Consent is obtained; *provided* that following Omeros' receipt of the relevant Consent, Omeros will promptly assign or transfer to Novo Nordisk the Non-Transferrable Asset and such asset will thereafter be deemed an "Acquired Asset" for purposes of this Agreement. Schedule 2.5.1 sets forth a list of the Non-Transferrable Assets identified by the Parties as of the date hereof.

2.5.2 Solely with respect to the [***] MSA, if such Consent is not obtained prior to the Closing , then during the period commencing on the expiration or termination of the TSA or Novo Nordisk's earlier request after Closing and ending on the earliest of [***], the "**[***] Obligation End Date**"), Omeros will promptly use its reasonable best efforts to obtain such Consent to transfer the [***] MSA to Novo Nordisk or assist Novo to obtain an equivalent alternative of the [***] MSA from such applicable Third Party. In addition, until the [***] Obligation End Date, Omeros will use reasonable best efforts to provide to Novo Nordisk substantially comparable benefits that are provided to Omeros under the [***] MSA and will cooperate with any reasonable arrangement proposed by Novo Nordisk under which Novo Nordisk will obtain, to the extent permitted under Applicable Law, operational equivalent of the transfer of the [***] MSA to Novo Nordisk as of the Closing, under substantially similar economics. Omeros will, until the [***] Obligation End Date, grant a sublicense to Novo Nordisk under all intellectual property rights that are granted to Omeros pursuant to the [***] MSA (if any).

2.5.3 If any such Consent for any Non-Transferrable Asset, other than the [***] MSA, is not obtained prior to the Closing such that the attempted sale, conveyance, assignment, transfer, or delivery of such Non-Transferrable Asset would constitute a breach thereof or a violation of Applicable Law, then, for a period of [***] years following the Closing, Omeros will promptly use its reasonable best efforts to obtain such Consent to transfer such Non-Transferrable Asset to Novo Nordisk, and during such period in which Omeros attempts to obtain such Consent, Omeros will use reasonable best efforts to provide to Novo Nordisk substantially comparable benefits thereof and will cooperate with any reasonable arrangement proposed by Novo Nordisk under which Novo Nordisk will obtain substantially similar economics and, to the extent permitted under Applicable Law, operational equivalent of the transfer of such Acquired Asset to Novo Nordisk as of the Closing. Notwithstanding the foregoing, and other than with respect to any Program In-License or other Transferred Contract identified on Schedule 2.5.2 (a "**Non-Transferrable License**") or the [***] MSA, Omeros may terminate any Non-Transferrable Assets effective as of the date that is [***] years following the Effective Date. Omeros will, at its sole cost and expense, (a) license to Novo Nordisk as Licensed Technology (pursuant to the license grant in Section 5.1 (Licenses to Novo Nordisk)) all intellectual property rights that are the subject of any Non-Transferrable License and (b) during the [***] year period following the Effective Date until Consent is obtained to assign and transfer any Non-Transferrable License, cooperate and provide reasonable assistance to Novo Nordisk upon Novo Nordisk's request to (i) obtain such Consent (including, for example, by Novo Nordisk seeking such Consent in Omeros' name) or (ii) obtain a duplicate alternative of such Non-Transferrable Asset from such applicable Third Party.

2.5.4 If, at any time after Closing, Omeros receives the Consents required to transfer any Non-Transferrable Asset to Novo Nordisk (including the [***] MSA), then Omeros will transfer and convey such Non-Transferrable Asset to Novo Nordisk without payment of any additional consideration by Novo Nordisk.

2.5.5 Without limiting Omeros' obligations in the final sentence of Section 2.5.3 (Assignment of Certain Transferred Assets; Shared Contracts), with respect to the [***] MSA, upon Novo Nordisk's request, Omeros will, during the term of the Transition Services Agreement and until all activities under the relevant statements of work under the [***] MSA specific to the Compound or Product have been fully performed or, if earlier, until all such statements of work expire or otherwise terminates (*provided* that in the event such activities under the relevant statements of work under the [***] MSA specific to the Compound or Product are not fully performed or such statements of work have not expired or otherwise terminated immediately following expiration or termination of the Transition Services Agreement, the Parties will agree upon a plan and budget pursuant to which such activities will be performed, and Omeros may invoice Novo Nordisk for the FTE Costs and documented Out-of-Pocket Costs incurred to perform such activities in accordance with the plan and budget, and Novo Nordisk will pay the undisputed invoiced amounts within [***] days after the date of such invoice):

2.5.6 [***] With respect to Program In-Licenses identified on Schedule 2.5.6, Novo Nordisk and Omeros will execute a written sublicense under such Shared Contracts, at or promptly after the Effective Date, in accordance with requirements thereunder to the extent necessary to pass-through any obligations or rights that are specific to such Program In-License, and, subject to the execution of any such separate sublicenses, any such rights to be so sublicensed will be deemed Licensed Technology pursuant to Section 5.1 (Licenses to Novo Nordisk) hereunder.

2.5.7 **Assigned and Retained Target Patent Rights**.

(a) **"Novo Nordisk Assigned Target Patent Rights**" means: (i) with respect to Family 1, any pending or granted Patent Right [***], *regardless* of whether such Patent Rights may contain [***], (ii) with respect to Family 2, any pending or granted Patent Right [***] *regardless* of whether such Patent Rights may contain [***] and (iii) with respect to Family 4, any pending or granted Patent Right [***].

(b) **"Omeros Retained Target Patent Rights**" means: (i) with respect to Family 1, (A) any pending or granted Patent Right [***] and (B) any other Patent Rights within Family 1 that are not Novo Nordisk Assigned Target Patent Rights or encompassed under the foregoing (A), (ii) with respect to Family 2, (A) any pending or granted Patent Right [***] and (B) [***].

(c) To further effectuate the division of the Patent Rights set forth in Section 2.5.7(a) and Section 2.5.7(b) above, (i) prior to the Closing, Omeros will, in jurisdictions that allow for such divisional or continuation filings to be filed during such time (which, in any case, will include (A) with respect to Family 1, [***](B) with respect to Family 2, [***], and (C) with respect to Family 4, [***] and (ii) [***], Omeros will use its reasonable efforts to, in either case ((i) or (ii)), create divisionals or continuations of the designated patent applications on Schedule 2.1.1(b)(i) (x) with respect to such patent applications that are in Family 1 and Family 2 and are also within the Multi-Target Patent Rights, to segregate the subject matter of such patent applications therein into applications containing (1) [***], which applications and any resulting Patent Rights will each be Novo Nordisk Assigned Target Patent Rights, and Novo Nordisk will not expand Prosecution and Maintenance thereof to Cover subject matter that is [***], and (2) any other independent claims, which applications and any resulting Patent Rights will each be Omeros Retained Target Patent Rights, and Omeros will not expand Prosecution and Maintenance thereof to include [***]; and (y) with respect to such patent applications that are in Family 4 and are also within the Multi-Target Patent Rights, to segregate the subject matter of such patent applications therein into (1) applications containing [***], which applications and any resulting Patent Rights will each be Novo Nordisk Assigned Target Patent Rights, and [***], and (2) any other Patent Rights within Family 4 (including the parent application) that is not encompassed under the foregoing (1), which Patent Rights shall be deemed Omeros Retained Target Patent Rights, [***]. Any of the foregoing Novo Nordisk Assigned Target Patent Rights filed in accordance with this Section 2.5.7(c) (Assigned and Retained Target Patent Rights) will be included in the Transferred Patent Rights and will be assigned, and are hereby assigned, to Novo Nordisk, effective promptly following the completion of any of the above applicable filing process for the Novo Nordisk Assigned Target Patent Rights (irrespective of whether such filing occurs prior to or after the Closing). Any of the foregoing Omeros Retained Target Patent Rights filed in accordance with this Section 2.5.7(c) (Assigned and Retained Target Patent Rights) will be included as Licensed Background Patent Rights to the extent they are necessary or reasonably useful to Exploit one or more Compounds or Products. As set forth in Section 1.152 (Licensed Background Patent Right), the Multi-Target Patent Rights will be included in the Licensed Background Patent Rights [***].

2.5.8 [***].

3. CLOSING

3.1 **Closing**. The closing of the Asset Sale (the "**Closing**") will take place virtually in accordance with and pursuant to the terms and conditions of this Agreement as promptly as practicable and no later than [***] Business Days following the satisfaction or waiver (to the extent permitted by Applicable Law) of all of the conditions set forth in Article 11 (Conditions to Close) (other than satisfaction of those conditions that by their nature are to be satisfied at the Closing itself) or at such other time, date or place, including electronically, as Omeros and Novo Nordisk may mutually agree. The date on which the Closing actually occurs is herein referred to as the "**Effective Date**."

3.2 **Payment of Consideration**. Novo Nordisk will (in addition to the assumption of the Assumed Liabilities), and solely with respect to the Inventory, Novo Nordisk shall cause Novo Nordisk A/S to:

3.2.1 at the Closing, pay to (a) Omeros in the Omeros Account an amount equal to the Upfront Fee and (b) its Creditor in the Creditor Account an amount equal to the Creditor Lien Release Amount. Omeros shall provide such Creditor Account to Novo Nordisk at least [***] Business Days prior to Closing;

3.2.2 pay to Omeros the costs for the Inventory as set forth in Section 4.11 (Inventory) of the Transition Services Agreement;

3.2.3 upon the achievement, if any, of the Development Milestone Events, pay to Omeros the corresponding Development Milestone Payment in accordance with Section 7.2 (Development Milestones); and

3.2.4 upon the achievement, if any, of the Sales Milestone Events, pay to Omeros the corresponding Sales Milestone Payment in accordance with Section 7.3 (Sales Milestones).

3.3 **Closing Deliveries by Omeros**. At the Closing, Omeros will deliver or cause to be delivered to Novo Nordisk:

3.3.1 the Acquired Assets;

3.3.2 a counterpart of the Assignment and Assumption Agreement, substantially in the form attached hereto as Schedule 3.3.2 (the "**Assignment and Assumption Agreement**"), duly executed by Omeros;

3.3.3 a counterpart of the Bill of Sale, substantially in the form attached hereto as Schedule 3.3.3 (the "**Bill of Sale**"), duly executed by Omeros;

3.3.4 a duly executed IRS Form W-9 of Omeros;

3.3.5 a duly executed IRS Form 6166 of Omeros or validly filed Form 8802 request for Form 6166;

3.3.6 a duly executed copy of the Lien Release Consent, substantially in the form attached hereto as Schedule 3.3.6 (the "**Lien Release Consent**");

3.3.7 a counterpart of the Transition Services Agreement, substantially in the form attached hereto as Schedule 3.3.7 (the "**Transition Services Agreement**"), duly executed by Omeros;

3.3.8 a counterpart of the Intellectual Property Assignment Agreement, substantially in the form attached hereto as Schedule 3.3.8 (the "**Intellectual Property Assignment Agreement**"), duly executed by Omeros;

3.3.9 the Omeros Closing Certificate; and

3.3.10 a certificate of Omeros, dated as of the Effective Date, executed by an authorized officer of Omeros, (a) certifying as to (i) Omeros' Organizational Documents, (ii) the resolutions of the board of directors of Omeros authorizing the execution, delivery, and performance by Omeros of this Agreement and any Ancillary Agreements to which it is a party, and (iii) the incumbency and signatures of the individuals signing this Agreement or any Ancillary Agreements delivered in connection herewith on behalf of Omeros, and (b) attaching a good standing certificate of the jurisdiction of organization of Omeros and each of its Affiliates that hold Acquired Assets or Assumed Liabilities (if applicable), to the extent available under the Applicable Laws of such jurisdiction, dated as of a date not more than [***] Business Days prior to the Effective Date, certifying as to the good standing of Omeros or such Affiliate.

3.4 **Closing Deliveries by Novo Nordisk**. At the Closing, Novo Nordisk will deliver to Omeros:

3.4.1 a counterpart of the Assignment and Assumption Agreement, duly executed by Novo Nordisk;

3.4.2 a counterpart of the Bill of Sale, duly executed by Novo Nordisk;

3.4.3 a counterpart of the Transition Services Agreement, duly executed by Novo Nordisk;

3.4.4 a counterpart of the Intellectual Property Assignment Agreement, duly executed by Novo Nordisk;

3.4.5 the Novo Nordisk Closing Certificate; and

3.4.6 a certificate of Novo Nordisk, dated as of the Effective Date, executed by an authorized officer of Novo Nordisk, certifying as to (a) Novo Nordisk's Organizational Documents, (b) the resolutions of the governing body of Novo Nordisk authorizing the execution, delivery, and performance by Novo Nordisk of this Agreement and any Ancillary Agreements to which it is a party, and (c) the incumbency and signatures of the individuals signing this Agreement or any Ancillary Agreements delivered in connection herewith on behalf of Novo Nordisk.

4. EFFORTS; ANTITRUST APPROVAL

4.1 Each of Omeros and Novo Nordisk will, and will cause their respective Affiliates to, use their reasonable best efforts to (a) make an appropriate filing of a Notification and Report Form pursuant to the HSR Act ("**HSR Filing**") with respect to the transactions contemplated hereby as promptly as practicable, and in any event within [***] Business Days after the Execution Date, and submit a copy of such HSR Filing to the Attorney General of the State of Washington promptly thereafter, (b) make appropriate filings with any other Governmental Authorities that may be necessary, proper, or advisable under any other Antitrust Law with respect to the transactions contemplated hereby as promptly as practicable after the date hereof, (c) cooperate and coordinate with the other Party in the making of such filings, (d) supply the other Party with any information that may be required in order to effectuate such filings, and (e) cause the expiration or termination of the applicable waiting periods under any applicable Antitrust Laws, and obtain all required Consents of Governmental Authorities that are necessary for the consummation of the transactions contemplated hereby. Each of Omeros and Novo Nordisk will promptly inform the other Party of any material communication (and, if in writing, furnish them copies of (or, in the case of oral communications, advise them of the contents of) such material communication) from any Governmental Authorities regarding any of the transactions contemplated hereby. [***].

4.2 In furtherance and not in limitation of the foregoing, [***].

4.3 Each Party will bear its own expenses in connection with activities under this Article 4 (Efforts; Antitrust Approval) [***].

5. LICENSE GRANT; EXCLUSIVITY

5.1 **Licenses to Novo Nordisk**.

5.1.1 Subject to Section 2.5.8 (Assignment of Certain Transferred Assets; Shared Contracts), Omeros, on behalf of itself and its Affiliates, hereby grants to Novo Nordisk an exclusive (even as to Omeros and its Affiliates), perpetual, irrevocable, royalty-bearing, transferrable (solely in connection with an assignment of this Agreement permitted under Section 15.1 (Assignment), including to any Affiliate), sublicensable (in accordance with Section 5.3 (Sublicenses)) license under the Licensed Technology (including any Clinical and Technical Data or other data contained in Regulatory Submissions) to (a) Develop, Manufacture, Commercialize, and otherwise Exploit the Compounds and Products and (b) exercise its rights to settle a Competing Infringement in accordance with Section 8.4.5 (Competing Infringement; Novo Nordisk First Right to Enforce; Omeros Second Right); provided that the foregoing license does not provide Novo Nordisk a license to Exploit compounds other than Compounds and Products, including any compounds or products Directed To MASP-2 or any other target that is not the Target.

5.1.2 Omeros, on behalf of itself and its Affiliates, hereby grants to Novo Nordisk an exclusive (even as to Omeros and its Affiliates), perpetual, irrevocable, royalty-bearing, transferrable (solely in connection with an assignment of this Agreement permitted under Section 15.1 (Assignment) including to any Affiliate), sublicensable (in accordance with Section 5.3 (Sublicenses)) sublicense under Omeros' interest in all Intellectual Property Controlled by Omeros that is set forth in Schedule 5.1.2, to manufacture, use, sell, offer for sale, distribute, export and import any and all products and to practice all methods covered by or included in such Intellectual Property.

5.2 **Licenses to Omeros**.

5.2.1 Novo Nordisk, on behalf of itself and its Affiliates, hereby grants to Omeros an exclusive, worldwide, royalty-free, transferrable (solely in connection with an assignment of this Agreement permitted under Section 15.1 (Assignment)), sublicensable (in accordance with Section 5.3 (Sublicenses)), [***] license under the Novo Nordisk Licensed Technology to Exploit the Grandfathered MASP-3 Products, solely in accordance with, and as permitted under, Section 5.4 (Exclusivity), including with respect to (a) fields, (b) uses, and (c) time durations set forth thereunder.

5.2.2 Novo Nordisk, on behalf of itself and its Affiliates, hereby grants to Omeros a non-exclusive, worldwide, royalty-free, transferrable (solely in connection with an assignment of this Agreement permitted under Section 15.1 (Assignment)), sublicensable (in accordance with Section 5.3 (Sublicenses)), [***] license under the Novo Nordisk Assigned Target Patent Rights to Exploit compounds Directed To (a) targets other than the Target and (b) the Target, solely in accordance with, and as permitted under, Section 5.4 (Exclusivity), including with respect to (i) fields, (ii) uses, and (iii) time durations set forth thereunder.

5.2.3 Novo Nordisk, on behalf of itself and its Affiliates, hereby grants to Omeros a non-exclusive, worldwide, royalty-free, transferrable (solely in connection with an assignment of this Agreement permitted under Section 15.1 (Assignment)), sublicensable (in accordance with Section 5.3 (Sublicenses)) license under the Novo Nordisk Licensed Technology to use [***].

5.2.4 Notwithstanding any provision herein to the contrary, Omeros shall be permitted to retain copies of the Novo Nordisk Licensed Technology, including all Transferred Know-How and Assigned Arising Technology, solely to the extent necessary to enable the exercise of the foregoing licenses for the duration during which such licenses are granted, subject to Article 9 and Section 13.4.1(a) (Effect of Termination).

5.3 **Sublicenses.**

5.3.1 Novo Nordisk will have the right to grant sublicenses of the rights granted to it under Section 5.1 (Licenses to Novo Nordisk) through multiple tiers to one or more Affiliates or Third Parties, including to any contractor engaged by or on behalf of Novo Nordisk or any of its Affiliates. Any such sublicense must be consistent with the applicable terms of this Agreement. [***].

5.3.2 Omeros will have the right to grant sublicenses of the rights granted to it under Section 5.2 (Licenses to Omeros) or Section 2.5.8 (Assignment of Certain Transferred Assets; Shared Contracts) through multiple tiers to one or more Affiliates or Third Parties. Any such sublicense must be consistent with the applicable terms of this Agreement, including the requirements of Section 5.4 (Exclusivity) below.

5.4 **Exclusivity**

5.4.1 **Target Exclusivity Covenant**. Subject to the allowances, licenses, and exceptions set forth in Section 5.4.2 (Grandfathered MASP-3 Antibody Restrictions), Section 5.4.3 (Grandfathered SMOL MASP-3 Product Restrictions), and Section 5.4.4 (Alternative Pathway Restrictions), Section 5.4.5 (Exceptions), and Section 5.4.6 (Termination of Exclusivity), during the Term of the Agreement, Omeros will not, and will cause its Affiliates to not, either directly or indirectly, whether for itself or with, for, or on behalf of any Third Party (including through subcontractors or the grant of any license or option to any Third Party or otherwise permitting a Third Party to) conduct, undertake, provide to any Third Party, enable, or engage in any Development, Manufacturing, Commercialization, or other Exploitation activities in the Territory with respect to, or in support of, any Competing Product; *provided* that nothing in this Agreement will limit Omeros' rights to Exploit, directly or indirectly, any of Omeros' compounds or products Directed To MASP-2, including narsoplimab and OMS1029, or any compounds or products that are the subject of Omeros' complement-targeting programs that are not Directed To MASP-3, including its T-CAT program, including, in each case, in multi-specific products so long as any such multi-specific product does not incorporate a compound that is Directed To MASP-3 [***].

5.4.2 **Grandfathered MASP-3 Antibody Restrictions**. Omeros will have the right, directly or indirectly, to Develop, Manufacture, Commercialize, and otherwise Exploit Grandfathered MASP-3 Antibody Products in the Territory; *provided* that, during the period commencing on the Effective Date and expiring, on a country-by-country basis, upon the expiration of the final Net Sales Term in such country, Omeros and its Affiliates will not, directly or indirectly, whether for itself or with, for, or on behalf of any Third Party (including through the grant of any license or option to any Third Party or otherwise permitting a Third Party to) submit an MAA for, or otherwise Commercialize, any Grandfathered MASP-3 Antibody Products.

5.4.3 **Grandfathered SMOL MASP-3 Product Restrictions**. Omeros will have the right, directly or indirectly, to Develop, Manufacture, Commercialize, and otherwise Exploit Grandfathered SMOL MASP-3 Products in the Territory; *provided* that Omeros and its Affiliates will not, directly or indirectly, whether for itself or with, for, or on behalf of any Third Party (including through the grant of any license or option to any Third Party or otherwise permitting a Third Party to), Initiate any Phase 2 Clinical Trial or Phase 3 Clinical Trial or perform any Commercialization activities, in each case, [***] (A) if Omeros or its Affiliate or licensee has held a customary pre-Clinical Trial meeting with the FDA or EMA for, or Initiated, a Phase 2 Clinical Trial or a Phase 3 Clinical Trial or performed any Commercialization activities after Initiation of such a Phase 2 Clinical Trial or Phase 3 Clinical Trial, in each case, with respect to a Grandfathered SMOL MASP-3 Product for such Indication or (B) if otherwise agreed by the Parties in writing, then, in each case ((A) or (B)), such Indication will be included in the Unrestricted Field.

5.4.4 [***].

5.4.5 **Exceptions**. Section 5.4.1 (Target Exclusivity Covenant), Section 5.4.2 (Grandfathered MASP-3 Antibody Restrictions), Section 5.4.3 (Grandfathered SMOL MASP-3 Product Restrictions), and Section [***] will not apply to products owned or controlled by an acquirer of Omeros [***]; *provided* that no such product uses, incorporates, or otherwise relies on any Licensed Technology and the terms of Section 15.2.2 (Firewall) will apply at all times with respect to any such products that are Competing Products or [***]. In addition[***]

5.4.6 **Termination of Exclusivity**. [***].

5.4.7 **Acknowledgement**. Omeros acknowledges and agrees that (a) the provisions of Section 5.4 (Exclusivity) have been negotiated by the Parties, (b) any geographical and time limitations on activities set forth in Section 5.4 (Exclusivity) are reasonable, valid, and necessary in light of the Parties' circumstances and necessary for the adequate protection of the Exploitation of the Compounds and Products, and (c) Novo Nordisk would not have entered into this Agreement without the protection afforded it by Section 5.4 (Exclusivity). If, notwithstanding the foregoing, a court of competent jurisdiction determines that the restrictions set forth in Section 5.4 (Exclusivity) are too broad or otherwise unreasonable (for example, due to a change in circumstance) under Applicable Law, including with respect to duration, geographic scope, or space, then the court is hereby requested and authorized by the Parties to, and if the court cannot do so, then the Parties will, revise Section 5.4 (Exclusivity) to include the maximum restrictions allowable under such Applicable Law.

5.5 **No Implied Right**. Except for the licenses and rights expressly granted under this Agreement, no rights, title, or interests of any nature whatsoever is granted whether by implication, estoppel, reliance, or otherwise, by a Party to the other Party. All rights with respect to Know-How, Patent Rights, or other Intellectual Property rights that are not specifically granted herein are reserved to the owner thereof.

5.6 **Technology Transfer**. During the Pre-Closing Period, Omeros will make available to Novo Nordisk and maintain the current virtual dataroom (to be hosted on Box.com and to include download privileges and permissions for all documents) that will include all documents contained therein as of the Execution Date and any other documents agreed by the Parties that are reasonably necessary for Novo Nordisk's integration planning purposes or that are otherwise agreed by the Parties. Promptly, and in no event later than [***] days after the Execution Date, [***] a technology and data transfer plan setting forth the responsibilities, timeline, and format of the transfer (the "**Transfer Plan**" which shall be the same plan attached as Schedule B to the Transition Services Agreement), and which Transfer Plan may be amended from time to time by written agreement of the Parties (including via email), pursuant to which Omeros will, and if applicable, will cause its Affiliates to and will direct its Representatives to, following the Effective Date, in accordance with the Transfer Plan (including the formats and timelines set forth therein), (a) transfer to Novo Nordisk: (i) all Transferred Know-How, (ii) all Transferred Clinical and Technical Data, (iii) complete and accurate copies of all Transferred Regulatory Submissions, and (iv) Transferred Books and Records, and (b) disclose to Novo Nordisk copies of all Licensed Know-How (other than that which is related to Manufacturing, the disclosure of which is addressed in Section 5.8 (Manufacturing Technology Transfer Obligations) below), in each case ((a) and (b)), whether in the possession or control of Omeros, any of its Affiliates, or any Third Parties. Following the Effective Date, Omeros will take all actions as outlined in, and comply with, the Transfer Plan (as may be amended from time to time upon written agreement of the Parties), including any such actions that may also be required under the Transition Services Agreement. For the avoidance of doubt, [***] will not relieve Omeros' obligation to transfer all such technology and data to Novo Nordisk in accordance with this Section 5.6 (Technology Transfer).

5.7 **Know-How Disclosure**. Thereafter, during the Term with respect to Arising Sideground Technology within the Licensed Technology, [***], Omeros will provide to Novo Nordisk copies of all such Arising Know-How (including any such data related to all Compounds or Products) that is made, conceived, discovered, or otherwise generated by or on behalf of Omeros or any of its Affiliates, or that otherwise comes into the possession and Control of Omeros or any of its Affiliates, after the initial disclosure of technologies in accordance with Section 5.6 (Technology Transfer). During the term of the Transition Services Agreement and for [***] thereafter, with respect to Assigned Arising Technology, Omeros will provide to Novo Nordisk copies of all such Arising Know-How that Omeros or any of its Affiliates makes, conceives, discovers, generates, or otherwise comes into possession of, but at least [***], in accordance with the Transition Services Agreement. In addition to providing copies of the relevant Know-How in accordance with this Section 5.7 (Know-How Disclosure), and without limiting its obligations with respect to Know-How for the Manufacture of any Compound or Product, during the term of the Transition Services Agreement, Omeros will make its personnel reasonably available to perform the activities assigned to Omeros pursuant to the Transition Services Agreement, so as to enable Novo Nordisk to practice under the Licensed Technology and Assigned Arising Technology in connection with the Exploitation of the Compounds or Products.

