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

FORM 10-Q

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

For the quarterly period ended September 30, 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: 001-39094

PHATHOM PHARMACEUTICALS, INC.

(Exact name of Registrant as specified in its charter)

Delaware	**82-4151574**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
100 Campus Drive, Suite 102 Florham Park, New Jersey	**07932**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (877) 742-8466

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

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Common Stock, $0.0001 par value per share	PHAT	The Nasdaq Global Select Market

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

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

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

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

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

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

As of October 27, 2025, the registrant had 71,138,440 shares of common stock ($0.0001 par value) outstanding.

TABLE OF CONTENTS

PART I. FINANCIAL INFORMATION

Item 1	Financial Statements (unaudited)	F-1
	Condensed Balance Sheets	F-1
	Condensed Statements of Operations and Comprehensive Loss	F-2
	Condensed Statements of Stockholders' Deficit	F-3
	Condensed Statements of Cash Flows	F-5
	Notes to Condensed Unaudited Financial Statements	F-6
Item 2	Management's Discussion and Analysis of Financial Condition and Results of Operations	22
Item 3	Quantitative and Qualitative Disclosures About Market Risk	33
Item 4	Controls and Procedures	33

PART II. OTHER INFORMATION

Item 1	Legal Proceedings	35
Item 1A	Risk Factors	35
Item 2	Unregistered Sales of Equity Securities and Use of Proceeds	35
Item 3	Defaults Upon Senior Securities	35
Item 4	Mine Safety Disclosures	35
Item 5	Other Information	35
Item 6	Exhibits	36
	Signatures	38

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements (unaudited)

PHATHOM PHARMACEUTICALS, INC.
Condensed Balance Sheets
(Unaudited)
(in thousands, except share and par value amounts)

	September 30, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	$ 135,156	$ 297,263
Prepaid expenses and other current assets	13,227	20,866
Accounts receivable, net	55,789	38,797
Inventory	3,611	3,208
Total current assets	207,783	360,134
Property and equipment, net	1,156	1,476
Operating lease right-of-use assets	2,694	613
Restricted cash	2,862	2,862
Inventory, non-current	24,101	11,540
Other long-term assets	1,693	1,693
Total assets	$ 240,289	$ 378,318
Liabilities and Stockholders' Deficit		
Current liabilities:		
Accounts payable	$ 1,075	$ 10,507
Accrued expenses	65,349	53,232
Accrued interest	1,764	1,711
Operating lease liabilities, current	591	501
Current portion of revenue interest financing liability	24,344	19,777
Total current liabilities	93,123	85,728
Long-term debt, net of discount	207,093	201,409
Revenue interest financing liability	348,984	333,261
Operating lease liabilities	2,123	—
Other long-term liabilities	11,500	11,500
Total liabilities	662,823	631,898
Commitments and contingencies (Note 3)		
Stockholders' deficit:		
Preferred stock, $0.0001 par value; authorized shares — 40,000,000 at September 30, 2025 and December 31, 2024; no shares issued and outstanding at September 30, 2025 and December 31, 2024	—	—
Common stock, $0.0001 par value; authorized shares — 400,000,000 at September 30, 2025 and December 31, 2024; issued and outstanding shares — 71,043,149 and 68,518,238 at September 30, 2025 and December 31, 2024, respectively	6	6
Treasury stock — 19 shares at September 30, 2025 and December 31, 2024	—	—
Additional paid-in capital	1,040,570	1,009,425
Accumulated deficit	(1,463,110)	(1,263,011)
Total stockholders' deficit	(422,534)	(253,580)
Total liabilities and stockholders' deficit	$ 240,289	$ 378,318

See accompanying notes.

PHATHOM PHARMACEUTICALS, INC.
Condensed Statements of Operations and Comprehensive Loss
(Unaudited)
(in thousands, except share and per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Product revenue, net	$ 49,504	$ 16,352	$ 117,526	$ 25,588
Cost of revenue	6,190	2,356	14,951	4,158
Gross profit	43,314	13,996	102,575	21,430
Operating expenses:				
Research and development	7,027	8,693	25,287	25,499
Selling, general and administrative	51,558	76,099	231,346	213,981
Total operating expenses	58,585	84,792	256,633	239,480
Loss from operations	(15,271)	(70,796)	(154,058)	(218,050)
Other (expense) income:				
Interest income	1,413	3,711	5,840	11,648
Interest expense	(16,108)	(18,484)	(51,696)	(53,416)
Other expense, net	(7)	(8)	(185)	(57)
Total other expense	(14,702)	(14,781)	(46,041)	(41,825)
Net loss and comprehensive loss	$ (29,973)	$ (85,577)	$ (200,099)	$ (259,875)
Net loss per share, basic and diluted	$ (0.41)	$ (1.32)	$ (2.76)	$ (4.29)
Weighted-average shares of common stock outstanding, basic and diluted	73,396,435	64,627,847	72,615,910	60,543,545

See accompanying notes.

PHATHOM PHARMACEUTICALS, INC.
Condensed Statements of Stockholders' Deficit
(Unaudited)
(in thousands, except share amounts)

	Common Stock		Treasury Stock	Additional Paid-in	Accumulated	Total Stockholders'
	Shares	Amount	Shares	Capital	Deficit	Deficit
Balance at December 31, 2024	68,518,238	$ 6	19	$ 1,009,425	$ (1,263,011)	$ (253,580)
401(k) matching contribution	290,165	—	—	2,127	—	2,127
Vesting of restricted stock units	508,568	—	—	—	—	—
Stock-based compensation	—	—	—	5,540	—	5,540
ESPP shares issued	321,099	—	—	1,853	—	1,853
Net loss	—	—	—	—	(94,316)	(94,316)
Balance at March 31, 2025	69,638,070	6	19	1,018,945	(1,357,327)	(338,376)
Vesting of restricted stock units	456,677	—	—	—	—	—
Stock-based compensation	—	—	—	8,272	—	8,272
Issuance of common stock from exercises of stock options	9,672	—	—	80	—	80
Net loss	—	—	—	—	(75,810)	(75,810)
Balance at June 30, 2025	70,104,419	6	19	1,027,297	(1,433,137)	(405,834)
401(k) matching contribution	326,212	—	—	3,131	—	3,131
Vesting of restricted stock units and performance stock units, net of employee tax obligation	392,592	—	—	(564)	—	(564)
Stock-based compensation	—	—	—	9,297	—	9,297
Issuance of common stock from exercises of stock options	35,732	—	—	293	—	293
ESPP shares issued	184,194	—	—	1,116	—	1,116
Net loss	—	—	—	—	(29,973)	(29,973)
Balance at September 30, 2025	71,043,149	$ 6	19	$ 1,040,570	$ (1,463,110)	$ (422,534)

See accompanying notes.

PHATHOM PHARMACEUTICALS, INC.
Condensed Statements of Stockholders' Deficit
(Unaudited)
(in thousands, except share amounts)

	Common Stock Shares	Common Stock Amount	Treasury Stock Shares	Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Deficit
Balance at December 31, 2023	57,970,044	$ 5	19	$ 855,921	$ (928,685)	$ (72,759)
401(k) matching contribution	93,736	—	—	712	—	712
Vesting of restricted stock units	340,542	—	—	—	—	—
Stock-based compensation	—	—	—	5,626	—	5,626
ESPP shares issued	119,779	—	—	770	—	770
Net loss	—	—	—	—	(82,852)	(82,852)
Balance at March 31, 2024	58,524,101	5	19	863,029	(1,011,537)	(148,503)
Vesting of restricted stock units	74,492	—	—	—	—	—
Stock-based compensation	—	—	—	6,099	—	6,099
Issuance of common stock from exercise of stock options	2,432	—	—	21	—	21
Net loss	—	—	—	—	(91,446)	(91,446)
Balance at June 30, 2024	58,601,025	5	19	869,149	(1,102,983)	(233,829)
401(k) matching contribution	289,853	—	—	2,971	—	2,971
Vesting of restricted stock units	454,003	—	—	—	—	—
Stock-based compensation	—	—	—	5,635	—	5,635
ESPP shares issued	255,602	—	—	1,631	—	1,631
Issuance of common stock and pre-funded warrants in connection with the underwritten public offering, net	8,695,652	1	—	121,774	—	121,775
Issuance of common stock from exercise of stock options	27,803	—	—	282	—	282
Net loss	—	—	—	—	(85,577)	(85,577)
Balance at September 30, 2024	68,323,938	$ 6	19	$ 1,001,442	$ (1,188,560)	$ (187,112)

See accompanying notes.

PHATHOM PHARMACEUTICALS, INC.
Condensed Statements of Cash Flows
(Unaudited)
(in thousands)

	Nine Months Ended September 30,	
	2025	**2024**
Cash flows from operating activities		
Net loss	$ (200,099)	$ (259,875)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	505	602
Stock-based compensation	23,109	17,360
Issuance of PIK interest debt	3,479	2,724
Accrued interest on revenue interest financing liability	20,290	35,656
Amortization of debt discount	2,205	1,563
Inventory reserve	819	716
Other	4,340	4,202
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	7,638	(1,784)
Accounts receivable, net	(16,992)	(19,415)
Accounts payable and accrued expenses	6,530	14,993
Accrued interest	53	376
Operating right-of-use assets and lease liabilities	132	134
Inventory	(13,783)	(566)
Net cash used in operating activities	(161,774)	(203,314)
Cash flows from investing activities		
Cash paid for property and equipment	(142)	(130)
Net cash used in investing activities	(142)	(130)
Cash flows from financing activities		
Proceeds from issuance of common stock from exercise of stock options	373	303
Net proceeds from issuance of debt	—	34,650
Net proceeds from underwritten public offering	—	121,775
Payment of employee tax obligations related to vesting of performance stock units	(564)	—
Net cash (used in) provided by financing activities	(191)	156,728
Net decrease in cash and cash equivalents and restricted cash	(162,107)	(46,716)
Cash and cash equivalents and restricted cash – beginning of period	300,125	384,256
Cash and cash equivalents and restricted cash – end of period	$ 138,018	$ 337,540
Supplemental disclosure of cash flow information		
Interest paid	$ 15,938	$ 12,478
Supplemental disclosure of noncash investing and financing activities:		
Property and equipment purchases included in accounts payable and accrued expenses	$ 51	$ —
Final interest payment fee	$ —	$ 1,050
Settlement of ESPP liability in common stock	$ 2,969	$ 2,401
Settlement of 401(k) liability in common stock	$ 5,258	$ 3,683

See accompanying notes.

PHATHOM PHARMACEUTICALS, INC.
Notes to Condensed Unaudited Financial Statements

1. Organization, Basis of Presentation and Summary of Significant Accounting Policies

Organization

Phathom Pharmaceuticals, Inc., or the Company or Phathom, was incorporated in the state of Delaware in January 2018. The Company is a biopharmaceutical company focused on developing and commercializing novel treatments for gastrointestinal diseases.

In May 2022, the U.S. Food and Drug Administration, or FDA, approved the the Company's new drug applications, or NDAs for vonoprazan triple therapy, under the brand name VOQUEZNA TRIPLE PAK, and vonoprazan dual therapy, under the brand name VOQUEZNA DUAL PAK. On October 27, 2023, the FDA approved the prior approval supplements to the Company's NDAs, for VOQUEZNA TRIPLE PAK and VOQUEZNA DUAL PAK. Additionally, on November 1, 2023, the FDA approved the Company's NDA for VOQUEZNA tablets. The Company initiated commercial launch for VOQUEZNA in the U.S. for both the Erosive GERD and *H. pylori* indications, and VOQUEZNA TRIPLE PAK and VOQUEZNA DUAL PAK for treatment of *H. pylori* infection in the fourth quarter of 2023. Additionally, on July 17, 2024, the FDA approved VOQUEZNA 10 mg tablets for the relief of heartburn associated with Non-Erosive GERD.

Liquidity and Capital Resources

From inception to September 30, 2025, the Company has devoted substantially all of its efforts to organizing and staffing the Company, business planning, raising capital, in-licensing its initial and approved product candidate, vonoprazan, meeting with regulatory authorities, managing the clinical trials of vonoprazan, preparing for commercialization of its initial products containing vonoprazan, commercially launching its approved products in the U.S., and providing other selling, general and administrative support for these operations. The Company has a limited operating history as a commercial company, has generated limited product revenue to date, and the sales and income potential of its business remains uncertain. The Company has incurred net losses and negative cash flows from operating activities since its inception and despite the Company's plans and expectations, could continue to incur additional net losses in the future. The Company has funded its operations primarily through commercial bank debt, the revenue interest financing debt and various equity offerings, including the Company's at-the-market, or ATM, offerings. From inception through September 30, 2025, the Company sold 34,737,032 shares of common stock and 2,608,922 pre-funded warrants, generating net proceeds of approximately $543.3 million, after deducting underwriting discounts, commissions and offering costs.

The accompanying unaudited interim condensed financial statements have been prepared assuming the Company will continue as a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business, and do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or amounts and classification of liabilities in accordance with U.S. generally accepted accounting principles, or GAAP. Management is required to perform a two-step analysis of the Company’s ability to continue as a going concern. Management must first evaluate whether there are conditions and events that raise substantial doubt about the Company’s ability to continue as a going concern (Step 1). If management concludes that substantial doubt is raised, management is also required to consider whether its plans alleviate that doubt (Step 2).

Management believes that it has sufficient working capital on hand to fund operations through at least the next twelve months from the date these unaudited interim condensed financial statements were issued. There can be no assurance that the Company will be successful in acquiring additional funding, if needed, that the Company’s projections of its future working capital needs will prove accurate, or that any additional funding would be sufficient to continue operations in future years.

Basis of Presentation

The unaudited interim condensed financial statements included herein have been prepared by the Company in accordance with GAAP, and pursuant to the rules and regulations of the Securities and Exchange Commission, or the SEC. In the opinion of management, the accompanying unaudited interim condensed financial statements include all adjustments, consisting of normal recurring adjustments, which are necessary to present fairly the Company’s financial position, results of operations, and cash flows. The interim results of operations are not necessarily indicative of the results that may occur for the full fiscal year. Certain information in the footnote disclosures of the financial statements has been condensed or omitted where it substantially duplicates information provided in the Company’s latest audited financial statements, in accordance with the rules and regulations of the SEC. These unaudited interim condensed financial statements should be read in conjunction with the Company’s audited financial statements and footnotes included

in its Annual Report on Form 10-K for the fiscal year ended December 31, 2024, or the 2024 Form 10-K, filed with the SEC on March 7, 2025.

During the nine months ended September 30, 2025, there were no significant changes to the Company's summary of significant accounting policies contained in the Company's 2024 Form 10-K. The Company's complete listing of significant accounting policies is set forth in Note 1 of the notes to the audited financial statements in the Company's 2024 Form 10-K. Selected significant accounting policies are discussed in detail below.

Use of Estimates

The preparation of the Company's unaudited condensed interim financial statements requires management to make estimates and assumptions that impact the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities in the Company's unaudited condensed interim financial statements and accompanying notes. The most significant estimates in the Company's unaudited condensed interim financial statements relate to accruals for net product revenues and the valuation for the revenue interest financing liability. In addition, management's assessment of the Company's ability to continue as a going concern involves the estimation of the amount and timing of future cash inflows and outflows. Although these estimates are based on the Company's knowledge of current events and actions it may undertake in the future, actual results could differ materially from those estimates and assumptions.

Fair Value Measurements

The accounting guidance defines fair value, establishes a consistent framework for measuring fair value and expands disclosure for each major asset and liability category measured at fair value on either a recurring or non-recurring basis. Fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the accounting guidance establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1: Observable inputs such as quoted prices in active markets.

Level 2: Inputs, other than the quoted prices in active markets that are observable either directly or indirectly.

Level 3: Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The carrying amounts of the Company's financial instruments, including cash and cash equivalents, are classified within the Level 1 designation discussed above, while accounts receivable, prepaid and other current assets, accounts payable, and accrued liabilities, approximate fair value due to their short maturities.

The Company has no financial assets measured at fair value on a recurring basis. None of the Company's non-financial assets or liabilities are recorded at fair value on a non-recurring basis. No transfers between levels have occurred during the periods presented.

As of September 30, 2025 and December 31, 2024, the estimated fair value of the Company's long-term debt approximated the carrying amount given its floating interest rate basis. The fair value of the Company's long-term debt was estimated for disclosure purposes only and was determined based on quoted market data for valuation, and thus categorized as Level 2 in the fair value hierarchy.

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist primarily of cash and cash equivalents. The Company maintains deposits in federally insured financial institutions in excess of federally insured limits. The Company has not experienced any losses in such accounts and management believes that the Company is not exposed to significant credit risk due to the financial position of the depository institutions in which those deposits are held.

The Company is also subject to credit risk from our accounts receivable related to our product sales. The Company monitors exposure within accounts receivable and records an allowance for credit losses as necessary. The Company extends credit primarily to wholesale distributors. Customer creditworthiness is monitored and collateral is not required. The allowance for credit losses reflects the best estimate of expected credit losses of the accounts receivable portfolio determined on the basis of historical experience, current

information, and forecasts of future economic conditions. The Company determines its allowance methodology by pooling receivable balances at the customer level. The Company considers various factors, including its previous loss history, individual credit risk associated with each customer, and the current and future conditions of the general economy. These credit risk factors are monitored on a quarterly basis and updated as necessary. To the extent that any individual debtor is identified whose credit quality has deteriorated, the Company establishes allowances based on the individual risk characteristics of such customer. The Company makes concerted efforts to collect all outstanding balances due from customers; however, account balances are charged off against the allowance when management believes it is probable the receivable will not be recovered. The Company does not have any off-balance-sheet credit exposure related to customers.