5.8 **Manufacturing Technology Transfer Obligations**. The Parties agree that certain Transferred Intellectual Property and Licensed Know-How for the Manufacture of the Compounds and Products will be disclosed to Novo Nordisk pursuant to the Transition Services Agreement. For the avoidance of doubt, except as otherwise expressly set forth under the Transition Services Agreement and Omeros' technology transfer obligations hereunder, Novo Nordisk will be solely responsible for, have sole control over, and decision-making authority with respect to, the Manufacturing of the Compounds and Products, including in connection with Third Party contractors, at Novo Nordisk's sole cost and expense.

6. DEVELOPMENT, MEDICAL AFFAIRS, AND COMMERCIALIZATION

6.1 **Development and Medical Affairs**. As of the Effective Date, Novo Nordisk will have sole control over, and decision-making authority with respect to, the Development of, and the performance of all Medical Affairs with respect to, all Compounds and Products, at its cost and expense[***]. Novo Nordisk will provide Omeros with [***] progress reports with respect to its Development of Products, setting forth a high level summary of the material Development activities conducted during such [***], including the Products being Developed and the Indications for which they are being Developed, within 60 days after the end of each [***] until [***]. After receipt of each such progress report, Omeros shall have the right to propose to Novo Nordisk a summary of such report to be shared with Third Parties [***] (each such agreed summary, a "**Sharable Summary**").

6.2 **Clinical Records and Regulatory Assistance**. Omeros will assist Novo Nordisk in its efforts to prepare and submit any Regulatory Submissions and to obtain, support, or maintain any INDs, MAAs, and Regulatory Approvals for all Products [***].

6.3 **Right of Reference**. Following the Effective Date, subject to the rules of the relevant Regulatory Authority and the terms of this Agreement, Omeros hereby grants to Novo Nordisk a "Right of Reference," as that term is defined in 21 C.F.R. § 314.3(b) (or any successor rule or analogous Applicable Law recognized outside of the United States) to all information, data, and other Know-How relating to the Compounds or Products that are included or referenced in any Regulatory Submission, Regulatory Approval, Pricing and Reimbursement Approval, in each case Controlled by Omeros, but excluding the Excluded Regulatory Submissions and Approvals, for Novo Nordisk's or its Affiliates', licensees', assignees', or Sublicensees' use in the Development and Commercialization of the Compounds or Products and to otherwise enable Novo Nordisk to fulfill its obligations or exercise its rights with respect to [***] or more Compounds or Products, in each case, in accordance with this Agreement. All such information and data contained in any such Regulatory Submissions or Regulatory Approvals will be considered Confidential Information of Omeros and subject to the terms of Article 9 (Confidentiality; Publicity; Privilege). If requested by Novo Nordisk, Omeros will provide a signed statement to this effect to the FDA or applicable Regulatory Authority in accordance with 21 C.F.R. § 314.50(g)(3) (or any successor rule or analogous Applicable Law outside of the United States) to give effect to the intent of this Section 6.3 (Right of Reference).

6.4 **Commercialization**. As of the Effective Date, Novo Nordisk will have sole control over, and decision-making authority with respect to, the Commercialization of all Products and applications for obtaining, supporting, and maintaining Pricing and Reimbursement Approvals for all Products, at its cost and expense.

6.5 **Diligence Obligations**. Novo Nordisk, itself or through its Affiliates, licensees, Sublicensees, or one or more Third Parties, will use Commercially Reasonable Efforts [***]. Novo Nordisk will have no other diligence obligations under this Agreement with respect to the Development, Regulatory Approval, or Commercialization of any Compound or Products. Notwithstanding any provision to the contrary set forth in this Agreement, [***] will not constitute a breach of Novo Nordisk's obligations set forth in this Section 6.5 (Diligence Obligations).

6.6 **Omeros Support**. The Parties understand and agree that, in addition to the cooperation and assistance to be expressly provided under Section 5.6 (Technology Transfer), Section 5.7 (Know-How Disclosure), Section 5.8 (Manufacturing Technology Transfer Obligations), and the Transition Services Agreement or other Ancillary Agreements, from time to time it may be necessary for Novo Nordisk to seek other assistance and cooperation from Omeros in connection with the Exploitation of the Compounds and Products and the preparation and submission of all Regulatory Submissions for all Products. Omeros hereby agrees to use reasonable efforts to provide any such assistance and cooperation reasonably requested by Novo Nordisk, as a consultant [***].

6.7 **Acknowledgment**. None of Novo Nordisk, its Affiliates, or any of their respective Representatives owes any fiduciary duty to Omeros with respect to any Milestone Payments or any Net Sales Payments. Omeros further acknowledges and agrees that, subject to Section 6.1 (Development and Medical Affairs) and Section 6.5 (Diligence Obligations), (a) Novo Nordisk and its Affiliates will have complete control and sole discretion with respect to the Exploitation of the Compounds or Products after the Closing and such control and discretion by Novo Nordisk and its Affiliates could result in the Milestone Payments and Net Sales Payments not being made; and (b) neither Novo Nordisk nor any of its Affiliates or Representatives has furnished or provided, whether written or oral, any assurances or commitments regarding the achievability of the condition to the payment of the Milestone Payments or the Net Sales Payments or the likelihood thereof and Omeros has not relied on, and expressly disclaims any rights with respect to, any such statements in electing to proceed with the execution and delivery of this Agreement.

6.8 **Rare Pediatric Priority Review Voucher**. [***].

7. FINANCIAL TERMS

7.1 **Upfront Fee**. As a one-time payment for the acquisition of the Acquired Assets and the rights licensed to Novo Nordisk under Section 5.1 (Licenses to Novo Nordisk), Novo Nordisk will pay Omeros a one-time up-front fee of $240,000,000 *less* the Creditor Lien Release Amount (the "**Upfront Fee**") in accordance with Section 3.2 (Payment of Consideration).

7.2 **Development Milestones.**

7.2.1 **Development Milestone Events and Payments**. Novo Nordisk will make one-time milestone payments (each, a "**Development Milestone Payment**") to Omeros upon the first achievement by Novo Nordisk or its Affiliates, licensees, assignees, or Sublicensees of each of the development milestone events (each, a "**Development Milestone Event**") set forth in Table 7.2.1 below, for the first Covered Product to achieve the applicable Development Milestone Event. For the avoidance of doubt, each Development Milestone Payment hereunder will be payable only once upon the first achievement of the applicable Development Milestone Event. No additional Development Milestone Payments will be made for any subsequent achievement of such Development Milestone Event. Novo Nordisk will notify Omeros in writing of the achievement of a Development Milestone Event by Novo Nordisk or its Affiliates, licensees, assignees, or Sublicensees no later than [***] days after the achievement thereof. Thereafter, Omeros will provide Novo Nordisk with an invoice for the corresponding Development Milestone Payment, and Novo Nordisk will pay to Omeros such Development Milestone Payment no later than [***] days after its receipt of an invoice for such Development Milestone Payment. If Novo Nordisk or its Affiliates, licensees, assignees, or Sublicensees achieve all Development Milestone Events (regardless of the number of times such events occur or the number of Covered Products that trigger such event), then the Development Milestone Payments payable by Novo Nordisk under this Section 7.2.1 (Development Milestone Events and Payments) will not exceed $510,000,000.

Table 7.2.1 – Development Milestones

	Development Milestone Event	Development Milestone Payment for the specified Indication			
		[***]	[***]	[***]	[***]
1	[***]	[***]	[***]	[***]	[***]
2	[***]	[***]	[***]	[***]	[***]
3	[***]	[***]	[***]	[***]	[***]
4	[***]	[***]	[***]	[***]	[***]
5	[***]	[***]	[***]	[***]	[***]
	[***]				

7.2.2 [***]

7.3 **Sales Milestones**. Subject to Section 7.5 (Expiration of the Net Sales Term) and Section 7.6 (Payment Reductions), Novo Nordisk will make one-time payments (each, a "**Sales Milestone Payment**" and together with the Development Milestone Payments, the "**Milestone Payments**") to Omeros upon the first achievement by Novo Nordisk or its Affiliates, licensees, assignees, or Sublicensees of each of the sales-based milestones events (each, a "**Sales Milestone Event**" and together with the Development Milestone Events, the "**Milestone Events**") set forth in Table 7.3 (Sales Milestones) below with respect to aggregate annual Net Sales of Anticipated Products by Novo Nordisk and its Affiliates, licensees, assignees, and Sublicensees, subject to the paragraph below Table 7.3. Each of the Sales Milestone Payments set forth below will be payable [***]. Novo Nordisk will notify Omeros in writing of the achievement of a Sales Milestone Event by Novo Nordisk or its Affiliates, licensee, assignee, or Sublicensees no later than [***] days after the end of the Calendar Quarter in which such Sales Milestone Event is achieved. Thereafter, Omeros will provide Novo Nordisk with an invoice for the corresponding Sales Milestone Payment(s), and Novo Nordisk will pay to Omeros such Sales Milestone Payment(s) no later than [***] days after its receipt of an invoice for such Sales Milestone Payment. If Novo Nordisk or its Affiliates, licensees, assignees, or Sublicensees achieve all Sales Milestone Events, then the Sales Milestone Payments payable by Novo Nordisk under this Section 7.3 (Sales Milestones) will not exceed $1,300,000,000.

Table 7.3: Sales Milestones

	Sales Milestone Event	Sales Milestone Payment
1	First Calendar Year in which aggregate annual Net Sales of Anticipated Products are greater than or equal to $[***]	$[***]
2	First Calendar Year in which aggregate annual Net Sales of Anticipated Products are greater than or equal to $[***]	$[***]
3	First Calendar Year in which aggregate annual Net Sales of Anticipated Products are greater than or equal to $[***]	$[***]

If the Anticipated Products that first achieve a Sales Milestone Event included only Covered Products (or included sufficient Covered Products to achieve the applicable Net Sales threshold without including Net Sales of other Anticipated Products), then [***]% of the corresponding Sales Milestone Payment will be payable after the end of the Calendar Quarter in which such Sales Milestone Event was achieved. If the Anticipated Products that first achieve a Sales Milestone Event include Anticipated Products that are not Covered Products (and such Sales Milestone Event has not yet been achieved, and is not for such Calendar Year achieved, by Anticipated Products that are Covered Products), then [***]% of the corresponding Sales Milestone Payment will be payable after the end of the Calendar Quarter in which such Sales Milestone Event was achieved, and, if such Sales Milestone Payment is achieved again in a subsequent Calendar Year, then an additional [***]% of such Sales Milestone Payment will be payable after the end of the Calendar Quarter during the second Calendar Year in which such Sales Milestone Event was again achieved. Notwithstanding any provision to the contrary set forth in this Agreement, no more than [***]% of each Sales Milestone Payment will be due upon the achievement of a given Sales Milestone Event [***].

7.4 **Net Sales Payments**. Subject to Section 7.5 (Expiration of the Net Sales Term) and Section 7.6 (Payment Reductions), on an Anticipated Product-by-Anticipated Product and country-by-country basis, Novo Nordisk will pay to Omeros tiered payments at the rates set forth in Table 7.4 based on annual aggregate worldwide Net Sales of Anticipated Products in a given Calendar Year during the applicable Net Sales Term for each such Anticipated Product (such payments, "**Net Sales Payments**"). The Net Sales for all Anticipated Products will be aggregated, for purposes of determining the rates below. [***].

Table 7.4: Net Sales Payments

Portion of Annual Net Sales of Anticipated Products	Net Sales Payment Rate
For that portion of annual Net Sales of Anticipated Products less than or equal to $[***]	[***]%
For that portion of annual Net Sales of Anticipated Products greater than $[***] but less than or equal to $[***]	[***]%
For that portion of annual Net Sales of Anticipated Products greater than $[***] but less than or equal to $[***]	[***]%
For that portion of annual Net Sales of Anticipated Products greater than $[***]	[***]%

7.5 **Expiration of the Net Sales Term**. Upon expiration of the Net Sales Term for a given Anticipated Product in a given country (a) no further payments under this Article 7 (Financial Terms) will be payable in respect of sales of such Anticipated Product in such country, and (b) the licenses granted to Novo Nordisk under Section 5.1 (Licenses to Novo Nordisk) for such Anticipated Product in such country will automatically become fully paid-up and royalty free and, for the avoidance of doubt, will remain exclusive. For clarity, only a single Net Sales Payment will be payable as a result of one or more Valid Claims claiming an Anticipated Product during its Net Sales Term.

7.6 **Payment Reductions.**

7.6.1 **Lack of Valid Claims**. If an Anticipated Product is not Covered by a Net Sales Term Extending Patent Right in a country, then commencing in the first Calendar Quarter following the Calendar Quarter in which such Anticipated Product is not so Covered by a Net Sales Term Extending Patent Right, the Net Sales of such Anticipated Product used for purposes of calculating the Net Sales Payments on such Anticipated Product in such country hereunder, in each case, will be reduced by [***]% for the remainder of its Net Sales Term for such Anticipated Product in such country.

7.6.2 **Biosimilar Products**. [***]

7.6.3 **Third Party Payments**. Novo Nordisk may deduct from any payments due and payable by Novo Nordisk to Omeros hereunder an amount equal to [***]% (or, if any such amounts are paid to a Third Party as a result of Omeros' breach of any of its representations and warranties under Section 10.2 (Representations of Omeros), then [***]% of all such amounts) of the total payments actually paid by Novo Nordisk or its Affiliates, licensees, assignees, or Sublicensees to any Third Party pursuant to an agreement with such Third Party in consideration for rights under any Patent Right or Patent Rights together with Know-How, in each case, owned or controlled by such Third Party (whether by acquisition or license) (including pursuant to Section 8.5.2 (Product Related Third Party Patent Rights) or Section 8.5.4 (Settlement) or as a part of any damages or settlement amounts paid in connection with an action pursuant to Section 8.5.3 (Defense)) that are necessary or reasonably useful for the Exploitation of any Compound or Product (collectively, "**Third Party IP Payments**").

7.6.4 **Program In-License Deductions**. Novo Nordisk may deduct from (a) Net Sales Payments due and payable by Novo Nordisk to Omeros hereunder on an Anticipated Product an amount equal to [***],

7.6.5 **Inflation Reduction Act Deductions**. If, during the Net Sales Term for an Anticipated Product in the United States, such Anticipated Product is designated as a Selected IRA Drug by the Secretary of the U.S. Department of Health and Human Services, and Novo Nordisk or its Affiliate or its or their licensee or Sublicensee is required to negotiate and is ultimately subject to a Maximum Fair Price that will apply to sales of such Anticipated Product during the Price Applicability Period (the Calendar Quarter during which such event occurred, the "**Event Quarter**"), then the Net Sales of such Anticipated Product in the United States[***] will be reduced by [***].

7.6.6 **Reduction Floor**. Notwithstanding the foregoing, in no event will the Net Sales Payments payable to Omeros under Section 7.4 (Net Sales Payments) with respect to an Anticipated Product in a country be reduced in each Calendar Quarter as a result of the cumulative applicable deductions in Section 7.6.1 (Lack of Valid Claims), Section 7.6.2 (Biosimilar Products), Section 7.6.3 (Third Party Payments), to less than [***]% [***]; *provided* that, no such floor will apply [***].

7.7 **Payment Terms**. All payments under this Article 7 (Financial Terms) will be paid in accordance with the timing set forth herein and will be non-refundable (other than subject to Section 7.12 (Taxes) below). With respect to any amounts owed under this Agreement by one Party to the other for which no other invoicing and payment procedure is specified in this Agreement (except for the payment due under Section 7.1 (Upfront Fee)), the incurring Party will provide an invoice to the other Party, together with reasonable supporting documentation, for such amounts owed. The owing Party will pay any undisputed amounts within [***] days after receipt of the invoice and will pay any disputed amounts owed by such Party within [***] days after resolution of the Dispute. Omeros will invoice Novo Nordisk according to Novo Nordisk's invoice instructions attached to this Agreement as Schedule 7.7 (Invoice Instructions).

7.8 **Currency and Exchange Rate**. Net Sales in the Territory will be calculated and reported in USD. With respect to Net Sales invoiced in a currency other than USD, (a) the rate of exchange to be used in computing the currency equivalent in USD of Net Sales used to determine Net Sales Payments payable will be the Calendar Quarter average exchange rate between each currency of origin and USD and (b) the rate of exchange to be used in computing the currency equivalent in USD of Net Sales used to determine the achievement of any Sales Milestone Events will be the Calendar Year average exchange rate between each currency of origin and USD, and in either ((a) and (b)), will be based on the exchange rate source normally used by Novo Nordisk for consolidation of external financial reporting.

7.9 **Mode of Payment**. All payments to be made by Novo Nordisk to Omeros under this Agreement will be made in USD in immediately available funds. Payments to Omeros will be made by electronic wire transfer to the Omeros Account in accordance with the requirements set forth in Schedule 7.7 (Invoice Instructions).

7.10 **Royalty Reports**. During the Net Sales Term, on a Calendar Quarter-by-Calendar Quarter basis, Novo Nordisk will, within [***] days after the end of such Calendar Quarter (or within [***] days after Novo Nordisk's receipt of the relevant Net Sales information from a licensee, assignee, or Sublicensee, if later), provide to Omeros a written report containing the Net Sales on an [***] country-by-country basis, including [***].

7.11 **Audit Right**. Each Party will keep complete and accurate records relating to the calculations of Net Sales generated in the then current Calendar Year and payments required under this Agreement, for a period of [***] after the end of the Calendar Year in which such payment was due. Each Party will require its Affiliates and its and their respective licensees, assignees, and Sublicensees to retain and provide to the applicable Party all records of payments that such Party would be required to keep as if incurred by such Party, to enable the other Party to audit such records pursuant to this Section 7.11 (Audit Right). Each Party will have the right during the Term and for a period of [***] thereafter, no more than once annually at its own expense, to have an internationally recognized, independent, certified public accounting firm reasonably acceptable to the other Party, currently one of the following: PWC, E&Y, KPMG, or Deloitte (the "**Auditor**"), selected by it, review any such records of the other Party and its Affiliates, licensees, assignees, and Sublicensees (the "**Audited Party**") in the location(s) where such records are maintained by the Audited Party subject to the following terms.

7.11.1 **Notice**. The non-Audited Party will provide the Audited Party at least [***] days' prior written notice of when its Auditor will visit the Audited Party.

7.11.2 **Confidentiality**. At least [***] days prior to inspecting any records, the Auditor must enter into a confidentiality agreement with the Audited Party that is reasonably satisfactory to the Audited Party. All books and records made available for inspection or audit will be deemed to be Confidential Information of the Audited Party.

7.11.3 **Conduct of Audit**. The Audited Party will make their books and records available for review by the Auditor solely to verify that the payments made by the Audited Party under this Agreement were correct. The Audited Party will give access to the Auditor during regular business hours at the place or places where the books and records are usually kept. While inspecting such accounts and records, the Auditor must abide by all of the Audited Party's standard rules and regulations.

7.11.4 **Audit Report**. The Auditor will prepare and deliver to each Party a report solely setting out whether the payments made by the Audited Party under this Agreement were correct and the specific details concerning any discrepancies no later than [***] days after the audit has been completed. No other information will be provided to the auditing Party without the prior written consent of the Audited Party. The Auditor will share its findings with the Audited Party prior to delivering the report in order for the parties to in good faith discuss any discrepancies. Any report by the Auditor under this Section 7.11 (Audit Right) will be deemed Confidential Information of the Audited Party and auditing Party will keep such report and any other information received or learned in connection with the audit confidential.

7.11.5 **Frequency of Audits**. No Calendar Year will be subject to audit under this Section 7.11 (Audit Right) more than once and the audit may cover a period ending not more than [***] months prior to the date of such request; and

7.11.6 **Discrepancies**. Should such inspection lead to the discovery of a discrepancy to a Party's detriment, the other Party will, within [***] days after receipt of such report from the Auditor, pay any undisputed amount of the discrepancy. The non-audited Party will pay the full cost of the review unless the underpayment of amounts due to the non-Audited Party is greater than [***]% of the amount due for any consecutive [***]-month period during the entire period being examined, in which case the Audited Party will pay the cost charged by the Auditor for such review. If the audit leads to the discovery of a discrepancy to Novo Nordisk's detriment, then Novo Nordisk may at its option, in lieu of receiving a payment from Omeros, credit the amount of the discrepancy against future payments payable to Omeros under this Agreement.

7.12 **Taxes.**

7.12.1 **Income Tax**. Each Party will be responsible for the payment of any and all income (including capital gains) Taxes levied on the payments it receives under this Agreement, except as provided under Section 7.12.3 (Withholding Tax Actions).

7.12.2 **Withholding Tax**. The Parties agree that all payments under this Agreement will be made without any deduction or withholding for or on account of any Taxes or other amounts unless required by Applicable Law; provided that the Parties agree to use reasonable best efforts to avoid, in accordance with Applicable Law, double taxation or similar obligations. The Parties agree no Taxes are required to be withheld from the payments made to Omeros pursuant to this Agreement under the current Applicable Law; *provided* that Omeros delivers a duly completed and validly executed Internal Revenue Service Form W-9 to Novo Nordisk. To the extent either Party that makes a payment (the "**Paying Party**") to the other Party (the "**Recipient**") under this Agreement is required under Applicable Law to deduct and withhold Taxes on any such payment, the Paying Party will (a) deduct those withholding Taxes from the payment or from any other payment owed by the Paying Party; (b) pay the amount of such withholding Taxes to the proper Governmental Authority in a timely manner; and (c) send to the Recipient evidence of such payment and any related governmental receipt or certificate provided. The Paying Party will use commercially reasonable best efforts to provide the Recipient with advance notice prior to withholding any Taxes from payments payable to the Recipient and provide a reasonable opportunity to furnish any forms, certificates, or other items necessary in order to reduce or eliminate such deduction or withholding, including as may be necessary in order for the Paying Party to withhold Tax at a reduced rate under an applicable bilateral income Tax treaty, in accordance with Applicable Law. Each Party will [***] to provide the other Party with assistance to enable the recovery, as permitted by Applicable Law, of withholding Taxes or similar obligations resulting from payments made under this Agreement. In the event that a Governmental Authority retroactively determines that a payment made by a Paying Party to the Recipient pursuant to this Agreement should have been subject to withholding (or to additional withholding) Taxes, and the Paying Party remits such withholding Taxes to the Governmental Authority, the Paying Party will have the right (i) to offset such amount, including any interest and penalties that may be imposed thereon (except to the extent any such interest or penalties result from the negligence or misconduct of the Paying Party), against future payment obligations of the Paying Party under this Agreement, or (ii) to invoice the Recipient for such amount (which will be payable by the Recipient within [***] days of its receipt of such invoice).

7.12.3 **Withholding Tax Actions**. Notwithstanding any provision to the contrary set forth in this Section 7.12 (Taxes), but subject to Recipient's obligation to provide the Paying Party with information or documentation necessary to reduce or eliminate deduction or withholding pursuant the third sentence of Section 7.12.2 (Withholding Tax), the Parties acknowledge and agree that if the Paying Party (or its assignee pursuant to Section 15.1 (Assignment)) is required by Applicable Law to withhold Taxes in respect of any amount payable under this Agreement, and if such withholding obligation arises or (is increased) solely as a result of any assignment of this Agreement by the Paying Party, a Change of Control of the Paying Party, a change in Tax residency of the Paying Party, or a change in the entity making payment under this Agreement, then [***].

7.12.4 **VAT**. For the avoidance of doubt, any consideration payable under this Agreement is exclusive of VAT. If VAT is payable in respect of any payments under this Agreement, then the Paying Party will pay such VAT at the applicable rate in respect of such payment to the Recipient or to the relevant Taxing Authority, as appropriate. Where VAT reverse charge is applicable, the Paying Party will declare and pay the VAT to the relevant Taxing Authority. VAT (if any) will become due and payable to the Recipient (if appropriate) upon presentation of a valid VAT invoice (or, where there is no provision in the legislation for the jurisdiction concerned that a VAT invoice is required to be issued, a written demand containing such information as is customary in that jurisdiction) and which complies with the requirements in Schedule 7.7 (Invoice Instructions).

7.12.5 **Indirect Tax**. It is understood and agreed between the Parties that all payments made under this Agreement are exclusive of indirect Taxes (including VAT, transfer, documentary, sales, use, stamp, registration, tariffs, goods and services Tax, consumption Tax, and other similar Taxes (each an "**Indirect Tax**")). If any Indirect Taxes are chargeable in respect of any payments under Applicable Law, the Paying Party will pay such Indirect Taxes at the applicable rate in respect of such payments following receipt, where applicable, of an invoice in the appropriate form issued by the Recipient in respect of those payments and indicating applicable Indirect Taxes. The Parties will, in accordance with Applicable Laws, use commercially reasonable best efforts to reduce non-deductible VAT in connection with this Agreement. If the Indirect Taxes originally paid or otherwise borne by the Paying Party are in whole or in part subsequently determined not to have been chargeable, commercially reasonable steps will be taken by the Recipient to receive a refund of these undue Indirect Taxes from the applicable Governmental Authority or other fiscal authority and any amount of such undue Indirect Taxes repaid by such authority to the Recipient, net of any reasonable out-of-pocket costs incurred by the Recipient in obtaining such refund, and net of any income Taxes incurred by the Recipient in respect of such amount of refund received, will be transferred to the Paying Party within [***] days of receipt. The Parties will reasonably cooperate with each other in seeking any tax exemption or credits that may be available, including with respect to any tariffs, Development, or Products, including reasonable provision of invoices and other documentation, that could provide a material Tax benefit to either Party. The Parties will use reasonable efforts to provide, and to cause their respective Affiliates, subcontractors, sublicenses, customers, and applicable Third Parties to provide, any information and documentation reasonably requested by the other Party to obtain the benefits of (a) any current Tax Applicable Law (e.g., Section 250 of the Internal Revenue Code of 1986, as amended and the applicable Treasury Regulations) or (b) any Tax Applicable Law enacted during the term of this Agreement that could provide a material Tax benefit to either Party.

8. INTELLECTUAL PROPERTY.

8.1 **Ownership of Background Technology.** Subject to the license granted to Novo Nordisk under Section 5.1 (Licenses to Novo Nordisk), the assignment to Novo Nordisk of the Acquired Assets, the terms of this Article 8 (Intellectual Property), and the terms and conditions of the Transition Services Agreement, each Party will retain ownership of all rights, title, and interests in and to any Patent Rights and Know-How that it Controls prior to the Effective Date or that such Party develops or acquires outside the scope of performance of activities under this Agreement, the Transition Services Agreement, or any Ancillary Agreement.

8.2 **Ownership of Arising Technology.**

8.2.1 **Arising Sideground Technology**. Subject to the license granted to Novo Nordisk under Section 5.1 (Licenses to Novo Nordisk) and Section 8.1 (Ownership of Background Technology), as between the Parties, Omeros will own all rights, title, and interests in and to any (a) [***], the "**Arising Sideground Know-How**") and (b) any Patent Rights Covering any such Arising Know-How ("the **Arising Sideground Patent Rights**", and together with the Arising Sideground Know-How, the "**Arising Sideground Technology**").

8.2.2 **Other Arising Technology**. Other than [***] (such Arising Know-How and such Patent Rights, collectively, the "**Assigned Arising Technology**"). Omeros hereby does, and will cause its Affiliates to, assign to Novo Nordisk, all rights, title, and interests held by Omeros or its Affiliates in any Assigned Arising Technology, and Novo Nordisk hereby accepts such assignment. Upon Novo Nordisk's written request, Omeros will provide Novo Nordisk with all reasonably requested assistance to effect such assignment and will execute any and all documents necessary to perfect such assignment. To the extent that Omeros is not able to assign to Novo Nordisk any such [***], Omeros hereby grants to Novo Nordisk an exclusive, perpetual, irrevocable, transferrable, and sublicensable (through multiple tiers) license to use, practice, and otherwise Exploit such Arising Know-How or any Patent Rights that Cover any such Arising Know-How, in each case, for any and all purposes.

8.3 **Prosecution and Maintenance.**

8.3.1 **Omeros Sole Right**. Subject to Section 8.3.5 (Cooperation), Omeros will have the sole right, but not the obligation, to Prosecute and Maintain in all jurisdictions in the Territory all (a) [***] and (b) [***] in each case ((a) and (b)), at its cost and expense and will keep Novo Nordisk reasonably informed with respect thereto.

8.3.2 **Novo Nordisk Sole Right**. Subject to Section 8.3.5 (Cooperation), Novo Nordisk will have the sole right, but not the obligation, to Prosecute and Maintain in all jurisdictions in the Territory all (a) [***] (b) [***], and (c) [***], in each case ((a)-(c)), that are not [***], at its cost and expense.

8.3.3 **Omeros First Right**. Subject to Section 8.3.1 (Omeros Sole Right) and Section 8.3.5 (Cooperation), Omeros will have the first right, but not the obligation, to Prosecute and Maintain in all jurisdictions in the Territory all Licensed Patent Rights other than those within the [***] (the "**Omeros First Right Licensed Patent Rights**"). If Omeros elects to cease to Prosecute and Maintain in any country any such Omeros First Right Licensed Patent Rights [***], then Omeros will provide Novo Nordisk with written notice of such election not less than [***] days prior to the next filing or payment date for such Patent Right, and Novo Nordisk will have the right to assume responsibility using patent counsel of its choice, for the Prosecution and Maintenance of [***] at its cost and expense [***].

8.3.4 **Novo Nordisk First Right**. Subject to Section 8.3.5 (Cooperation), Novo Nordisk will have the first right, but not the obligation, to Prosecute and Maintain in all jurisdictions in the Territory (a) [***] (such Licensed Patent Rights that Novo Nordisk has such first rights to Prosecute and Maintain, in each case ((a) and (b)), the "**Novo Nordisk First Right Licensed Patent Rights**"), and (c) any [***] (such Net Sales Term Extending Patent Rights that are issued patents and that Novo Nordisk has such first rights to Prosecute and Maintain, in each case ((i) through (iii)), the "**Novo Nordisk First Right Net Sales Patent Rights**") at its cost and expense and will keep Omeros reasonably informed with respect thereto. In Prosecuting and Maintaining the Novo Nordisk First Right Licensed Patent Rights or Novo Nordisk First Right Net Sales Patent Rights, Novo Nordisk [***]. If Novo Nordisk elects not to Prosecute and Maintain in any country any Novo Nordisk First Right Licensed Patent Rights or Novo Nordisk First Right Net Sales Patent Rights, then Novo Nordisk shall provide Omeros with written notice of such election not less than [***] days prior to the next filing or payment date for such Patent Right, and Omeros will have the right to assume responsibility using patent counsel of its choice, for the Prosecution and Maintenance of such Novo Nordisk First Right Licensed Patent Right or Novo Nordisk First Right Net Sales Patent Rights, at its cost and expense [***].

8.3.5 **Cooperation**. Each Party will provide the other Party all reasonable assistance and cooperation in the Prosecution and Maintenance of the Transferred Patent Rights Licensed Patent Rights pursuant to this Section 8.3 (Prosecution and Maintenance), including providing any necessary powers of attorney and executing any other required documents or instruments for such Prosecution and Maintenance, and providing patent authority correspondence and related documents.

8.4 **Third Party Infringement.**

8.4.1 **Notification**. During the Term, (a) Novo Nordisk will promptly inform Omeros in writing if either Party becomes aware of any suspected, threatened, or actual infringement by any Third Party of any Transferred Patent Right, and (b) Omeros will promptly inform Novo Nordisk in writing if either Party becomes aware of any suspected, threatened, or actual infringement by any Third Party of any Licensed Patent Right (each, an "**Infringement**"), including any Infringement that [***] (a "**Competing Infringement**"). [***].

8.4.2 **Other Infringement; Omeros First Right to Enforce; Novo Nordisk Second Right**. [***].

8.4.3 **Infringement; Novo Nordisk Sole Right to Enforce**. [***].

8.4.4 **Infringement; Omeros Sole Right to Enforce**. [***].

8.4.5 **Competing Infringement; Novo Nordisk First Right to Enforce; Omeros Second Right**. [***].

8.4.6 **Settlement**. [***].

8.4.7 **Expenses and Recoveries**. A Party bringing an enforcement action under this Section 8.4 (Third Party Infringement) against any Third Party will be solely responsible for any costs and expenses incurred by such Party or the other Party (upon such enforcing Party's request) as a result of such action. If such Party recovers monetary damages from such Third Party in such action, then such recovery will first be applied to all Out-of-Pocket Costs incurred by the Parties in connection therewith, including attorneys' fees, but excluding [***]. If such recovery is insufficient to cover all such costs and expenses of both Parties, then [***]. If after such reimbursement any funds remain from such damages recovered, then such funds will be shared as follows: [***].

8.4.8 **Assistance**. Each Party will have the right to request assistance from the other Party in connection with an enforcement action undertaken pursuant to this Section 8.4 (Third Party Infringement). If a Party requests such assistance from the other Party, then the requesting Party will pay all of the costs and expenses incurred by the other Party for providing such requested assistance, which assistance will not be unreasonably withheld, conditioned, or delayed.

8.5 **Third Party Rights.**

8.5.1 **Notification**. With respect to (a) the practice of a [***] each Party will promptly notify the other Party of any written allegation that such Party receives that any activity pursuant to this Agreement infringes or misappropriates any Patent Right or other Intellectual Property rights of any Third Party, and (b) the practice of any [***].

8.5.2 **Product Related Third Party Patent Rights**. Subject to Section 8.5.3 (Defense) and Section 8.5.4 (Settlement), with respect to any Third Party Patent Right or other Intellectual Property right notified under Section 8.5.1 (Notification), as between the Parties, Novo Nordisk will have the sole right to seek a license [***].

8.5.3 **Defense**. Without altering a Party's financial responsibilities for any such matter as set forth in Article 12 (Indemnification), if applicable, Novo Nordisk will have the first right, but not the obligation, to defend any Third Party claim or assertion that [***], at Novo Nordisk's cost and expense. Omeros will reasonably cooperate with Novo Nordisk, including if required to conduct such defense, furnishing a power of attorney, at Novo Nordisk's reasonable request and expense.

8.5.4 **Settlement**. Without the prior written consent of the other Party (not to be unreasonably withheld, conditioned, or delayed), neither Party will settle any claim notified under Section 8.5.1 (Notification) in any manner that would impose any material obligations, restriction, or limitation on the other Party; [***].

8.5.5 **Cooperation**. Each Party will have the right to request reasonable assistance from the other Party in connection with a defense action undertaken pursuant to this Section 8.5 (Third Party Rights), including where necessary, furnishing a power of attorney solely for such purpose or joining in, or being named as a necessary party to, such action, providing access to relevant documents and other evidence, and making its employees available at reasonable business hours. If a Party requests such assistance from the other Party, then the requesting Party will pay all of the costs and expenses incurred by the other Party for providing such requested assistance, which assistance will not be unreasonably withheld, conditioned, or delayed. The Parties will otherwise reasonably cooperate with one another in defending any action undertaken pursuant to this Section 8.5 (Third Party Rights), at the cost and expense of the Party controlling such defense.

8.6 **Patent Right Term Extension**. Novo Nordisk will have the full and exclusive right and discretion to determine and control all filings of requests for patent term extension under the Drug Price Competition and Patent Right Restoration Act of 1984 in the U.S., supplementary protection certificates in the member states of the EU and their equivalents throughout the Territory, or equivalents thereto in any country in the Territory, in each case, arising from the Regulatory Approval of or otherwise applicable to a Product (hereinafter "**Patent Term Extensions**"). Novo Nordisk will have the exclusive right to file for Patent Term Extensions in any Licensed Patent Right with respect to the Products. All such costs and expenses relating to a Product's Patent Term Extensions will be borne solely by Novo Nordisk. Upon the reasonable request of, and at the cost and expense of, Novo Nordisk, Omeros will provide support, assistance, and all necessary documents, in full executed form if needed, to Novo Nordisk for the purpose of supporting, filing, obtaining, and maintaining such Patent Term Extensions.

8.7 **Regulatory Patent Right Listings**. Novo Nordisk will have the full and exclusive right, in its sole discretion, to determine and control the listing of any Licensed Patent Right in the then-current edition of the FDA's Purple Book in connection with the Regulatory Approval of any Product, or in equivalent patent listings in any other country within the Territory with respect to the Product.

9. CONFIDENTIALITY; PUBLICITY; PRIVILEGE.

9.1 **Confidential Information; Non-Disclosure and Non-Use Obligations.** Notwithstanding any provision to the contrary set forth in this Agreement: (a) the existence and terms of this Agreement and the Ancillary Agreements will be Confidential Information of both Parties (and both Parties will be deemed to be the Disclosing Party and the Receiving Party with respect thereto), (b) all confidential or proprietary information included in the Excluded Assets and the Excluded Liabilities will be the Confidential Information of Omeros; and (c) following the Closing, all confidential or proprietary information, to the extent included in the Acquired Assets, Assumed Liabilities, or the Program will be Confidential Information of Novo Nordisk. Omeros acknowledges and stipulates that the Licensed Know-How may include valuable trade secrets, and Omeros will not and will not permit any of its Affiliates, sublicensees, or subcontractors to, access, use, or otherwise exploit such Licensed Know-How, other than on confidentiality terms at least as protective as the confidentiality provisions of this Agreement, and Omeros will use reasonable efforts to protect the confidentiality of such trade secrets; [***]. Prior to the Closing, Omeros and Novo Nordisk acknowledge that they each are and remain bound by the terms of the Mutual Confidentiality Agreement. Each of Omeros and Novo Nordisk will abide by the terms of the Mutual Confidentiality Agreement, the terms of which are incorporated herein by reference. The Mutual Confidentiality Agreement will remain in full force and effect until the Closing, and will automatically terminate upon the Closing. During the period commencing on the Closing and ending on the expiration of the Term, and for a period of [***] thereafter, each Party agrees that a Party (the "**Receiving Party**") that receives the Confidential Information of the other Party (the "**Disclosing Party**") pursuant to this Agreement will: (i) maintain in confidence such Confidential Information using not less than the efforts that such Receiving Party uses to maintain in confidence its own proprietary information of similar kind and value, but in no event less than a reasonable degree of efforts; (ii) not disclose such Confidential Information to any Third Party without first obtaining the prior written consent of the Disclosing Party, except for disclosures expressly permitted pursuant to this Article 9 (Confidentiality; Publicity; Privilege); and (iii) not use such Confidential Information for any purpose except those permitted under this Agreement or any Ancillary Agreement, including the exercise of each Party's rights and performance of its obligations hereunder and thereunder and, the exercise of the licenses granted to such Party hereunder and, in the case of Novo Nordisk, the Exploitation or practice of the Acquired Assets and Assigned Arising Technology conveyed to Novo Nordisk hereunder.

9.2 **Exemptions.** The following information will not be deemed Confidential Information for purposes of, or subject to the confidentiality obligations set forth in, this Agreement:

9.2.1 information that is known by the Receiving Party at the time of its receipt from the Disclosing Party without any obligation to keep it confidential or restriction on its use, and not through a prior disclosure by the Disclosing Party, as documented by the Receiving Party's contemporaneous written records;

9.2.2 information that is or becomes publicly available or part of the public domain through no breach of this Agreement or any Ancillary Agreement by the Receiving Party;

9.2.3 information that, after disclosure by the Disclosing Party, is subsequently disclosed to the Receiving Party by a Third Party who may lawfully do so and is not under an obligation of confidentiality or any restriction on use with respect to such information; and

9.2.4 information that is developed by the Receiving Party independently of Confidential Information received from the Disclosing Party, as documented by the Receiving Party's contemporaneous written records.

No combination of features or disclosures will be deemed to fall within the foregoing exclusions merely because individual features are published or available to the general public or in the rightful possession of the Receiving Party unless the combination itself and principle of operation are published or available to the general public or in the rightful possession of the Receiving Party.

9.3 **Permitted Disclosures.** In addition to the exceptions contained in Section 9.1 (Confidential Information; Non-Disclosure and Non-Use Obligations) and Section 9.2 (Exemptions), the Receiving Party may disclose Confidential Information of the Disclosing Party (including the existence and terms of this Agreement):

9.3.1 if such disclosure is required by Applicable Law, including as may be required in connection with any filings made with, or by the rules and regulations of a major stock exchange (in which case the terms of such disclosures will be subject to Section 9.6.2 (Confidential Treatment));

9.3.2 if prosecuting or defending litigation in accordance with the terms of this Agreement, including responding to a subpoena in a Third Party litigation;

9.3.3 with respect to the Licensed Technology, where Omeros is the Receiving Party, to Exploit compounds and products owned or controlled by Omeros that are not Compounds and Products; *provided* that such Exploitation is permitted under, and consistent with, the terms and conditions of this Agreement;

9.3.4 if such disclosure is deemed necessary by the Receiving Party to be disclosed to such Party's attorneys, independent accountants, or financial advisors for the sole purpose of enabling such attorneys, independent accountants, or financial advisors to provide advice to the Receiving Party, *provided* that such attorneys, independent accountants, and financial advisors are bound by confidentiality and non-use obligations substantially as protective as the provisions of this Agreement as they apply to the Receiving Party;

9.3.5 [***]

9.3.6 to any *bona fide* potential or actual investor, lenders, financing sources, or acquirors (and their applicable advisors and representatives) for the sole purpose of diligence for a potential investment, acquisition, merger, or public offering; *provided* that, with respect to both Parties, such disclosure will be limited to the terms of this Agreement, the Ancillary Agreements (unless otherwise agreed in writing by the other Party), reports provided under Section 7.10 (Royalty Reports) and any Sharable Summaries, and in all such instances, any such parties are bound by confidentiality and non-use obligations no less protective than the provisions of this Agreement as they apply to the Receiving Party; and

9.3.7 to its Affiliates; and each of its and its Affiliates' employees, licensees, Sublicensees, or prospective licensee, Sublicensees, subcontractors, or prospective subcontractors, in each case, on a strict "need-to-know" basis in order for the Receiving Party to exercise its rights or fulfill its obligations under this Agreement and the Ancillary Agreements; *provided* that, such parties are bound by confidentiality and non-use obligations no less protective than, the provisions of this Agreement as they apply to the Receiving Party; *provided further* that (a) the financial terms of this Agreement will be redacted from any such disclosure of the terms of this Agreement, and (b) the Receiving Party will remain responsible for any failure by any Person who receives Confidential Information pursuant to this Section 9.3.7 (Permitted Disclosures) to treat such Confidential Information as required under this Article 9 (Confidentiality; Publicity; Privilege).

If and whenever any Confidential Information is disclosed in accordance with this Section 9.3 (Permitted Disclosures), such disclosure will not itself cause any such information to cease to be Confidential Information. Notwithstanding the foregoing, in the event that a Party is required to make a disclosure of the other Party's Confidential Information pursuant to Section 9.3 (Permitted Disclosures), it will, except where impracticable, give reasonable advance notice to the other Party of such disclosure and use not less than the same efforts to secure confidential treatment of such information as it would to protect its own confidential information from disclosure.

In addition, if the Receiving Party, after consultation with counsel, determines it is required by Applicable Law to disclose Confidential Information of the Disclosing Party, then the Receiving Party will promptly inform the Disclosing Party of the disclosure that is being sought (and to the extent possible, with at least [***] Business Days' prior notice) in order to provide the Disclosing Party an opportunity to challenge or limit the disclosure (including, as applicable, redaction of such disclosure) and will reasonably cooperate with the Disclosing Party to do so. Without limiting the foregoing, the Receiving Party will furnish only that portion of Confidential Information that the Receiving Party is advised by counsel is legally required to be disclosed.

9.4 **Breaches of Confidentiality.** The Receiving Party will remain responsible for any non-compliance of this Article 9 (Confidentiality; Publicity; Privilege) by its Representatives who receives Confidential Information. The Receiving Party will promptly notify the Disclosing Party when the Receiving Party becomes aware of any breach of this Article 9 (Confidentiality; Publicity; Privilege) by any Person to whom the Receiving Party has disclosed any Confidential Information. The Receiving Party will provide all reasonable assistance to the Disclosing Party in connection with any action, demand, claim, or proceeding that the Disclosing Party may institute against any such Person in respect of such disclosure.

9.5 **Publication.** Notwithstanding any provision to the contrary set forth in this Agreement, following the Closing, Novo Nordisk will have the sole right to publish the results related to any Compound or Product and any information related to the Compounds and Products in academic, scientific, and medical publications or public presentations, and Omeros may not publish the results related to any Compound or Product or any Assigned Arising Technology, in each case, without Novo Nordisk's prior written approval.

9.6 **Publicity.**

9.6.1 **Press Releases**. The Parties have agreed that the contents of an initial press release to be issued jointly by the Parties promptly after the Effective Date will be substantially in the form attached hereto as Schedule 9.6.1 (Press Release). Except as may be expressly permitted under Section 9.3 (Permitted Disclosures) or Section 9.5 (Publication), neither Party will make any public announcement regarding this Agreement without the prior written approval of the other Party, except for either Party's references to the other as licensor (or seller) or licensee (or buyer) (as applicable) under this Agreement. After the issuance of any such press release or any other permitted public disclosure by a Party, the publishing Party may make subsequent public disclosures reiterating such same information without having to obtain the other Party's prior consent and approval so long as such same information in such press release or other public announcement remains true, correct, and the most current information with respect to the subject matters set forth therein. Notwithstanding the foregoing, neither Party will be required to obtain the consent of the other Party prior to making any public disclosure that is (i) required by Applicable Law (subject to such Party's obligations to consult with counsel to limit such disclosures only to information such Party is legally required to disclose in accordance with Section 9.3 (Permitted Disclosures)); and (ii) consistent with, and still up-to-date in view of, other public disclosure made by the Parties in accordance with the terms of this Section 9.6.1 (Press Releases). Notwithstanding the foregoing, Omeros shall be permitted to make public announcements regarding its Exploitation of the Grandfathered MASP-3 Products, its exploitation of products pursuant the licenses and rights granted under Section 5.2 (Licenses to Omeros), or its conduct of the activities permitted under Section 5.4 (Exclusivity), in each case, without the prior written approval of Novo Nordisk; and Novo Nordisk shall be permitted to make public announcements regarding the Compounds and the Products, and its Exploitation thereof, without the prior written approval of Omeros.

9.6.2 **Confidential Treatment**. The Parties acknowledge that either or both Parties may be obligated to file a copy of this Agreement (or portions of this Agreement or an abstract of the terms of this Agreement) with the SEC or other Governmental Authorities. Each Party will be entitled to make such a required filing, *provided* that it initially files a redacted copy of this Agreement (or portions of this Agreement or an abstract of the terms of this Agreement) ("**Redacted Agreement**") and requests confidential treatment of certain terms of this Agreement for a reasonable period of time. In the event of any such filing, each Party will (a) permit the other Party to review and comment upon such request for confidential treatment (including the Redacted Agreement) and any subsequent correspondence with respect thereto at least [***] Business Days in advance of its submission to the SEC or such other Governmental Authorities (to the extent practicable), (b) reasonably consider and incorporate the other Party's comments thereon to the extent consistent with Applicable Law governing redaction of information from material agreements that must be publicly filed in the applicable country, (c) promptly deliver to the other Party any written correspondence received by it or its representatives from such Governmental Authority, if any, with respect to such confidential treatment request and promptly advise the other Party of any other communications between it or its representatives with such Governmental Authority with respect to such confidential treatment request, (d) upon the written request of the other Party, request an appropriate extension of the term of the confidential treatment period, where available, and (e) if such Governmental Authority requests any changes to the redactions set forth in the Redacted Agreement, use reasonable efforts to support the redactions in the Redacted Agreement as originally filed (to the extent consistent with the then-current legal requirements governing redaction of information from material agreements that must be publicly filed) and, to the extent reasonably practicable, not agree to any changes to the redactions proposed by such Governmental Authority in the Redacted Agreement without first discussing such changes with the other Party and taking the other Party's comments into consideration when deciding whether to agree to such changes. Each Party will be responsible for its own legal and other external costs in connection with any such filing, registration, or notification.

9.6.3 **No Other Use of Company Names**. Except as otherwise expressly set forth herein, neither Party will use the name, trademark, trade name, or logo of the other Party, its Affiliates or its or their employees in any publicity or news release relating to this Agreement or its subject matter without the prior express written permission of the other Party; provided that each Party may reference the other Party in partnering, investor, and corporate presentations and discussions to the extent such referenced information is in the public domain and already connected to such other Party.

9.7 **Attorney-Client Privilege**. The Parties acknowledge and agree that both Omeros and Novo Nordisk may have a common interest in a potential Proceeding arising from the transactions contemplated hereby, and that neither Party is waiving, nor will be deemed to have waived or diminished, any of its attorney work product protections, attorney-client privileges or similar protections and privileges recognized under the Applicable Laws of any jurisdiction as a result of disclosing information pursuant to this Agreement or any Ancillary Agreement, or any of its Confidential Information (including Confidential Information related to pending or threatened litigation) to the Receiving Party, regardless of whether the Disclosing Party has asserted, or is or may be entitled to assert, such privileges and protections. The Parties may become joint defendants in proceedings to which the information covered by such protections and privileges relates and may determine that they share a common legal interest in disclosure between them that is subject to such privileges and protections, and in such event, may enter into a joint defense agreement setting forth, among other things, the foregoing principles but are not obligated to do so.

10. REPRESENTATIONS AND WARRANTIES; COVENANTS.

10.1 **Mutual Representations.** Except as disclosed in the disclosure schedule delivered by Omeros or Novo Nordisk, as applicable, on the date hereof, which disclosure schedule will be organized into sections corresponding to the Sections (or, if applicable, subsections) of this Section 10.1 (Mutual Representations) or, in the case of Omeros, Section 10.2 (Representations of Omeros) (provided, that any disclosure in a Section or subsection of the disclosure schedule shall apply to the corresponding Section or subsection of this Section 10.1 (Mutual Representations), or, in the case of Omeros, Section 10.2 (Representations of Omeros), as well as to the matters represented or warranted in such other Sections or subsections of this Section 10.1 (Mutual Representations), or, in the case of Omeros, Section 10.2 (Representations of Omeros) with respect to which it is reasonably apparent on the face of such disclosure that such disclosure would apply or qualify) (the "**Omeros Disclosure Schedule**," and the "**Novo Nordisk Disclosure Schedule**," as applicable), each of Omeros and Novo Nordisk hereby represents and warrants, as of the Execution Date and the Closing as follows:

10.1.1 **Organization**. Such Party is a legal entity duly organized, validly existing and, where relevant, in good standing under the Applicable Laws of its respective jurisdiction of organization and has all requisite corporate or similar power and authority to own, lease, and operate its properties and assets and to carry on its business as presently conducted. Each Party is qualified to do business and is in good standing as a foreign corporation or other entity in each jurisdiction where the ownership, leasing, or operation of its assets or properties or conduct of its business requires such qualification, with respect to Omeros, as would not have a Material Adverse Effect, and, with respect to Novo Nordisk, as would not reasonably be expected to materially delay, prevent or impair the consummation of the transactions contemplated by this Agreement.

10.1.2 **Binding Agreement**. This Agreement has been duly and validly executed and delivered by such Party and constitutes a legal, valid, and binding obligation of such Party, and each Ancillary Agreement will be, prior to the Closing, duly and validly executed and delivered by such Party (or its applicable Affiliate) and will, upon the Closing, constitute a legal, valid and binding obligation of such Party, in each case enforceable against such Party in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium, or similar Applicable Laws affecting creditors' rights generally or by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law).

10.1.3 **Authorization**. Such Party has all requisite corporate power and authority to execute and deliver this Agreement and each Ancillary Agreement to which it will be a party, to perform its obligations hereunder and thereunder and to consummate the transactions contemplated pursuant to this Agreement. The execution and delivery by such Party of this Agreement and each such Ancillary Agreement, the performance by such Party of its obligations hereunder and thereunder and the consummation of the transactions contemplated hereby have been duly authorized by all requisite corporate action on the part of such Party and its applicable Affiliates, and no further approval or authorization of any equity holder, shareholder, or other holder of securities of Omeros is necessary in connection therewith.

10.1.4 **No Conflicts**. The execution, delivery, and performance by such Party of this Agreement and each Ancillary Agreement to which it is party, the consummation of the transactions contemplated herby and thereby, and its compliance with the terms and conditions hereof and thereof do not and will not (a) with respect to Omeros, conflict with, result in a breach of, constitute a default under, give rise to any right of or result in the termination, cancellation, modification, or acceleration (whether after the giving of notice or the lapse of time or both) of any right or obligation of such Party under, or to a loss of any benefit to which such Party is entitled under, any Transferred Contract, (b) violate any provisions of its Organizational Documents, (c) violate or result in any violation of any Applicable Law to which such Party is subject or may be bound, (d) violate or result in any violation of any Order of any Governmental Authority entered against it or by which any of its property is bound, (e) result in the creation of any Lien (other than a Permitted Lien) on any Acquired Asset, or (f) result in a fraudulent conveyance under the Applicable Laws of any jurisdiction applicable to such Party, whether on or after the Closing.