As of September 30, 2025, three customers accounted for 86% of the accounts receivable balance, with each of these individual customers ranging from 27% to 30% of the accounts receivable balance. As of December 31, 2024, three customers accounted for 81% of the accounts receivable balance, with each of these individual customers ranging from 25% to 31% of the accounts receivable balance. For the three and nine months ended September 30, 2025, three customers accounted for 70% of the product sales in each period, with each of these individual customers ranging from 22% to 25% of the product sales in both periods. For the three and nine months ended September 30, 2024, three customers accounted for 70% and 68% of the product sales, respectively, with each of these individual customers ranging from 22% to 24% of the product sales in both periods.

Net Loss Per Share

Basic net loss per share is computed by dividing the net loss by the weighted-average number of common shares outstanding and pre-funded warrants for the period, without consideration for other potentially dilutive securities. For the three and nine months ended September 30, 2025, basic shares outstanding includes the weighted average effect of the Company's outstanding pre-funded warrants, the exercise of which requires little or no consideration for the delivery of shares of common stock. For the three and nine months ended September 30, 2025 and 2024, the Company had no weighted-average unvested shares to exclude from the weighted-average number of common shares outstanding. Diluted net loss per share is computed by dividing the net loss by the weighted-average number of common shares and dilutive common stock equivalents outstanding for the period determined using the treasury-stock and if-converted methods. Dilutive common stock equivalents are comprised of unvested common stock, options and warrants. For the periods presented, there is no difference in the number of shares used to calculate basic and diluted shares outstanding as inclusion of the potentially dilutive securities (warrants, stock options, and restricted stock units) would be antidilutive.

Recently Adopted Accounting Standards

In December 2023, the FASB issued ASU 2023-09 – Income Taxes (Topic 740) – Improvements to Income Tax Disclosures, which improves income tax disclosures primarily relating to the rate reconciliation and income taxes paid information. This includes a tabular reconciliation using both percentages and reporting currency amounts, covering various tax and reconciling items, and disaggregated summaries of income taxes paid during the period. For public business entities, the guidance is effective for annual periods beginning after December 15, 2024, with early adoption permitted. The update will be effective for the Company beginning with its 2025 annual financial statements. The Company currently expects that this standard will not have a material impact on the footnote disclosures to its annual financial statements.

Recently Issued Accounting Pronouncements

The Company assesses the adoption impacts of recently issued accounting standards by the Financial Accounting Standards Board or other standard setting bodies on the Company's financial statements as well as material updates to previous assessments, if any, from the Company's 2024 Form 10-K. There were no new material accounting standards issued in the third quarter of 2025 that impacted the Company.

2. Balance Sheet Details

Accrued Expenses

Accrued expenses consist of the following (in thousands):

	September 30, 2025	December 31, 2024
Accrued compensation expenses	$ 14,798	$ 16,659
Accrued professional & consulting expenses	305	1,203
Accrued research and development expenses	1,355	2,339
Accrued revenue allowances	44,098	29,987
Accrued other	4,793	3,044
Total accrued expenses	$ 65,349	$ 53,232

Inventory

Inventory consist of the following (in thousands):

	September 30, 2025	December 31, 2024
Finished goods	$ 2,603	$ 1,479
Raw materials	1,008	1,729
Total inventory, current	3,611	3,208
Raw materials, non-current	24,101	11,540
Total inventory	$ 27,712	$ 14,748

Raw materials consist of materials, including active pharmaceutical ingredients, to be consumed in the production of inventory related to FDA-approved products. Inventory that is used for clinical development purposes is expensed to research and development expense when consumed. Inventory, noncurrent includes inventory expected to remain on-hand beyond one year from the balance sheet dates presented.

3. Commitments and Contingencies

License Agreement

On May 7, 2019, the Company entered into a license agreement with Takeda pursuant to which it was granted an exclusive license to commercialize vonoprazan fumarate in the United States, Canada and Europe, or the Takeda License. The Company also has the right to sublicense its rights under the agreement, subject to certain conditions. The agreement will remain in effect, on a country-by-country and product-by-product basis, until the later of (i) the expiration of the last to expire valid patent claim covering vonoprazan fumarate alone or in combination with at least one other therapeutically active ingredient, (ii) the expiration of the applicable regulatory exclusivity and (iii) 15 years from the date of first commercial sale, unless earlier terminated. The Company may terminate the Takeda License upon six months' written notice. The Company and Takeda may terminate the Takeda License in the case of the other party's insolvency or material uncured breach. Takeda may terminate the Takeda License if the Company challenges, or assists in challenging, licensed patents.

In consideration of the Takeda License, the Company (i) paid Takeda $25 million in cash, (ii) issued Takeda 1,084,000 shares of its common stock at a fair value of $5.9 million, (iii) issued the Takeda Warrant to purchase 7,588,000 shares of its common stock at an exercise price of $0.00004613 per share at an initial fair value of $47.9 million, and (iv) issued a right to receive an additional common stock warrant, or the Takeda Warrant Right, should Takeda's fully-diluted ownership of the Company represent less than a certain specified percentage of the fully-diluted capitalization, including shares issuable upon conversion of then outstanding convertible promissory notes, calculated immediately before the closing of the Company's initial public offering, or IPO, with a nominal initial fair value due to the low probability of issuance. The Takeda Warrant Right expired without effect since no fair value had been allocated to it upon completion of the IPO, and no additional warrant was issued. In addition, the Company is obligated to pay Takeda up to an aggregate of $250 million in sales milestones upon the achievement of specified levels of product sales, and a low double-digit royalty rate on aggregate net sales of licensed products, subject to certain adjustments. The Takeda Warrant had an exercise price of

$0.00004613 per share, and was to expire on May 7, 2029 and became exercisable upon the consummation of the IPO. All Takeda Warrants were exercised by March 2022.

During the three months ended September 30, 2025 and 2024, the Company recorded $5.0 million and $1.6 million, respectively, of royalty expense under the Takeda License, of which $5.0 million is included within accrued expenses as of September 30, 2025. During the nine months ended September 30, 2025 and 2024, the Company recorded $11.8 million and $2.6 million, respectively, of royalty expense under the Takeda License.

Purchase Commitments

In December 2020, the Company entered into a supply agreement with Sandoz pursuant to which Sandoz has agreed to supply commercial quantities of amoxicillin capsules and clarithromycin tablets, package these antibiotics with vonoprazan, and provide in finished convenience packs. The supply agreement commits the Company to a minimum purchase obligation of €2.9 million, or approximately $3.4 million, in the first 24-month period following the launch of the final product. The Company incurred $1.5 million and $1.7 million under the agreement during the three and nine months ended September 30, 2025, respectively. The Company incurred $0.3 million under the agreement during the three and nine months ended September 30, 2024. As of September 30, 2025, approximately €1.2 million, or approximately $1.4 million, of the minimum purchase obligation remains and for which the Company has recorded within accrued expenses on the condensed balance sheets and within the Company's condensed consolidated statement of operations and comprehensive loss during the three months ended September 30, 2025.

The Company had previously been informed by Sandoz that there could be a disruption in the supply of clarithromycin tablets, a component of the VOQUEZNA TRIPLE PAK. Given more recent communications, however, the Company does not currently anticipate any near-term supply issues. The Company plans to continue to actively monitor the situation to determine if a supply disruption may still arise in the future. The VOQUEZNA TRIPLE PAK represents approximately 1% of our total revenue. While the Company has not experienced any commercial disruption to date, any disruption for such supply would result in our inability to continue to commercialize the VOQUEZNA TRIPLE PAK. The VOQUEZNA bottles and the VOQUEZNA DUAL PAKs are not impacted, as they do not include clarithromycin.

Contingencies

In the event the Company becomes subject to claims or suits arising in the ordinary course of business, the Company would accrue a liability for such matters when it is probable that future expenditures will be made and such expenditures can be reasonably estimated.

4. Lease Commitments

As of September 30, 2025, the Company had operating leases for office space in both Buffalo Grove, Illinois and Florham Park, New Jersey, with weighted average remaining lease terms of 4.7 years and 5.4 years, respectively. In September 2025, the Company entered into amendments to its lease agreements for the New Jersey office space to extend the terms of the leases through February 2031. All operating leases contain an option to extend the term for one additional five year period, which was not considered in the determination of the right-of-use asset or lease liability as the Company did not consider it reasonably certain that it would exercise such options.

The total rent expense for the three months ended September 30, 2025 and 2024 was $0.2 million and 0.3 million, respectively. Total rent expense for each of the nine months ended September 30, 2025 and 2024 was $0.8 million. Total short-term lease costs relating to leased vehicles were approximately $1.6 million and $2.1 million for the three months ended September 30, 2025 and 2024, respectively. Total short-term lease costs relating to leased vehicles were approximately $5.2 million and $7.1 million for the nine months ended September 30, 2025 and 2024, respectively.

As of September 30, 2025, the future minimum annual lease payments under the operating leases were as follows (in thousands):

Year ending December 31:		
2025	$	90
2026		686
2027		719
2028		736
2029		753
2030		702
Thereafter		100
Total minimum lease payments		3,786
Less: amount representing interest		(1,072)
Present value of operating lease liabilities		2,714
Less: operating lease liabilities, current		(591)
Operating lease liabilities, non-current	$	2,123
Weighted-average remaining lease term (in years)		5.24
Weighted-average incremental borrowing rate		13.83%

Operating cash flows for the nine months ended September 30, 2025 and 2024 included cash payments for operating leases of approximately $0.6 million and $0.7 million, respectively.

5. Debt

Total debt consists of the following (in thousands):

	September 30, 2025	December 31, 2024
Long-term debt, current portion	$ —	$ —
Long-term debt, non-current portion	215,310	211,831
Unamortized debt discount	(8,217)	(10,422)
Total debt, net of debt discount	$ 207,093	$ 201,409

On September 17, 2021, or the Closing Date, the Company entered into a Loan and Security Agreement, or, the Loan Agreement, with Hercules Capital, Inc., or Hercules, in its capacity as administrative agent and collateral agent and as a lender, or, in such capacity, the Agent or Hercules, and the other financial institutions that from time to time become parties to the Loan Agreement as lenders, or, collectively, the Lenders.

The Loan Agreement provides for term loans in an aggregate principal amount of up to $200 million, or the Term Loan, under multiple tranches. The tranches consist of (i) a first tranche consisting of term loans in an aggregate principal amount of $100 million, all of which was funded on the Closing Date, or the First Advance, (ii) a second tranche consisting of up to an additional $50 million, (iii) a third and fourth tranches consisting of an additional total $50 million, which became available in May 2022.

On September 27, 2022, the Company entered into an amendment to the Loan Agreement, or the Second Loan Amendment, pursuant to which the date the second tranche of funding of $50 million was to remain available to the Company, was moved to May 15, 2023, rather than December 15, 2022.

On May 9, 2023, the Company entered into the Third Amendment to Loan and Security Agreement, or the Third Loan Amendment, with the lenders, pursuant to which, among other things, (i) the second tranche availability was extended from through May 15, 2023, to through December 15, 2023, and became available on October 1, 2023, (ii) the third tranche availability was extended from through September 30, 2023, to through December 15, 2023, and became available on October 1, 2023, (iii) the effective date of the performance covenants was amended to provide an option to extend the covenant trigger date to May 15, 2024, subject to the achievement of the FDA approval of vonoprazan for Erosive GERD or the EE Milestone, prior to February 15, 2024, and (iv) the warrant agreement with Hercules was amended as described below. On November 1, 2023, the EE Milestone was achieved and the covenant trigger date was extended to May 15, 2024. In connection with the Third Loan Amendment, a tranche extension amendment fee of

$150,000 and a covenant extension amendment fee of $100,000 was paid to the Agent. These fees have been recorded as debt discount and are being amortized to interest expense using the effective interest method over the remaining term of the Term Loan.

On December 14, 2023, the Company entered into a Fourth Amendment to Loan and Security Agreement, or the Fourth Loan Amendment, with the lenders, which, among other things, (i) increased the aggregate principal amount of the term loans from $200 million to $300 million; (ii) provided for the possibility of accessing the remaining $200 million commitment through five tranches referred to as the second through sixth tranches, which are available subject to certain milestones and conditions: (a) Second Tranche: $50 million, $40 million of which was funded on December 14, 2023, and the remaining $10 million of which was funded on March 15, 2024, (b) Third Tranche: $25 million which was funded on June 14, 2024, (c) Fourth Tranche: $25 million which was funded on December 15, 2024, (d) Fifth Tranche: $50 million which was available, subject to the achievement of a specified revenue milestone, or the Fifth Tranche milestone, through June 30, 2025 and which the Company did not draw down, and (e) Sixth Tranche: $50 million available, subject to the achievement of a specific revenue milestone, or the Sixth Tranche milestone, through December 31, 2025; (iii) extended the interest only period and the maturity date from October 2026 to December 2027, (iv) reduced the cash interest rate from 10.75% (floating annual rate equal to the greater of (a) 5.50% and (b) the Prime Rate (as reported in the Wall Street Journal) plus 2.25% to 9.85% (floating rate based on the greater of (a) 9.85% or (b) US WSJ Prime + 1.35%), provided that the cash interest rate shall be capped at 10.35% and upon the Company achieving the Sixth Tranche milestone, the cash interest floating rate shall be decreased by 0.35% to 9.50%, and (v) decreased the payment-in-kind interest rate from 3.35% per annum to 2.15% per annum. In connection with the Fourth Loan Amendment, an amendment fee of $250,000 was paid to the Agent and was recorded as a debt discount and is being amortized to interest expense using the effective interest method over the remaining term of the Term Loan.

The Term Loan will mature on December 1, 2027, or the Maturity Date. The Term Loan bears (i) cash interest at a variable annual rate equal to the greater of (a) 9.85% and (b) the Prime Rate (as reported in the Wall Street Journal) plus 1.35%, or the Interest Rate, and (ii) payment-in-kind interest at a per annum rate of interest equal to 2.15%. The Company may make payments of interest only through the Maturity Date. After the interest-only period, the principal balance and related interest will be required to be repaid in full on the Maturity Date.

In addition, the Company is obligated to pay a final payment fee of 7.50% of the original principal amount of amounts actually advanced under the Term Loan, or each a Term Loan Advance and together, the Term Loan Advances. In connection with the Fourth Loan Amendment, the final payment fee was amended to be $1 million plus 3.00% of any future tranche drawdowns under the agreement, due upon final maturity. Additionally, the initial final payment fee for the first Term Loan Advance was amended to become payable on October 1, 2026. As of September 30, 2025, the aggregate $11.5 million of final payment fees includes the first Term Loan Advance of $7.5 million, $2.5 million for the second Term Loan Advance, $0.8 million for the third Term Loan Advance, and $0.7 million for the fourth Term Loan Advance and have been recorded within other long-term liabilities.

Under the Fourth Loan Amendment the Company may elect to prepay all or a portion of the Term Loan Advances prior to maturity, subject to a prepayment fee of up to 1.25% of the then outstanding principal balance of the Term Loan Advances being prepaid when such prepayment occurs prior to October 1, 2026, or 0.50% if such prepayment occurs on or after October 1, 2026. After repayment, no Term Loan amounts may be borrowed again.

As collateral for the obligations, the Company has granted to Hercules a senior security interest in all of Company's right, title, and interest in, to and under substantially all of Company's property, inclusive of intellectual property.

The Loan Agreement contains customary closing fees, prepayment fees and provisions, events of default, and representations, warranties and covenants, including financial covenants. The financial covenants under the Fourth Loan Amendment include (i) a minimum cash covenant and (ii) a performance covenant as follows:

(i)Minimum cash covenant - The Company must maintain a minimum cash balance of 20% of the outstanding principal balance at all times. The minimum cash balance may be increased to 35% or 50% under performance covenant (b) below if the performance covenants (a) or (c) are not met beginning September 30, 2024 and all times thereafter.

(ii)Performance covenant - Beginning September 30, 2024 and all times thereafter the Company must satisfy any one of the following:

a.Market capitalization exceeding $900 million;

b.Minimum cash balance exceeding (x) outstanding principal amount of term loans, multiplied by (y) (A) 50%, prior to achieving trailing three months net product revenue of greater than $35 million, and (B) 35% thereafter; or

c. Trailing three months net product revenue of at least (x) 30% of agreed upon projected net revenues for periods in the calendar year 2024 and 25% for all periods thereafter or (y) $120 million.

Upon the occurrence of an event of default, subject to any specified cure periods, all amounts owed by the Company may be declared immediately due and payable by Hercules, as collateral agent.

As of September 30, 2025, the Company was in compliance with all applicable covenants under the Loan Agreement. Based on the Company's current revenue projections, the Company does not expect to meet the revenue threshold to draw the Sixth Tranche. The Company's current operating plan does not anticipate a need to draw any additional amounts under the Loan Agreement.

In connection with the entry into the Loan Agreement, the Company issued to Hercules a warrant, or the Warrant, to purchase a number of shares of the Company's common stock equal to 2.5% of the aggregate amount of the Term Loan advances funded, and will issue to Hercules additional warrants if any future Term Loan advances are funded. On the Closing Date, the Company issued a Warrant for 74,782 shares of common stock. The Warrant will be exercisable for a period of seven years from the date of issuance at a per-share exercise price equal to $33.43, which was the closing price of the Company's common stock on September 16, 2021. In connection with the entry into the Third Loan Amendment, the Company amended the form of warrants to be issued upon drawdowns of future tranches such that the exercise price of such warrants shall be equal to the lesser (i) of $11.6783, which was the trailing ten-day VWAP prior to entering into the Third Loan Amendment and (ii) the trailing ten-day VWAP preceding the date on which the Company drawdown future tranches. In connection with the entry into the Fourth Loan Amendment, the Company eliminated the warrant agreement for all future tranches. The Warrant issued with the initial tranche was not modified as part of this amendment. The exercise price and terms of the outstanding Warrant remain unchanged.

The initial $1.3 million fair value of the Warrant, the $11.5 million final interest payment fees and $4.6 million of debt issuance costs have been recorded as debt discount and are being amortized to interest expense using the effective interest method over the term of the Loan Agreement.