10.1.5 **No Further Governmental Approval**. Except for compliance with and filings under the HSR Act and any other Antitrust Laws and the expiration or early termination of any waiting period with respect thereto or the receipt of any consent thereunder, and the consents required for the transfer of the Governmental Authorization included in the Acquired Assets to Novo Nordisk, no government authorization, consent, approval, license, exemption of or filing, or registration with any court or governmental department, commission, board, bureau, agency, or instrumentality, domestic or foreign, under any Applicable Law currently in effect, is or will be necessary for, or in connection with, the transactions contemplated by this Agreement and each Ancillary Agreement, for the performance by such Party of its obligations under this Agreement and each Ancillary Agreement, or to consummate the transaction contemplated by this Agreement and each Ancillary Agreement, except, with respect to Omeros, as would not reasonably be expected to be material to any Acquired Asset, any Assumed Liability or the Program, or, with respect to Novo Nordisk, as would not reasonably be expected to materially delay, prevent or impair the consummation of the transactions contemplated by this Agreement.

10.1.6 **No Further Third Party Approval**. Except for compliance with and any filings under the HSR Act and any other Antitrust Laws and the expiration or early termination of any waiting period with respect thereto or the receipt of any consent thereunder, and the consents required for the transfer of the Governmental Authorization included in the Acquired Assets to Novo Nordisk, such Party has obtained all necessary authorizations, consents, and approvals of any Third Party that is required to be obtained by it for, or in connection with, the transactions contemplated by this Agreement and each Ancillary Agreement, for the performance by it of its obligations under this Agreement and each Ancillary Agreement, or to consummate the transaction contemplated by this Agreement and each Ancillary Agreement.

10.1.7 **Non-Use and Non-Disclosure by Representatives**. It has obtained from each of its existing employees, independent contractors, subcontractors, consultants, Sublicensees, agents, and others who perform activities for such Party under this Agreement (collectively, "**Representatives**"), written agreements containing obligations of confidentiality and non-use and an assignment to the applicable Party of all inventions and intellectual property rights (and all of such Person's rights thereto) for which Omeros or Novo Nordisk is intended to have ownership or license rights under this Agreement such that no such Representative will retain any rights to such inventions or intellectual property rights that would prevent or conflict with Omeros' or Novo Nordisk's (as applicable) rights of ownership or use of such inventions or intellectual property rights as contemplated under this Agreement.

10.1.8 **Orders**. There are no Orders issued by any Governmental Authority binding on Novo Nordisk or any of its Affiliates, and there are no, and since [***], there have been no, to Novo Nordisk's knowledge, Proceedings pending or threatened in writing by or against Novo Nordisk or any of its Affiliates as would reasonably be expected to materially delay, prevent or impair the consummation of the transactions contemplated by this Agreement.

10.1.9 **Novo Nordisk Sufficiency of Funds**. Novo Nordisk has as of the date of this Agreement and will have at the Closing (a) sufficient funds to make all payments contemplated by this Agreement in connection with the transactions contemplated by this Agreement at the time such payments become due and payable; and (b) the resources and capabilities (financial and otherwise) to perform its obligations under this Agreement.

10.2 **Representations of Omeros**. Except as disclosed in the Omeros Disclosure Schedule (it being understood that any disclosure in a Section or subsection of the Omeros Disclosure Schedule shall apply to the corresponding Section or subsection of Section 10.1 (Mutual Representations) or this Section 10.2 (Representations of Omeros) as well as to the matters represented or warranted in such other Sections or subsections of Section 10.1 (Mutual Representations) or this Section 10.2 (Representations of Omeros) with respect to which it is reasonably apparent on the face of such disclosure that such disclosure would apply or qualify), Omeros hereby further represents and warrants to Novo Nordisk as of the Execution Date and the Closing that:

10.2.1 **Authority to Grant Rights**. Omeros has the full right, power, and authority to grant all of the licenses and rights granted to Novo Nordisk under this Agreement.

10.2.2 **Sole Ownership**. No Affiliate of Omeros owns, Controls, or otherwise holds rights to any assets, property, rights, or interests (including any Intellectual Property) in or to any Compound, Product, or Acquired Asset. Except as otherwise set forth on Schedule 10.2.2 (Sole Ownership), all Acquired Assets and Licensed Technology, are owned or Controlled by Omeros. Except as set forth on Section 10.2.2 of the Omeros Disclosure Schedule, to Omeros' Knowledge, no Third Party owns or otherwise holds rights or interests under the Transferred Intellectual Property or the Licensed Technology to Exploit any Compound or Product.

10.2.3 **Title**.

(a) Omeros has, and as of the Closing, Omeros will have good, marketable, and valid title to, or a valid leasehold interest in or a valid license to use all of the Acquired Assets and Licensed Technology, free and clear of all Liens (including claims by any Governmental Authority or academic or non-profit institution) other than Permitted Liens, and the Acquired Assets and Licensed Technology are not subject to any other Third Party agreement or existing royalty or other payment obligations to any Third Party, other than as set forth in the Program In-Licenses.

(b) Omeros has the right to grant to Novo Nordisk the licenses and rights granted herein with respect to the Licensed Technology.

(c) At the Closing, except with respect to the Delayed Acquired Assets, Novo Nordisk will acquire from Omeros good and marketable title to, or valid contract rights to, as applicable, all of the Acquired Assets, free and clear of all Liens (other than Permitted Liens).

(d) To Omeros' Knowledge, any finished clinical samples of any Product that are included in the Inventory were Manufactured on behalf of Omeros or its Affiliates in all material respects in compliance with GMPs, and comparable state and foreign Applicable Laws, and other Applicable Law. All other materials comprising the Inventory are of a quality and quantity usable in the ordinary course of business consistent with past practices.

10.2.4 **Absence of Changes**.

(a) From [***] through the Execution Date, there has not occurred any Effect that has had, or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) From [***] through the Execution Date, other than with respect to the transactions contemplated by this Agreement, the Program has been conducted, in all material respects, in the ordinary course of business consistent with past practices.

(c) Except as set forth in Section 10.2.4(c) of the Omeros Disclosure Schedule, from [***] through the Execution Date, none of Omeros or any of its Subsidiaries has taken any of the actions described in Section 10.4.1(b) (Conduct of the Business) (other than Sections 10.4.1(b)(ix), 10.4.1(b)(xi), 10.4.1(b)(xii) 10.4.1(b)(xiv) and 10.4.1(b)(xv)).

(d) The transactions contemplated by the Contract set forth on Section 10.2.4(d) of the Omeros Disclosure Schedule will not materially impair or materially delay the consummation of the transactions contemplated by this Agreement.

10.2.5 **Transferred Contracts; Shared Contracts.**

(a) Set forth on Section 10.2.5(a) of the Omeros Disclosure Schedule is a true, complete, and accurate list, as of the Execution Date, of each Transferred Contract and each Shared Contract that:

(i) contains any non-compete, exclusivity, most-favored nations, or similar provisions that restricts the Program, the Exploitation of any Compound or Product, or the Acquired Assets;

(ii) grants any option, right of first refusal or right of first offer or similar right to, contingent or otherwise, that limits or purports to limit the ability of Omeros or its Affiliates (or following the Closing, Novo Nordisk or any of its Affiliates), or that grants any Third Party the right to own, operate, sell, transfer, pledge, or otherwise dispose of, any Acquired Assets or any portion of the Program;

(iii) creates a partnership, joint venture, or similar arrangement;

(iv) is a Contract related to the Program (other than any employment or consulting Contract) that involved the payment of more than $[***] (or equivalent local currency) in the year ending on [***] or which Omeros reasonably anticipates will involve the payment of more than such amount in the year ending on [***] under such Contract;

(v) is a Contract for the purchase of services, materials, supplies, or equipment by Omeros or its Affiliates related to the Program that involved the payment of more than $[***] (or equivalent local currency) in the year ending on [***] or that Omeros reasonably anticipates will involve the payment of more than such amount in the year ending on [***];

(vi) is a Contract with a Top Supplier;

(vii) is a Contract for capital expenditures or the acquisition or construction of fixed assets which requires aggregate future payments in excess of $[***] (or equivalent local currency);

(viii) under which Omeros or any Affiliate thereof has granted or received a license to any Intellectual Property used, useful, or held for use in the operation of the Program (but excluding any licenses for generally available off-the-shelf software);

(ix) relates to the conduct of Clinical Trials of any Compound or Product, including any such Contract with investigators, contract research organizations, Clinical Trial sites, and Clinical Trial support services;

(x) is a Contract in which Omeros or any of its Affiliates has granted Manufacturing, marketing, or distribution rights relating to any Compound or Product;

(xi) is a Contract with any academic institution, research center, or Governmental Authority (or any Person working for or on behalf of any of the foregoing) that relates to any Compound or Product, including the Development or other creation of any Intellectual Property related to any Compound or Product; or

(xii) is a Contract used, useful, or held for use in the operation of the Program under which Omeros or any Affiliate thereof provides for or receives any royalty, milestone, profit sharing, contingent, or deferred payments or similar obligations of any kind with respect to any Compound or Product.

(b) Each Transferred Contract and each Shared Contract is in full force and effect and constitutes a legal, valid and binding agreement of Omeros or its applicable Affiliates and, to Omeros' Knowledge, each other party thereto, and is enforceable in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium, or similar Applicable Laws affecting creditors' rights generally or by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law).

(c) None of Omeros or its applicable Affiliates are in, or, to Omeros' Knowledge, are alleged to be in, material breach of or material default under any of the Transferred Contracts or Shared Contracts, and to Omeros' Knowledge, no other party to any of the Transferred Contracts has materially breached or defaulted thereunder or otherwise taken any action that would give rise to any right of or result in the termination, cancellation, modification, or acceleration (whether after the giving of notice or the lapse of time or both) of any right or obligation thereunder, or to a loss of any benefit thereunder.

(d) Since [***] through the Execution Date, neither Omeros nor any of its applicable Affiliates has received from or delivered to any counterparty to a Transferred Contract or Shared Contract any written notice (i) alleging actual or alleged violation or breach of, or default under, such Transferred Contract or Shared Contract or (ii) stating intent to cancel or terminate such Transferred Contract or Shared Contract.

(e) Omeros has, prior to the Execution Date, delivered to, or made available to, Novo Nordisk or its Representatives, true, complete, and accurate copies of each Transferred Contract and Shared Contract, including all amendments, modifications, and waivers relating thereto.

(f) Except for the Excluded Contracts, the Transferred Contracts constitute all of the material Contracts that are necessary or useful to enable Novo Nordisk, immediately following the Closing, to conduct the Program as currently conducted by Omeros and its Affiliates as of the Closing.

10.2.6 **Orders.** There are no Orders issued by any Governmental Authority binding on the Program or the Acquired Assets, and there are no, and since [***], there have been no, Proceedings pending (or, to Omeros' Knowledge, threatened in writing) by or against Omeros or any of its Affiliates with respect to the Acquired Assets, Assumed Liabilities or the Program. "Proceedings" as used in this Section 10.2.6 (Orders) will not include any patent office proceedings, such as any oppositions, interferences, reissue proceedings, *ex-parte* reexaminations, or post-grant proceedings for a Patent Right. To Omeros' Knowledge, there are no facts or circumstances that would reasonably be expected to give rise to any Proceeding or Order described in the preceding sentence.

10.2.7 **Compliance with Law**.

(a) Omeros and its Affiliates hold all Governmental Authorizations included in the Acquired Assets. Omeros and its Affiliates are operating in material compliance with all such Governmental Authorizations included in the Acquired Assets. There are no Proceedings pending or, to Omeros' Knowledge, threatened in writing which would reasonably be expected to result in the limitation, adverse modification, revocation, cancellation, or suspension of any such Governmental Authorizations included in the Acquired Assets. Section 10.2.7(a) of the Omeros Disclosure Schedule sets forth a true, complete, and accurate list of all Regulatory Approvals included within the Governmental Authorizations included in the Acquired Assets.

(b) Omeros and its Affiliates have, since [***], conducted the Program in compliance with all Applicable Laws, including all Applicable Laws with respect to the research, nonclinical and clinical testing, development, manufacturing, ownership, operation, storage, import, export, distribution, marketing, pricing, sale, promotion, document retention, warehousing, packaging, Labeling, and handling of any Compound or Product, including the FDCA and its implementing regulations, and any comparable state and foreign Applicable Laws (all such Applicable Laws, collectively, the "**Health Care Laws**"), as applicable, except, in each case, as would not be material to the Acquired Assets, Assumed Liabilities or the Program, taken as a whole. Since [***], none of Omeros or its Affiliates, or, to Omeros' Knowledge, any Third Party manufacturer of any Compound or Product has received any written notice relating to such Compound or Product, including any FDA Form 483, clinical hold, warning letter, "dear doctor" letter, notice of adverse finding, notice of violation, untitled letter, safety notice, notice of deficiency, or similar communication from FDA or any other Governmental Authority, (i) alleging that any Compound, Product or the ownership, manufacturing, operation, storage, import, export, distribution, development, Clinical Trials, marketing, pricing, sale, promotion, warehousing, packaging, Labeling, handling, or testing thereof is in violation of any Applicable Law including any Health Care Law or Governmental Authorizations included in the Acquired Assets, or (ii) otherwise alleging any material violation of any Applicable Law including any Health Care Laws by Omeros or any of its Affiliates with respect to the Program or any Compound or Product. Omeros and its Affiliates are conducting and have conducted the Program since [***], in material compliance with all published or formal guidance applicable to the Program.

(c) All Clinical Trials relating to any Compound or Product conducted by Omeros and its Affiliates have been and are being conducted in compliance in all material respects with valid study protocols and all other Applicable Laws, including Health Care Laws applicable to informed consents and the collection of Personal Information in Clinical Trials. Neither Omeros nor its Affiliates have received any written notice that FDA or any other Governmental Authority, or any Review Board or ethics committee has recommended, warned, initiated, or threatened to initiate any action to suspend or terminate any Clinical Trial or any IND or other approval necessary to conduct the Clinical Trial with respect to any Compound or Product sponsored by Omeros or any of its Affiliates, or to otherwise materially restrict the preclinical research or Clinical Trial of any Compound or Product. All Clinical Trials relating to any Compound or Product conducted by or on behalf of Omeros or any of its Affiliates, and the results of all such Clinical Trials, have been registered and disclosed in accordance with Section 801 of the Food and Drug Administration Amendments Act of 2007 (Section 402(j) of the Public Health Service (PHS) Act), 42 C.F.R. Part 11, to the extent required, and all other Applicable Laws, including applicable drug Clinical Trial registration requirements in other jurisdictions.

(d) All material documents, reports, and notices required to be filed with any Governmental Authority by or on behalf of Omeros or any of its Affiliates with respect to the Program or the Compound or Products, including any such Regulatory Submissions therefor, have been so filed on a timely basis, were prepared and have been maintained in accordance with Applicable Law relating to good industry practice, and were complete and accurate in all material respects as of the date of filing, or were subsequently updated, changed, corrected, or modified to be so. No such filing with any Governmental Authority contains any materially false, misleading, or otherwise materially inaccurate statements or information, whether express or due to omission of material information, as of the date of filing.

(e) Section 10.2.7(e) of the Omeros Disclosure Schedule sets forth a true, complete, and accurate list, as of the Execution Date, of all material preclinical studies (including in vitro, ex vivo, or in vivo studies, and indication development data) and Clinical Trials previously or currently undertaken or sponsored by or on behalf of Omeros or any of its Affiliates or any Third Party investigator for whom Omeros and its Affiliates directly provided material financial support for any such Clinical Trial, in each case, with respect to any Compound or Product. True, complete, and accurate copies of all interim and final study data and clinical study reports with respect to such material preclinical studies and Clinical Trials, and of any material conclusions or findings thereof, have been made available to Novo Nordisk. None of Omeros or any of its Affiliates have any outstanding applications for any local or global Clinical Trial amendments. Omeros has made available to Novo Nordisk a true, complete, and accurate copy of all submissions, formal correspondence, formal meeting minutes, and any formal records or any other material communications (whether formal or informal) relating to any Compound or Product between Omeros or its Affiliates, or any Third Party investigator for whom Omeros or its Affiliates provides material or financial support on the one hand and FDA, other Governmental Authorities, or any Review Board regarding such Clinical Trials on the other hand.

(f) Neither Omeros nor any of its Affiliates have (i) opened any clinical site for the conduct of any Phase 3 Clinical Trial or (ii) enrolled or dosed any patients in any such Phase 3 Clinical Trial, in each case ((i) and (ii)), for any Compound or Product.

(g) All animal studies or other preclinical tests performed by Omeros or its Affiliates, or, to Omeros' Knowledge, by a Third Party acting on behalf of Omeros or its Affiliates, submitted to Governmental Authorities in support of any Governmental Authorizations or Regulatory Approvals for a clinical investigation or marketing of a Compound or Product (i) have been conducted in accordance with applicable Good Laboratory Practice regulations as described in 21 C.F.R. Part 58 or comparable state or foreign Applicable Laws or (ii) involved experimental research techniques that were not performed by a registered Good Laboratory Practice testing laboratory (with appropriate notice being given to FDA or other applicable Regulatory Authorities) but have employed procedures and controls as required by Applicable Laws relating to animal or preclinical study of products comparable to the Compounds or Products.

(h) To Omeros' Knowledge, all Manufacturing operations conducted by, or for the benefit of, Omeros or its Affiliates with respect to a Compound or Product being used in human Clinical Trials, since [***] have been and are being conducted in accordance in all material respects with current Good Manufacturing Practices, as set forth in 21 C.F.R. Parts 210 and 211, or otherwise under 21 U.S.C. § 351, and comparable state and foreign Applicable Laws, to the extent applicable. All such Manufacturing operations are in material compliance with all applicable registration and listing requirements set forth in 21 U.S.C. Section 360 and 21 C.F.R. Part 207 and all similar Applicable Laws in those jurisdictions in which Clinical Trials or Manufacturing activities have been or are being conducted by Omeros and its Affiliates involving a Compound or Product, to the extent applicable. No Manufacturing site used for the manufacture of any Compound or Product is subject to a Regulatory Authority shutdown or import or export prohibitions. Neither Omeros nor any of its Affiliates has received any written notice that FDA or any other Governmental Authorities or Review Board has initiated, or threatened to initiate, any action to recall or suspend the manufacture of any Compound or Product.

(i) Omeros has made available to Novo Nordisk true, complete, and accurate copies of (i) all INDs related to any Compound or Product held by Omeros or any of its Affiliates, (ii) all substantive correspondence in Omeros' or any of its Affiliates' possession or control to or from FDA and any other applicable Regulatory Authorities, in each case concerning (A) any Compound, (B) any Product, (C) Omeros' or any of its Affiliates' compliance with Applicable Laws regarding any Compound or Product, and (D) the likelihood or timing of, or requirements for, Regulatory Approval of any Compound or Product; and (iii) all substantive information in Omeros' or any of its Affiliates' possession or control concerning the safety, efficacy, side effects, toxicity, or manufacturing quality and controls of any Compound or Product.

(j) None of Omeros or any of its Affiliates has received any: (i) written notice, complaint, or Order alleging non-compliance with any Applicable Laws relating to the sampling, collecting, using, trading, transferring, or exporting of human genetic resources; (ii) written claim for compensation for loss or unauthorized sampling, collecting, using, trading, transferring or exporting of human genetic resources; or (iii) written Order for rectification, confiscation, erasure, or destruction of human genetic resources, imposition of fines, or any other penalty.

(k) None of Omeros or any of its Affiliates or any of their respective directors, officers or employees, or, to Omeros' Knowledge, any other Representatives acting for Omeros or its Affiliates, or any Third Party investigators for whom Omeros and its Affiliates provides material or financial support has committed any prohibited act, made any or failed to make any statement, relating to any Compound or Product or the Development or Manufacturing thereof that would reasonably be expected to provide a basis for FDA to invoke its policy with respect to "Fraud, Untrue Statements of Material Facts, Bribery, and Illegal Gratuities" set forth in 56 Fed. Reg. 46191 (September 10, 1991) and any amendments thereto or for any Governmental Authority to invoke a similar policy under equivalent foreign Applicable Laws. Additionally, none of Omeros, any of its Affiliates or any of their respective directors, officers or employees, or, to Omeros' Knowledge, any other Representative acting for Omeros or its Affiliates or any Third Party investigator for whom Omeros or its Affiliates provides financial support in connection with the Program, is or ever has been debarred, excluded, or suspended from participation, or otherwise been deemed ineligible to participate, in any health care programs of any Governmental Authority or under PRC's human genetic resource regulations, or convicted of any crime regarding health care products or services, or engaged in any conduct that would reasonably be expected to result in any such debarment, exclusion, suspension, or ineligibility, including (i) debarment under 21 U.S.C. Section 335a or any similar state or foreign Applicable Law and (ii) exclusion under 42 U.S.C. Section 1320a- 7 or any similar state or foreign Applicable Law.

(l) Neither Omeros nor any of its Affiliates is a party to any corporate integrity agreement, monitoring agreement, deferred prosecution agreement, consent decree, settlement order, or similar agreement imposed by any Governmental Authority that relates any Compound, Product, or any of the Acquired Assets.

10.2.8 **Program Not a TID U.S. Business**. The Program is not a "U.S. business" engaged in (a) the design, fabrication, development, testing, production, or manufacture of one or more "critical technologies" within the meaning of the Defense Production Act of 1950, as amended, including all implementing regulations thereof (the "**DPA**"); (b) the ownership, operation, maintenance, supply, manufacture, or servicing of "covered investment critical infrastructure" within the meaning of the DPA (where such activities are covered by column 2 of Appendix A to 31 C.F.R. Part 800); or (c) the maintenance or collection, directly or indirectly, of "sensitive personal data" of U.S. citizens within the meaning of the DPA.

10.2.9 **Taxes.**

(a) All income and other material Tax Returns that are required to be filed with respect to the Acquired Assets and the Program, if any, have been timely filed (taking into account any extension of time within which to file), and all such Tax Returns are true, complete, and accurate in all material respects.

(b) All income and other material Taxes due and owing with respect to the Acquired Assets and the Program have been, or will be, timely (considering any valid extensions available under Applicable Law) and properly paid to the applicable Taxing Authority and all related Tax reporting requirements, if any, have been, and will be properly satisfied in all material respects.

(c) There are no Liens for Taxes (other than Liens for Taxes not yet due and payable) on any of the Acquired Assets or any portion of the Program.

(d) No Tax Proceedings are pending, in progress or have been threatened in writing with respect to any Taxes relating to the Acquired Assets or the Program and there are no matters under audit or appeal with any Taxing Authority relating to the Acquired Assets or the Program.

(e) There are no Tax sharing, Tax allocation, Tax indemnity or similar agreements with respect to the Acquired Assets or the Program to which Novo Nordisk would or might become liable for the Taxes of another Person in relation to Acquired Assets or the Program, other than any agreement entered into in the ordinary course of business the primary purpose of which is not related to Taxes.

(f) Omeros has provided or made available to Novo Nordisk proof of tax residency.

10.2.10 **Patent Rights**.

(a) All of the issued Licensed Background Patent Rights and Transferred Patent Rights that are identifiable and existing as of the Closing are subsisting and, to Omeros' Knowledge, valid, and enforceable. To Omeros' Knowledge, Omeros and its Affiliates either own and Control or otherwise Control all Patent Rights that are necessary or reasonably useful to Develop, Manufacture, Commercialize, or otherwise Exploit the Compounds or Products as the same exists as of the Effective Date. Neither Omeros nor any of its Affiliates have taken any action that would render any Licensed Background Patent Rights or Transferred Patent Rights unpatentable.

(b) Omeros has timely paid all application, registration, maintenance, and renewal fees due with respect to all Licensed Background Patent Rights and Transferred Patent Rights and has filed all necessary documents with the relevant patent registries for the purpose of maintaining such Licensed Background Patent Rights and Transferred Patent Rights.

(c) Omeros has not given any written notice to any Third Party asserting infringement by such Third Party of any Licensed Background Patent Rights or Transferred Patent Rights and, to Omeros' Knowledge, there is no unauthorized use, infringement, or misappropriation of any Licensed Background Patent Rights or Transferred Patent Rights.

10.2.11 **Intellectual Property**.

(a) **Registered Intellectual Property.** Section 10.2.11(a) of the Omeros Disclosure Schedule sets forth a true, complete, and accurate list of all registered Intellectual Property, as of the Execution Date (i) included within (A) the Transferred Intellectual Property, (B) the Licensed Background Technology, or (C) otherwise used or held for use by Omeros or its Affiliates in connection with the Program or the Development, Manufacture, Commercialization, or other Exploitation of any Compound or Product, and all such Transferred Intellectual Property, Licensed Background Technology, or Intellectual Property that are subject to a current application for registration (collectively, the "**Registered Intellectual Property**"), which list includes information regarding, for all such Registered Intellectual Property: (1) all current owners thereof, (2) all jurisdictions in which Registered Intellectual Property has been or is registered, granted, issued or in which registrations, grants or issuances have been applied for or, in the case of a domain name, the registrar for that domain name, (3) all registration numbers, issuance numbers, grant numbers, serial numbers or application numbers, as applicable, (4) all filing, maintenance, and other deadlines with respect to the Transferred Intellectual Property that are due within [***] days after the Effective Date, and (5) all expiration dates of such registrations, grants, issuances or applications, where applicable. Omeros has provided to Novo Nordisk a copy of all applications related to each such item of Registered Intellectual Property. All Registered Intellectual Property is subsisting and in full force and effect and, to Omeros' Knowledge, all Registered Intellectual Property (other than pending applications) is valid and enforceable. All necessary registration, maintenance, and renewal fees for each item of Registered Intellectual Property have been timely and appropriately made and all necessary documents, recordations, and certificates in connection with such Registered Intellectual Property have been filed with the relevant Governmental Authority for the purposes of prosecuting, maintaining or perfecting such Registered Intellectual Property, including recordation of all assignment documents vesting ownership of the Registered Intellectual Property. None of the Registered Intellectual Property has been abandoned, disclaimed, rendered unenforceable, or has expired, lapsed, or been declared revoked, unpatentable, invalid or unenforceable (in each case, in whole or in part) by any Governmental Authority. The entity identified as the applicant upon initial filing of each Patent Right within the Registered Intellectual Property that contains a priority claim to an earlier patent application held the right to claim such priority to such earlier patent application at the time of such initial filing. To Omeros' Knowledge, there are no facts or circumstances that would reasonably be likely to provide a basis for abandonment, invalidity, or unenforceability of any Registered Intellectual Property.

(b) **Sufficiency of Intellectual Property**. Except pursuant to a Shared Contract, the Transferred Intellectual Property and the Licensed Background Technology constitute all of the Patent Rights and Know-How that are owned, Controlled, or licensed by Omeros or its Affiliates that are necessary or useful for the conduct of the Program as currently conducted or the Development, Manufacture, Commercialization, or other Exploitation of any Compound or Product as the same exists as of the Effective Date. No provision of this Section 10.2.11(b) (Sufficiency of Intellectual Property) will be deemed a representation or warranty of Omeros, and Omeros make no representation or warranty pursuant to this Section 10.2.11(b) (Sufficiency of Intellectual Property) with respect to, non-infringement of any Intellectual Property of any Third Party.

(c) **Intellectual Property Licenses.** Section 10.2.11(c)(i) of the Omeros Disclosure Schedule contains a true, complete, and accurate list of each Contract relating to any In-Licensed Intellectual Property (other than Excluded Licenses). Section 10.2.11(c)(ii) of the Omeros Disclosure Schedule contains a true, complete, and accurate list of each Contract under which any Third Party has been granted any license, or ownership right, under or in, or otherwise benefits from any right (whether actual or contingent) or interest in, any Transferred Intellectual Property or Licensed Background Technology.

(d) **Proper Ownership and Rights**. Omeros is the (i) proper and rightful owner of or licensee to the Patent Rights and Know-How licensed to Novo Nordisk under Section 5.1 (Licenses to Novo Nordisk), and Omeros has the rights necessary to grant the license set forth in Section 5.1 (Licenses to Novo Nordisk) to Novo Nordisk (including under any Third Party in-license agreements) and (ii) sole and exclusive owner of all rights, title, and interests in and to the Transferred Intellectual Property, free and clear of any Liens (other than Permitted Liens and Liens under the Existing Credit Facility). To Omeros' Knowledge, as of the Effective Date, other than the Transferred Intellectual Property, Omeros or its Affiliates own and Control all intellectual property or other rights necessary for Exploiting all Compounds and Products containing '906 as the same exists as of the Effective Date, and all such intellectual property or other rights may be exercised without additional payment or other consideration to be paid by Novo Nordisk for such intellectual property or other rights. To Omeros' Knowledge, Omeros and its Affiliates have sufficient rights to use the In-Licensed Intellectual Property for all purposes related to the Exploitation of the Compounds and Products for which they have used and use such In-Licensed Intellectual Property, in each case, pursuant to valid and enforceable written Contracts. Neither Omeros nor any of its Affiliates, nor any Transferred Intellectual Property, Licensed Background Technology, or In-Licensed Intellectual Property, is subject to any Contract containing any obligation, restriction or other provision that limits or restricts the ability of Omeros and its Affiliates (or Novo Nordisk or its Affiliates following the Closing) to use, exploit, or enforce any of the Transferred Intellectual Property, Licensed Background Technology, or In-Licensed Intellectual Property.

(e) **Third Party Rights**. Omeros and its Affiliates have not granted to any Third Party, and no Person other than Omeros or its Affiliates has, any right to control the prosecution or registration of any Transferred Intellectual Property or, to Omeros' Knowledge, Licensed Background Technology to bring, enforce, defend, or otherwise control any Proceeding with respect to any Transferred Intellectual Property or Licensed Background Technology. Omeros and its Affiliates have not entered into, and are not subject to, any consents, indemnifications, forbearances to sue, licenses or other arrangements, in each case in connection with the resolution of any disputes or Proceeding that (i) restrict Omeros or its Affiliates with respect to the use, registration or maintenance of any Transferred Intellectual Property or Licensed Background Technology, or (ii) permits any Third Party to use any Transferred Intellectual Property. Omeros and its Affiliates have not granted to any Third Party any rights under the Licensed Background Technology that conflict with the rights and licenses granted to Novo Nordisk hereunder.

(f) **No Orders.** No Transferred Intellectual Property, Licensed Background Technology or, to Omeros' Knowledge, In-Licensed Intellectual Property is subject to any outstanding Order that would limit its use by Novo Nordisk and its Affiliates following the Closing.

(g) **Employee Invention Assignment and Confidentiality.** Each Person who is or was an officer, employee or contractor of, or otherwise engaged by, Omeros or any of its Affiliates and who is or was involved in the creation, conception, reduction to practice, or development of any Intellectual Property related to the Program, any Compound, or any Product (including any Transferred Intellectual Property or Licensed Background Technology) has signed a valid, enforceable agreement containing an assignment of such Intellectual Property to Omeros or its applicable Affiliate and confidentiality provisions protecting the Intellectual Property ("**Invention Assignment Agreement**"). All assignments to Omeros of inventions claimed in any and all Patent Rights within the Transferred Intellectual Property and Licensed Patent Rights have been timely and properly filed with the relevant patent offices, as applicable. To Omeros' Knowledge, none of the officers, employees, consultants or contractors of Omeros or its applicable Affiliates (i) has performed activities with respect to the Program in contravention of any Contract, or (ii) is bound by or otherwise subject to any Order, restricting such employee from performing their duties for Omeros or its applicable Affiliates with respect to the Program, or (iii) is in breach of any Contract with any former employer or other Person concerning Intellectual Property, non-competition, non-solicitation, or confidentiality because of such employee's activities with respect to the Program.

(h) **Litigation and Actions Relating to Intellectual Property**.

(i) To Omeros' Knowledge, neither the operation of the Program as conducted, nor the Development, Manufacture, Commercialization, or other Exploitation of any Compound or Product, infringes, misappropriates, or otherwise violates, or has infringed, misappropriated, or otherwise violated, any Intellectual Property or other rights of any Person and if Omeros or its Affiliates (or, following the Closing, Novo Nordisk or its Affiliates) were to Commercialize any Compound or Product, the Exploitation of such Compound or Product in any country in the world would not infringe, misappropriate or otherwise misuse, make unlawful use of, or violate any Intellectual Property or other rights of any other Person. No Proceedings are currently pending for, and none of Omeros or its Affiliates has received any communication from, or notice, allegation, or claim by, any Person relating to, any actual, alleged, or suspected infringement, misappropriation, or other violation of any Intellectual Property or other rights of another Person in connection with the operation of the Program or otherwise in connection with the Development, Manufacture, Commercialization, or other Exploitation of any Compound or Product. To Omeros' Knowledge, there is no, nor has there been any, infringement, misappropriation, misuse, unlawful use, or other violation by any Person of any of the Transferred Intellectual Property, In-Licensed Intellectual Property or Licensed Background Technology.

(ii) Omeros (A) has not received any notice of any threatened claims or litigation seeking to invalidate or otherwise challenge any Patent Right included in the Transferred Intellectual Property or Licensed Background Technology or of any actual infringement thereof; (B) is not aware of any pending action, suit, proceeding, or claim by a Third Party asserting that Omeros is infringing or has misappropriated or otherwise is violating any Patent Right, trade secret, or other intellectual property or proprietary right of any Third Party as a result of its Exploitation of the Compounds or Products; and (C) has not received any written notification of actual claims, disputes, proceedings, challenges, or allegations regarding or relating to improper inventorship or ownership of the Transferred Intellectual Property or the Licensed Background Technology; and (D) to Omeros' Knowledge, is not aware of any actual, pending, alleged, or threatened adverse actions, suits, administrative proceedings, claims, re-examinations, oppositions, interferences, or formal governmental investigations involving Transferred Intellectual Property or Licensed Patent Rights by or against Omeros or any of its Affiliates in or before any court, Governmental Authority, or Regulatory Authority.

(iii) There is no action, suit, inquiry, investigation, or other proceeding, pending, ongoing, or to Omeros' Knowledge, threatened by any Third Party that challenges or threatens the ownership, scope, duration, validity, enforceability, priority, or right to use of any Transferred Intellectual Property, any Licensed Background Technology owned by Omeros or its Affiliates or, to Omeros' Knowledge, any Licensed Background Technology that is In-Licensed Intellectual Property.

(i) **Third Party Agreements**. Omeros is not a party to any agreement with a Third Party under which Omeros has obligations (including royalty or other payment obligations) to such Third Party with respect to the grant of a license to Novo Nordisk under any Licensed Technology or to Exploit Compounds or Products in accordance with this Agreement thereunder.

(j) **Third Party Payments**. Except for any fees payable to a Governmental Authority to obtain grant of, obtain registration of or maintain any of the Registered Intellectual Property and for any payments required pursuant to a Program In-License, this Agreement, or any Ancillary Agreement, no payment by Omeros or its Affiliates of any kind is required to be made to any Person with respect to the use or practice of any Transferred Intellectual Property, and Novo Nordisk will not be required to make any payment to any Person following the Effective Date with respect to such Transferred Intellectual Property or Licensed Technology. To Omeros' Knowledge, Omeros and its Affiliates have complied with any and all obligations pursuant to the Patent and Trademark Law Amendments Act, 35 U.S.C. §§ 200 et seq., or other similar obligations under Applicable Laws of any jurisdiction with respect to any Patent Rights that are part of the Transferred Intellectual Property and Licensed Background Technology.

(k) **Compound Status**. Omeros and its Affiliates have conducted, and to Omeros' Knowledge their respective contractors and consultants have conducted, all Development and Manufacture of the Compounds and Products in material compliance with all Applicable Law, including, to the extent applicable, GLP and GMP.

(l) **No Governmental Funding**. No academic institution, research center or Governmental Authority (or any Person working for or on behalf of any of the foregoing) or any other Person (other than Omeros or the underlying licensors of any In-Licensed Intellectual Property) has, or will be entitled to have, any right, title or interest (including any "march in" or co-ownership rights) in any Transferred Intellectual Property, Licensed Background Technology or, to Omeros' knowledge, In-Licensed Intellectual Property (including any claim or option to any of the foregoing). No funding, Intellectual Property, facilities, personnel, or other resources of any Governmental Authority or university or other academic institution or research center has been used in connection with or for the support of the conception, invention, reduction to practice, development, or other creation of any Transferred Intellectual Property or Licensed Background Technology, or, to Omeros' knowledge, In-Licensed Intellectual Property, except for Clinical and Technical Data. None of the Transferred Intellectual Property is subject to any restriction from any Governmental Authority with respect to the assignment, transfer, grant of licenses or any other disposition of such Transferred Intellectual Property.

(m) **Provision of Information**. Omeros and its Affiliates have provided or made available to Novo Nordisk any information in its and their possession, including information relating to the Transferred Intellectual Property and Licensed Background Technology, that would be material to Novo Nordisk's decision to enter into this Agreement and undertake the commitments and obligations set forth herein. Omeros has not intentionally failed to furnish Novo Nordisk with any such material information or any other information requested by Novo Nordisk, or intentionally concealed such information from Novo Nordisk.

10.2.12 **Data Privacy.**

(a) Since [***], each of Omeros and its Affiliates, and to Omeros' Knowledge, any Third Party providing services on its or their behalf is and has been in compliance in all material respects with (i) all Applicable Privacy Laws, (ii) their published, public-facing privacy policies and notices and informed consent forms and authorizations regarding the Processing of Personal Information, and (iii) their obligations regarding the Processing of Personal Information under any Contracts to which they are a party and to which the Program is subject, in each case of the foregoing clauses (i), (ii), and (iii), in the course of performing activities related to the Program, Acquired Assets, Assumed Liabilities, a Compound, or Product. Without limitation to the foregoing, where required by Applicable Privacy Law, Omeros and its Affiliates, and to Omeros' Knowledge, any Person acting on behalf of them, have, since [***], implemented processes to comply with requirements under Applicable Privacy Laws, in all cases, to the extent related to the Program, including requests related to data access and data deletion and communications internally and with any Governmental Authority. Without limitation to the foregoing, since [***], each of Omeros and its Affiliates, and to Omeros' Knowledge, any Third Party providing services on its or their behalf stores and has stored all Personal Information in material compliance with Applicable Privacy Law in connection with any preclinical or Clinical Trials conducted with respect to the Program, Acquired Assets, Assumed Liabilities, the Compound, or any Product.

(b) Omeros has provided all requisite notices, has obtained all required consents, has obtained all Governmental Authorizations for the transfer (including cross-border transfer), contemplated under this Agreement or any Ancillary Agreement, of Personal Information contained in the Acquired Assets necessary for the consummation of the transactions hereunder, and the consummation of the transactions contemplated hereunder, and to Omeros' knowledge, the transfer (including cross-border transfer) of Personal Information contained in the Acquired Assets necessary for the consummation of the transactions hereunder does not and will not violate, breach, or otherwise not fulfill any applicable Data Protection and Security Requirements.

(c) Omeros has Processed and continues to Process all Personal Information in compliance in all material respects with applicable Data Protection and Security Requirements, and has been and continues to be in compliance with the DOJ Bulk Data Final Rule to the extent that it processes "bulk U.S. sensitive personal data" (as defined in the DOJ Bulk Data Final Rule). Since [***], none of Omeros or any of its Affiliates has received written notice that it is currently, or has been under investigation by any Governmental Authority for a violation of Data Protection and Security Requirements with respect to Personal Information Processed by, or under the control of, Omeros, or for violation of the DOJ Bulk Data Final Rule.

(d) Since [***], neither Omeros nor its Affiliates have had any Security Incident in the course of performing activities related to the Program, Acquired Assets, Assumed Liabilities, a Compound, or Product. Since [***], Omeros and its Affiliates have, and to Omeros' knowledge, each of its Third Party Service Providers have, in the course of performing activities related to the Program, Acquired Assets, Assumed Liabilities, a Compound, or Product, implemented and maintained commercially reasonable and appropriate organizational, physical, administrative, and technical measures, consistent with the industry in which Omeros operates, to protect the confidentiality, integrity, and security of Personal Information and confidential information and the Omeros Systems, against unauthorized access, acquisition, interruption, alteration, modification, or use. Without limiting the generality of the foregoing, since [***], Omeros has, in the course of performing activities related to the Program, Acquired Assets, Assumed Liabilities, a Compound, or Product, implemented a written information security program, to the extent required by Applicable Privacy Laws, that is designed to (i) identify internal and external risks to the security of any Personal Information or confidential information and the Omeros Systems; and (ii) implement, monitor, and improve upon commercially reasonable safeguards to control those risks. Since [***], neither Omeros nor any of its Affiliates has received written notice of any Proceedings, audits, investigations or claims regarding any Processing of any Personal Information by or on behalf of Omeros or any of its Affiliates (or against any Third Party providing services on its or their behalf), or any violation by Omeros or its Affiliates of any Data Protection and Security Requirements, in each case in connection with any preclinical or Clinical Trials conducted with respect to the Program, Acquired Assets, Assumed Liabilities, Compound, or Product. Since [***], neither Omeros nor any of its Affiliates, nor, to Omeros' knowledge, any Third Party providing services on its or their behalf has received any written notices, correspondence or other written communications from any Person alleging or threatening any such Proceedings.

10.2.13 **Inventory**. Section 10.2.13 of the Omeros Disclosure Schedule sets forth a listing of the Inventory whether owned, in the possession or control of, or otherwise held by or on behalf of, Omeros or its Affiliates, as of the Execution Date, including the address at which such Inventory is located. The Inventory, (a) [***], complies with all applicable specifications and Applicable Laws related to Manufacturing, Labeling, and safety, (b) is not pledged as collateral or otherwise subjected to any Liens other than Permitted Liens, and (c) [***] is of a reasonably sufficient quantity for the expected Manufacturing operations of the Program for purposes of conducting any Clinical Trial that is ongoing as of the date hereof (i.e., Omeros' paroxysmal nocturnal hemoglobinuria Clinical Trial 002 and Omeros' paroxysmal nocturnal hemoglobinuria Clinical Trial 003) in the ordinary course of business consistent with past practice.

10.2.14 **Sufficiency of Assets**. The Acquired Assets, when taken together with the rights and services under the Transition Services Agreement (including the use of certain Shared Contracts under the Transition Services Agreement) and for the respective terms thereof, and the license granted to Novo Nordisk pursuant to Article 5 (License Grant; Exclusivity), (a) are sufficient to enable Novo Nordisk, immediately following the Closing, to continue to conduct the Program in substantially the same manner as was conducted by Omeros and its Affiliates as of the Closing, and (b) are all of the assets and rights held by Omeros and its Affiliates that are primarily or specifically related to the Program or the Development, Manufacture, Commercialization, or other Exploitation of any Compound or the Product. No provision of this Section 10.2.14 (Sufficiency of Assets) will be deemed a representation or warranty of Omeros, and Omeros makes no representation or warranty pursuant to this Section 10.2.14 (Sufficiency of Assets) with respect to, non-infringement of any Intellectual Property of any Third Party.

10.2.15 **Suppliers**. Section 10.2.15 of the Omeros Disclosure Schedule sets forth a true, complete and accurate list of the top [***] suppliers (by amounts paid in the year ending on [***]) of the Program (the "**Top Suppliers**"). No Top Supplier has stated in writing that it will stop, or materially reduce the rate or amount of, or materially increase the supply cost of, products or services supplied to the Program, or otherwise materially modify the terms or conditions for its supplies to the Program.

10.2.16 **Certain Business Practices.**

(a) Since [***], none of Omeros, any of its Affiliates, or any of their respective officers or directors, nor, to Omeros' Knowledge, employees, agents or other Person acting on their behalf, is currently, or has been: (i) a Sanctioned Person, (ii) directly or indirectly operating in, conducting business with, or otherwise engaging in any dealings with any Sanctioned Person or in any Sanctioned Country, in each case in violation of applicable Trade Control Laws, (iii) engaging in any export, reexport, transfer or provision of any goods, software, technology, data or service without, or exceeding the scope of, any required or applicable licenses or authorizations under all applicable Trade Control Laws, or (iv) otherwise in violation of any applicable Trade Control Laws. There have been no claims, complaints, charges, investigations, voluntary or directed disclosures, administrative subpoenas, or proceedings under Trade Control Laws involving Omeros or any of its Affiliates, and to Omeros' Knowledge, there are no pending or threatened (in writing) claims or investigations involving suspected or confirmed violations thereof.

(b) Since [***], none of Omeros or any of its Affiliates nor, to Omeros' Knowledge, has any of its or their respective officers, directors, employees, agents or other Person acting on its or their behalf, has unlawfully offered, paid, promised to pay, or authorized payment of any money, or unlawfully offered, given, promised to give, or authorized giving of anything of value to (i) any Government Official for purposes of influencing any act or decision of such Government Official in its, his or her official capacity, inducing such Government Official to do or omit to do any act in violation of its, his or her lawful duty, or securing any improper advantage, or inducing such Government Official to use its, his or her influence with a Governmental Authority to affect or influence any act or decision of such Government Official, in each case, in order to assist the Program in obtaining or retaining business for or with, or directing business, to any Person; (ii) any Person, while knowing that all or a portion of such money or thing of value would or will be offered, given, or promised, directly or indirectly, to any Government Official for any unlawful purpose described in clause (i); or (iii) any other individual or entity in violation of applicable Anti-Corruption Laws.

(c) Since [***]: (i) none of Omeros or any of its Affiliates has identified any conduct requiring disclosure or made any disclosure to a Governmental Authority with respect to any alleged act or omission arising under Anti-Corruption Laws; (ii) no Governmental Authority or any other Person has requested, conducted or required Omeros to conduct any audit or investigation relating to bribery, corruption, or fraud; (iii) neither Omeros nor any of its Affiliates or, to Omeros' Knowledge, its agents has received any written notice or, to Omeros' Knowledge, other communication from any reasonable, good faith source regarding any actual, alleged or potential violation of, or failure to comply with Anti-Corruption Laws; (iv) Omeros has not received any written notice or, to Omeros' Knowledge, its agents has received any notice or other communication from any Governmental Authority of (1) any actual or threatened revocation, withdrawal, suspension, cancellation, termination or modification of any registration or governmental order in connection with a violation of Anti-Corruption Laws; or (2) any actual, alleged or potential obligation on the part of Omeros or any of its Affiliates or agents to undertake, or to bear all or any portion of the cost of, any remedial action related to a violation of Anti-Corruption Laws; and (v) to Omeros' Knowledge, no Governmental Authority has initiated an investigation of or action against Omeros or any of its Affiliates, or any of its Representatives, consultants, or subcontractors, or threatened to initiate such investigation or action against Omeros or any of its Affiliates, or to Omeros' Knowledge, any of its Representatives, consultants, or subcontractors, asserting that Omeros or any of its Affiliates, or any of its Representatives, consultants, or subcontractors (while acting on behalf of Omeros) has violated Anti-Corruption Laws.

10.2.17 **Transactions with Affiliates**. None of Omeros or any of its Affiliates or any current or former partner, member, stockholder, Representative or Affiliate of any of the foregoing: (a) owns or has owned, directly or indirectly, or has or has had any interest in any property (other than real property) that Omeros or its Affiliates use or have used in the Program, or (b) has or has had any business dealings or a financial interest in any transaction with Omeros or its Affiliates involving any assets or property related to the Program.

10.2.18 **Required Vote**. No vote of the holders of any securities of Omeros or its Subsidiaries is required for Omeros to enter into or to consummate the transactions.

10.2.19 **Insurance**. Omeros has all customary policies of insurance covering the Program, including policies of property, fire, workers' compensation, products liability, directors' and officers' liability, clinical trials insurance, and other casualty and liability insurance, and such policies are in a form and amount that are adequate for the operation of the Program customary for the pharmaceutical industry with appropriate limits that cover industry-standard liabilities, and with at least A-rated insurers, except, in each case, as would not reasonably be expected to be material to the Acquired Assets taken as a whole. All such insurance policies are in full effect, no written notice of cancellation has been received by Omeros under such policies, and there is no existing default or event which, with the giving of notice or lapse of time or both, would reasonably be expected to be material to the Acquired Assets taken as a whole.

10.2.20 **Broker**. No broker, investment banker, agent, finder, or other Person acting on behalf of Omeros or any of its Affiliate or under the authority thereof is or will be entitled to any broker's or finder's fee or any other commission or similar fee directly or indirectly in connection with any of the transactions contemplated herein.

10.2.21 **Lien Release**. The Lien Release Consent will, effective upon the Closing, validly and irrevocably effect the release of the Liens on the Acquired Assets, Licensed Technology, and the Program In-Licenses, such that upon the Closing, none of the lenders or other parties to the Existing Credit Facility will have any rights or interest therein or thereto.

10.2.22 **No Reliance**. Omeros acknowledges that none of Novo Nordisk, its Affiliates or Representatives is making, and Omeros is not relying on, any statement, representation, or warranty, oral or written, express or implied, regarding Novo Nordisk's and its Affiliates' achievability of the conditions to the payment of the Milestone Payments or the Net Sales Payments, or the likelihood thereof.

10.3 **DISCLAIMER OF WARRANTIES**. OTHER THAN THE EXPRESS WARRANTIES OF SECTION 10.1 (MUTUAL REPRESENTATIONS) AND SECTION 10.2 (REPRESENTATIONS OF OMEROS), OR IN ANY CERTIFICATE DELIVERED PURSUANT TO THIS AGREEMENT OR IN ANY ANCILLARY AGREEMENT, EACH PARTY DISCLAIMS ALL WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED IN THIS AGREEMENT, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR THAT ANY PRODUCTS ACQUIRED UNDER THIS AGREEMENT WILL BE COMMERCIALIZED. EACH PARTY SPECIFICALLY DISCLAIMS ANY REPRESENTATION OR WARRANTY THAT THE DEVELOPMENT, MANUFACTURE, AND COMMERCIALIZATION OF A PRODUCT PURSUANT TO THIS AGREEMENT WILL BE SUCCESSFUL OR THAT, IF COMMERCIALIZED, ANY PARTICULAR SALES LEVEL WILL BE ACHIEVED. EACH PARTY ACKNOWLEGES AND AGREES THAT IT IS NOT RELYING ON ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, IN THIS AGREEMENT OR IN CONNECTION WITH THE TRANSACTIONS CONTEMPLATED HEREBY, OTHER THAN THE REPRESENTATIONS AND WARRANTIES OF THE OTHER PARTY SET FORTH IN SECTION 10.1 (MUTUAL REPRESENTATIONS) AND (IN THE CASE OF NOVO NORDISK) SECTION 10.2 (REPRESENTATIONS OF OMEROS), AS APPLICABLE, AND IN ANY CERTIFICATE DELIVERED PURSUANT TO THIS AGREEMENT OR IN ANY ANCILLARY AGREEMENT.

10.4 **Additional Covenants by Omeros.**

10.4.1 **Conduct of the Business**.

(a) Except as (i) consented to by Novo Nordisk in writing, (ii) required by Order or Applicable Law, (iii) expressly contemplated by this Agreement, or (iv) set forth in Section 10.4.1 of the Omeros Disclosure Schedule, from and after the date of this Agreement until the earlier of: (A) the Effective Date, and (B) the termination of this Agreement pursuant to Section 13.2 (Termination Prior to Closing) (the "**Pre-Closing Period**"), Omeros will and will cause its Affiliates engaged in the Program to, conduct the Program in the ordinary course of business consistent with past practice and use commercially reasonable efforts to preserve the Program, the Acquired Assets, and the existing business, scientific, and clinical relationships of the Program, including to perform all activities set forth under the pre-closing development plan set forth in Schedule 10.4.1(a) materially in accordance with the requirements set forth therein. For the avoidance of doubt, no action or failure to act by Omeros or any of its Subsidiaries with respect to the matters expressly addressed by any provision of Section 10.4.1(b) (Conduct of the Business) will be deemed a breach of this Section 10.4.1(a) (Conduct of the Business).