Future minimum principal payments under the Term Loan, including the final payment fee, as of September 30, 2025 are as follows (in thousands):

Year ending December 31:		
2025	$	—
2026		7,500
2027		229,706
Total principal and interest payments		237,206
Less: payment-in-kind and final payment fee		(37,206)
Total term loan borrowings	$	200,000

During the three months ended September 30, 2025 and 2024, the Company recognized $7.4 million and $6.3 million, respectively, of interest expense, including amortization of the debt discount, in connection with the Loan Agreement. During the nine months ended September 30, 2025 and 2024, the Company recognized $21.6 million and $16.8 million, respectively, of interest expense, including amortization of the debt discount, in connection with the Loan Agreement. As of September 30, 2025, the Company had an outstanding loan balance of $215.3 million and accrued interest of $1.8 million.

6. Revenue Interest Financing Liability

On May 3, 2022, the Company entered into a Revenue Interest Financing Agreement with Initial Investors NovaQuest Capital Management, or NQ, Sagard Holdings Manager LP, or Sagard, and Hercules pursuant to which the Company had the right to receive up to $260 million in funding from the Initial Investors. Under the terms of the Revenue Interest Financing Agreement, the Company received $100 million at the initial closing and received an additional $160 million upon FDA approval of VOQUEZNA for treatment of Erosive GERD during the fourth quarter of 2023.

Additionally, on October 31, 2022, the Company entered into a Joinder Agreement with the Initial Investors and CO Finance LVS XXXVII LLC, or the Additional Investor, and Hercules, together as the investors. Under the terms of the Joinder Agreement, the Company received $15 million in additional funding upon FDA approval of vonoprazan for Erosive GERD, or Approval Additional Funding, during the fourth quarter of 2023, and provided for $25 million in additional funding for achievement of a sales milestone, or Milestone Additional Funding, and, together with the Approval Additional Funding, or the Additional Investor Funding. The Initial Investors waived their rights of first offer regarding the Additional Investor Funding and the Additional Investor and joined the Revenue Interest Financing

Agreement to extend commitments for the Additional Investor Funding. On December 23, 2024, CO Finance LVS XXXVII LLC agreed to assign and transfer to OC III LVS LX LP all of its rights, title and interest as an Additional Investor and in connection therewith, OC III LVS LX LP executed a Joinder Agreement. The total amount funded by the Initial Investors and any subsequent investors is referred to herein as the Investment Amount. As of September 30, 2025, no additional funding is available under the Revenue Interest Financing Agreement.

Under the Revenue Interest Financing Agreement, the investors are entitled to receive a 10% royalty on net sales of products containing vonoprazan. The royalty rate is subject to a step-down on net sales exceeding certain annual thresholds and when the Company received FDA approval for vonoprazan for an indication relating to the treatment of heartburn associated with Non-Erosive GERD, which occurred on July 17, 2024. The investors' right to receive royalties on net sales will terminate when the investors have aggregate payments equal to 200% of the Investment Amount. In addition, at any time after April 30, 2024, the Company has the right to make a cap payment equal to 200% of the Investment Amount less any royalties already paid, at which time the agreement will terminate.

If the investors have not received aggregate payments of at least 100% of the Investment Amount by December 31, 2028, and at least 200% of the Investment Amount by December 31, 2037, each a Minimum Amount, then the Company will be obligated to make a cash payment to the investors in an amount sufficient to gross the investors up to the applicable Minimum Amount.

Upon the occurrence of an event of default taking place between April 1, 2025 and April 1, 2028, or after April 1, 2028, the Company is obligated to pay 1.30 times Investment Amount, 1.65 times Investment Amount, and 2.0 times investment amount, respectively, less any amounts the Company previously paid pursuant to the agreement.

The Company has evaluated the terms of the Revenue Interest Financing Agreement and concluded that the features of the Investment Amount are similar to those of a debt instrument. Accordingly, the Company has accounted for the transaction as a debt obligation with interest expense based on an imputed effective rate derived from the initial carrying value of the obligation and the expected future payments. The Company recalculates the effective interest rate each period based on the current carrying value and the revised estimated future payments. As of September 30, 2025, the effective interest rate of the revenue interest financing liability was approximately 9.26%. Changes in future payments from previous estimates are included in the current and future interest expense. The carrying value of the revenue interest financing liability was $373.3 million and $353.0 million as of September 30, 2025 and December 31, 2024, respectively.

Total revenue interest financing liability consists of the following (in thousands):

Liability balance as of January 1, 2024	$	306,927
Proceeds from the Revenue Interest Financing Agreement		—
Less: transaction costs		—
Less: royalty payments and payables		(2,627)
Plus: interest expense		48,738
Ending liability balance as of December 31, 2024		353,038
Less: current portion		(19,777)
Long-term liability balance as of December 31, 2024	$	333,261

Liability balance as of January 1, 2025	$	353,038
Proceeds from the Revenue Interest Financing Agreement		—
Less: transaction costs		—
Less: royalty payments and payables		(9,768)
Plus: interest expense		30,058
Ending liability balance as of September 30, 2025		373,328
Less: current portion		(24,344)
Long-term liability balance as of September 30, 2025	$	348,984

During the three months ended September 30, 2025 and 2024, the Company recognized $8.7 million and $12.2 million, respectively, of interest expense in connection with the revenue interest financing liability. During the nine months ended September 30, 2025 and 2024, the Company recognized $30.1 million and $36.6 million, respectively, of interest expense in connection with the revenue interest financing liability.

The Company will record liabilities associated with achievement of the sales milestone when such contingent event occurs. To determine the accretion of the liability related to the Revenue Interest Financing Agreement, the Company is required to estimate the total amount of future royalty payments and estimated timing of such payments based on the Company's revenue projections. As royalty payments are made, the balance of the debt obligation will be effectively repaid. Based on the Company's periodic review, the exact timing of repayment is likely to be different in each reporting period as compared to those estimated in the Company's initial revenue projections. A significant increase or decrease in actual net sales of vonoprazan compared to the Company's revenue projections could impact the interest expense associated with the revenue interest financing liability. Also, the Company's total obligation can vary depending on default events and achievement of the sales milestone.

7. Stockholders' Equity

Common Stock

Underwritten Public Offerings

In August 2024, the Company sold 8,695,652 shares of common stock at a price of $11.50 per share and pre-funded warrants to purchase 2,608,922 shares of common stock at a price of $11.499 per pre-funded warrant for total gross proceeds of $130.0 million. The net purchase price after deducting the underwriting discounts and commissions and other offering expenses, was $10.77 per share, which generated net proceeds of $121.8 million. Certain affiliates of Frazier Life Sciences IX, L.P., or collectively, Frazier, a significant stockholder and Dr. James Topper, who currently serves on the Company's Board of Directors, share voting and investment power of the securities held by Frazier. Frazier participated in the offering by purchasing pre-funded warrants on the same terms as all other investors at a purchase price of $11.499, which represents the per share public offering price for the common stock less the $0.001 per share exercise price for each pre-funded warrant. Each pre-funded warrant became exercisable upon issuance and will not expire until exercised in full. The pre-funded warrants may not be exercised if the aggregate number of ordinary shares beneficially owned by the holders thereof immediately following such exercise would exceed a specified beneficial ownership limitation.

The pre-funded warrants were classified as a component of equity in the Company's balance sheets as they are freestanding financial instruments that are immediately exercisable, do not embody an obligation for the Company to repurchase its own shares and permit the holders to receive a fixed number of shares of common stock upon exercise. The Company valued the pre-funded warrants at issuance, concluding that their sales price approximated their fair value, and allocated net proceeds from the sale proportionately to the common stock and pre-funded warrants, of which $28.2 million was allocated to the pre-funded warrants and recorded as a component of additional paid-in capital. As of September 30, 2025, none of the pre-funded warrants have been exercised.

ATM Offerings

In November 2020, the Company entered into an Open Market Sale Agreement℠, or the Sales Agreement, with Jefferies LLC, or the Sales Agent, under which the Company may, from time to time, sell shares of common stock having an aggregate offering price of up to an amount registered under an effective registration statement through the Sales Agent.

In November 2023, the Company filed a shelf registration statement on Form S-3 which was declared effective by the SEC on November 17, 2023, which included an at-the-market prospectus pursuant to which the Company may, from time to time, sell up to an aggregate of $150 million of the Company's common stock through the Sales Agent, or the 2023 ATM Offering. The Company is not obligated to, and cannot provide any assurances that the Company will, make any sales of the shares under the Sales Agreement. The Sales Agreement may be terminated by the Sales Agent or the Company at any time. No shares were sold during the three and nine months ended September 30, 2025 and 2024. As of September 30, 2025, all of the available $150 million under the 2023 ATM Offering remains available.

Common Stock Reserves

Common stock reserved for future issuance consists of the following:

	September 30, 2025
Common stock warrants including pre-funded warrants	2,700,150
Stock options, performance stock units and restricted stock units outstanding	12,240,909
Shares available for issuance under the 2019 Incentive Plan	1,924,014
Shares available for issuance under the ESPP Plan	1,357,508
Shares available for issuance under the Inducement Plan	428,092
Balance at September 30, 2025	18,650,673

Preferred Stock

The Company is authorized to issue up to 40 million shares of preferred stock. As of September 30, 2025 and December 31, 2024, there were no shares of preferred stock issued or outstanding.

Equity Incentive Plan

The Company's 2019 Equity Incentive Plan, or the Prior Incentive Plan, provided for the grant of incentive stock options, non-statutory stock options, stock appreciation rights, restricted stock awards, restricted stock unit awards, and other stock awards to eligible recipients, including employees, directors or consultants of the Company. The Company had 2,231,739 shares of common stock authorized for issuance under the Prior Incentive Plan, of which, 1,400,528 stock options and 16,260 restricted stock awards were granted in 2019. As a result of the adoption of the 2019 Incentive Award Plan, or the 2019 Plan, in October 2019, no further awards may be available for issuance under the Prior Incentive Plan.

2019 Incentive Award Plan

In October 2019, the Board of Directors adopted, and the Company's stockholders approved, the 2019 Plan, which became effective in connection with the IPO. Under the 2019 Plan, the Company may grant stock options, stock appreciation rights, restricted stock, restricted stock units, or RSUs, performance stock units, or PSUs, and other awards to individuals who are then employees, officers, non-employee directors or consultants of the Company or its subsidiaries. The number of shares initially available for issuance will be increased by (i) the number of shares subject to stock options or similar awards granted under the Prior Incentive Plan that expire or otherwise terminate without having been exercised in full after the effective date of the 2019 Plan and unvested shares issued pursuant to awards granted under the Prior Incentive Plan that are forfeited to or repurchased by the Company after the effective date of the 2019 Plan, with the maximum number of shares to be added to the 2019 Plan pursuant to clause (i) above or equal to 1,416,788 shares, and (ii) an annual increase on January 1 of each calendar year beginning in 2020 and ending in 2029, equal to the lesser of (a) 5% of the shares of common stock outstanding on the final day of the immediately preceding calendar year and (b) such smaller number of shares as determined by the Board of Directors.

As of September 30, 2025, 1,924,014 shares remain available for issuance under the 2019 Plan, which reflects 5,406,581 stock options, RSUs and PSUs granted, and 2,325,794 of awards cancelled or forfeited, during the nine months ended September 30, 2025 as well as an annual increase of 3,425,913 shares authorized on January 1, 2025.

2025 Employment Inducement Incentive Award Plan

On March 30, 2025, the Board of Directors adopted the 2025 Employment Inducement Incentive Award Plan, or the Inducement Plan, and reserved 2,500,000 shares of the Company's common stock for issuance pursuant to equity awards granted under the Inducement Plan to individuals not previously employees or non-employee directors of the Company (or following such individuals' bona fide period of non-employment with the Company) as an inducement to join the Company. The Inducement Plan provides for the grant of equity-based awards, including nonstatutory stock options, RSUs, restricted stock, stock appreciation rights, performance shares and PSUs, and its terms are substantially similar to the Company's 2019 Plan, but with such other terms and conditions intended to comply with the Nasdaq inducement award exception or to comply with the Nasdaq acquisition and merger exception. During the nine months ended September 30, 2025, the Company granted 2,071,908 stock options, RSUs and PSUs under the Inducement Plan. As of September 30, 2025, 428,092 shares remain available for issuance.

Performance-Based Units

In 2025, the Board of Directors approved the grant of PSUs, whereby vesting depends on certain revenue performance milestones each year and over the next three years and stock price hurdle PSUs granted pursuant to the Inducement Plan. The Company estimates the likelihood of achievement of performance milestones for all PSU awards at the end of each reporting period. To the extent those awards or portions thereof are considered probable of being achieved, such awards or portions thereof are expensed over the performance period.

The following table summarizes PSU activity during the nine months ended September 30, 2025:

	Number of Stock Units	Weighted-Average Grant Date Fair Value Per Share
Unvested balance at January 1, 2025	—	$ —
Granted	1,178,200	5.57
Vested	(90,000)	5.01
Forfeited	(420,425)	5.76
Unvested balance at September 30, 2025	667,775	$ 5.52

Stock-based compensation expense is recorded based on the market price of the Company's common stock on the grant date and is recognized if and when the achievement of such performance milestones are determined to be probable by the Company. During the three months ended September 30, 2025, a revenue performance milestone was considered probable, and the Company recognized stock-based compensation expense related to the probable vesting of PSUs of approximately $1.5 million. In addition, a stock price hurdle milestone was achieved and the Company recorded $1.0 million of stock-based compensation expense upon vesting of the stock price hurdle PSUs. The fair value of the PSUs that vested upon achievement of this milestone was $0.5 million at the vesting date. As a result, the Company recognized a total of $2.5 million of stock-based compensation expense during the three and nine months ended September 30, 2025. As of September 30, 2025, there was approximately $2.2 million of related unrecognized stock-based compensation expense related to PSUs.

Restricted Stock Units

The following table summarizes RSU activity during the nine months ended September 30, 2025:

	Number of Stock Units	Weighted-Average Grant Date Fair Value Per Share
Unvested balance at January 1, 2025	2,382,660	$ 10.32
Granted	1,744,016	5.62
Vested	(1,316,012)	11.35
Forfeited	(689,921)	9.00
Unvested balance at September 30, 2025	2,120,743	$ 6.25

As of September 30, 2025, the Company had $11.4 million of unrecognized stock-based compensation expense related to RSUs, which is expected to be recognized over a weighted-average period of 1.6 years. The total fair value of RSUs vested during the nine months ended September 30, 2025, was approximately $14.9 million.

Employee Stock Purchase Plan

In October 2019, the Board of Directors adopted, and the Company's stockholders approved, the Employee Stock Purchase Plan, or the ESPP, which became effective in connection with the IPO. The ESPP permits participants to purchase common stock through payroll deductions of up to 20% of their eligible compensation, which includes a participant's gross base compensation for services to the Company, including overtime payments and excluding sales commissions, incentive compensation, bonuses, expense reimbursements, fringe benefits and other special payments. A total of 270,000 shares of common stock were initially reserved for issuance under the ESPP. In addition, the number of shares available for issuance under the ESPP will be annually increased on January 1 of each calendar year beginning in 2020 and ending in 2029, by an amount equal to the lesser of: (i) 1% of the shares outstanding on the final day of the immediately preceding calendar year and (ii) such smaller number of shares as is determined by the Board of Directors. As of September 30, 2025, 1,357,508 shares of common stock remain available for issuance under the ESPP, which includes the 505,293 shares sold to employees during the nine months ended September 30, 2025 as well as an annual increase of 685,183 shares authorized on January 1, 2025.

The ESPP is considered a compensatory plan, and for the three and nine months ended September 30, 2025, the Company recorded related stock-based compensation of $0.1 million and $0.9 million, respectively, compared to $0.1 million and $1.3 million, respectively, for the same periods in 2024. The weighted-average assumptions used to estimate the fair value of ESPP awards using the Black-Scholes option valuation model were as follows:

	Nine Months Ended September 30,	
	2025	**2024**
Assumptions:		
Expected term (in years)	0.49	0.49
Expected volatility	112.83%	105.23%
Risk free interest rate	4.29%	5.19%
Dividend yield	—	—

The estimated weighted-average fair value of ESPP awards for the nine months ended September 30, 2025 and 2024, was $3.62 and $4.03, respectively. As of September 30, 2025, the total unrecognized compensation expense related to the ESPP was $0.7 million, which is expected to be recognized over a weighted-average period of approximately 0.3 years.

401(k) Plan

During 2020, the Company established a 401(k) savings plan. The Company's contributions to the plan are discretionary. During the three and nine months ended September 30, 2025, the Company incurred $1.2 million and $4.3 million, respectively, of expense related to estimated employer contribution liabilities, which was based on a 75% match of employees' contributions during the periods, compared to $1.2 million and $4.2 million, respectively, for the same periods in 2024. During the nine months ended September 30, 2025 and 2024, the Board of Directors approved employer matching contributions settled by contributing 616,377 and 383,589, respectively, shares of common stock.

Stock Options

The fair value of each employee and non-employee stock option grant is estimated on the date of grant using the Black-Scholes option-pricing model. The Company, prior to the IPO on October 29, 2019, was a private company and lacked company-specific historical and implied volatility information. Therefore, the Company estimated its expected volatility based on the historical volatility of a publicly traded set of peer companies. Due to the lack of historical exercise history, the expected term of the Company's stock options for employees was determined utilizing the "simplified" method for awards. The expected term of stock options granted to non-employees was equal to the contractual term of the option award. The risk-free interest rate was determined by reference to the U.S. Treasury yield curve in effect at the time of grant of the award for time periods approximately equal to the expected term of the award. Expected dividend yield was zero based on the fact that the Company has never paid cash dividends and does not expect to pay any cash dividends in the foreseeable future.

A summary of the Company's stock option activity and related information is as follows:

	Options Outstanding	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value (in thousands)
Balance at January 1, 2025	6,157,532	$ 10.29	7.59	$ 2,133
Options granted	4,556,273	5.15		
Options exercised	(45,966)	8.11		
Options cancelled	(1,215,448)	7.41		
Balance at September 30, 2025	9,452,391	$ 8.20	6.69	$ 41,354
Options exercisable as of September 30, 2025	4,496,492	$ 10.71	3.90	$ 11,984
Vested and expected to vest as of September 30, 2025	9,452,391	$ 8.20	6.69	$ 41,354

The estimated weighted-average fair value of employee and nonemployee director stock options granted for the nine months ended September 30, 2025 and 2024 was $3.80 and $5.55, respectively. As of September 30, 2025, the Company had $18.8 million of unrecognized stock-based compensation expense related to stock options, which is expected to be recognized over a weighted-average period of 3.0 years.

The aggregate intrinsic value of stock options is calculated as the difference between the exercise price of the stock options and the fair value of the Company's common stock for those stock options that had exercise prices lower than the fair value of the Company's common stock at September 30, 2025. The total intrinsic value of stock options exercised for the nine months ended September 30, 2025 was approximately $0.1 million.

The weighted-average assumptions used to estimate the fair value of stock options using the Black-Scholes option valuation model were as follows:

	Nine Months Ended September 30,	
	2025	2024
Assumptions:		
Expected term (in years)	6.07	6.04
Expected volatility	84.59%	74.67%
Risk free interest rate	4.07%	4.14%
Dividend yield	—	—

Stock-Based Compensation Expense

Stock-based compensation expense recognized for all equity awards has been reported in the condensed statements of operations and comprehensive loss as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Research and development expense	$ 2,063	$ 1,296	$ 5,043	$ 3,876
Selling, general and administrative expense	7,234	4,339	18,066	13,484
Total	$ 9,297	$ 5,635	$ 23,109	$ 17,360

8. Revenue Recognition

To date, our only source of revenue has been from the U.S. sales of VOQUEZNA products, which the Company began selling during the fourth quarter of 2023. The Company records its best estimate of chargebacks, sales discounts and other reserves to which customers are likely expected to be entitled to as contra accounts receivable charges, and within accrued expenses if payable to a third-party or related to product returns on the condensed balance sheets. During the nine months ended September 30, 2025 and 2024, the Company recognized $117.5 million and $25.6 million, respectively, of net product revenues related to sales of VOQUEZNA, VOQUEZNA DUAL PAK and VOQUEZNA TRIPLE PAK.

The following table provides a summary of the Company's revenue allowances and related accruals for the nine months ended September 30, 2025, which have been deducting in arriving at product revenues, net (in thousands):

	Customer Credits, Discounts and Allowance (contra accounts receivable)	Rebates, Returns and Co-Pay Assistance (accrued expenses)	Total
Balance as of January 1, 2025	$ 5,659	$ 29,987	$ 35,646
Accruals	44,000	104,384	148,384
Utilizations	(40,306)	(90,273)	(130,579)
Balance as of September 30, 2025	$ 9,353	$ 44,098	$ 53,451

9. Segment Information

The Company's chief operating decision maker, or CODM, the Chief Executive Officer, manages the Company’s business activities as a single reportable segment. The segment derives its current revenues from the sale of VOQUEZNA products. Accordingly, the CODM uses net loss to measure segment profit or loss, allocate resources and assess performance. Further, the CODM reviews and utilizes functional expenses (research and development, general and administrative, sales and marketing and stock-based compensation) to manage the Company’s operations. Other segment items included in net loss are interest income, interest expense and other expense, which are reflected in the condensed statements of operations and comprehensive loss. The measure of segment assets is reported on the condensed balance sheets as total assets.

The following table presents selected financial information with respect to the Company’s single operating segment for the nine months ended September 30, 2025 and 2024 (in thousands):

	Nine Months Ended September 30,	
	2025	2024
Product revenue, net	$ 117,526	$ 25,588
Less:		
Cost of revenue	14,951	4,158
Research and development	20,244	21,623
General and administrative	26,856	21,159
Sales and marketing	186,424	179,338
Stock-based compensation	23,109	17,360
Interest income	(5,840)	(11,648)
Interest expense	51,696	53,416
Other expense, net	185	57
Segment net loss	$ (200,099)	$ (259,875)

10. Restructuring

In May 2025, the Company implemented a cost reduction and organizational restructuring plan to reduce cash burn and focus resources on commercial execution. In connection with the restructuring, the Company's workforce was reduced by 26 employees, or approximately 6%, including certain leadership changes all designed to right-size the organization. During the nine months ended September 30, 2025, total restructuring charges incurred were $9.2 million consisting of one-time termination benefits to affected employees for severance, non-cash stock-based compensation costs, healthcare benefits and outplacement assistance. The costs are included in research and development and selling, general, and administrative expenses on the Company’s condensed consolidated statement of operations and comprehensive loss.

The following table summarizes activity related to the restructuring accrual during the nine months ended September 30, 2025 (in thousands):

		Total
Restructuring expenses incurred	$	9,214
Cash paid		(3,242)
Non-cash expenses		(4,597)
Balance as of September 30, 2025	$	1,375

11. Subsequent Event

Effective October 6, 2025, the Company announced the appointment of Sanjeev Narula as the new Chief Financial and Business Officer. Mr. Narula will also serve as principal financial officer of the Company and entered into an employment agreement with the Company, setting forth the terms of his employment which is filed as an exhibit to this Quarterly Report on Form 10-Q.

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

You should read the following discussion and analysis of our financial condition and results of operations in conjunction with the unaudited interim condensed financial statements and notes thereto included in this Quarterly Report on Form 10-Q and with our audited financial statements and notes thereto for the year ended December 31, 2024 and the related Management's Discussion and Analysis of Financial Condition and Results of Operations, both of which are contained in our Annual Report on Form 10-K for the year ended December 31, 2024, or the 2024 Form 10-K.

Forward Looking Statements

The following discussion and other parts of this quarterly report contain forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. All statements other than statements of historical facts contained in this quarterly report, including statements regarding our future results of operations and financial position, business strategy, commercialization plans and costs, research and development plans and costs, pricing and reimbursement, the potential to develop future product candidates, the timing and likelihood of success of the plans and objectives of management for current and future operations, and future results of anticipated commercialization, product development and other efforts, are forward-looking statements. These statements are often identified by the use of words such as "may," "will," "expect," "believe," "anticipate," "intend," "could," "should," "estimate," or "continue," and similar expressions or variations. The forward-looking statements in this quarterly report are only predictions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, operating results, business strategy, short-term and long-term business operations and objectives. These forward-looking statements speak only as of the date of this quarterly report and are subject to a number of risks, uncertainties and assumptions, including those described in the Part II, Item 1A under the heading "Risk Factors" of our Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q. The events and circumstances reflected in our forward-looking statements may not be achieved or occur and actual results could differ materially from those projected in the forward-looking statements. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise. All forward-looking statements are qualified in their entirety by this cautionary statement, which is made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.

Overview

We are a biopharmaceutical company focused on developing and commercializing novel treatments for gastrointestinal, or GI, diseases. Our approved products, VOQUEZNA®, VOQUEZNA® TRIPLE PAK® and VOQUEZNA® DUAL PAK®, contain vonoprazan, an oral small molecule potassium-competitive acid blocker, or PCAB. PCABs are a novel class of medicines that block acid secretion in the stomach. Vonoprazan is the first gastric anti-secretory agent from a novel class approved in the United States, Europe, or Canada in over 30 years, and has shown rapid, potent, and durable anti-secretory effects. Vonoprazan has also demonstrated clinical benefits over the current standard of care as a single agent in the treatment of erosive gastroesophageal reflux disease, or Erosive GERD, and in combination with antibiotics for the treatment of *Helicobacter pylori*, or *H. pylori*, infection. Takeda Pharmaceutical Company Limited, or Takeda, developed vonoprazan and has received marketing approval in numerous countries in Asia and Latin America as well as Russia. Vonoprazan generated peak net sales for Takeda of approximately $850 million and continues to achieve volume growth during its tenth full year on the market since its approval in Japan in 2014. In May 2019, we in-licensed the U.S., European, and Canadian rights to vonoprazan from Takeda.

In May 2022, the U.S. Food and Drug Administration, or FDA, approved the NDAs for vonoprazan triple therapy, under the brand name VOQUEZNA TRIPLE PAK, and vonoprazan dual therapy, under the brand name VOQUEZNA DUAL PAK. Subsequently, on November 1, 2023, the FDA approved vonoprazan, under the brand name VOQUEZNA, as a treatment for adults for the healing of all grades of Erosive GERD, maintenance of healing of all grades of Erosive GERD, and relief of heartburn associated with Erosive GERD, as well as in combination with amoxicillin, with or without clarithromycin, for the treatment of *H. pylori* infection in adults. We initiated commercial launch for VOQUEZNA for both the Erosive GERD and *H. pylori* indications, and VOQUEZNA TRIPLE PAK and VOQUEZNA DUAL PAK for treatment of *H. pylori* infection in the fourth quarter of 2023. In September 2023, we submitted an NDA seeking approval of vonoprazan as a once-daily treatment for heartburn symptoms associated with Non-Erosive GERD in adults. On July 17, 2024, the FDA approved VOQUEZNA 10 mg tablets for the relief of heartburn associated with Non-Erosive GERD, the largest category of GERD.

We are independently commercializing VOQUEZNA, VOQUEZNA TRIPLE PAK, and VOQUEZNA DUAL PAK in the United States. Our commercial launch for VOQUEZNA continues to build momentum and launch data shows strong physician and patient demand. As of October 17, 2025, over 790,000 prescriptions for VOQUEZNA tablets, VOQUEZNA Triple Pak, and VOQUEZNA Dual Pak have been filled since launch written by more than 34,100 prescribers. We continue to maintain broad commercial coverage for VOQUEZNA with over 120 million, or over 80%, of total U.S. commercial lives with access to VOQUEZNA tablets.

We continue to evaluate potential for commercial partnerships for vonoprazan in Europe and Canada as well as potential development of vonoprazan into other indications, dosing regimens and alternative formulations and packaging. We also plan to evaluate the in-license or acquisition of additional clinical or commercial stage product candidates for the treatment of GI diseases in a capital efficient manner. We initiated our Phase 2 clinical trial of vonoprazan in eosinophilic esophagitis (EoE) trial during the fourth quarter of 2025.

In May 2021, the FDA granted qualified infectious disease product, or QIDP, designations for VOQUEZNA TRIPLE PAK and VOQUEZNA DUAL PAK and we thereby received an extension of five years of new chemical entity, or NCE, exclusivity based on the vonoprazan component in the applicable NDAs. In December 2024, we submitted a citizen petition requesting that FDA update the Orange Book listings to reflect the same ten-year period of NCE exclusivity for VOQUEZNA as reflected on the VOQUEZNA TRIPLE PAK and VOQUEZNA DUAL PAK Orange Book listings. On June 16, 2025, we announced that the FDA has updated the Orange Book listing for VOQUEZNA tablets to reflect the full ten-year period of NCE exclusivity now extended through May 3, 2032.

We had previously been informed by Sandoz that there could be a disruption in the supply of clarithromycin tablets, a component of the VOQUEZNA TRIPLE PAK. Given more recent communications, however, we do not currently anticipate any near-term supply issues. We plan to continue to actively monitor the situation to determine if a supply disruption may still arise in the future. The VOQUEZNA TRIPLE PAK represents approximately 1% of our total revenue. While we have not experienced any commercial disruption to date, any disruption for such supply would result in our inability to continue to commercialize the VOQUEZNA TRIPLE PAK. The VOQUEZNA bottles and the VOQUEZNA DUAL PAKs are not impacted, as they do not include clarithromycin.

We commenced our operations in 2018 and have devoted substantially all of our resources to date to organizing and staffing our company, business planning, raising capital, in-licensing vonoprazan, meeting with regulatory authorities, managing our clinical trials of vonoprazan, preparing for commercialization of our products containing vonoprazan, commercially launching our approved products in the U.S., and providing other selling, general and administrative support for our operations. Our operations to date have been funded primarily through commercial bank debt, our revenue interest financing debt and various equity offerings, including our at-the-market offerings. From inception through September 30, 2025, we sold 34,737,032 shares of our common stock and 2,608,922 pre-funded warrants, generating net proceeds of approximately $543.3 million, after deducting underwriting discounts, commissions and offering costs. As of September 30, 2025, we had cash and cash equivalents of $135.2 million. Based on our current operating plan, we believe that our existing cash and cash equivalents together with anticipated product revenues, are sufficient to fund operations for at least the next twelve months.

Since inception, we have incurred significant operating losses. Our net losses were $200.1 million and $259.9 million for the nine months ended September 30, 2025 and 2024, respectively. As of September 30, 2025, we had an accumulated deficit of $1.5 billion. Despite our plans and expectations, we could continue to incur operating losses for the foreseeable future. If we do not achieve our goals, it could be several years, if ever, before our current products or potential future product candidates, if successfully developed and approved, generate significant revenues to offset these operating losses. As a result, we are uncertain if we will achieve profitability on our current expected timeline, if at all, and, if so, whether we will be able to sustain it. The net losses we incur may fluctuate significantly from quarter to quarter and year to year.

While we have generated revenue to date, until such time as we can generate significant revenue from sales of our approved products containing vonoprazan, we also expect to finance our cash needs through equity offerings, additional debt financings or other capital sources, including potential collaborations, licenses and other similar arrangements. However, we may be unable to raise additional funds or enter into such other arrangements when and if needed on favorable terms or at all, and this risk could be exacerbated by the impact of ongoing conflicts throughout the world and global economic conditions. Our failure to raise capital or enter into such other arrangements when needed would have a negative impact on our financial condition and could force us to delay, limit, reduce or terminate our product development or future commercialization efforts or grant rights to develop and market product candidates that we would otherwise prefer to develop and market ourselves.

Restructuring

In May 2025, we implemented a cost reduction and organizational restructuring plan to reduce cash burn and focus resources on commercial execution. In connection with the restructuring, our workforce was reduced by 26 employees, or approximately 6%, including certain leadership changes all designed to right-size the organization. During the nine months ended September 30, 2025, total restructuring charges incurred were $9.2 million consisting of one-time termination benefits to affected employees for severance, non-cash stock-based compensation costs, healthcare benefits and outplacement assistance. As of September 30, 2025, approximately $1.4 million of restructuring related accruals remain on the condensed balance sheet.

License Agreement with Takeda

On May 7, 2019, we and Takeda entered into an exclusive license, or the Takeda License, pursuant to which we in-licensed the U.S., European, and Canadian rights to vonoprazan fumarate. During the term of the Takeda License, we and our affiliates are not permitted to commercialize any pharmaceutical product, other than vonoprazan, that treats acid-related disorders, except for certain generic and OTC competing products in specified circumstances. We are responsible at our cost for the development, manufacture and commercialization of vonoprazan products. We are required to use commercially reasonable efforts to develop and commercialize the vonoprazan products in our licensed territory.

Under the Takeda License, Takeda has the sole right and authority, with our input, to prepare, file, prosecute, and maintain all Takeda and joint patents on a worldwide basis at its own cost. We are responsible, at our cost, for preparing, filing, prosecuting, and maintaining patents on inventions made solely by us in connection with vonoprazan, subject to input from Takeda.

We paid Takeda upfront consideration consisting of a cash fee of $25 million, 1,084,000 shares of our common stock, a warrant to purchase 7,588,000 shares of our common stock at an exercise price of $0.00004613 per share, or the Takeda Warrant, and issued Takeda a right to receive an additional common stock warrant, or the Takeda Warrant Right, if Takeda's fully-diluted ownership of the Company represented less than a certain specified percentage of the fully-diluted capitalization, including shares issuable upon conversion of then outstanding convertible promissory notes, calculated immediately prior to the closing of our IPO. The Takeda Warrant Right expired without effect since no fair value had been allocated to it upon completion of our IPO, and no additional warrant was issued. We agreed to make milestone payments to Takeda upon achieving certain tiered aggregate annual net sales of licensed products in the United States, Europe and Canada up to a total maximum milestone amount of $250 million. We also agreed to make tiered royalty payments at percentages averaging in the low double digits on net sales of licensed products, subject to specified offsets and reductions. Royalties will be payable, on a product-by-product and country-by-country basis from the first commercial sale of such product in such country, until the latest of expiration of the licensed patents covering the applicable product, expiration of regulatory exclusivity in such country, or 15 years following first commercial sale in such country. We currently pay royalties to Takeda on sales of VOQUEZNA tablets, VOQUEZNA DUAL PAK and VOQUEZNA TRIPLE PAK in the U.S.

Components of Results of Operations

Revenue

We began to recognize revenue from product sales, net of rebates, chargebacks, discounts, and other adjustments, in November 2023 in conjunction with the commercial launch of VOQUEZNA, VOQUEZNA TRIPLE PAK, and VOQUEZNA DUAL PAK in the United States.

Cost of Revenue

Cost of revenue includes the cost of producing and distributing inventories that are related to product sales. This also includes royalties payable to Takeda, pursuant to the Takeda License Agreement (Refer to Note 3 for further details). In addition, shipping and handling costs for product sales are recorded as incurred. Cost of revenue also includes costs related to excess or obsolete inventory adjustment charges.

Operating Expenses

Research and Development

To date, our research and development expenses have related to the development and regulatory approvals of vonoprazan. Research and development expenses are recognized as incurred and payments made prior to the receipt of goods or services to be

used in research and development are capitalized until the goods or services are received. We do not track total research and development expenses by indication.

Research and development expenses include:

- *Clinical development expenses:* external research and development expenses incurred under agreements with CROs, regulatory costs, and consultants to conduct and support our clinical trials of vonoprazan;
- *Personnel related expenses*: salaries, payroll taxes, and employee benefits;
- *Chemistry manufacturing and controls, or CMC, expenses:* costs related to the manufacturing of vonoprazan for our clinical trials;
- *Consulting, professional and other costs:* external costs related to consulting and professional services and other research costs incurred; and
- *Stock-based compensation expenses*: stock-based compensation expense recognized for those individuals involved in research and development efforts.