(b) In addition to and without limiting the generality of Section 10.4.1(a) (Conduct of the Business), except as (i) consented to by Novo Nordisk in writing, (ii) required by Order or Applicable Law, (iii) expressly contemplated by this Agreement or (iv) set forth in Section 10.4.1 of the Omeros Disclosure Schedule, during the Pre-Closing period, Omeros will not:

(i) amend its Organizational Documents in a manner that would reasonably be expected to adversely affect Novo Nordisk's rights under this Agreement;

(ii) make any change in accounting principles materially affecting the reporting of the Acquired Assets or the Program, other than as required by Applicable Law, a Governmental Authority, GAAP, or any interpretation thereof;

(iii) vary any inventory practices with respect to any Compound or Product in any respect materially inconsistent with past practice;

(iv) subject to the requirements of Section 10.4.2 (Intellectual Property Matters), sell, license, mortgage, transfer, or otherwise encumber or subject to any Lien, other than a Permitted Lien, or otherwise dispose of or allow to lapse, any properties or assets included in either the Licensed Technology or the Acquired Assets;

(v) take any action under the Existing Credit Facility that would, or would reasonably be expected to, prevent or interfere with, hinder, or delay the ability of Omeros or its Affiliates to consummate the transactions contemplated by this Agreement (including the obtaining of the Lien Release Consent in accordance with terms of this Agreement);

(vi) incur any material liability that would reasonably be expected to result in a Material Adverse Effect or otherwise have a material adverse impact on any Acquired Asset or any Licensed Technology;

(vii) terminate or permit to be terminated any Transferred Contract (other than any Transferred Contract that has expired in accordance with its terms), or make any material adverse amendment to, or waive, release, or assign any material right or remedy under any Transferred Contract;

(viii) initiate, launch, or commence any sale, marketing, distribution, co-promotion, or any similar activity with respect to any new product (including products under development) related to the Program, the Acquired Assets, any Compound or any Product, including entering into any new commercial commitment or arrangements, or organizing, sponsoring, or participating in any clinical congress, meeting, or similar event, in each case related to the Program, the Acquired Assets, any Compound or any Product;

(ix) enter into any Contract used in, or otherwise related to, the Program (or any substantially related Contracts, taken together):

(A) providing for a research license, sublicense, assignment, partnership, or other collaboration with any biotechnology, pharmaceutical, or similar company related to the Program, a Compound, a Product, Licensed Technology or any Acquired Assets;

(B) providing for (1) the out-license of any Intellectual Property included in the Acquired Assets or Licensed Technology to any Third Party, or (2) the in-license of any Intellectual Property to Omeros, other than Excluded Licenses, related to the Program, a Compound, a Product, Licensed Technology or any Acquired Assets;

(C) whereby any provision of such Contract provides that the consummation of the transactions contemplated by this Agreement or compliance by Omeros with the provisions of this Agreement will conflict with, or result in any violation or breach thereof, or default (with or without notice or lapse of time or both) thereunder, or give rise to a right of, or result in, termination, cancellation, or acceleration of any material obligation or to a loss of a material benefit thereunder, or result in the creation of any Lien (other than a Permitted Lien) in or upon the Program, any Compound, any Product, any Licensed Technology, or any Acquired Assets or Novo Nordisk or any of Novo Nordisk's Affiliates, or give rise to any increased, additional, accelerated, or guaranteed rights or entitlements under any provision of such Contract;

(x) commence, participate, or agree to commence or participate in any plan or arrangement for the complete or partial dissolution, liquidation, consolidation, restructuring, recapitalization, or other reorganization of Omeros, including any bankruptcy, winding up, examinership, insolvency, or similar proceeding in respect of Omeros;

(xi) except as reasonably necessary in connection with the activities described in Section 10.4.1(a) (Conduct of the Business), engage in any material correspondence, communications, or consultations with, or make any submission to, FDA, EMA or similar Regulatory Authorities concerning any Compound or Product or the Program;

(xii) violate any Applicable Law, or fail to comply with any Order;

(xiii) enter into any Contract not to compete in any line of business or geographic or therapeutic area or otherwise restricting the development, manufacture, marketing, distribution, or sale of any products that would be binding on Novo Nordisk as a result of the Closing;

(xiv) take any action that would, or would reasonably be expected to, have a Material Adverse Effect; or

(xv) authorize any of, or commit, resolve, or agree, whether in writing or otherwise, to take any of, the actions prohibited in Sections 10.4.1(b)(i) through 10.4.1(b)(xiv) (Conduct of the Business).

10.4.2 **Intellectual Property Matters**.

(a) During the Pre-Closing Period, Omeros will have the right, responsibility, and discretion to file, prosecute (including the defense of any oppositions, interferences, reissue proceedings, re-examinations and other post-grant proceedings originating in a patent office, including the filing of any patent term extensions), and maintain Patent Rights included in the Transferred Intellectual Property and Licensed Background Patent Rights at its sole cost and expense; *provided*, *however*, that (a) Omeros will keep Novo Nordisk informed of all material developments related to the Prosecution and Maintenance, enforcement, and defense of any Transferred Patent Rights or Licensed Background Patent Rights and, upon request from Novo Nordisk, make a Representative of Omeros available to discuss any such material developments and (b) Omeros will not fail to meet, or otherwise abandon, any obligations with respect to ordinary course of business Prosecution and Maintenance of any Transferred Patent Rights or Licensed Background Patent Rights, including timely paying all application, registration, maintenance, and renewal fees due with respect to any such applicable Licensed Background Patent Rights and Transferred Patent Rights and timely filing all necessary documents with the relevant patent registries for the purpose of maintaining any such applicable Licensed Background Patent Rights and Transferred Patent Rights.

(b) Promptly following the Execution Date, Omeros will use its best efforts to obtain from [***] sufficient consent to grant a sublicense to Novo Nordisk under the [***] Agreement such that the rights licensed to Omeros under the [***] Agreement are Controlled by Omeros and therefor are included in the definition of Licensed Know-How and Licensed Patent Rights, at Omeros' sole cost and expense, and notwithstanding anything to the contrary hereunder, Omeros' efforts to obtain such [***] consent shall not be subject to the time limitations set forth in Section 2.5.2 (Assignment of Certain Transferred Assets; Shared Contracts).

10.4.3 **Maintenance of Program In-Licenses**.

(a) During the Pre-Closing Period, Omeros will not amend, modify, terminate, or waive any rights or fail to meet any material obligations under any Contract related to In-Licensed Intellectual Property in effect as of the Execution Date in a manner that would adversely affect Novo Nordisk's rights or obligations under this Agreement without Novo Nordisk's prior written consent. Omeros will not breach any such Contract in its entirety or with respect to any rights under such agreement in a manner that would adversely affect Novo Nordisk's rights or obligations under this Agreement.

(b) Following the Effective Date, Omeros will not amend, modify, terminate, or waive any rights or fail to meet any material obligations under any Contract related to In-Licensed Intellectual Property in effect as of the Execution Date or entered into during the Term (but excluding, for the avoidance of doubt, any Transferred Contracts) or any Delayed Transferred Contract in a manner that would adversely affect Novo Nordisk's rights or obligations under this Agreement without Novo Nordisk's prior written consent. Omeros will not breach any such Contract in its entirety or with respect to any rights under such agreement in a manner that would adversely affect Novo Nordisk's rights or obligations under this Agreement.

10.4.4 **Maintenance of Transferred Intellectual Property and Licensed Technology**.

(a) Subject to the requirements of Section 10.4.2 (Intellectual Property Matters), during the Pre-Closing Period, Omeros will not amend, modify, abandon, cancel, fail to maintain, terminate, waive any rights, fail to meet any obligations, assign, license, transfer, convey, or dispose of (other than, in each case, any assignment, license, transfer, conveyance, or disposition constituting a Permitted Lien), with respect to any Know-How or Patent Right Controlled by Omeros that are necessary or reasonably useful for Exploiting the Compound or Products (including any Transferred Intellectual Property or Licensed Background Technology), in a manner that would adversely affect Novo Nordisk's rights or obligations (including Omeros' exclusivity obligations under Section 5.4 (Exclusivity)) under this Agreement (including by incurring additional payment or other costs payable by Novo Nordisk for such intellectual property or other rights) without Novo Nordisk's prior written consent.

(b) Following the Effective Date, Omeros will not amend, modify, terminate, or waive any rights, fail to meet any material obligation, assign, license, transfer, convey, or dispose of (including pledging as collateral for purposes of securing a loan), with respect to any Licensed Technology or Delayed Acquired Asset (other than, in each case, any assignment, license, transfer, conveyance, or disposition constituting a Permitted Lien) in a manner that would adversely affect Novo Nordisk's rights or obligations (including Omeros' exclusivity obligations under Section 5.4 (Exclusivity)) under this Agreement (including by incurring additional payment or other costs payable by Novo Nordisk for such intellectual property or other rights) without Novo Nordisk's prior written consent.

10.4.5 **No Encumbrances**.

(a) During the Pre-Closing Period, Omeros will not, and will cause its Affiliates not to incur or permit to exist, with respect to any Transferred Intellectual Property or Licensed Background Technology, any Lien (other than a Permitted Lien and Liens under the Existing Credit Facility) without the prior written consent of Novo Nordisk.

(b) Following the Closing, Omeros will not, and will cause its Affiliates not to incur or permit to exist, with respect to any Licensed Technology or Delayed Acquired Asset, any Lien (other than a Permitted Lien or Permitted Financing Lien), without the prior written consent of Novo Nordisk.

(c) Prior to entering into any Permitted Financing following the Closing (including amending, modifying, supplementing, or restating the Existing Credit Facilities) that would result in any Lien on any Licensed Technology or Delayed Acquired Asset, Omeros will use reasonable efforts to exclude all Licensed Technology and Delayed Acquired Asset from the scope of Liens granted to the lenders and other parties to such Permitted Financing.

10.5 **Compliance.**

10.5.1 **Compliance with this Agreement**. Following the Closing, each of the Parties will, and will cause their respective Affiliates to, comply in all respects with (a) Applicable Law in their performance under this Agreement and (b) the terms of this Agreement.

10.5.2 **Debarment**. During the period commencing on the Effective Date and ending on the expiration or termination of the Term hereunder, neither Party or any of their Affiliates or any of their respective directors, officers or employees, or any other Representatives acting for such Party or its Affiliates, will, or will authorize or permit or cause any Third Party to, commit any act, make any statement or fail to make any statement, relating to any Compound or Product or the Development or Manufacturing thereof that would reasonably be expected to provide a basis for FDA to invoke its policy with respect to "Fraud, Untrue Statements of Material Facts, Bribery, and Illegal Gratuities" set forth in 56 Fed. Reg. 46191 (September 10, 1991) and any amendments thereto or for any Governmental Authority to invoke a similar policy under equivalent foreign Applicable Laws. Additionally, neither Party, any of their Affiliates or any of their respective directors, officers or employees, or any Representative acting for such Party or its Affiliates, will take any action or omit to take any action that would cause such Person to be debarred, excluded, or suspended from participation, or otherwise be deemed ineligible to participate, in any health care programs of any Governmental Authority, or be convicted of any crime regarding health care products or services, or engaged in any conduct that would reasonably be expected to result in any such debarment, exclusion, suspension, or ineligibility, including (i) debarment under 21 U.S.C. Section 335a or any similar state or foreign Applicable Law and (ii) exclusion under 42 U.S.C. Section 1320a- 7 or any similar state or foreign Applicable Law.

10.5.3 **Compliance with Laws**. No Party will, or will be required to, undertake any activity under or in connection with this Agreement that violates, or that such Party reasonably believes, on advice of counsel, would violate any Applicable Laws.

10.5.4 **Compliance with Anti-Corruption Laws**. In connection with this Agreement, the Parties will comply with all applicable local, national, and international laws, regulations, and industry codes dealing with government procurement, conflicts of interest, corruption, or bribery, including, if applicable, the U.S. Foreign Corrupt Practices Act of 1977, as amended, and any laws enacted to implement the Organization of Economic Cooperation and Development Convention on Combating Bribery of Foreign Officials in International Business Transactions.

10.6 **Prohibited Conduct.** Without limiting the other obligations of the Parties set forth in this Article 10 (Representations and Warranties; Covenants), each Party covenants to the other that, as of the Closing, and in the performance of its obligations and the exercise of its rights under this Agreement through the expiration or termination of this Agreement, such Party (in the case of Novo Nordisk and its Affiliates, licensees, assignees, and Sublicensees and in the case of Omeros, together with its Affiliates), to its knowledge, has not made, offered, given, promised to give, or authorized, and will not make, offer, give, promise to give, or authorize, any bribe, kickback, payment, or transfer of anything of value, directly or indirectly through Third Parties, to any Government Official for the purpose of: (a) improperly influencing any act or decision of such Government Official; (b) inducing such Government Official to do or omit to do an act in violation of a lawful or otherwise required duty; (c) securing any improper advantage; or (d) inducing such Government Official to improperly influence the act or decision of any organization, including any government or government instrumentality, to assist any Party in obtaining or retaining business.

10.7 **Further Assurances**. Without limiting the Transition Services Agreement, from time to time after the Closing, and for no further consideration, each of Omeros and Novo Nordisk will, and will cause their respective Affiliates to, execute, acknowledge and deliver, or cause to be executed and delivered, such documents and other instruments and take, or cause to be taken, such further actions as may be reasonably required or reasonably requested by the other Party to carry out the provisions of this Agreement and the other Ancillary Agreements and give effect to the transactions contemplated hereby or thereby.

10.8 **PIIA Rights**. Following the Effective Date, Omeros will, and will cause its Affiliates to, reasonably cooperate with Novo Nordisk to enforce, at Novo Nordisk's reasonable request, all rights under non-disclosure or confidentiality, invention, and Intellectual Property assignment agreements executed for the benefit of Omeros or its applicable Affiliates with current or former employees, consultants, or contractors of Omeros or with Third Parties to the extent related to any Transferred Patent Rights, Transferred Regulatory Submissions, and Delayed Transferred Regulatory Submissions (the "**PIIAs**").

10.9 **Access to Information.**

10.9.1 During the Pre-Closing Period, Omeros and its Affiliates will (a) afford Novo Nordisk and its Representatives reasonable access to and the reasonable right to inspect all of the properties, assets, premises, records, Contracts and other documents and data of Omeros or its Affiliates to the extent related to the Program, the Compounds, the Products, the Acquired Assets, and the Assumed Liabilities, to the extent necessary for Novo Nordisk to consummate the Closing or for post-Closing integration planning. Notwithstanding the prior sentence, Omeros may restrict or otherwise prohibit access to any documents or information to the extent that (i) any Applicable Law requires Omeros to restrict or otherwise prohibit access to such documents or information; (ii) access to such documents or information would give rise to a material risk of waiving any attorney-client privilege, work product doctrine, or other privilege applicable to such documents or information; or (iii) such documents or information are reasonably pertinent to any adverse Proceeding between Omeros and its Affiliates, on the one hand, and Novo Nordisk and its Affiliates, on the other hand; provided, however, for each of clauses (i) through (iii), Omeros will give notice to Novo Nordisk of the fact that it is withholding such information or documents and will provide alternative means of disclosure, including through redactions, summaries, extraction of relevant information, or other mutually agreed substitute arrangement. Nothing in this Section 10.9 (Access to Information) will be construed to require Omeros, any of its Subsidiaries or any of their respective Representatives to prepare any reports, analyses, appraisals, opinions or other information. Any investigation pursuant to this Section 10.9 (Access to Information) will be conducted in such manner as not to interfere unreasonably with the conduct of the business of Omeros and all information disclosed or learned pursuant to such investigation will be the Confidential Information of Omeros until the Closing. No investigation by Novo Nordisk or other information received by Novo Nordisk will operate as a waiver or otherwise affect any representation, warranty or agreement given or made by Omeros in this Agreement. The rights and remedies of Novo Nordisk in respect of the representations and warranties made by Omeros in this Agreement or the other Ancillary Agreements will not be affected by any investigation made by or on behalf of Novo Nordisk into the Acquired Assets, the Assumed Liabilities, the Program, the Compounds, or the Products.

10.9.2 For a period of [***] following the Effective Date, Novo Nordisk will grant to Omeros and its Affiliates such access to financial records and other information in its possession related to the Program, the Compound, the Acquired Assets and the Assumed Liabilities, and such cooperation and assistance as will be reasonably required to enable Omeros and its Affiliates to complete their legal, regulatory, stock exchange and financial reporting requirements in accordance with Applicable Law. Notwithstanding the prior sentence, Novo Nordisk may restrict or otherwise prohibit access to any documents or information to the extent that (i) any Applicable Law requires Novo Nordisk to restrict or otherwise prohibit access to such documents or information; (ii) access to such documents or information would give rise to a material risk of waiving any attorney-client privilege, work product doctrine or other privilege applicable to such documents or information; (iii) access to a Contract to which Novo Nordisk is a party or is otherwise bound would violate, or cause a default pursuant to, or give a third Person the right to terminate or accelerate rights pursuant to, such Contract; (iv) such access would result in the disclosure of any trade secrets of any third Person; (v) such documents or information are reasonably pertinent to any adverse Proceeding between Omeros and its Affiliates, on the one hand, and Novo Nordisk and its Affiliates, on the other hand; or (vi) cause unreasonable disruption to the operations of Novo Nordisk or its Subsidiaries, provided, however, for each of clauses (i) through (vi), Novo Nordisk will give notice to Omeros of the fact that it is withholding such information or documents and use reasonable best efforts to effect reasonable substitute disclosure or access.

10.9.3 For a period of [***] from the Effective Date, or for such longer period as is required by applicable Tax Laws, each of Novo Nordisk, on the one hand, and Omeros, on the other hand, will permit the other Party or its authorized representatives reasonable access, including remote access, at the requesting Party's expense, to books and records relating to the Acquired Assets to the extent required by the requesting Party to permit it to comply with its obligations under applicable Tax Laws, related to this Agreement or the Ancillary Agreements.

10.10 **Transfer of Acquired Assets**. Omeros will cause its Affiliates to complete the transfer to Omeros of any Acquired Assets not currently owned or held by Omeros as promptly as practicable, in order for Omeros to transfer the Acquired Assets to Novo Nordisk pursuant to the terms of this Agreement. Omeros will transfer the Acquired Assets in material compliance with all Applicable Laws, including complying with all applicable Health Care Laws and other Applicable Laws relating to privacy, data protection, security, and the Processing of Personal Information.

10.11 **Wrong Pockets.**

10.11.1 Subject to the transfer of any Delayed Acquired Assets pursuant to Section 2.1.2 (Delayed Acquired Assets), following the Closing, if either Party becomes aware of any assets, properties or rights that (a) during the [***] period prior to the Effective Date, would have been an Acquired Asset but was not transferred to Novo Nordisk, or is an Assumed Liability and was not assumed by Novo Nordisk, or (b) are held by an Affiliate of Omeros and constitute an Acquired Asset and were not transferred to Novo Nordisk, then (i) Omeros will promptly notify Novo Nordisk in writing or Novo Nordisk will promptly notify Omeros in writing, as applicable, and (ii) Omeros and Novo Nordisk will, and will cause their respective Affiliates to, as soon as reasonably practicable, cause such asset, property, or right, or Acquired Assets or Assumed Liabilities to be transferred to or assumed by, as applicable, Novo Nordisk or its designee (subject to any Consent of any Third Party), which Consent shall be subject to Section 2.5.2 (Assignment of Certain Transferred Assets; Shared Contracts). Novo Nordisk and Omeros will promptly execute, and cause its applicable Affiliates to execute, such documents or instruments of conveyance or assumption and take such further actions that are reasonably necessary or desirable to effect the transfer of such Acquired Asset to or assumption of such Assumed Liability by Novo Nordisk. Without limiting the foregoing, if Omeros becomes aware of any Intellectual Property Controlled by Omeros or any of its Affiliates that is not an Acquired Asset (even after the undertakings set forth in the first sentence of this Section 10.11.1 (Wrong Pockets)) but that nevertheless was used by Omeros or any of its Affiliates in connection with the Exploitation of any Compound or Product or any candidate, precursor, or intermediate thereof, in each case, as it exists as of the Execution Date or the Effective Date, and, in each case, is necessary or reasonably useful to Exploit one or more Compounds or Products, then Omeros will notify Novo Nordisk, such Intellectual Property will be included in the Licensed Technology, subject, in each case, to the Consent of any Third Party (if applicable). Without limiting the foregoing, if Novo Nordisk becomes aware of any Intellectual Property Controlled by Omeros or any of its Affiliates as of or after the Effective Date that is not an Acquired Asset (even after the undertakings set forth in the first sentence of this Section 10.11.1 (Wrong Pockets)) but that Novo Nordisk determines is required for Novo Nordisk to Exploit any Compound or Product following the Closing, then Novo Nordisk may notify Omeros and to the extent Omeros does not reasonably object with reasonable documentation or information demonstrating that such Intellectual Property is not necessary for Novo Nordisk to Exploit the Compounds or Products following the Closing, such Intellectual Property will be included in the Licensed Technology to the extent consistent with Section 1.156 (Licensed Technology) (subject to the Consent of any Third Party), if applicable, which Consent will be subject to Section 2.5.2 (Assignment of Certain Transferred Assets; Shared Contracts).

10.11.2 If, for any reason after the Closing, any asset transferred to Novo Nordisk or an Affiliate is ultimately determined to be an Excluded Asset or Novo Nordisk is found to be in possession of any Excluded Asset (including, for the avoidance of doubt, any unredacted portion of any lab notebooks that are not primarily or specifically related to the Program, or any Compound or Product), in each case, then (a) Novo Nordisk will promptly notify Omeros, refrain from reviewing or distributing any such Excluded Asset internally, and return or transfer and convey (without further consideration) to Omeros, and Omeros will accept, such asset; (b) Omeros will assume and agree to pay, perform, fulfill and discharge (without further consideration) any Excluded Liabilities associated with such Excluded Asset as contemplated in this Agreement; and (c) Novo Nordisk and Omeros will promptly execute such documents or instruments of conveyance or assumption and take such further actions that are reasonably necessary or desirable to effect the transfer of such asset back to Omeros.

11. CONDITIONS TO CLOSE

11.1 **Conditions to Each Party's Obligations**. The obligations of each Party to consummate the Closing will be subject to the fulfillment, at or prior to the Closing, of each of the following conditions:

11.1.1 The waiting periods (and any extensions thereof), if any, applicable to the transactions contemplated by this Agreement pursuant to the HSR Act, will have expired or otherwise been terminated, and any Antitrust Approval and all other consents of any Governmental Authority listed on Schedule 11.1.1, in each case, will have been obtained.

11.1.2 There will be no (a) Applicable Law, enacted by any Governmental Authority of competent jurisdiction, in effect, (b) Adverse Law or Order by any Governmental Authority of competent jurisdiction that remains in effect, or (c) Proceedings pending or overtly threatened in writing by any Governmental Authority and not withdrawn, in each case of clauses (a), (b), and (c), that prohibits or makes illegal the Closing or the consummation of the transactions contemplated by this Agreement.

11.2 **Conditions to Obligations of Novo Nordisk.**

11.2.1 The obligations of Novo Nordisk to consummate the Closing will be subject to the fulfillment or Novo Nordisk's waiver, at or prior to the Closing, of each of the following conditions:

(a) (i) The Omeros Fundamental Representations will be true and correct in all material respects as of the Execution Date and true and correct in all material respects as of the Closing (without giving effect to any materiality or "Material Adverse Effect" qualifications therein) with the same effect as though made on and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which will be determined as of that specified date in all material respects) and (ii) each of the representations and warranties of Omeros contained in Section 10.1 (Mutual Representations) and Section 10.2 (Representations of Omeros) of this Agreement, other than the Omeros Fundamental Representations, will be true and correct in all respects (without giving effect to any materiality or "Material Adverse Effect" qualifications therein) as of the Execution Date and as of the Closing with the same effect as though made on and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which will be determined as of that specified date), except in each case under this clause (ii), where the failure of any such representations and warranties to be so true and correct would not, individually or in the aggregate, have a Material Adverse Effect.

(b) Omeros will have duly performed and complied in all material respects with all covenants and agreements required by this Agreement to be performed or complied with by it prior to the Closing.

(c) Since the Execution Date, there will have been no Material Adverse Effect.

(d) Novo Nordisk will have received a certificate, dated the Effective Date and signed by a duly authorized officer of Omeros, that each of the conditions set forth in Section 11.2.1(a) (Conditions to Obligations of Novo Nordisk), Section 11.2.1(b) (Conditions to Obligations of Novo Nordisk) and Section 11.2.1(c) (Conditions to Obligations of Novo Nordisk) have been satisfied (the "**Omeros Closing Certificate**").

(e) Omeros will have made all the deliveries required to be made by Omeros pursuant to Section 3.3 (Closing Deliveries by Omeros) (other than delivery of the Acquired Assets).

11.3 **Conditions to Obligations of Omeros.**

11.3.1 The obligations of Omeros to consummate the Closing will be subject to the fulfillment or Omeros' waiver, at or prior to the Closing, of each of the following conditions:

(a) (i) The Novo Nordisk Fundamental Representations set forth in Section 10.1 (Mutual Representations) made by Novo Nordisk will be true and correct (with such representations and warranties read for such purposes without materiality or other qualifications) in all material respects as of the Execution Date and true and correct in all material respects as of the Closing as if made on the Closing (except those representations and warranties that address matters only as of a specified date, the accuracy of which will be determined as of that specified date in all material respects), and (ii) each of the representations and warranties of Novo Nordisk contained in Section 10.1 (Mutual Representations), other than the Novo Nordisk Fundamental Representations, will be true and correct in all respects (without giving effect to any materiality or other qualifications therein) as of the Execution Date and as of the Closing with the same effect as though made on and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which will be determined as of that specified date), except in each case under this clause (ii), where the failure of any such representations and warranties to be so true and correct would not prevent, materially impair or materially delay the consummation of the transactions contemplated by this Agreement.

(b) Novo Nordisk will have duly performed and complied in all material respects with all covenants and agreements required by this Agreement to be performed or complied with by it prior to the Closing.

(c) Omeros will have received a certificate, dated the Effective Date and signed by a duly authorized officer of Novo Nordisk, that each of the conditions set forth in Section 11.3.1(a) (Conditions to Obligations of Omeros) and Section 11.3.1(b) (Conditions to Obligations of Omeros) have been satisfied (the "**Novo Nordisk Closing Certificate**").

(d) Novo Nordisk will have made all the deliveries required to be made by Novo Nordisk pursuant to Section 3.4 (Closing Deliveries by Novo Nordisk).

11.4 **Frustration of Closing Conditions**. Neither Party may rely, whether as a basis for not consummating the transactions contemplated by this Agreement or terminating this Agreement or otherwise, on the failure of any condition set forth in this Article 11 (Conditions to Close) to be satisfied if such failure was caused by such Party's breach of this Agreement.

12. INDEMNIFICATION

12.1 **Survival.**

12.1.1 Survival of Direct Claims. All representations, warranties, covenants, and other agreements made herein or in any instrument or certificate delivered pursuant hereto, and all indemnification obligations under Section 12.2 (Indemnification by Omeros) and Section 12.3 (Indemnification by Novo Nordisk) with respect to any such representations, warranties, covenants, and agreements, in each case, other than as set forth in Section 12.1.2 (Survival of Third Party Claims), will:

(a) in the case of any Omeros Fundamental Representation (including the Omeros Closing Certificate with respect to the Omeros Fundamental Representations) and any Novo Nordisk Fundamental Representations (including the Novo Nordisk Closing Certificate with respect to the Novo Nordisk Fundamental Representations), terminate and expire on, and no Proceeding seeking damages or other relief for breach of or for any misrepresentation or inaccuracy with respect thereto, will be commenced after, the date that is [***] after the Effective Date;

(b) in the case of any other representations and warranties contained in Section 10.1 (Mutual Representations) and Section 10.2 (Representations of Omeros) of this Agreement (including the Omeros Closing Certificate or the Novo Nordisk Closing Certificate, as applicable, with respect thereto), terminate and expire on, and no Proceeding seeking damages or other relief for breach of or for any misrepresentation or inaccuracy with respect thereto, will be commenced after, the date that is [***] after the Effective Date; and

(c) all covenants and obligations of each Party set forth in this Agreement shall terminate at the Closing, other than any covenants or obligations that are to be performed or complied with at or following the Closing, which shall survive until fully performed.