The following table summarizes our research and development expenses for the three and nine months ended September 30, 2025 and 2024 (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Clinical development and regulatory	$ 1,410	$ 2,640	$ 7,405	$ 8,757
Personnel related	2,127	2,714	8,974	8,223
Chemistry manufacturing and controls	1,397	1,454	2,903	2,730
Consulting, professional and other costs	30	589	962	1,913
Stock-based compensation	2,063	1,296	5,043	3,876
Total research and development expenses	$ 7,027	$ 8,693	$ 25,287	$ 25,499

We plan to invest in our research and development expenses for the foreseeable future as we continue the development of vonoprazan and potentially in the future also develop additional product candidates. We cannot determine with certainty the timing of initiation, the duration or the completion costs of current or future clinical trials and nonclinical studies of vonoprazan or any future product candidates due to the inherently unpredictable nature of clinical and preclinical development. Clinical and preclinical development timelines, the probability of success, actual results and development costs can differ materially from expectations. In addition, we cannot forecast 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.

Selling, General and Administrative

Selling, general and administrative expenses consist of salaries and employee-related costs, including stock-based compensation, for personnel in commercial, executive, finance, accounting, legal, human resources and other administrative functions, legal fees relating to intellectual property and corporate matters, and professional fees for accounting and consulting services.

Interest Income

Interest income consists of interest on our money market funds.

Interest Expense

Revenue Interest Financing Agreement

Interest expense under the Revenue Interest Financing Agreement is based on the imputed effective interest rate derived from expected future payments and the carrying value of the obligation. We recalculate the effective interest rate each period based

on the current carrying value and the revised estimated future payments. Changes in future payments from previous estimates are included in current and future interest expense.

Loan Agreement with Hercules

Interest expense under the Loan Agreement consists of (i) cash interest at a variable annual rate equal to the greater of (a) 9.85% and (b) the Prime Rate (as reported in the Wall Street Journal) plus 1.35% and provided that the cash interest rate shall be capped at 10.35% and upon us achieving the certain milestones, the cash interest shall be decreased by 0.35%, (ii) payment-in-kind interest at a per annum rate of interest equal to 2.15%, and (iii) amortization of the Loan Agreement debt discount recorded in connection with the fair value of warrants issued to the lenders, the debt issuance costs incurred, and the obligation to make a final payment.

Results of Operations

Comparison of the Three Months Ended September 30, 2025 and 2024

The following table summarizes our results of operations for the three months ended September 30, 2025 and 2024 (in thousands):

	Three Months Ended September 30,		
	2025	2024	Change
Product revenue, net	$ 49,504	$ 16,352	$ 33,152
Cost of revenue	6,190	2,356	3,834
Gross profit	43,314	13,996	29,318
Operating expenses:			
Research and development	7,027	8,693	(1,666)
Selling, general and administrative	51,558	76,099	(24,541)
Total operating expenses	58,585	84,792	(26,207)
Loss from operations	(15,271)	(70,796)	55,525
Other income (expense):			
Interest income	1,413	3,711	(2,298)
Interest expense	(16,108)	(18,484)	2,376
Other expense, net	(7)	(8)	1
Total other expense	(14,702)	(14,781)	79
Net loss	$ (29,973)	$ (85,577)	$ 55,604

Revenue. Product revenues were $49.5 million and $16.4 million for the three months ended September 30, 2025 and 2024, respectively, related to sales of VOQUEZNA, VOQUEZNA TRIPLE PAK, and VOQUEZNA DUAL PAK which were launched in the fourth quarter of 2023.

Cost of Revenue. Cost of revenue were $6.2 million and $2.4 million for the three months ended September 30, 2025 and 2024, respectively. In periods prior to receiving FDA approval for VOQUEZNA, we recognized inventory and related costs associated with the manufacture of VOQUEZNA as research and development expense and as such, the cost of revenue and related gross profits are not necessarily indicative of future costs of revenue and gross profit. Therefore, the manufacturing costs related to the inventory purchased before FDA approval were already expensed in a prior period and are therefore excluded from the cost of revenue for the three months ended September 30, 2025. These previously expensed costs were not material.

Research and Development Expenses. Research and development expenses were $7.0 million and $8.7 million for the three months ended September 30, 2025 and 2024, respectively. The decrease of $1.7 million consists of $1.2 million related to lower clinical and regulatory costs and a reduction of $0.5 million of consulting expenses.

Selling, General and Administrative Expenses. Selling, general and administrative expenses were $51.6 million and $76.1 million for the three months ended September 30, 2025 and 2024, respectively. The decrease of $24.5 million was primarily related to a $24.8 million reduction in advertising and promotional expenses and lower consulting expenses of $0.4 million offset by an increase of $0.7 million in personnel-related expenses due to restructuring charges.

Other Income (Expense). Other expense of $14.7 million for the three months ended September 30, 2025 consisted of $16.1 million of interest expense under the Loan Agreement and Revenue Interest Financing Agreement, partially offset by $1.4 million of interest income related to cash held in money market funds. Other expense of $14.8 million for the three months ended September 30, 2024 consisted of $18.5 million of interest expense under the Loan Agreement and Revenue Interest Financing Agreement, partially offset by $3.7 million of interest income related to cash held in money market funds.

Comparison of the Nine Months Ended September 30, 2025 and 2024

The following table summarizes our results of operations for the nine months ended September 30, 2025 and 2024 (in thousands):

	Nine Months Ended September 30,		
	2025	2024	Change
Product revenue, net	$ 117,526	$ 25,588	$ 91,938
Cost of revenue	14,951	4,158	10,793
Gross profit	102,575	21,430	81,145
Operating expenses:			
Research and development	25,287	25,499	(212)
Selling, general and administrative	231,346	213,981	17,365
Total operating expenses	256,633	239,480	17,153
Loss from operations	(154,058)	(218,050)	63,992
Other income (expense):			
Interest income	5,840	11,648	(5,808)
Interest expense	(51,696)	(53,416)	1,720
Other expense, net	(185)	(57)	(128)
Total other expense	(46,041)	(41,825)	(4,216)
Net loss	$ (200,099)	$ (259,875)	$ 59,776

Revenue. Product revenues were $117.5 million and $25.6 million for the nine months ended September 30, 2025 and 2024, respectively, related to sales of VOQUEZNA, VOQUEZNA TRIPLE PAK, and VOQUEZNA DUAL PAK which were launched during the fourth quarter of 2023.

Cost of Revenue. Cost of revenues were $15.0 million and $4.2 million for the nine months ended September 30, 2025 and 2024, respectively. In periods prior to receiving FDA approval for VOQUEZNA, we recognized inventory and related costs associated with the manufacture of VOQUEZNA as research and development expense and as such, the cost of revenue and related gross profits are not necessarily indicative of future costs of revenue and gross profit. Therefore, the manufacturing costs related to the inventory purchased before FDA approval were already expensed in a prior period and are therefore excluded from the cost of revenue for the nine months ended September 30, 2025. These previously expensed costs were not material.

Research and Development Expenses. Research and development expenses were $25.3 million and $25.5 million for the nine months ended September 30, 2025 and 2024, respectively. The decrease of $0.2 million consists of $1.4 million of lower clinical and regulatory costs, $0.9 million of lower project and consulting costs, partially offset by $2.1 million related to higher personnel-related expenses due to restructuring charges.

Selling, General and Administrative Expenses. Selling, general and administrative expenses were $231.3 million and $214.0 million for the nine months ended September 30, 2025 and 2024, respectively. The increase of $17.3 million was due to increases of $7.6 million of advertising and promotional expenses in support of our ongoing commercial launch of VOQUEZNA, and an increase of $9.6 million in personnel-related expenses primarily due to $7.3 million of restructuring charges, and an increase of $0.1 million in consulting expenses.

Other Income (Expense). Other expense of $46.0 million for the nine months ended September 30, 2025 consisted of $51.7 million of interest expense under the Loan Agreement and Revenue Interest Financing Agreement, partially offset by $5.8 million of interest income related to cash held in money market funds. Other expense of $41.8 million for the nine months ended

September 30, 2024 consisted of $53.4 million of interest expense under the Loan Agreement and Revenue Interest Financing Agreement, partially offset by $11.6 million of interest income related to cash held in money market funds.

Liquidity and Capital Resources

We have incurred net losses and negative cash flows from operations since our inception and, despite our plans and expectations, we could continue to incur net losses for the foreseeable future. As of September 30, 2025, we had cash and cash equivalents of $135.2 million.

Loan Agreement with Hercules

On September 17, 2021, or the Closing Date, we entered into the Loan Agreement with Hercules (in such capacity, the Agent or Hercules), as administrative agent and collateral agent and as a lender and the other financial institutions that from time to time become parties to the Loan Agreement as lenders (collectively, the Lenders).

The Loan Agreement provides for term loans in an aggregate principal amount of up to $200 million, or the Term Loan, under multiple tranches. The tranches consist of (i) a first tranche consisting of term loans in an aggregate principal amount of $100 million, all of which was funded on the Closing Date, or the First Advance, (ii) a second tranche consisting of up to an additional $50 million, (iii) a third and fourth tranches consisting of an additional total $50 million, which became available to us in May 2022.

On September 27, 2022, we entered into an amendment to the Loan Agreement, or the Second Loan Amendment, pursuant to which the date the second tranche of funding of $50 million remained available to us and was moved to May 15, 2023, rather than December 15, 2022.

On May 9, 2023, we entered into the Third Amendment to Loan and Security Agreement, or the Third Loan Amendment, with the lenders, pursuant to which, among other things, (i) the second tranche availability was extended from through May 15, 2023, to through December 15, 2023, and became available on October 1, 2023, (ii) the third tranche availability was extended from through September 30, 2023, to through December 15, 2023, and became available on October 1, 2023, (iii) the effective date of the Performance Covenants was amended to provide an option to extend the covenant trigger date to May 15, 2024, subject to the achievement of the FDA approval of vonoprazan for Erosive GERD or the EE Milestone, prior to February 15, 2024, and (iv) the warrant agreement with Hercules was amended as described below. On November 1, 2023, the EE Milestone was achieved and the covenant trigger date was extended to May 15, 2024. In connection with the Third Loan Amendment, a tranche extension amendment fee of $150,000 and a covenant extension amendment fee of $100,000 was paid to the Agent. These fees have been recorded as debt discount and are being amortized to interest expense using the effective interest method over the remaining term of the Term Loan.

On December 14, 2023, we entered into a Fourth Amendment to Loan and Security Agreement, or the Fourth Loan Amendment, with the lenders, which, among other things, (i) increased the aggregate principal amount of the term loans from $200 million to $300 million; (ii) provided for the possibility of accessing the $200 million commitment through five additional tranches referred to as tranches 2 through 6, which are available subject to certain milestones and conditions: (a) Tranche 2: $50 million, $40 million of which was funded on December 14, 2023, and the remaining $10 million of which was funded on March 15, 2024, (b) Tranche 3: $25 million, which was funded on June 14, 2024, (c) Tranche 4: $25 million, which was funded on December 14, 2024, (d) Tranche 5: $50 million which was available, subject to the achievement of a specified revenue milestone, through June 30, 2025 and which we did not draw down, and (e) Tranche 6: $50 million available, subject to the achievement of a specified revenue milestone, through December 31, 2025; (iii) extended the interest only period and the maturity date from October 2026 to December 2027, (iv) reduced the cash interest rate from 10.75% (floating annual rate equal to the greater of (a) 5.50% and (b) the Prime Rate (as reported in the Wall Street Journal) plus 2.25% to 9.85% (floating rate based on the greater of (a) 9.85% or (b) US WSJ Prime + 1.35%), provided that the cash interest rate shall be capped at 10.35% and upon us achieving the certain milestones, the cash interest shall be decreased by 0.35%, and (v) decreased the payment-in-kind interest rate from 3.35% per annum to 2.15% per annum. In connection with the Fourth Loan Amendment, an amendment fee of $250,000 was paid to the Agent and was recorded as a debt discount and being amortized to interest expense using the effective interest method over the remaining term of the Term Loan.

The Term Loan will mature on December 1, 2027, or the Maturity Date. The Term Loan bears (i) cash interest at a variable annual rate equal to the greater of (a) 9.85% and (b) the Prime Rate (as reported in the Wall Street Journal) plus 1.35%, or the Interest Rate, and (ii) payment-in-kind interest at a per annum rate of interest equal to 2.15%. We may make payments of interest

only through the Maturity Date. After the interest-only period, the principal balance and related interest will be required to be repaid in full on the Maturity Date.

In addition, we are obligated to pay a final payment fee of 7.50% of the original principal amount of amounts actually advanced under the Term Loan, or each a Term Loan Advance and together, the Term Loan Advances. In connection with the Fourth Loan Amendment, the final payment fee was amended to be $1 million plus 3.00% of any future tranche drawdowns under the agreement, due upon final maturity. Additionally, the initial final payment fee for the first term Loan advance was amended to become payable on October 1, 2026. As of September 30, 2025, the aggregate $11.5 million of final payment fees includes the first Term Loan Advance of $7.5 million, $2.5 million for the second Term Loan Advance, $0.8 million for the third Term Loan Advance, and $0.7 million for the fourth Term Loan Advance and have been recorded within other long-term liabilities.

Under the Fourth Loan Amendment, we may elect to prepay all or a portion of the Term Loan Advances prior to maturity, subject to a prepayment fee of up to 1.25% of the then outstanding principal balance of the Term Loan Advances being prepaid when such prepayment occurs prior to October 1, 2026, or 0.50% if such prepayment occurs on or after October 1, 2026. After repayment, no Term Loan amounts may be borrowed again.

The Loan Agreement contains customary closing fees, prepayment fees and provisions, events of default, and representations, warranties and covenants, including financial covenants. The financial covenants under the Fourth Loan Amendment include (i) a minimum cash covenant and (ii) a performance covenant as follows:

(i) Minimum cash covenant - We must maintain a minimum cash balance of 20% of the outstanding principal balance at all times. The minimum cash balance may be increased to 35% or 50% under performance covenant (b) below if the performance covenants (a) or (c) are not met beginning September 30, 2024 and all times thereafter.

(ii) Performance covenant - Beginning September 30, 2024 and all times thereafter we must satisfy any one of the following:

a. Market capitalization exceeding $900 million;

b. Minimum cash balance exceeding (x) outstanding principal amount of term loans, multiplied by (y) (A) 50%, prior to achieving trailing three months net product revenue of greater than $35 million, and (B) 35% thereafter; or

c. Trailing three months net product revenue of at least (x) 30% of agreed upon projected net revenues for periods in the calendar year 2024 and 25% for all periods thereafter or (y) $120 million.

Upon the occurrence of an event of default, subject to any specified cure periods, all amounts owed by us may be declared immediately due and payable by Hercules, as collateral agent.

As of September 30, 2025, we were in compliance with all applicable covenants under the Loan Agreement. Based on the current revenue projections, we do not expect to meet the revenue threshold to draw the Sixth Tranche. The current operating plan does not anticipate a need to draw any additional amounts under the Loan Agreement.

As collateral for the obligations, we granted Hercules a senior security interest in all of our right, title, and interest in, to and under substantially all of our property, inclusive of intellectual property.

In connection with the entry into the Loan Agreement, we issued to Hercules a warrant, or the Warrant, to purchase a number of shares of our common stock equal to 2.5% of the aggregate amount of the Term Loan advances funded, and will issue to Hercules additional warrants if any future Term Loan advances are funded. On the Closing Date, we issued a Warrant for 74,782 shares of common stock. The Warrant is exercisable for a period of seven years from the date of issuance at a per-share exercise price equal to $33.43, which was the closing price of our common stock on September 16, 2021. In connection with the entry into the Third Loan Amendment, we amended the form of warrants to be issued upon drawdowns of future tranches such that the exercise price of such warrants shall be equal to the lesser (i) of $11.6783, which was the trailing ten-day VWAP prior to entering into the Third Loan Amendment and (ii) the trailing ten-day VWAP preceding the date on which we drawdown future tranches. In connection with the entry into the Fourth Amendment, we eliminated the warrant agreement for all future tranches. The Warrant issued with the initial tranche was not modified as part of this amendment. The exercise price and terms of the outstanding Warrant remain unchanged.

The initial $1.3 million fair value of the Warrant, the $11.5 million final interest payment fees and $4.6 million of debt issuance costs have been recorded as debt discount and are being amortized to interest expense using the effective interest method over the term of the Term Loan.

Revenue Interest Financing Agreement

On May 3, 2022, we entered into a Revenue Interest Financing Agreement, or the Revenue Interest Financing Agreement, with entities managed or advised by NovaQuest Capital Management, or NQ, Sagard Holdings Manager LP, or Sagard, and Hercules, together with NQ and Sagard, or the Initial Investors, pursuant to which we had the right to receive up to $260 million in funding from the Initial Investors. Under the terms of the Revenue Interest Financing Agreement, we received $100 million at the initial closing and received an additional $160 million upon FDA approval of vonoprazan for treatment of Erosive GERD in the fourth quarter of 2023. Additionally, on October 31, 2022, we entered into a Joinder and Waiver Agreement with the Initial Investors and CO Finance LVS XXXVII LLC, or the Additional Investor, and Hercules in its capacity as administrative agent and collateral agent for itself and the lenders under that certain Loan Agreement, or the Joinder Agreement, in respect of the Revenue Interest Financing Agreement. Under the terms of the Joinder Agreement, we received $15 million in additional funding upon FDA approval of vonoprazan for Erosive GERD, or Approval Additional Funding, in the fourth quarter of 2023 and provided for $25 million in additional funding for achievement of a sales milestone, or Milestone Additional Funding, and, together with the Approval Additional Funding, or the Additional Investor Funding. The Initial Investors waived their right of first offer for any Additional Investor Funding. On December 23, 2024, CO Finance LVS XXXVII LLC agreed to assign and transfer to OC III LVS LX LP all of its rights, title and interest as an Additional Investor and in connection therewith, OC III LVS LX LP executed a Joinder Agreement. The total amount funded by the Initial Investors and any subsequent investors is referred to herein as the Investment Amount. As of September 30, 2025, no additional funding is available under the Revenue Interest Financing Agreement.