12.1.2 Survival of Third Party Claims. All covenants made herein or in any instrument or certificate delivered pursuant hereto, and all indemnification obligations under Section 12.2 (Indemnification by Omeros) and Section 12.3 (Indemnification by Novo Nordisk) with respect to any covenants and agreements, in each case, solely with respect to Third Party Claims, will survive the Closing and will terminate and expire on, and no Proceeding seeking damages or other relief for breach thereto, will be commenced after, the date that is the expiration of the Term, plus a period of [***]. For clarity, each Party's indemnification obligations pursuant to Section 12.2.1(c) (Indemnification by Omeros) and Section 12.3.1(c) (Indemnification by Novo Nordisk), in each case, subject to Section 2.3 (Assumed Liabilities), will survive indefinitely.

12.1.3 In the event that a Direct Claim Notice or Third Party Claim has been delivered pursuant to Section 12.4.1 (Direct Claim Procedures) or Section 12.5 (Third Party Claim Procedures), as applicable, within the applicable survival period, the representations and warranties or covenants that are the subject of such Claim Notice (and the right to pursue such claim) will survive with respect to such claim until such time as such claim is finally resolved.

12.2 **Indemnification by Omeros.**

12.2.1 Following the Closing, Omeros will defend, indemnify, and hold harmless ("**Indemnify**") Novo Nordisk and its Affiliates and, if applicable, their directors, officers, agents, employees, representatives, successors and assigns (collectively, "**Novo Nordisk Indemnitees**"), from and against any and all claims, suits, actions, liabilities, damages, losses, Taxes, judgments, penalties, costs, deficiencies, assessments, fines, fees and expenses actually suffered or incurred or paid, including reasonable attorneys' fees and expenses (subject to Section 12.6 (Limitation of Liability)) (collectively, "**Losses**") incurred by such Novo Nordisk Indemnitee to the extent arising from or, directly or indirectly, relating to:

(a) any breach of or inaccuracy in any representation or warranty of Omeros set forth in Section 10.1 (Mutual Representations) or Section 10.2 (Representations of Omeros) of this Agreement (including the Omeros Closing Certificate with respect thereto);

(b) any breach of any covenant or obligation of Omeros set forth in this Agreement; and

(c) any Excluded Liability.

12.2.2 Omeros will have no obligation to indemnify the Novo Nordisk Indemnitees pursuant to Section 12.2.1(a) (Indemnification by Omeros) unless and until (i) the aggregate amount of all such Losses incurred or suffered by the Novo Nordisk Indemnitee exceeds [***]; *provided* that the Deductible will not apply to (a) claims for indemnification pursuant to Section 12.2.1(a) (Indemnification by Omeros) in respect of breaches of, or inaccuracies in, the Omeros Fundamental Representations or (b) Omeros' Fraud.

12.2.3 Other than in the case of Omeros' Fraud, the aggregate liability of Omeros for indemnification under (a) Section 12.2.1(a) (Indemnification by Omeros), other than with respect to breaches of the Omeros Fundamental Representations, [***]; and (b) Section 12.2.1(a) (Indemnification by Omeros), with respect to breaches of the Omeros Fundamental Representations, [***] (such amount the "**Cap**").

12.3 **Indemnification by Novo Nordisk.**

12.3.1 Following the Closing, Novo Nordisk will Indemnify Omeros, its Affiliates, and, if applicable, its and their directors, officers, agents, employees, representatives, successors, and assigns (collectively, "**Omeros Indemnitees**"), from and against Losses incurred by such Omeros Indemnitee to the extent arising from or, directly or indirectly, relating to:

(a) any breach of or inaccuracy in any representation or warranty of Novo Nordisk set forth in Section 10.1 (Mutual Representation) this Agreement (including the Novo Nordisk Closing Certificate with respect thereto);

(b) any breach of any covenant or obligation of Novo Nordisk set forth in this Agreement; and

(c) any Assumed Liability.

12.3.2 Novo Nordisk will have no obligation to indemnify the Omeros Indemnitees pursuant to Section 12.3.1(a) (Indemnification by Novo Nordisk) in respect of Losses arising from the breach of, or inaccuracy in, any representation, warranty or statement described therein unless and until the aggregate amount of all such Losses incurred or suffered by the Omeros Indemnitee exceeds the Deductible (at which point Novo Nordisk will indemnify the Omeros Indemnitees for all such Losses in excess of the Deductible); *provided* that the foregoing limitations will not apply to (a) claims for indemnification pursuant to Section 12.3.1(a) (Indemnification by Novo Nordisk) in respect of breaches of, or inaccuracies in, the Novo Nordisk Fundamental Representations or (b) Novo Nordisk's Fraud.

12.3.3 Other than in the case of Novo Nordisk's Fraud, the aggregate liability of Novo Nordisk for indemnification under (a) Section 12.3.1(a) (Indemnification by Novo Nordisk), other than with respect to breaches of the Novo Nordisk Fundamental Representations, will in no event exceed, in the aggregate, $[***]; and (b) Section 12.3.1(a) (Indemnification by Novo Nordisk), with respect to breaches of the Novo Nordisk Fundamental Representations, will in no event exceed, in the aggregate, the Cap.

12.4 **Indemnification Procedures.**

12.4.1 Direct Claim Procedures.

(a) Other than with respect to Third Party Claims, which will be governed by Section 12.5 (Third Party Claim Procedures), the Party claiming indemnity under this Article 12 (Indemnification) (the "**Indemnified Party**") will give written notice (a "**Direct Claim Notice**") to the Party from whom indemnity is being sought (the "**Indemnifying Party**") promptly after becoming aware of the existence of any claim for which indemnity may be sought hereunder (a "**Claim**"). Each such Direct Claim Notice will be in writing and will describe in reasonable detail the basis for the Claim and set forth, to the extent known, the estimated amount of the Losses for which indemnification may be sought hereunder and, to the extent practicable, the method of computation thereof; *provided that* failure to give such Direct Claim Notice will not affect the right to indemnification provided hereunder except to the extent the Indemnifying Party has been actually and materially prejudiced as a result of such failure.

(b) Following receipt of a Direct Claim Notice from an Indemnified Party, the Indemnifying Party will have [***] days to make an investigation of the Claim as the Indemnifying Party reasonably deems necessary. For the purposes of such investigation, the Indemnified Party agrees to make available to the Indemnifying Party or its representatives the information relied upon by the Indemnified Party to substantiate the Claim and all other information in the Indemnified Party's possession or under the Indemnified Party's control that the Indemnifying Party reasonably requests for the purpose of investigating the Claim.

(c) Within such [***]-day period, an Indemnifying Party may object to any claim set forth in such Direct Claim Notice by delivering written notice to the Indemnified Party of the Indemnifying Party's objection (an "**Indemnification Objection Notice**"). Such Indemnification Objection Notice must describe the grounds for such objection in reasonable detail. If an Indemnification Objection Notice is not delivered by the Indemnifying Party to the Indemnified Party within [***] days after receipt by the Indemnifying Party of the Direct Claim Notice (the "**Indemnification Objection Period**"), the Indemnifying Party will Indemnify the Indemnified Party from and against all Losses of the Indemnified Party set forth in such Direct Claim Notice and the Indemnified Party may seek enforcement of its rights to indemnification under this Agreement with respect to such Claim.

(d) If an Indemnifying Party will object in writing during the Indemnification Objection Period to any claim or claims by an Indemnified Party made in any Direct Claim Notice, the Indemnified Party will have [***] days after its receipt of the Indemnification Objection Notice to respond in a written statement to such objection. If after such [***]-day period there remains a dispute as to any claims, the Indemnifying Party and the Indemnified Party will attempt in good faith for [***] days (or any mutually agreed upon extension thereof) thereafter to agree in writing upon the rights of the respective Parties with respect to each of such claims. If no such written agreement can be reached after good faith negotiation, each of the Indemnifying Party and the Indemnified Party may take action to resolve the objection in accordance with Article 14 (Dispute Resolution).

12.5 **Third Party Claim Procedures**. Any Indemnified Party seeking indemnification provided for under this Article 12 (Indemnification) in respect of a claim made by any Third Party against an Indemnified Party (a "**Third Party Claim**"), will promptly notify the Indemnifying Party in writing of the Third Party Claim (such notice, a "**Third Party Claim Notice**", and together with the Direct Claim Notice, a "**Claim Notice**"); *provided that* failure to give such Third Party Claim Notice will not affect the right to indemnification provided hereunder except to the extent the Indemnifying Party has been actually and materially prejudiced as a result of such failure. Thereafter, the Indemnified Party will deliver to the Indemnifying Party, as promptly as reasonably practicable following such Indemnified Party's receipt thereof, copies of all written notices and documents (including any court papers) received by such Indemnified Party relating to the Third Party Claim. At its option, the Indemnifying Party may assume the defense and have control, at its own expense, of such Third Party Claim by giving written notice to the Indemnified Party within [***] days after receipt of the notice of the Third Party Claim, provided that (a) the Indemnifying Party agrees to Indemnify the Indemnified Party from and against all Losses to which the Indemnified Party is entitled to indemnification pursuant to this Article 12 (Indemnification) arising out of the such Third Party Claim; (b) the Third Party Claim involves only money damages and does not seek an injunction or other equitable relief against the Indemnified Party; (c) the Third Party Claim does not relate to any criminal or regulatory enforcement proceeding; and (d) the Indemnifying Party conducts the defense of the Third Party Claim diligently, including by selecting competent counsel in connection with conducting such defense and handling such Third Party Claim, in consultation with the Indemnified Party, and keeping the Indemnified Party timely apprised of the status of such Third Party Claim. If either Party believes that any of the unallowable Claims described in (b) or (c) may apply, then such Party will promptly notify the other Party, and the applicable Party against whom such Claim is levied will then have the right to assume and be responsible for any such Claim by counsel of its choice; and any associated expenses thereof shall be Losses for purposes hereunder. If the Indemnifying Party assumes the defense of a Third Party Claim, (i) at the Indemnifying Party's request, the Indemnified Party will provide the Indemnifying Party with reasonable assistance, at the Indemnifying Party's expense, in connection with the defense, and (ii) the Indemnified Party may participate in and monitor such defense with counsel of its own choosing at its sole expense; provided that the Indemnifying Party will have the right to assume and conduct the defense of the Claim with counsel of its choice, and (iii) the Indemnifying Party will not settle any Third Party Claim without the prior written consent of the Indemnified Party, not to be unreasonably withheld, conditioned, or delayed. If national procedural rules prevent the Indemnifying Party from managing and controlling the defense of a Third Party Claim and its settlement, the Indemnified Party will to the extent necessary cooperate with the Indemnifying Party to manage and control the defense of such Third Party Claim and its settlement, provided that the Indemnifying Party will have the right to make all decisions relevant for the defense of such Third Party Claim and its settlement. If the Indemnifying Party does not assume and conduct the defense of the Third Party Claim as provided above, then the Indemnified Party (x) reserves any right it may have under this Article 12 (Indemnification) to obtain indemnification from the Indemnifying Party and (y) will not settle any such Third Party Claim without the prior written consent of the Indemnifying Party, which consent will not be unreasonably withheld, conditioned, or delayed. Notwithstanding the foregoing, if the Indemnifying Party believes that any of the exceptions to its obligation of indemnification of the Indemnified Party set forth in this Article 12 (Indemnification) may apply, the Indemnifying Party will promptly notify the Indemnified Party, who will then have the right to be represented in any such Third Party Claim by separate counsel at its own expense; *provided* that the Indemnifying Party will be responsible for payment of such expenses if the Indemnified Party is ultimately determined to be entitled to indemnification from the Indemnifying Party.

12.6 **Limitation of Liability**. EXCEPT AS A RESULT OF A BREACH OF A PARTY'S RESPONSIBILITIES PURSUANT TO [***], NEITHER PARTY NOR ITS RESPECTIVE AFFILIATES WILL BE LIABLE FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL, OR PUNITIVE DAMAGES.

12.7 **Set-Off**.

12.7.1 Novo Nordisk is expressly authorized, but will not be obligated, to set off any Losses for which it is finally determined pursuant to the terms of this Article 12 (Indemnification) to be entitled to indemnification hereunder against any Milestone Payment or Net Sales Payments to be made to Omeros following the Closing.

12.7.2 Without limiting and subject to Section 12.12 (Exclusive Remedy), neither the exercise nor the failure or delay to exercise such right of set off pursuant to this Section 12.7 (Set-Off) will constitute an election of remedies or limit the rights and remedies of either Party hereunder.

12.8 **Insurance**. Each Party will have and maintain, at its own cost, such type and amounts of insurance that is adequate and with reputable insurers covering its obligations associated with its activities hereunder, including insurance that is: (a) normal and customary in the biotechnology industry for a clinical-stage company (in the case of Omeros), including product liability, or in the pharmaceutical industry (in the case of Novo Nordisk), including, with respect to the insurance requirements on Omeros, products and completed operations liability insurance with at least a [***]-year tail period coverage for any acquisition or other Change of Control with respect to any previously-covered assets thereunder and clinical trials insurance for at least the period as further set forth in the Transition Services Agreement with respect to the Clinical Trials in progress as of the Execution Date for the Compound, and (b) otherwise required by Applicable Law. Each Party will provide to the other Party certificates evidencing at least the above-required insurance coverage within [***] days after reasonable request from the other Party. Such policies will remain in effect throughout the Term. Maintenance of such insurance coverage will not relieve a Party of any indemnification obligations, nor any responsibility for paying damages under this Agreement, nor responsibility under this Agreement for damages in excess of the insurance limit. The Parties acknowledge and agree that Novo Nordisk may meet its obligations under this Section 12.8 (Insurance) through self-insurance.

12.9 **No Double Recovery**. Notwithstanding any provision to the contrary contained in this Agreement or any Ancillary Agreement, (a) Novo Nordisk will not seek indemnification hereunder with respect to any Losses to the extent such Losses have already been deducted from a Milestone Payment or Net Sales Payment (but only to the extent so deducted), and (b) no Indemnified Party will be entitled to indemnification pursuant to this Article 12 (Indemnification) for the same Losses arising from a set of facts or circumstances (or related set of facts or circumstances) pursuant to which such or any other Indemnified Party of the same Party has already recovered fully therefor pursuant to this Agreement or any Ancillary Agreement.

12.10 [***].

12.11 **Mitigation**. To the extent required under Applicable Law, Novo Nordisk and Omeros will, and will cause each of the other Indemnified Parties and their respective representatives to, use reasonable best efforts to mitigate its Losses that are indemnifiable under this Article 12 (Indemnification); *provided*, however, that there will be no duty to mitigate Losses relating to a breach of the representations and warranties in Section 10.2.9 (Taxes).

12.12 **Exclusive Remedy**. The Parties acknowledge and agree that, other than as set forth in Section 13.5 (Remedies) and Section 13.6 (Novo Nordisk Termination Fee), their sole and exclusive monetary remedy with respect to any claims arising under this Agreement, and the sole and exclusive monetary remedy available to any Indemnified Party with respect to any claims arising under this Agreement, will be pursuant to the indemnification provisions set forth in this Article 12 (Indemnification). The foregoing shall in no way limit (a) the remedies available to any Party in the case of the other Party's Fraud, (b) the rights of a Party to seek equitable remedies (including specific performance or injunctive relief) or any remedies available to it under Applicable Law in the event of a Party's failure to comply with its indemnification obligations hereunder, (c) any Party's rights or remedies under the Transition Services Agreement, (d) the rights of Novo Nordisk pursuant to Section 7.6 (Payment Reductions), (e) the remedies available to any Party in connection with the other Party's breach or threatened breach of any covenant or obligation hereunder that is to be performed or complied with at or following the Closing, (f) the rights or remedies of Novo Nordisk pursuant to Section 13.5 (Remedies), or (g) the rights or remedies of Omeros pursuant to Section 13.6 (Novo Nordisk Termination Fee).

13. TERM; TERMINATION

13.1 **Term**. The term of this Agreement (the "**Term**") will commence on the Effective Date and, unless earlier terminated as provided in this Article 13 (Term; Termination), will continue in full force and effect on a Product-by-Product and country-by-country basis until the expiration of the Net Sales Term for each Product in each country and will expire in its entirety upon the last-to-expire Net Sales Term.

13.2 **Termination Prior to Closing**. This Agreement may be terminated at any time prior to the Closing:

13.2.1 by mutual written agreement of Omeros and Novo Nordisk;

13.2.2 by either Omeros, on the one hand, or Novo Nordisk, on the other hand, by written notice to the other Party:

(a) if the Closing has not occurred by 11:59 p.m., Eastern Time, on the date that is [***] (the "**Outside Date**"); *provided*, *however*, that the right to terminate this Agreement pursuant to this Section 13.2.2(a) (Termination Prior to Closing) will not be available to any Party if such Party's breach of any representation, warranty, or covenant set forth in this Agreement has been a proximate cause of, or resulted in, the failure of the Closing to occur on or before the Outside Date; or

(b) if (i) there is any Applicable Law by a Governmental Authority of competent jurisdiction that makes consummation of the transactions contemplated by this Agreement illegal or otherwise prohibited, or (ii) any Governmental Authority of competent jurisdiction has issued an Order that makes illegal the consummation of the Closing or restrains or enjoins the transactions contemplated by this Agreement, and such Order is final and non-appealable and remains in effect (such Applicable Law or Order, a "**Restraint**");

provided, *however*, that the right to terminate this Agreement pursuant to this Section 13.2.2(b) (Termination Prior to Closing) will not be available to any Party whose breach of any representation, warranty, or covenant set forth in this Agreement has been a proximate cause of, or resulted in such Restraint;

13.2.3 by Omeros by written notice to Novo Nordisk if (a) Omeros is not then in material breach of any provision of this Agreement in a manner such that the conditions to Closing set forth in Section 11.2.1(a) (Conditions to Obligations of Novo Nordisk) or Section 11.2.1(b) (Conditions to Obligations of Novo Nordisk) would not be satisfied and (b) there has been a material breach, inaccuracy in, or failure to perform any representation, warranty or covenant made by Novo Nordisk pursuant to this Agreement that would give rise to the failure of any of the conditions specified in Section 11.3.1(a) (Conditions to Obligations of Omeros) or Section 11.3.1(b) (Conditions to Obligations of Omeros) and such breach, inaccuracy, or failure is incapable of being cured prior to the Outside Date or has not been cured by Novo Nordisk within [***] days of Novo Nordisk's receipt of written notice of such breach from Omeros, it being understood that Omeros will not be entitled to terminate this Agreement if such material breach or failure to perform has been cured prior to the effective date of termination; or

13.2.4 by Novo Nordisk by written notice to Omeros if (a) Novo Nordisk is not then in material breach of any provision of this Agreement in a manner such that the conditions to Closing set forth in Section 11.3.1(a) (Conditions to Obligations of Omeros) or Section 11.3.1(b) (Conditions to Obligations of Omeros) would not have been satisfied, and (b) there has been a material breach, inaccuracy in, or failure to perform any representation, warranty, covenant, or agreement made by Omeros pursuant to this Agreement that would give rise to the failure of any of the conditions specified in Section 11.2.1(a) (Conditions to Obligations of Novo Nordisk) or Section 11.2.1(b) (Conditions to Obligations of Novo Nordisk) and such breach, inaccuracy, or failure is incapable of being cured prior to the Outside Date or has not been cured by Omeros within [***] days of Omeros' receipt of written notice of such breach from Novo Nordisk, it being understood that Novo Nordisk will not be entitled to terminate this Agreement if such material breach or failure to perform has been cured prior to the effective date of termination.

13.3 **Termination for Bankruptcy; Rights in Bankruptcy**. To the extent permitted by Applicable Law, Novo Nordisk may terminate this Agreement by giving written notice to Omeros to such effect upon the filing or institution of bankruptcy, reorganization, liquidation, or receivership proceedings, upon the appointment of a receiver, trustee, custodian, conservator or other similar official over all or substantially all property, or upon an assignment of a substantial portion of the assets for the benefit of creditors by Omeros; *provided*, *however*, that in the case of any involuntary bankruptcy proceeding such right to terminate will only become effective if Omeros consents to the involuntary bankruptcy or such proceeding is not dismissed within [***] days after the filing thereof.

13.3.1 All rights and licenses now or hereafter granted by Omeros to Novo Nordisk under or pursuant to this Agreement are, for all purposes of Section 365(n) of the Bankruptcy Code, licenses of rights to "intellectual property" as defined in the Bankruptcy Code or for all purposes of analogous provisions of Applicable Law outside the United States. Upon the filing or institution of bankruptcy, reorganization, liquidation, or receivership proceedings, upon the appointment of a receiver or trustee over all or substantially all property, or upon an assignment of a substantial portion of the assets for the benefit of creditors by Omeros, Omeros agrees that Novo Nordisk, as licensee of such rights under this Agreement, will retain and may fully exercise all of its rights and elections under the Bankruptcy Code and any analogous provisions of Applicable Law outside the United States and that any protections, rights and elections of such Party under similar insolvency laws are likewise retained and may be fully exercised by such Party. The Parties agree that the payments to be made by Novo Nordisk to Omeros under Sections 7.3 (Sales Milestones) and 7.4 (Net Sales Payments) hereof are intended to be royalty payments as such term is used in Section 365(n) of the Bankruptcy Code or any analogous provisions of Applicable Law outside the United States. Omeros will, during the Term, create and maintain current copies or, if not amenable to copying, detailed descriptions or other appropriate embodiments, to the extent feasible, of all intellectual property licensed under this Agreement. Each Party acknowledges and agrees that "embodiments" of intellectual property within the meaning of Section 365(n) include laboratory notebooks, cell lines, product samples, and inventory, research studies and data, clinical dossiers, information, data, and materials, all Regulatory Approvals (and all applications for Regulatory Approval) and right to provide Novo Nordisk with all such intellectual property (including all embodiments thereof) held by Omeros and such successors and assigns, or otherwise available to them, immediately upon Novo Nordisk's written request. Whenever Omeros or any of its successors or assigns provides to Novo Nordisk any of the intellectual property licensed hereunder (or any embodiment thereof) pursuant to this Section 13.3 (Termination for Bankruptcy; Rights in Bankruptcy), Novo Nordisk will have the right to perform Omeros' obligations hereunder with respect to such intellectual property, but neither such provision nor such performance by Novo Nordisk will release Omeros from liability resulting from rejection of the license or the failure to perform such obligations; and Omeros agrees to not interfere with Novo Nordisk's rights under this Agreement, or any agreement supplemental hereto, to such intellectual property (including such embodiments), including any right to obtain such intellectual property (or such embodiments) from another entity, to the extent provided in Section 365(n) of the Bankruptcy Code.

13.3.2 All rights, powers, and remedies of Novo Nordisk provided in this Section 13.3 (Termination for Bankruptcy; Rights in Bankruptcy) are in addition to and not in substitution for any other rights, powers, and remedies now or hereafter existing at law or in equity (including the Bankruptcy Code) in the event of the commencement of a case under the Bankruptcy Code with respect to Omeros. The Parties intend the following rights to extend to the maximum extent permitted by Applicable Law, and to be enforceable under Bankruptcy Code Section 365(n):

(a) the right of access to any intellectual property (and all embodiments thereof) of Omeros, or any Third Party that is licensed or sublicensed to Omeros; and

(b) the right to contract directly with any Third Party to complete the contracted work.

13.4 **Effects of Termination.**

13.4.1 In the event of the termination of this Agreement pursuant to Section 13.2 (Termination Prior to Closing), the terminating Party will provide written notice to the other Party, and no Party to this Agreement will have any Liability under this Agreement to any other Party except for any Liability of any Party for any Willful Breach by such Party of any of its covenants or agreements set forth in this Agreement.

(a) Upon the expiration or termination of this Agreement in its entirety, Omeros will destroy (at Novo Nordisk's written request) all Confidential Information of Novo Nordisk in its possession as of the effective date of the expiration or termination (with the exception of one copy of such Confidential Information, which copy may be retained by the legal department of Omeros to confirm compliance with the non-use and non-disclosure provisions of this Agreement), including any Confidential Information of Novo Nordisk contained in its laboratory notebooks or databases; *provided* that Omeros may retain and continue to use such Confidential Information of Novo Nordisk to the extent necessary to exercise any surviving rights, licenses, or obligations under this Agreement (including pursuant to this Section 13.4.1(a) (Effects of Termination)). Upon termination of the one or more of the licenses granted in Section 5.2.1 (Licenses to Omeros), Section 5.2.2 (Licenses to Omeros), or Section 5.2.2 (Licenses to Omeros), Omeros will destroy (at Novo Nordisk's request) all Confidential Information of Novo Nordisk within the Novo Nordisk Licensed Technology that is in Omeros' possession as of the date of such termination and is not reasonably necessary to exercise Omeros' remaining rights and fulfill Omeros' remaining obligations under this Agreement.

(b) Upon termination of this Agreement in its entirety, Novo Nordisk will destroy (at Omeros' written request) all Confidential Information of Omeros in its possession as of the effective date of the termination (with the exception of one copy of such Confidential Information, which copy may be retained by the legal department of Novo Nordisk to confirm compliance with the non-use and non-disclosure provisions of this Agreement), including any Confidential Information of Omeros contained in its laboratory notebooks or databases; *provided* that Novo Nordisk may retain and continue to use such Confidential Information of Omeros to the extent necessary to exercise any surviving rights, licenses, or obligations under this Agreement (including pursuant to this Section 13.4.1(b) (Effects of Termination)).

13.5 **Remedies.**

13.5.1 In the event of the termination of this Agreement and the abandonment of the transactions pursuant to Section 13.2 (Termination Prior to Closing), in addition to the effects set forth in Section 13.4 (Effects of Termination) above, the Parties agree that the Mutual Confidentiality Agreement, Article 13 (Term; Termination) and Article 15 (Miscellaneous) hereof will remain in full force and effect following such termination. In the event of the termination of this Agreement following the Closing pursuant to Section 13.3 (Termination for Bankruptcy; Rights in Bankruptcy), written notice thereof will forthwith be given by the terminating Party to the other Party, and, subject to [***], termination of this Agreement will not be the sole remedy under this Agreement and, whether or not termination is effected, all other remedies will remain available (except as Novo Nordisk and Omeros have expressly agreed to otherwise herein) and such termination will not preclude Novo Nordisk or Omeros from claiming any other damages, compensation, or relief that it may be entitled to upon such termination.