Under the Revenue Interest Financing Agreement, the Initial Investors and the Additional Investors, are entitled to receive a 10% royalty on net sales of products containing vonoprazan. The royalty rate is subject to a step-down on net sales exceeding certain annual thresholds and upon FDA approval for vonoprazan for an indication relating to the treatment of heartburn associated with Non-Erosive GERD, which occurred on July 17, 2024. The investors' right to receive royalties on net sales will terminate when the investors have aggregate payments equal to 200% of the Investment Amount. In addition, at any time after April 30, 2024, we have the right to make a cap payment equal to 200% of the Investment Amount less any royalties already paid, at which time the agreement will terminate.

If the investors have not received aggregate payments of at least 100% of the Investment Amount by December 31, 2028, and at least 200% of the Investment Amount by December 31, 2037, each a Minimum Amount, then we will be obligated to make a cash payment to the investors in an amount sufficient to gross the investors up to the applicable Minimum Amount.

Upon the occurrence of an event of default taking place between April 1, 2025 and April 1, 2028, or after April 1, 2028, we are obligated to pay 1.30 times Investment Amount, 1.65 times Investment Amount, and 2.0 times investment amount, respectively, less any amounts we previously paid pursuant to the agreement.

At-the-Market-Offerings

In November 2020, we entered into an Open Market Sale Agreement℠, or the Sales Agreement, with Jefferies LLC, or the Sales Agent, under which we may, from time to time, sell shares of our common stock having an aggregate offering price of up to an amount registered under an effective registration statement through the Sales Agent.

In November 2023, we filed a shelf registration statement on Form S-3 which was declared effective by the SEC on November 17, 2023, which included an at-the-market prospectus pursuant to which we may, from time to time, sell up to an aggregate of $150 million of our common stock through the Sales Agent, or the 2023 ATM Offering. We are not obligated to, and we cannot provide any assurances that we will, make any sales of the shares under the Sales Agreement. The Sales Agreement may be terminated by the Sales Agent or us at any time. No shares were sold during the three and nine months ended September 30, 2025 and 2024. As of September 30, 2025, all of the available $150 million under the 2023 ATM Offering remains available.

Underwritten Public Offerings

On August 20, 2024, we completed an underwritten public offering, in which we sold 8,695,652 shares of our common stock at a price of $11.50 per share and pre-funded warrants to purchase 2,608,922 shares of our common stock at a price of $11.499

per pre-funded warrant for total gross proceeds of $130.0 million. The net purchase price after deducting the underwriting discounts and commissions and other offering expenses, was $10.77 per share or net proceeds of $121.8 million.

Funding Requirements

Based on our current operating plan, we believe that our existing cash and cash equivalents together with anticipated product revenues, are sufficient to fund operations for at least the next twelve months. However, our forecast of the period of time through which our financial resources may be adequate to support our operations is a forward-looking statement that involves risks and uncertainties and actual results could vary materially. We have based this estimate on assumptions that may prove to be inaccurate, and we could deplete our capital resources sooner than we expect based on the amount and timing of product sales and operating expenses, among other factors. Additionally, the process of testing product candidates in clinical trials is costly, and the timing of progress and expenses in ongoing and future trials is uncertain.

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

•our ability to achieve sufficient market acceptance, coverage and adequate reimbursement from third-party payers and adequate market share and revenue for our current approved products;

•the costs of sales and marketing activities in support of the commercial launch of our approved products, or any future product candidates we may choose to pursue, if successfully developed and approved;

•patients' willingness to pay out-of-pocket for any approved products in the absence of coverage and/or adequate reimbursement from third-party payers;

•the costs and timing of manufacturing for vonoprazan and supply of antibiotics for use in VOQUEZNA TRIPLE PAK and VOQUEZNA DUAL PAK or any future product candidates;

•the initiation, type, number, scope, results, costs and timing of our clinical trials of vonoprazan, and preclinical studies or clinical trials of other potential product candidates we may choose to pursue in the future, including feedback received from regulatory authorities;

•the costs, timing and outcome of regulatory review of future vonoprazan applications or such applications for any future product candidates;

•the costs of obtaining, maintaining and enforcing our patents and other intellectual property rights, and the success of our enforcement efforts;

•the timing and impact of introduction of competitive products;

•the costs associated with hiring additional personnel and consultants as our business grows and enhancing our operational systems;

•the timing and amount of the milestone or other payments we must make to Takeda and any future licensors;

•the terms and timing of establishing and maintaining collaborations, licenses and other similar arrangements; and

•costs associated with any products or technologies that we may in-license or acquire.

Until such time, if ever, as we can generate substantial product revenues to support our cost structure, we expect to also finance our cash needs through equity offerings, debt financings or other capital sources, including potential collaborations, licenses and other similar arrangements. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the ownership interest of our stockholders will be or could be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect the rights of our common stockholders. Debt financing and equity financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. If we raise funds through collaborations, or other similar arrangements with third parties, we may have to relinquish valuable rights to our technologies, future revenue streams, research programs or product candidates or grant licenses on terms that may not be favorable to us and/or may reduce the value of our common stock. If we are unable to raise additional funds through equity or debt financings when and if needed, we may be required to delay, limit, reduce or terminate our product development or future commercialization efforts or grant rights to develop and market our product candidates even if we would otherwise prefer to develop and market such product candidates ourselves.

Including our existing cash and cash equivalents, we believe that we have sufficient working capital on hand to fund operations such that there is no substantial doubt as to our ability to continue as a going concern at the date the unaudited interim condensed financial statements were issued. There can be no assurance that we will be successful in acquiring additional funding, that our projections of future revenues or working capital needs will prove accurate, or that any additional funding would be sufficient to continue operations in future years. Based on our current operating plan, we believe that our existing cash and cash equivalents together with anticipated product revenues, are sufficient to fund operations for at least the next twelve months.

Cash Flows

The following table sets forth a summary of the net cash flow activity for each of the periods indicated (in thousands):

	Nine Months Ended September 30,		
	2025	**2024**	**Change**
Net cash provided by (used in):			
Operating activities	$ (161,774)	$ (203,314)	$ 41,540
Investing activities	(142)	(130)	(12)
Financing activities	(191)	156,728	(156,919)
Net decrease in cash	$ (162,107)	$ (46,716)	$ (115,391)

Operating Activities

Net cash used in operating activities was approximately $161.8 million and $203.3 million for the nine months ended September 30, 2025 and 2024, respectively. The net cash used in operating activities for the nine months ended September 30, 2025 was due to approximately $145.3 million spent on ongoing research and development and selling, general and administrative activities and a $16.5 million net change in operating assets and liabilities. The net change in operating assets and liabilities is related to a $6.7 million increase in accounts payable and accrued expenses (including interest, operating lease assets and liabilities), a $7.6 million decrease in prepaid assets and other current assets, and a $30.8 million increase in accounts receivable and inventory. The net cash used in operating activities for the nine months ended September 30, 2024 was due to approximately $197.0 million spent on ongoing research and development and selling, general and administrative activities and a $6.3 million net change in operating assets and liabilities. The net change in operating assets and liabilities primarily related to a $15.5 million increase in accounts payable and accrued expenses (including interest, operating lease assets and liabilities), and a $21.8 million increase in accounts receivable, inventory, and prepaid assets and other current assets in support of our growth and launch of our first commercial products.

Investing Activities

Net cash used in investing activities for the nine months ended September 30, 2025 and 2024, was related to payments for acquiring property and equipment.

Financing Activities

Net cash used in financing activities for the nine months ended September 30, 2025 related to payments of employee tax obligations related to vesting of PSUs offset by proceeds from the issuance of common stock from exercise of stock options. Net cash provided by financing activities for the nine months ended September 30, 2024 was $156.7 million primarily related to $34.7 million of net proceeds from the issuance of debt under our Loan Agreement and $121.8 million of net proceeds from issuance of common stock and pre-funded warrants in connection with the underwritten public offering completed in August 2024.

Contractual Obligations and Commitments

There were no material changes outside the ordinary course of our business during the nine months ended September 30, 2025 to the information regarding our contractual obligations that was disclosed in Management’s Discussion and Analysis of Financial Condition and Results of Operations contained in our 2024 Form 10-K.

Critical Accounting Policies and Significant Judgments and Estimates

Our management’s discussion and analysis of our financial condition and results of operations is based on our financial statements, which have been prepared in accordance with generally accepted accounting principles in the United States, or GAAP.

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

For a description of our critical accounting policies, please see the section entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations — Critical Accounting Policies and Significant Judgments and Estimates” contained in our 2024 Form 10-K. There have not been any material changes to the critical accounting policies discussed therein during the nine months ended September 30, 2025.

Other Company Information

Smaller Reporting Company Status

We are a smaller reporting company as defined in Rule 12b-2 of the Exchange Act. We may take advantage of certain of the scaled disclosures available to smaller reporting companies and will be able to take advantage of these scaled disclosures for so long as (i) our voting and non-voting common stock held by non-affiliates is less than $250 million measured on the last business day of our second fiscal quarter or (ii) our annual revenue is less than $100 million during the most recently completed fiscal year and our voting and non-voting common stock held by non-affiliates is less than $700 million measured on the last business day of our second fiscal quarter.

Recent Accounting Pronouncements

The information required by this item is included in Note 1, Organization, Basis of Presentation and Summary of Significant Accounting Policies included in Part 1, Item 1 of this quarterly report.

Off-Balance Sheet Arrangements

During the periods presented we did not have, nor do we currently have, any off-balance sheet arrangements as defined under SEC rules.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

As of September 30, 2025, there have been no material changes surrounding our market risk, including interest rate risk, foreign currency exchange risk, and inflation risk, from the discussion provided in “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Quantitative and Qualitative Disclosures About Market Risk” of our 2024 Form 10-K.

Item 4. Controls and Procedures

Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our periodic and current reports that we file with the SEC is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable and not absolute assurance of achieving the desired control objectives. In reaching a reasonable level of assurance, management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. In addition, the design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, control may become inadequate because of changes in conditions, or the degree of compliance with policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Our management, with the participation of our principal executive officer and principal financial officer, has 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 the end of the period covered by this quarterly report. Based on such evaluation, our principal executive officer and principal financial officer have concluded that as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting during our third fiscal quarter ended September 30, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

We are not currently subject to any material legal proceedings. From time to time, we may be involved in legal proceedings or subject to claims incident to the ordinary course of business. Regardless of the outcome, such proceedings or claims can have an adverse impact on us because of defense and settlement costs, diversion of resources and other factors, and there can be no assurances that favorable outcomes will be obtained.

Item 1A. Risk Factors

There have been no material changes to the risk factors disclosed in Part I, Item 1A, “Risk Factors” of our 2024 Form 10-K, as updated in our Quarterly Report on Form 10-Q for the three months ended March 31, 2025.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Unregistered Sales of Equity Securities

None.

Issuer Repurchases of Equity Securities

None.

Item 3. Defaults Upon Senior Securities

Not Applicable.

Item 4. Mine Safety Disclosures

Not Applicable.

Item 5. Other Information

Director and Officer Trading Arrangements:

Rule 10b5-1 Trading Plans

From time to time, our officers (as defined in Rule 16a-1(f) of the Exchange Act) and directors may enter into Rule 10b5-1 or non-Rule 10b5-1 trading arrangements (as each such term is defined in Item 408 of Regulation S-K).

On September 9, 2025, Anne Marie Cook, our Chief Legal Officer, and on September 10, 2025, Steve Basta, our Chief Executive Officer, each entered into a sell-to-cover arrangement intended to comply with the requirements of Rule 10b5-1(c) authorizing the pre-arranged sale of common shares to satisfy tax withholding obligations of the Company arising from the vesting of restricted stock units (RSUs) and performance stock units (PSUs), and the related issuance of shares of common stock, issued pursuant to our equity incentive plans. The amount of common shares to be sold to satisfy the Company’s tax withholding obligations under each arrangement is dependent on future events which cannot be known at this time, including the future trading price of our common stock. The expiration date relating to each arrangement is dependent on future events which cannot be known at this time, including the final vesting date of the applicable RSUs and PSUs and the officer’s termination of service. Our compensation committee subsequently approved net settlement of equity awards for Section 16 officers whereby we will withhold shares to cover tax withholdings thereby obviating the need for the sell-to-cover arrangements. As a result, the sell to cover arrangements with Ms. Cook and Mr. Basta as well as a sell to cover arrangement entered into In September 2022 by Robert Breedlove, our VP Finance and principal accounting officer, were subsequently terminated on September 30, 2025, September 24, 2025 and October 9, 2025, respectively.

During the three months ended September 30, 2025, no other of our officers or directors adopted, modified or terminated any Rule 10b5-1 trading arrangements or non-Rule 10b5-1 trading arrangements.

Item 6. Exhibits

Exhibit Number	Exhibit Description	Incorporated by Reference			Filed Herewith
		Form	Date	Number	
3.1	Amended and Restated Certificate of Incorporation	8-K	10/29/19	3.1	
3.2	Certificate of Amendment to Amended and Restated Certificate of Incorporation, as filed with the Secretary of the State of Delaware on May 26, 2023	8-K	5/30/23	3.1	
3.3	Amended and Restated Bylaws, effective as of December 13, 2023	8-K	12/15/23	3.1	
4.1	Form of Common Stock Certificate	S-1/A	10/15/19	4.1	
4.2	Warrant to purchase stock issued to Silicon Valley Bank, dated May 14, 2019	S-1	9/30/19	4.3	
4.3	Warrant to purchase stock issued to WestRiver Innovation Lending Fund VIII, L.P., dated May 14, 2019	S-1	9/30/19	4.4	
4.4	Warrant to purchase stock issued to Hercules Capital, dated September 17, 2021	10-Q	11/8/21	10.2	
4.5	First Amendment to Warrant to purchase stock issued to Hercules Capital, dated May 9, 2023	10-Q	5/10/23	4.5	
4.6	Form of Warrant to purchase stock issuable pursuant to the Loan and Security Agreement, as amended, by and between the Registrant and Hercules Capital, Inc.	10-Q	5/10/23	4.6	
4.7	Note Purchase Agreement, dated May 7, 2019, by and among the Registrant and the other parties party thereto, as amended	S-1/A	10/15/19	4.5	
4.8	Form of Pre-Funded Warrant to purchase common stock	8-K	8/19/24	4.1	
10.1#	Employment Letter Agreement, dated September 29, 2025, by and between Sanjeev Narula and the Registrant				X
31.1	Certification of Chief Executive Officer of Phathom Pharmaceuticals, Inc., as required by Rule 13a-14(a) or Rule 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002				X
31.2	Certification of Chief Financial Officer of Phathom Pharmaceuticals, Inc., as required by Rule 13a-14(a) or Rule 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002				X
32.1*	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002				X
32.2*	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002				X
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document				X
101.SCH	Inline XBRL Taxonomy Extension Schema Document				X
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)				

# Indicates management contract or compensatory plan.

* This certification is deemed not filed for purpose of section 18 of the Exchange Act or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act.

SIGNATURES

Pursuant to the requirements 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.

PHATHOM PHARMACEUTICALS, INC.

Date: October 30, 2025

By: /s/ Steven Basta
Steven Basta
Chief Executive Officer and Director
(Principal Executive Officer)

Date: October 30, 2025

By: /s/ Sanjeev Narula
Sanjeev Narula
Chief Financial and Business Officer
(Principal Financial Officer)

Exhibit 10.1



September 29, 2025

Sanjeev Narula

Re: Employment Offer Letter

Dear Sanjeev:

Phathom Pharmaceuticals, Inc. (the "***Company***") is pleased to offer you a position on the terms set forth in this letter (this "***Agreement***").

•**Start Date.** We expect that your employment start date (the "***Start Date***") will occur on or about October 6, 2025

•**Employment Terms.**

o**Duties; Location.** Following the Start Date, you shall serve as the Company's Chief Financial and Business Officer. In such position, you shall report directly to the Chief Executive Officer of the Company (the "***Supervising Officer***"). You shall perform such duties as are customarily associated with such position, as well as such other duties as are lawfully and reasonably assigned to you by your Supervising Officer; provided, however, such other duties shall be consistent with your role as Chief Financial and Business Officer. You shall perform your services on a full-time basis. The Company expects that you will perform your duties remotely from your home office in Paradise Valley, Arizona, but expects that you will perform your duties on-site at the Company's headquarters in Florham Park, New Jersey approximately once per month with each visit being approximately two to three business days (or as otherwise agreed with the Chief Executive Officer), with additional travel as needed in connection with your duties at the Company's expense. This is an exempt position.

o**Exclusive Services.** During the term of your employment, you shall devote your full working time and attention to the business affairs of the Company. Subject to the terms of the Company's form of Proprietary Information and Inventions Assignment Agreement, as described below, this shall not preclude you from (a) devoting time to personal and family investments, (b) participating in industry professional associations or boards, or (c) serving on community and civic boards, provided such activities do not interfere with your duties to the Company, as determined in good faith by the Supervising Officer. You agree that you will not join any boards, other than community and civic boards (which do not interfere with your duties to the Company), without the prior approval of the Supervising Officer, which approval shall not be unreasonably withheld, and that you shall be limited to service on two (2) outside boards, other than community and civic boards. The Company agrees that you may continue to (a) perform advisory services for Johnson and Johnson through December 31, 2025; and (b) be an advisory board member of Corstasis Therapeutics, Inc.

•**Employment Compensation.** Your initial compensation will be as follows:

o**Base Salary.** You will receive an initial annual base salary of $550,000. You will be paid in accordance with the Company's customary payroll procedures as established and modified from time-to-time. Your base salary is subject to annual review for increases by and at the sole discretion of the Board of Directors of the Company (the "***Board***") or its designated committee.

o**Annual Bonus.** In addition to your base salary, you may be eligible to earn, for each fiscal year of the Company during the term of your employment with the Company, an annual cash performance bonus under the Company's bonus plan, as approved from time to time by the Board. Your target annual bonus will be fifty percent (50%) of your base salary actually paid for the year to which such annual bonus relates (your "***Target Bonus***"). Your actual annual bonus will be determined on the basis of your and/or the Company's attainment of financial or other performance criteria established by the Board or its designated committee in accordance with the terms and conditions of such bonus plan. Except as provided herein, you must be employed by the Company on the date of payment of such annual bonus in order to be eligible to receive such annual bonus. You hereby acknowledge and agree that nothing contained herein confers upon you any right to an annual bonus in any year, and that whether the Company pays you an annual bonus and the amount of any such annual bonus will be determined by the Company in its sole discretion. Your annual bonus for 2025 will be prorated to reflect the portion of the year following the Start Date.

o**Benefits.** You shall be eligible to participate in all of the employee benefit plans or programs the Company generally makes available to similarly-situated employees, pursuant to the terms and conditions of such plans. You will also be entitled to vacation and/or paid time off each year in accordance with Company policy and all holidays observed by the Company each year. The Company reserves the right to change benefits provided to its employees from time to time in its discretion.

o**Stock Options**. As soon as practicable following your Start Date, you will be granted stock options to purchase 200,000 shares of the Company's common stock, at an exercise price per share equal to the fair market value per share of the Company's common stock on the date of grant (the "***Stock Options***"). The Stock Options will be granted pursuant to the Company's Equity Plan (as defined below). The Stock Options will be subject to the terms and conditions of the Equity Plan and your stock option agreement. The Stock Options will vest over a four year vesting schedule, with twenty-five percent (25%) of the Stock Options vesting on the first anniversary of the Start Date and the remaining Stock Options vesting in thirty-six (36) equal monthly installments thereafter, subject to your continued employment or service to the Company on each such vesting date, except as otherwise expressly provided herein.

o**RESTRICTED STOCK UNITS**.

▪In addition to the Stock Options, as soon as practicable following your Start Date, you will be granted 144,000 restricted stock units (the "***RSUs***"). The RSUs will vest over a three-year vesting schedule, with one-third (1/3rd) of the RSUs vesting

on each of the first, second and third anniversaries of the grant date, subject solely

to your continued employment or service to the Company on each such vesting date, except as otherwise expressly provided herein.

▪The RSUs will be granted under the Equity Plan and will be subject to the terms and conditions of the Equity Plan and your RSU agreements. Each RSU will represent the right to receive one share of our common stock. Except as otherwise expressly provided herein, in the event of your termination of employment or service for any reason, all of your unvested RSUs will terminate immediately.

o**ANNUAL GRANT PROGRAM**

▪In addition, you will be eligible to participate in the Company's annual equity grant program beginning with the 2026 annual grant cycle under which equity awards are expected to be made based on 2025 performance. Your eligibility for the 2026 annual grant will not be prorated based on your partial service in 2025, however any equity awards, including the amount, form, and terms, will be determined at the sole discretion of the Compensation Committee of the Board of Directors (the "Compensation Committee"), taking into account, among other factors, individual performance, Company performance, and such other considerations as the Compensation Committee deems relevant.

o**Withholding.** All amounts payable to you will be subject to appropriate payroll deductions and withholdings.

•**Expenses.** You will be entitled to reimbursement for all ordinary and reasonable out-of- pocket business expenses which are reasonably incurred by you in furtherance of the Company's business, with appropriate documentation and in accordance with the Company's standard policies.

•**Termination of Employment; Severance.**

o**At-Will Employment.** Your employment with the Company will be "at-will" at all times, meaning that either you or the Company will be entitled to terminate your employment at any time and for any reason, with or without Cause (as defined below). Any contrary representations that may have been made to you are superseded by this Agreement. This Agreement in no way represents a fixed-term employment contract. This is the full and complete agreement between you and the Company on this term. Although your job duties, title, compensation and benefits, as well as the Company's personnel policies and procedures, may change from time to time, the "at will" nature of your employment may only be changed in an express written agreement signed by you and a duly authorized officer of the Company.

o**Obligations Upon Termination.** Upon termination of your employment for any reason, unless otherwise specified in a written agreement between you and the Company, you shall be deemed to have resigned from all offices, directorships, and other employment positions, if any, then held with or on behalf of the Company or its affiliates, and shall take all actions reasonably requested by the Company to effectuate the foregoing. In addition, in the event of your termination of employment for any reason, the Company shall have the right, at its option, to require you to vacate your offices prior to or on the effective date of termination and to cease all activities on the Company's behalf.

o**Accrued Obligations.** If your employment terminates for any reason, you are

entitled to your fully earned but unpaid base salary, through the date such termination is effective at the rate then in effect, and all other amounts or benefits to which you are entitled under any compensation, retirement or benefit plan of the Company at the time of your termination of employment in accordance with the terms of such plans, including, without limitation, any accrued but unpaid paid time off and any continuation of benefits required by applicable law (the "***Accrued Obligation***s").

o**Non-CIC Severance Benefits.** In addition to your Accrued Obligations, subject to your continued compliance with the Proprietary Information and Inventions Assignment Agreement, as described below, and the effectiveness of your Release (as defined below), if your employment is involuntarily terminated by the Company without Cause (and other than by reason of your death or Disability (as defined below)) or you resign for Good Reason (as defined below) (either such termination, a "***Qualifying Termination***"), and such Qualifying Termination does not occur during the Change in Control Period (as defined below), you shall be entitled to receive, as the sole severance benefits to which you are entitled, the benefits provided below (the "***Non-CIC Severance Benefits***"):

▪An amount equal to 9 months' base salary (at the rate in effect immediately prior to the date of your termination of employment, or in the case of a material diminution in your base salary which would give rise to Good Reason for your resignation, the base salary in effect prior to such material diminution), which amount will be paid over a period of 9 months following your termination of employment in accordance with the Company's standard payroll practices, with the first such installment occurring on the first regularly-scheduled payroll date following the date your Release becomes effective (which first installment will include any installments that would have occurred prior to such date but for the fact your Release was not yet effective);

▪An amount equal to your Target Bonus for the calendar year in which your termination date occurs (at the rate in effect immediately prior to the date of your termination of employment, or in the case of a material diminution in your Target Bonus which would give rise to Good Reason for your resignation, the Target Bonus in effect prior to such material diminution), prorated for the portion of the calendar year in which your termination date occurs that has elapsed prior to such termination, which amount will be paid in a lump sum on the first regularly-scheduled payroll date following the date your Release becomes effective, but in no event more than 75 days following your termination date;

▪Any unpaid annual bonus for the calendar year prior to the year in which your Qualifying Termination occurs, to the extent you are entitled to such bonus and if such bonus has not already been paid, which amount will be paid in a lump sum on the first regularly-scheduled payroll date following the date your Release becomes effective, but in no event more than 75 days following your termination date;

▪For the 9 month period beginning on the date of your termination of employment (or, if earlier, (a) the date on which the applicable continuation period under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("***COBRA***") expires, or (b) the

date on which you become eligible to receive the equivalent or increased healthcare coverage by means of subsequent employment or self- employment) (such period, the "***COBRA Coverage Period***"), if you and/or your eligible dependents who were covered under the Company's health insurance plans as of the date of your termination of employment elect to have COBRA coverage and are eligible for such coverage, the Company shall pay for or reimburse you on a monthly basis for an amount equal to the monthly premium you and/or your covered dependents, as applicable, are required to pay for continuation coverage pursuant to COBRA for you and/or your eligible dependents, as applicable, who were covered under the Company's health plans as of the date of your termination of employment (calculated by reference to the premium as of the date of your termination of employment). If any of the Company's health benefits are self-funded as of the date of your termination of employment, or if the Company cannot provide the foregoing benefits in a manner that is exempt from Section 409A of the Internal Revenue Code of 1986, as amended (the "***Code***"), or that is otherwise compliant with applicable law (including, without limitation, Section 2716 of the Public Health Service Act), instead of providing the payments or reimbursements as set forth above, the Company shall instead pay to you the foregoing monthly amount as a taxable monthly payment for the COBRA Coverage Period (or any remaining portion thereof). You shall be solely responsible for all matters relating to continuation of coverage pursuant to COBRA, including, without limitation, the election of such coverage and the timely payment of premiums. You shall notify the Company immediately if you become eligible to receive the equivalent or increased healthcare coverage by means of subsequent employment or self-employment; and

▪Notwithstanding anything else set forth herein, in the Company's Equity Plans or in any Stock Award agreement, such number of the unvested Stock Awards then held by you that are subject to time-based vesting will vest on the effective date of your Release as would have vested during the 9-month period following your Qualifying Termination had you remained employed by the Company during such period. Your outstanding Stock Awards granted under the Company's Equity Plans that are subject in whole or in part to performance-based vesting conditions will be governed by the terms of the applicable Stock Award agreement and the Equity Plan under which such Stock Awards were granted. The foregoing provisions are hereby deemed to be a part of your Stock Awards and to supersede any less favorable provision in any Stock Award agreement or Equity Plan regarding such Stock Awards. Notwithstanding the foregoing, in the event the Stock Award agreement or the Equity Plan pursuant to which your Stock Awards were granted provides for more favorable treatment of such Stock Awards upon a Qualifying Termination, nothing in this Agreement

is intended to limit your right to such more favorable treatment as provided in such Stock Award agreement or Equity Plan.

o**CIC Severance Benefits.** In addition to your Accrued Obligations, subject to your continued compliance with the Proprietary Information and Inventions Assignment Agreement, as described below, and the effectiveness of your Release, if your Qualifying Termination occurs during the Change in Control Period, you shall be entitled to receive, as the sole severance benefits to which you are entitled

and in lieu of any Non-CIC Severance Benefits, the benefits provided below (the "***CIC Severance Benefits***") (and for the avoidance of doubt: (a) in no event will you be entitled to both the Non-CIC Severance Benefits and the CIC Severance Benefits, and (b) if the Company has commenced providing the Non-CIC Severance Benefits to you prior to the date that you become eligible to receive the CIC Severance Benefits, the Non-CIC Severance Benefits previously provided to you shall reduce the CIC Severance Benefits provided below by the amount of such Non-CIC Severance Benefits already provided to you):

- An amount equal to 18 months' base salary (at the rate in effect immediately prior to the date of your termination of employment, or in the case of a material diminution in your base salary which would give rise to Good Reason for your resignation, the base salary in effect prior to such material diminution), which amount will be paid over a period of 18 months following your termination of employment in accordance with the Company's standard payroll practices, with the first such installment occurring on the first regularly-scheduled payroll date following the date your Release becomes effective (which first installment will include any installments that would have occurred prior to such date but for the fact your Release was not yet effective);

- An amount equal to 1.5 times your Target Bonus for the calendar year in which your termination date occurs (at the rate in effect immediately prior to the date of your termination of employment, or in the case of a material diminution in your Target Bonus which would give rise to Good Reason for your resignation, the Target Bonus in effect prior to such material diminution), which amount will be paid as follows: (a) an amount equal to your Target Bonus for the calendar year in which your termination date occurs, prorated for the portion of the calendar year in which your termination date occurs that has elapsed prior to such termination, will be paid in a lump sum on the first regularly-scheduled payroll date following the date your Release becomes effective, but in no event more than 75 days following your termination date, and (b) any remaining amount payable pursuant to this paragraph will be paid on the first regularly-scheduled payroll date following the later of (i) the date your Release becomes effective or (ii) the date of the Change in Control;

- An amount equal to any unpaid annual bonus for the calendar year prior to the year in which your Qualifying Termination occurs, to the extent you are entitled to such bonus and if such bonus has not already been paid, which amount(s) will be paid on the first regularly-scheduled payroll date following the later of (a) the date your Release becomes effective, but in no event more than 75 days following your termination date, or (b) the date of the Change in Control;

- An amount equal to (a) the monthly premium you and/or your covered dependents, as applicable, are required to pay for continuation coverage pursuant to COBRA for you and/or your eligible dependents, as applicable, who were covered under the Company's health plans as of the date of your termination of employment (calculated by reference to the premium as of the date of your termination of employment), multiplied by (b) 18 (less, in the case of your Qualifying Termination prior to a Change

in Control but during the Change in Control Period, any number of months for which COBRA coverage was previously provided as a result of such termination at Company's expense), paid in a lump sum on the first regularly-scheduled payroll date following the later of (i) the date your Release becomes effective, but in no event more than 75 days following your termination date, or (ii) the date of the Change in Control; and

▪Notwithstanding anything else set forth herein, in the Company's Equity Plans or in any agreement evidencing a Stock Award, any unvested Stock Awards then held by you that are solely subject to time-based vesting conditions will vest on the later of (i) the effective date of your Release or (ii) the date of the Change in Control. Your outstanding Stock Awards granted under the Company's Equity Plans that are subject in whole or in part to performance-based vesting conditions will be governed by the terms of the applicable Stock Award agreement and the Equity Plan under which such Stock Awards were granted. The foregoing provisions are hereby deemed to be a part of each Stock Award and to supersede any less favorable provision in any Stock Award agreement or Equity Plan regarding such Stock Award. Notwithstanding the foregoing, in the event the Stock Award agreement or the Equity Plan pursuant to which your Stock Awards were granted provides for more favorable treatment of Stock Awards upon a Change in Control or a Qualifying Termination, nothing in this Agreement is intended to limit your right to such more favorable treatment as provided in such Stock Award agreement or Equity Plan.

o**Death and Disability Benefits.** In addition to your Accrued Obligations, if your employment terminates by reason of your death or Disability, notwithstanding anything else set forth herein, in the Company's Equity Plans or in any Stock Award agreement, all unvested Stock Awards then held by you that are solely subject to time-based vesting conditions will vest on the date of your termination of employment. Your outstanding Stock Awards granted under the Company's Equity Plans that are subject in whole or in part to performance-based vesting conditions will be governed by the terms of the applicable Stock Award agreement and the Equity Plan under which such Stock Awards were granted.

o**Release**. As a condition to your receipt of any post-termination payments and benefits pursuant to the preceding paragraphs (other than in the case of your death), you shall execute and not revoke a general release of all claims in favor of the Company (the "***Release***") in a form reasonably acceptable to the Company in order to effectuate a valid general release of claims. In the event the Release does not become effective within the 60-day period following the date of your termination of employment, you will not be entitled to the aforesaid payments and benefits.

o**No Mitigation**. You shall not be required to mitigate, by seeking employment or otherwise, the amount of any payment that the Company becomes obligated to make under this Agreement, and, except as expressly provided in this Agreement, amounts or other benefits to be paid or provided to you pursuant to this Agreement shall not be reduced by reason of your obtaining other employment or receiving similar payments or benefits from another employer.

o**Definitions**.

oFor purposes of this Agreement, "***Cause***" means any of the following: (a) your commission of an act of fraud, embezzlement or dishonesty, or the commission of some other illegal act by you, that has a demonstrable adverse impact on the Company or any successor or affiliate thereof; (b) your conviction of, or plea of "guilty" or "no contest" to, a non-vehicular felony or any crime involving fraud, dishonesty or moral turpitude under the laws of the United States or any state thereof; (c) any intentional, unauthorized use or disclosure by you of confidential information or trade secrets of the Company or any successor or affiliate thereof; (d) your gross negligence, insubordination or material violation of any duty of loyalty to the Company or any successor or affiliate thereof, or any other demonstrable material misconduct on your part; (e) your ongoing and repeated failure or refusal to perform or neglect of your duties as required by this Agreement or your ongoing and repeated failure or refusal to comply with the lawful instructions given to you by the Board, which failure, refusal or neglect continues for 15 days following your receipt of written notice from the Board stating with specificity the nature of such failure, refusal or neglect; provided that it is understood that this clause (e) shall not permit the Company to terminate your employment for Cause solely because of (i) your failure to meet specified performance objectives or achieve a specific result or outcome, or (ii) Company's dissatisfaction with the quality of services provided by you in the good faith performance of your duties to the Company; or (f) your willful, material breach of any material Company policy or any material provision of this Agreement or the Proprietary Information and Inventions Assignment Agreement. Prior to the determination that "Cause" under clauses (d), (e) or (f) has occurred, the Company shall (i) provide to you in writing, in reasonable detail, the reasons for the determination that such "Cause" exists, (ii) other than with respect to clause (e) above which specifies the applicable period of time for you to remedy your breach, afford you a reasonable opportunity to remedy any such breach, (iii) provide you an opportunity to be heard prior to the final decision to terminate your employment hereunder for such "Cause" and (iv) make any decision that such "Cause" exists in good faith. The foregoing definition shall not in any way preclude or restrict the right of the Company or any successor or affiliate thereof to discharge or dismiss you for any other acts or omissions, but such other acts or omissions shall not be deemed, for purposes of this Agreement, to constitute grounds for termination for Cause.

oFor purposes of this Agreement, "***Change in Control***" shall have the meaning set forth in the Company's 2019 Incentive Award Plan or 2025 Employment Inducement Incentive Award Plan, as the case may be. If a Change in Control would give rise to a payment or settlement event with respect to any payment or benefit that constitutes "nonqualified deferred compensation," the transaction or event constituting the Change in Control must also constitute a "change in control event" (as defined in Treasury Regulation §1.409A-3(i)(5)) in order to give rise to the payment or settlement event for such payment or benefit, to the extent required by Section 409A.

oFor purposes of this Agreement, "***Change in Control Period***" means the three months prior to or 24 months following a Change in Control.

oFor purposes of this Agreement, "***Disability***" means a permanent and total disability under Section 22(e)(3) of the Code, as amended. If your Disability would give rise to a payment or settlement event with respect to any payment

or benefit that constitutes "nonqualified deferred compensation," your Disability must also constitute a "disability" (as defined in Section 409A of the Code).