13.5.2 Omeros stipulates and agrees that Novo Nordisk's decision to enter into this Agreement and to invest in the Compounds and Products are premised upon the assumption that Omeros will perform its obligations under this Agreement, and that certain material breaches of this Agreement by Omeros will undermine the economic fundamentals of the transaction for Novo Nordisk, and that in such event, Novo Nordisk's damages arising from Omeros' breach would be of an uncertain amount and difficult to prove. Accordingly, following the Effective Date, if Omeros commits a material breach (which breach has not been cured or disputed within [***] days of receipt of written notice from Novo Nordisk thereof) of:

(a) [***].

(b) In the event of Novo Nordisk's exercise of its remedies under the foregoing clause (a), Omeros will promptly return or destroy (at Novo Nordisk's election) to Novo Nordisk any Novo Nordisk Confidential Information provided to Omeros pursuant to this Agreement, and Novo Nordisk will be released from any and all ongoing disclosure and information exchange obligations with respect to activities under this Agreement other than those under Section 7.10 (Royalty Reports) after the date of such election.

13.5.3 If Novo Nordisk exercises its alternative remedy under Section 13.5.2 (Remedies), then the above alternate remedy will be the sole monetary remedy available to Novo Nordisk for the applicable uncured material breach by Omeros, but Novo Nordisk will retain applicable equitable remedies for such breach. In the event that Omeros commits a material breach of its obligations under Section 5.2 (Licenses to Omeros) or Section 5.4 (Exclusivity), and such breach is incapable of being cured or has not been cured or disputed pursuant to Section 14 (Dispute Resolution) by Omeros within [***] days of Omeros' receipt of written notice of such breach from Novo Nordisk, then Novo Nordisk may terminate the license granted to Omeros under Section 5.2 (Licenses to Omeros).

13.6 [***].

13.7 **Survival**. If this Agreement is terminated prior to the Closing, then the following provisions, as well as any other provisions that by their express terms are intended to survive termination, will survive termination of this Agreement: Section 13.4 (Effect of Termination), Section 13.5 (Remedies), [***] Section 13.7 (Survival), Article 14 (Dispute Resolution) and Article 15 (Miscellaneous) (other than Section 15.2 (Omeros Change of Control), Section 15.7 (Force Majeure), Section 15.13 (Performance by Affiliates) and Section 15.14 (Further Assurances)). If this Agreement is terminated following the Closing pursuant to Section 13.3 (Termination for Bankruptcy; Rights in Bankruptcy), then the following provisions, as well as any other provisions that by their express terms are intended to survive termination, will survive termination of this Agreement: Section 5.1.1 (Licenses to Novo Nordisk), Section 5.1.2 (Licenses to Novo Nordisk), Section 5.2.1 (Licenses to Omeros), Section 5.2.2 (Licenses to Omeros), Section 8.1 (Ownership of Background Technology), Article 7 (Financial Terms), Section 8.2 (Ownership of Arising Technology), Article 9 (Confidentiality), Article 12 (Indemnification), Section 13.4 (Effect of Termination), Section 13.5 (Remedies), Section 13.7 (Survival), Article 14 (Dispute Resolution) and Article 15 (Miscellaneous).

14. DISPUTE RESOLUTION

14.1 **Governing Law; Venue.** This Agreement will be governed by and interpreted in accordance with the laws of the State of Delaware, United States, without giving effect to its conflicts of laws principles (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware. The Parties hereby irrevocably and unconditionally consent to the exclusive jurisdiction of the Court of Chancery of the State of Delaware and any state appellate court therefrom within the State of Delaware or, if the Court of Chancery of the State of Delaware does not have subject matter jurisdiction, the United States District Court for the District of Delaware or, if jurisdiction is not then available in the United States District Court for the District of Delaware, then any Delaware state court, for any action, suit, or proceeding (other than appeals therefrom) arising out of or relating to this Agreement and agree to not commence any action, suit, or proceeding (other than appeals therefrom) related thereto except in such courts. The Parties further hereby irrevocably and unconditionally waive any objection to the laying of venue of any action, suit, or proceeding (other than appeals therefrom) arising out of or relating to this Agreement in such courts and hereby further irrevocably and unconditionally waive and agree to not plead or claim in any such court that any such action, suit, or proceeding brought in any such court has been brought in an inconvenient forum.

14.2 **Disputes.** The Parties recognize that controversies or disputes relating to or in connection with this Agreement may arise from time to time. It is the objective of the Parties to establish procedures to facilitate the resolution of such disputes in an expedient manner by cooperation and without resort to litigation. To accomplish this objective, the Parties will follow the procedures set forth in this Article 14 (Dispute Resolution) to resolve any such dispute. If any dispute, claim, or controversy of any nature arising out of or relating to this Agreement, including any action or claim based on tort, contract, or statute, or concerning the interpretation, effect, termination, validity, performance, or breach of this Agreement (each, a "**Dispute**") arises between the Parties, then either Party may refer such Dispute to the Executive Officers of each Party for resolution by providing a written request to the other Party. Each Party, within [***] days after a Party has received such written request from the other Party to so refer such Dispute, will notify the other Party in writing of the Executive Officer to whom such Dispute is referred. If, after [***] days from receipt of such notice of Dispute, such Executive Officers have not succeeded in negotiating a resolution of such Dispute, and a Party wishes to pursue the matter further, a Party may submit any such unresolved Dispute for resolution by a judge sitting without a jury in the United States District Court for the District of Delaware, if that court has subject matter jurisdiction, or otherwise to the Court of Chancery of the State of Delaware, in accordance with Section 14.1 (Governing Law; Venue).

14.3 **Equitable Relief.**

14.3.1 The Parties agree that, in the event of any breach or threatened breach by any other Party or Parties hereto, of any covenant, obligation or other agreement set forth in this Agreement, (i) each Party will be entitled, without any proof of actual damages (and in addition to any other remedy that may be available to it), to seek a decree or order of specific performance or other equitable relief or interim or provisional relief from any court of competent jurisdiction to enforce the observance and performance of such covenant, obligation or other agreement and an injunction from any court of competent jurisdiction preventing or restraining such breach or threatened breach, and (ii) no Party will be required to provide or post any bond or other security or collateral in connection with any such decree, order or injunction or in connection with any related action or legal proceeding.

14.3.2 Each Party agrees that it will not oppose the granting of an injunction, specific performance or other equitable relief from any court of competent jurisdiction to prevent or restrain breaches or threatened breaches of this Agreement on the basis that any other Party has an adequate remedy at law or that any award of specific performance is not an appropriate remedy for any reason at law or in equity except as expressly set forth herein. Each Party will seek and agree to, and use its reasonable best efforts to cooperate with the other Parties in seeking, an expedited schedule in any litigation seeking an injunction or order of specific performance to attempt to fully resolve any dispute between the Parties.

14.4 **Excluded Claims.** Notwithstanding any provision to the contrary set forth in this Agreement, any dispute, controversy, or claim relating to (a) the validity, scope, enforceability, inventorship, infringement or ownership of intellectual property rights or (b) antitrust, anti-monopoly or competition law or regulation, whether or not statutory, will be submitted to a court or other Governmental Authority of competent jurisdiction in the country in which such intellectual property rights were granted or arose.

15. MISCELLANEOUS

15.1 **Assignment.** Neither Party may at any time assign or transfer this Agreement or any rights or obligations hereunder, either in full or in part, without the prior written consent of the other Party; except that Novo Nordisk may make such an assignment or transfer without Omeros' consent to a Novo Nordisk Affiliate and Omeros may assign this Agreement in full without Novo Nordisk's consent to (a) to any Affiliate (it being understood that any assignment to an Affiliate will not relieve Omeros of its obligations hereunder) or (b) in connection with the sale of all of the business or assets of Omeros, whether by way of merger, sale of assets, sale of stock, or otherwise. In the event of an assignment of this Agreement by either Party to a Third Party, the assignor will promptly notify the other Party following the consummation of such assignment. [***]. Except in connection with assignment among Novo Nordisk Affiliates, any permitted successor or assignee of rights and obligations hereunder will, in writing to the other Party, expressly assume performance of such rights and obligations; provided that in the event of such an assignment, Novo Nordisk will be and remain responsible and liable for performance of all of its rights and obligations under this Agreement, including those assigned to such Novo Nordisk Affiliate. In the case of any permitted assignment or transfer of or under this Agreement, this Agreement will be binding upon, and inure to the benefit of, the successors, executors, heirs, representatives, administrators, and assigns of the assigning Party. Any assignment or attempted assignment of this Agreement not made in accordance with this Section 15.1 (Assignment) is prohibited hereunder and will be null and void.

15.2 **Omeros Change of Control**.

15.2.1 **Notification of Change of Control**. Omeros shall provide Novo Nordisk with written notice of any Change of Control of Omeros promptly, but no later than the earlier of (a) [***] days following the first public announcement of such Change of Control or (b) [***] days following, if earlier and not prohibited by the terms of any written agreement between Omeros and such Third Party, the closing of a definitive agreement relating to such Change of Control, which notice in each case of (a) or (b) will summarize the nature of the transaction and the identity of the Third Party acquirer (a "**Change of Control Notice**").

15.2.2 **Firewall**. If Omeros undergoes a Change of Control where the Third Party acquirer is at the time of such Change of Control (a) Exploiting, [***] (each such product, a "**Alternative Pathway Product**" and the Third Parties described in this clause (b) a "**Complement Work Competitor**" and in either (a) or (b), each, a "**Novo Nordisk Competitor**") or there is a Change of Control of Omeros and the Third Party acquirer of Omeros [***], Omeros shall implement (as of the closing of such transaction) and maintain Firewalls during the Term of this Agreement and thereafter [***]. Omeros shall notify Novo Nordisk in writing once such Firewalls have been implemented.

15.2.3 **Reports**. Notwithstanding any provision to the contrary set forth in this Agreement, including Section 9.2 (Exemptions) and Section 9.3 (Permitted Disclosures), in no event will Novo Nordisk have any obligation to provide any report under Section 6.1 (Development and Medical Affairs) to any Novo Nordisk Competitor.

15.2.4 **Firewall Audits**. Novo Nordisk will have the right, through an independent Third Party auditor to which Omeros does not reasonably object, to audit Omeros' (and, as applicable, its Affiliates') compliance with its obligations under this Agreement to implement and maintain Firewalls under this Section 15.2 (Omeros Change of Control) and to require Omeros (or its Affiliates) to promptly remediate any non-compliance identified by such audit. In connection with such audit, duly authorized representatives of Novo Nordisk's designated auditor may make an on-site visit to Omeros (or its Affiliate) for the purpose of conducting such audit. Novo Nordisk may conduct such audits from time to time as reasonably necessary to confirm Omeros' compliance with such Firewall requirements, no more than [***]. Such audits shall be conducted during Omeros' regular business hours, for a duration and scope only as reasonably necessary to confirm Omeros' compliance with the applicable Firewall requirements, not to exceed [***] Business Days, and shall not unreasonably interfere with or impede Omeros' business operations. Novo Nordisk shall provide Omeros with written notice of such audit at least [***] days prior to such requested audit. All such audits will be conducted at Novo Nordisk's cost and expense. The auditor shall only be permitted to disclose to Novo Nordisk the existence of any non-compliance with Omeros' obligations under this Agreement to implement and maintain Firewalls under this Section 15.2 (Omeros Change of Control), but may not disclose the substance of such findings.

15.3 **Relationship of the Parties.** It is expressly agreed that Omeros, on the one hand, and Novo Nordisk, on the other hand, will be independent contractors and that the relationship between the two Parties will not constitute a partnership, joint venture, or agency, including for Tax purposes. Neither Omeros nor Novo Nordisk will have the authority to make any statements, representations, or commitments of any kind, or to take any action that will be binding on the other, without the prior written consent of the other Party to do so. All Persons employed by a Party will be employees of that Party and not of the other Party and all expenses and obligations incurred by reason of such employment will be for the account and expense of such Party. Neither Party (nor any successor, assignee, transferee, or Affiliate of a Party) will treat or report the relationship between the Parties arising under this Agreement as a partnership for United States Tax purposes, without the prior written consent of the other Party, unless required by a final determination under Section 1313 of the Internal Revenue Code of 1986, as amended (or any similar provision of state, local, or non-U.S. law). Each Party will pay its own costs, charges, and expenses incurred in connection with the negotiation, preparation, and execution of this Agreement.

15.4 **Entire Agreement.** This Agreement (including any Schedule attached hereto) represents the complete, final, and exclusive agreement, and sets forth all the covenants, promises, agreements, warranties, representations, conditions, and understandings, between the Parties with respect to the subject matter hereof and supersedes and terminates all prior agreements and understandings between the Parties with respect to such subject matter, including the Mutual Confidentiality Agreement with respect to this Agreement.

15.5 **Amendments.** No subsequent alteration, amendment, change, or addition to this Agreement will be binding upon the Parties unless reduced to a writing and signed by the respective authorized officers of the Parties. In the event of any inconsistency between the body of this Agreement and any Schedules to this Agreement or any subsequent agreements ancillary to this Agreement, unless otherwise expressly stated to the contrary in such Schedule or ancillary agreement, the terms contained in this Agreement will control. This Agreement will be binding upon and inure to the benefit of the Parties and their respective legal representatives, successors, and permitted assigns.

15.6 **Severability.** If any provision or portion thereof in this Agreement is for any reason held to be invalid, illegal, or unenforceable, then the same will not affect any other portion of this Agreement and its validity, as it is the intent of the Parties that this Agreement will be construed in such fashion as to maintain its existence, validity, and enforceability to the greatest extent possible. In any such event, this Agreement will be construed as if such provision or portion thereof had never been contained in this Agreement, and such provision will be replaced with a valid and enforceable provision as will most nearly carry out the intent of the Parties as expressed in this Agreement to the fullest extent permitted by Applicable Law.

15.7 **Force Majeure.** Following the Effective Date, neither Party will be held liable to the other Party nor be deemed to have breached this Agreement for failure or delay performing any obligation under this Agreement (except for any obligation of Omeros as outlined in the Transfer Plan or to otherwise complete transfer to Novo Nordisk of any Acquired Asset) to the extent that such failure or delay is caused by or results from Force Majeure and for so long as such failure or delay continues to be caused by or result from such Force Majeure event, and *provided* that such Party uses reasonable efforts to find an alternate means of performing the obligation or to avoid the effects of such Force Majeure event. The affected Party will notify the other Party in writing of any Force Majeure circumstances that may affect its performance under this Agreement as soon as reasonably practical, will provide a good faith estimate of the period for which its failure or delay in performance under the Agreement is expected to continue based on currently available information, and will undertake reasonable best efforts necessary to mitigate and overcome such Force Majeure circumstances and resume normal performance of its obligations hereunder as soon a reasonably practicable under the circumstances. If the Force Majeure circumstance continues, then the affected Party will update such notice to the other Party on a [***] basis, or more frequently if requested by the other Party, to provide updated summaries of its mitigation efforts and its estimates of when normal performance under the Agreement will be able to resume.

15.8 **Notices.** All notices and other communications given or made pursuant hereto will be in writing and will be deemed to have been duly given on the date delivered, if delivered personally, or on the next Business Day after being sent by reputable overnight courier (with delivery tracking provided, signature required, and delivery prepaid), in each case, to the Parties at the following addresses (or at such other address for a Party as will be specified by notice given in accordance with this Section 15.8 (Notices)).

In the case of Omeros:

Omeros Corporation
201 Elliott Avenue West
Seattle, Washington 98119
Attention: General Counsel

with a required copy to (which will not be deemed as notice):

Wilson Sonsini Goodrich & Rosati, P.C.
One Boston Place 201 Washington Street, Suite 2000
Boston, MA 02108-4403
Attn: Farah Gerdes; Jason Breen; Ross Tanaka
Email: fgerdes@wsgr.com; jbreen@wsgr.com; rtanaka@wsgr.com

In the case of Novo Nordisk:

Novo Nordisk Health Care AG
The Circle, 32/38
8058 Zürich Switzerland
Attention: General Manager

with a required copy to (which will not be deemed as notice):

Novo Nordisk A/S
Novo Alle 1
2880 Bagsvaerd
Denmark
Attention: Head of Business Development

Novo Nordisk A/S
Novo Alle 1
2880 Bagsvaerd
Denmark
Attention: General Counsel, Legal Department

Ropes & Gray LLP
Prudential Tower
800 Boylston Street
Boston, MA 02199 3600
Attention: Hannah England; Matthew Byron
Email: Hannah.England@ropesgray.com; Matthew.Byron@ropesgray.com

15.9 **Construction.** This Agreement has been prepared jointly and will not be strictly construed against either Party. Ambiguities, if any, in this Agreement will not be construed against any Party, irrespective of which Party may be deemed to have authored the ambiguous provision. The terms and provisions of this Agreement will be construed fairly as to all Parties hereto and not in a favor of or against any Party, regardless of which Party was generally responsible for the preparation of this Agreement.

15.10 **Interpretation.** Except where the context expressly requires otherwise, (a) the use of the singular herein will be deemed to include the plural (and vice versa) and the use of any gender will be applicable to all genders, (b) the words "include," "includes," and "including" will be deemed to be followed by the phrase "without limitation," (c) the word "will" will be construed to have the same meaning and effect as the word "shall," (d) any definition of or reference to any agreement, instrument, or other document herein will be construed as referring to such agreement, instrument, or other document as from time to time amended, supplemented, or otherwise modified (subject to any restrictions on such amendments, supplements, or modifications set forth herein), (e) any reference herein to any Person will be construed to include the Person's successors and assigns, (f) the words "herein," "hereof," and "hereunder," and words of similar import, will be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (g) all references herein to Sections or Schedules will be construed to refer to Sections or Schedules of this Agreement, and references to this Agreement include all Schedules hereto, (h) provisions that require that a Party, the Parties, or any committee hereunder "agree," "consent," "approve," or the like will require that such agreement, consent, or approval be specific and in writing, whether by written agreement, letter, approved minutes, or otherwise (but excluding instant messaging), (i) references to any specific law, rule, or regulation, or article, section, or other division thereof, will be deemed to include the then-current amendments thereto or any replacement or successor law, rule, or regulation thereof and (j) the term "or" will be interpreted in the inclusive sense commonly associated with the term "and/or". Whenever this Agreement refers to a number of days without using a term otherwise defined herein, such number refers to calendar days, and references to any Sections include Sections and subsections that are part of the related Section (e.g., a section numbered "Section 2.2" would be part of "Section 2", and references to "Section 2.2" would also refer to material contained in the subsection described as "Section 2.2(a)").

15.11 **Headings.** The headings for each article and section in this Agreement have been inserted for convenience of reference only and are not intended to limit or expand on, nor to be used to interpret, the meaning of the language contained in the particular article or section.

15.12 **Waiver and Non-Exclusion of Remedies.** The failure of either Party to require performance by the other Party of any of that other Party's obligations under this Agreement will in no manner affect the right of such Party to enforce the same at a later time, subject only to applicable statutes of limitation as to any particular breach of an obligation and to the terms of this Agreement. No waiver by any Party of any condition, or of the breach of any provision, term, representation, or warranty contained in this Agreement will be deemed to be or construed as a further or continuing waiver of any such condition or breach, or of any other condition or of the breach of any other provision, term, representation, or warranty hereof. The remedies provided in this Agreement are not exclusive and the Party suffering from a breach or default of this Agreement may pursue all other remedies, both legal and equitable, alternatively, or cumulatively, except as expressly set forth herein.

15.13 **Performance by Affiliates.** A Party may have some or all of its obligations under this Agreement performed by its Affiliate(s) or may exercise some or all of its rights under this Agreement through Affiliates. However, each Party will remain responsible for the performance or non-performance by its Affiliates and will cause its Affiliates to comply with the provisions of this Agreement in connection with such performance as if such Party were performing such obligations itself. In particular and without limitation, all Affiliates of a Party that receive Confidential Information of the other Party pursuant to this Agreement will be governed and bound by all obligations set forth in Article 9 (Confidentiality; Publication; Privilege) and any Affiliate of a Party that performs any activities under this Agreement on behalf of a Party will be subject to the intellectual property assignment and other intellectual property provisions of Article 8 (Intellectual Property) as if it were the original Party to this Agreement (and be deemed as if the actual Party to this Agreement for purposes of all intellectual property-related definitions).

15.14 **Further Assurances.** Each of Omeros and Novo Nordisk agrees to duly execute and deliver, or cause to be duly executed or delivered, such further reasonable instruments and do and cause to be done such further reasonable acts, which may include the filing of additional assignments, agreements, documents and instruments, as the other Party may at any time and from time to time reasonably request in connection with this Agreement or to carry out more effectively the provisions and purposes of, or to better assure and confirm unto such other Party its rights and remedies under, this Agreement.

15.15 **No Third Party Beneficiary Rights.** The Parties acknowledge and agree that they do not intend, neither by entering into this Agreement nor by performing their respective obligations hereunder, to create or vest to any Third Party any interests or rights (including any Third Party beneficiary rights) with respect to or in connection with any agreement or provision contained herein or contemplated hereby, except as otherwise expressly provided for in this Agreement. All Applicable Laws in any country that may act to create or to vest any rights in favor of any Third Party are excluded to the fullest extent permitted under said Applicable Laws.

15.16 **Counterparts.** This Agreement may be executed in counterparts, all of which taken together will be regarded as one and the same instrument. Counterparts may be delivered via electronic mail, including Adobe™ Portable Document Format (PDF) or any electronic signature complying with the U.S. Federal ESIGN Act of 2000, and any counterpart so delivered will be deemed to be original signatures, will be valid and binding upon the Parties, and, upon delivery, will constitute due execution of this Agreement. The parties agree that a Simple Electronic Signature (e.g. SES as provided by DocuSign) is an acceptable form of signature for this Agreement.

[Remainder of Page Left Intentionally Blank; Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused their duly authorized representatives to execute this Agreement as of the Execution Date. Furthermore, the Parties agree that a Simple Electronic Signature (e.g. SES as provided by DocuSign) is an acceptable form of signature for this Agreement.

On behalf of Novo Nordisk Health Care AG:

/s/ Habib Bennaceur
Name: Habib Bennaceur
Title: General Manager

/s/ Alessia Ignazzi
Name: Alessia Ignazzi
Title: Vice President

[Signature Page to Asset Purchase and License Agreement]

IN WITNESS WHEREOF, the Parties have caused their duly authorized representatives to execute this Agreement as of the Execution Date.

OMEROS CORPORATION

By: /s/ Gregory Demopulos
Name: Gregory A. Demopulos, M.D.
Title: President, Chief Executive Officer and Chairman

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

(1) Registration Statement (Form S-8 No. 333-162732) pertaining to the Omeros Corporation 2008 Equity Incentive Plan, Omeros Corporation Second Amended and Restated 1998 Stock Option Plan, nura, Inc. 2003 Stock Option Plan, Stock Option Grant to Gregory A. Demopulos, M.D., and Stock Option Grant to Pamela Pierce Palmer, M.D., Ph.D,

(2) Registration Statement (Form S-8 No. 333-165861) pertaining to the Omeros Corporation 2008 Equity Incentive Plan,

(3) Registration Statement (Form S-8 No. 333-172905) pertaining to the Omeros Corporation 2008 Equity Incentive Plan,

(4) Registration Statement (Form S-8 No. 333-180216) pertaining to the Omeros Corporation 2008 Equity Incentive Plan,

(5) Registration Statement (Form S-8 No. 333-187344) pertaining to the Omeros Corporation 2008 Equity Incentive Plan,

(6) Registration Statement (Form S-8 No. 333-194693) pertaining to the Omeros Corporation 2008 Equity Incentive Plan,

(7) Registration Statement (Form S-8 No. 333-202788) pertaining to the Omeros Corporation 2008 Equity Incentive Plan,

(8) Registration Statement (Form S-8 No. 333-210219) pertaining to the Omeros Corporation 2008 Equity Incentive Plan,

(9) Registration Statement (Form S-8 No. 333-216749) pertaining to the Omeros Corporation 2008 Equity Incentive Plan,

(10) Registration Statement (Form S-8 No. 333-218882) pertaining to the Omeros Corporation 2017 Omnibus Incentive Compensation Plan,

(11) Registration Statement (Form S-8 No. 333-232071) pertaining to the Omeros Corporation 2017 Omnibus Incentive Compensation Plan,

(12) Registration Statement (Form S-8 No. 333-257148) pertaining to the Omeros Corporation 2017 Omnibus Incentive Compensation Plan

(13) Registration Statement (Form S-8 No. 333-273855) pertaining to the Omeros Corporation 2017 Omnibus Incentive Compensation Plan, and

(14) Registration Statement (Form S-3 No. 333- 291522) of Omeros Corporation

of our report dated March 31, 2026, with respect to the consolidated financial statements of Omeros Corporation included in this Annual Report (Form 10-K) of Omeros Corporation for the year ended December 31, 2025.

/s/ Ernst & Young LLP

Seattle, Washington
March 31, 2026

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO RULE 13a-14(a)/15d-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Gregory A. Demopulos, M.D., certify that:

1. I have reviewed this annual report on Form 10-K of Omeros Corporation;

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

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

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

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

Dated: March 31, 2026

/s/ Gregory A. Demopulos
Gregory A. Demopulos, M.D.
Principal Executive Officer

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO RULE 13a-14(a)/15d-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, David J. Borges, certify that:

1. I have reviewed this annual report on Form 10-K of Omeros Corporation;

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

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

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

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

Dated: March 31, 2026

/s/ David J. Borges
David J. Borges
Principal Financial and Accounting Officer

Exhibit 32.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the annual report on Form 10-K of Omeros Corporation (the "Company") for the fiscal year ended December 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned officer of the Company certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as may be expressly set forth by specific reference in such filing.

Dated: March 31, 2026

/s/ Gregory A. Demopulos
Gregory A. Demopulos, M.D.
Principal Executive Officer

Exhibit 32.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the annual report on Form 10-K of Omeros Corporation (the "Company") for the fiscal year ended December 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned officer of the Company certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as may be expressly set forth by specific reference in such filing.

Dated: March 31, 2026

/s/ David J. Borges
David J. Borges
Principal Financial and Accounting Officer