oFor purposes of this Agreement, "***Equity Plan***" means an equity incentive plan maintained by the Company.

oFor purposes of this Agreement, "***Good Reason***" means any of the following without your written consent: (a) a material diminution in your title, authority, duties or responsibilities, including, without limitation, following a Change in Control, your ceasing to report to the chief executive officer of the ultimate parent entity of the Company (or its successor), and/or your ceasing to serve as the Chief Financial and Business Officer, or similar position, of such ultimate parent entity; (b) a material diminution in your base salary or Target Bonus compensation (and you and the Company agree that any diminution of 10% or more shall be considered material for this purpose, regardless of whether such diminution occurs due to a single reduction or a series of reductions in your base compensation), unless such a reduction is imposed across-the-board to senior management of the Company (and for the avoidance of doubt, following a Change in Control, the reference to senior management of the Company shall include, without limitation, the senior management of the ultimate parent entity of the Company (or its successor)); (c) a material change in the geographic location at which you must perform your duties (and a relocation of the geographic location at which you must perform your duties to a location that increases your one-way commute from your residence by more than 25 miles as compared to your principal place of employment prior to such relocation shall be considered material for this purpose);provided that your obligation to work from the Company's offices as provided in this Agreement shall not constitute Good Reason for purposes of this Agreement or any other agreement between you and the Company; or (d) any other action or inaction that constitutes a material breach by the Company or any successor or affiliate of its obligations to you under this Agreement. You must provide written notice to the Company of the occurrence of any of the foregoing events or conditions without your written consent within 90 days of the occurrence of such event. The Company or any successor or affiliate shall have a period of 30 days to cure such event or condition after receipt of written notice of such event from you. Your termination of employment by reason of resignation from employment with the Company for Good Reason must occur within 90 days following the expiration of the foregoing 30-day cure period.

oFor purposes of this Agreement, "***Stock Awards***" means all stock options, restricted stock and such other awards granted pursuant to the Company's stock option and equity incentive award plans or agreements and any shares of stock issued upon exercise thereof, including the Stock Options and RSUs; provided, however, that, for the avoidance of doubt, any performance-based equity awards granted to you shall not be eligible for any accelerated vesting as provided herein and the vesting of such awards shall be solely governed by the Equity Plan and the applicable award agreements.

o**Section 409A**. To the extent applicable, this Agreement shall be interpreted in accordance with Section 409A of the Code and Department of Treasury regulations and other interpretive guidance issued thereunder. The intent of the parties is that payments and benefits under this Agreement comply with, or be exempt from

Section 409A of the Code and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance with such intention. To the extent that any provision in this Agreement is ambiguous as to its compliance with or exemption from Section 409A of the Code, the provision shall be read in such a manner that no payments payable under this Agreement shall be subject to an "additional tax" as defined in Section 409A(a)(1)(B) of the Code. For purposes of Section 409A of the Code, any right to a series of installment payments under this Agreement shall be treated as a right to a series of separate payments. For purposes of this Agreement, all references to your "termination of employment" shall mean your "separation from service" (as defined in Treasury Regulation Section 1.409A- 1(h)) ("***Separation from Service***"). If you are a "specified employee" (as defined in Section 409A of the Code), as determined by the Company in accordance with Section 409A of the Code, on the date of your Separation from Service, to the extent that the payments or benefits under this Agreement are "non-qualified deferred compensation" subject to Section 409A of the Code and the delayed payment or distribution of all or any portion of such amounts to which you are entitled under this Agreement is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code, then such portion deferred pursuant to this paragraph shall be paid or distributed to you in a lump sum on the earlier of

(a)the date that is 6 months and one day following your Separation from Service,
(b)the date of your death or (c) the earliest date as is permitted under Section 409A of the Code. Any remaining payments due under this Agreement shall be paid as otherwise provided herein.

To the extent that the payments or benefits under this Agreement are "non- qualified deferred compensation" subject to Section 409A of the Code, if the period during which you may deliver the Release required hereunder spans two calendar years, the payment of your post-termination benefits shall occur (or commence) on the later of (a) January 1 of the second calendar year, or (b) the first regularly-scheduled payroll date following the date your Release becomes effective.

Any reimbursement of expenses or in-kind benefits payable under this Agreement shall be made in accordance with Treasury Regulation Section 1.409A-3(i)(1)(iv) and shall be paid on or before the last day of your taxable year following the taxable year in which you incurred the expenses. The amount of expenses reimbursed or in-kind benefits payable in one year shall not affect the amount eligible for reimbursement or in-kind benefits payable in any other taxable year of yours, and your right to reimbursement for such amounts shall not be subject to liquidation or exchange for any other benefit.

•**Company Policies And Proprietary Information and Inventions Assignment Agreement.** As an employee of the Company, you shall be expected to abide by all of the Company's written policies and procedures and the Company's employee handbook, if any. As a condition of your commencement of employment hereunder, you agree to execute and abide by the terms of the Company's form of Proprietary Information and Inventions Assignment Agreement, attached hereto as Exhibit A, which shall survive termination of your employment with the Company and the termination of the Proprietary Information and Inventions Assignment Agreement. You acknowledge that a remedy at law for any breach or threatened breach by you of the provisions of the Proprietary Information and Inventions Assignment Agreement would be inadequate, and you therefore agree that the Company shall be entitled to injunctive relief in case of any such breach or threatened breach. The Company may modify, revoke, suspend or terminate any of the terms, plans, policies and/or procedures described in the employee handbook, if any, or as otherwise communicated to you, in whole or part, at any time, with or without

notice; provided that any such action does not affect your rights under this Agreement.

- **Best Pay Provision.**

  - In the event that any payment or benefit received or to be received by you pursuant to the terms of any plan, arrangement or agreement (including any payment or benefit received in connection with a change in ownership or control or the termination of your employment) (all such payments and benefits being hereinafter referred to as the "***Total Payments***") would be subject (in whole or part) to the excise tax (the "***Excise Tax***") imposed under Section 4999 of the Code, then the Total Payments shall be reduced to the extent necessary so that no portion of the Total Payments is subject to the Excise Tax but only if (i) the net amount of such Total Payments, as so reduced (after subtracting the amount of federal, state and local income taxes on such reduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such reduced Total Payments) is greater than or equal to (ii) the net amount of such Total Payments without such reduction (after subtracting the net amount of federal, state and local income taxes on such Total Payments and the amount of Excise Tax to which you would be subject in respect of such unreduced Total Payments and after taking into account the phase out of itemized deductions and personal exemptions attributable to such unreduced Total Payments). Except to the extent that an alternative reduction order would result in a greater economic benefit to you on an after-tax basis, the parties intend that the Total Payments shall be reduced in the following order: (w) reduction of any cash severance payments otherwise payable to you that are exempt from Section 409A of the Code, (x) reduction of any other cash payments or benefits otherwise payable to you that are exempt from Section 409A of the Code, but excluding any payment attributable to the acceleration of vesting or payment with respect to any equity award that is exempt from Section 409A of the Code, (y) reduction of any other payments or benefits otherwise payable to you on a pro-rata basis or such other manner that complies with Section 409A of the Code, but excluding any payment attributable to the acceleration of vesting and payment with respect to any equity award that is exempt from Section 409A of the Code, and (z) reduction of any payments attributable to the acceleration of vesting or payment with respect to any equity award that is exempt from Section 409A of the Code; provided, in case of clauses (x), (y) and (z), that reduction of any payments or benefits attributable to the acceleration of vesting of Company equity awards shall be first applied to equity awards with later vesting dates; provided, further, that, notwithstanding the foregoing, any such reduction shall be undertaken in a manner that complies with and does not result in the imposition of additional taxes on you under Section 409A of the Code. The foregoing reductions shall be made in a manner that results in the maximum economic benefit to you on an after-tax basis and, to the extent economically equivalent payments or benefits are subject to reduction, in a pro rata manner.

  - All determinations regarding the application of the paragraph above shall be made by an independent accounting firm or consulting group with nationally recognized standing and substantial expertise and experience in performing calculations regarding the applicability of Section 280G of the Code and the Excise Tax retained by the Company prior to the date of the applicable change in ownership or control (the "***280G Firm***"). For purposes of determining whether and the extent to which the Total Payments will be subject to the Excise Tax, (i) no portion of the

Total Payments shall be taken into account which (x) does not constitute a "parachute payment" within the meaning of Section 280G(b)(2) of the Code (including by reason of Section 280G(b)(4)(A) of the Code) and, in calculating the Excise Tax, or (y) constitutes reasonable compensation for services actually rendered, within the meaning of Section 280G(b)(4)(B) of the Code, in excess of the "base amount" (as defined in Section 280G(b)(3) of the Code) allocable to such reasonable compensation, (ii) no portion of the Total Payments the receipt or enjoyment of which you shall have waived at such time and in such manner as not to constitute a "payment" within the meaning of Section 280G(b) of the Code shall be taken into account, and (iii) the value of any non-cash benefit or any deferred payment or benefit included in the Total Payments shall be determined by the 280G Firm in accordance with the principles of Sections 280G(d)(3) and (4) of the Code. All determinations related to the calculations to be performed pursuant to this "Best Pay Provision" section shall be done by the 280G Firm. The 280G Firm will be directed to submit its determination and detailed supporting calculations to both you and the Company within fifteen (15) days after notification from either the Company or you that you may receive payments which may be "parachute payments." You and the Company will each provide the 280G Firm access to and copies of any books, records, and documents as may be reasonably requested by the 280G Firm, and otherwise cooperate with the 280G Firm in connection with the preparation and issuance of the determinations and calculations contemplated by this Agreement. The fees and expenses of the 280G Firm for its services in connection with the determinations and calculations contemplated by this Agreement will be borne solely by the Company.

•**Other Agreements.** You represent and agree that your performance of your duties for the Company do not violate any agreements, obligations or understandings that you may have with any third party or prior employer. Without limiting the foregoing, you represent and agree that you are not bound by any non-compete or non-solicitation agreement or any other type of agreement that would prohibit your employment with the Company. You agree not to make any unauthorized disclosure or use, on behalf of the Company, of any confidential information belonging to any of your former employers. You also represent that you are not in unauthorized possession of any materials containing a third party's confidential and proprietary information. While employed by the Company, you will not engage in any business activity in competition with the Company nor make preparations to do so. In the event that you wish to undertake a business activity outside the scope of your employment by the Company, which activity you believe entails no conflict with the Company's activities, you agree to inform the Company of your intentions before the initiation of such outside business activity, and you furthermore agree to abide by the Company's decision as to whether or not there is no conflict. If, in the Company's reasonable determination, a conflict exists or is likely to develop, you agree not to undertake such outside business activity.

•**Non-Interference.** While employed by the Company, and for one year immediately following the date on which you terminate employment or otherwise cease providing services to the Company, you agree not to interfere with the business of the Company by (a) soliciting or attempting to solicit any employee or consultant of the Company to terminate such employee's or consultant's employment or service in order to become an employee, consultant or independent contractor to or for any other person or entity or (b) soliciting or attempting to solicit any vendor, supplier, customer or other person or entity either directly or indirectly, to direct his, her or its purchase of the Company's products and/or services to any person, firm, corporation, institution or other entity in competition with the business of the Company. The foregoing restrictions shall not apply with respect to the bona fide hiring and firing of Company personnel to the extent such acts are part of your duties for Company. Your duties under this paragraph shall survive termination of your employment with the Company and the termination of this Agreement.

•**Reasonableness of Terms.** You agree that the terms contained in the "Other Agreements" and "Non-Interference" paragraphs above are reasonable in all respects and that the restrictions contained therein are designed to protect the Company against unfair competition. In the event a court determines that any of the terms or provisions of this Agreement are unreasonable, the court may limit the application of any provision or term, or modify any provision or term, and proceed to enforce this Agreement as so limited or modified.

•**Governing Law; Jurisdiction and Venue.** This Agreement, for all purposes, shall be construed in accordance with the laws of the State of Arizona without regard to conflicts-of-law principles. Any action or proceeding by either party to enforce this Agreement shall be brought only in any state court in Maricopa County, Arizona, or in the United States District Court for the District of Arizona . The parties hereby irrevocably submit to the exclusive jurisdiction of such courts and waive the defense of inconvenient forum to the maintenance of any such action or proceeding in such venue.

•**Arbitration**. Unless otherwise prohibited by law or specified below, any dispute, claim or controversy based on, arising out of or relating to this Agreement or your employment with the Company shall be settled by final and binding arbitration in Maricopa County, Arizona, before a single neutral arbitrator in accordance with the JAMS Employment Arbitration Rules and Procedures (the "***Rules***"), and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction. The Rules may be found online at www.jamsadr.com and will be provided to you upon written request. Arbitration may be compelled pursuant to the Federal Arbitration Act, 9 U.S.C. §1-16, or if inapplicable, any similar statute of an applicable jurisdiction. If the parties are unable to agree upon an arbitrator, one shall be appointed by JAMS in accordance with its Rules. Each party shall pay the fees of its own attorneys, the expenses of its witnesses and all other expenses connected with presenting its case. Other costs of the arbitration, including the cost of any record or transcripts of the arbitration, JAMS administrative fees, the fee of the arbitrator, and all other fees and costs, shall be borne by the Company. This paragraph is intended to be the exclusive method for resolving any and all claims by the parties against each other for payment of damages under this Agreement or related to your employment; provided, however, that you shall retain the right to file administrative charges with or seek relief through any government agency of competent jurisdiction, and to participate in any government investigation, including but not limited to (a) claims for workers' compensation, state disability insurance or unemployment insurance; (b) claims for unpaid wages or waiting time penalties brought before any federal or state agency); provided, however, that any appeal from an award or from denial of an award of wages and/or waiting time penalties shall be arbitrated pursuant to the terms of this Agreement; and (c) claims for administrative relief from the United States Equal Employment Opportunity Commission and/or any similar state agency in any applicable jurisdiction. This Agreement shall not limit either party's right to obtain any provisional remedy, including, without limitation, injunctive or similar relief, from any court of competent jurisdiction as may be necessary to protect their rights and interests pending the outcome of arbitration, including without limitation injunctive relief, in any court of competent jurisdiction. Seeking any such relief shall not be deemed to be a waiver of such party's right to compel arbitration. Each party warrants that it has had the opportunity to be represented by counsel in the negotiation and execution of this Agreement, including the attorneys' fees provision herein. Both you and the Company expressly waive your right to a jury trial. Unless otherwise prohibited by law, you further waive your right to pursue claims against the Company on a class basis, except to the extent such rights cannot be waived under applicable laws.

•**Severability.** Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provisions had never been contained herein.

•**Successors and Assigns.** This Agreement is intended to bind and inure to the benefit of and be enforceable by you and the Company, and their respective successors, assigns, heirs, executors and administrators, except that you may not assign any of your duties hereunder and you may not assign any of your rights hereunder, without the written consent of the Company, which shall not be withheld unreasonably.

•**Entire Agreement.** This Agreement and the Proprietary Information and Inventions Assignment Agreement constitute the complete, final and exclusive embodiment of the entire agreement between you and the Company with respect to the terms and conditions of your employment specified herein and therein. This Agreement and the Proprietary Information and Inventions Assignment Agreement supersede any other such promises, obligations, warranties, representations or agreements between you and the Company, and you agree that any and all such prior promises, obligations, warranties, representations and agreements are hereby terminated. This Agreement may not be amended or modified except by a written instrument signed by you and a duly authorized officer of the Company.

•**Employment Conditions**. As a condition to your employment with the Company on the Start Date, you are required to (a) sign and return a satisfactory I-9 Immigration form providing sufficient documentation establishing your employment eligibility in the United States, and (b) provide satisfactory proof of your identity as required by United States law. Your commencement of employment is also subject to a satisfactory background check, the forms for which were provided to you under separate cover.

If you choose to accept this Agreement under the terms described above, please acknowledge your acceptance of our offer by returning a signed copy of this Agreement and the Proprietary Information and Inventions Assignment Agreement to our attention.

Sincerely,

Phathom Pharmaceuticals, Inc.

_/s/ Steve Basta_____
Name: Steve Basta
Title: Chief Executive Officer

Agreed and Accepted:

I have read and understood this Agreement and hereby acknowledge, accept and agree to the terms as set forth above and further acknowledge and agree that no other commitments were made to me as part of my employment offer except as specifically set forth herein.

/s/ Sanjeev Narula
Name: Sanjeev Narula Date: 05-Oct-2025

Exhibit A: Proprietary Information and Inventions Assignment Agreement

EXHIBIT A

Proprietary Information and Inventions Assignment Agreement

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Steven Basta, certify that:

1.I have reviewed this Quarterly Report on Form 10-Q of Phathom Pharmaceuticals, Inc.

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

3.Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4.The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a)Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b)Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c)Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d)Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5.The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

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

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

Date: October 30, 2025

/s/ Steven Basta
Steven Basta
Chief Executive Officer and President
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Sanjeev Narula, certify that:

1.I have reviewed this Quarterly Report on Form 10-Q of Phathom Pharmaceuticals, Inc.

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

3.Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4.The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a)Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b)Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c)Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d)Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5.The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

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

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

Date: October 30, 2025

/s/ Sanjeev Narula
Sanjeev Narula
Chief Financial and Business Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO

18 U.S.C. SECTION 1350

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Phathom Pharmaceuticals, Inc. (the "Company") for the quarter ended September 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Steven Basta, as Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to my knowledge, that:

(1)the Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(2)the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: October 30, 2025

/s/ Steven Basta
Steven Basta
Chief Executive Officer and President
(Principal Executive Officer)

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

Exhibit 32.2

CERTIFICATION PURSUANT TO

18 U.S.C. SECTION 1350

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Phathom Pharmaceuticals, Inc. (the "Company") for the quarter ended September 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Sanjeev Narula, as Chief Financial & Business Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to my knowledge, that:

(1)the Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(2)the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: October 30, 2025

/s/ Sanjeev Narula
Sanjeev Narula
Chief Financial and Business Officer
(Principal Financial Officer)

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.