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

FORM 8-K

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

Date of Report (Date of earliest event reported): December 22, 2019

Urovant Sciences Ltd.
(Exact name of Registrant as Specified in Its Charter)

Bermuda	**001-38667**	**98-1463899**
(State or Other Jurisdiction of Incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

Suite 1, 3rd Floor
11-12 St. James's Square
London SW1Y 4LB
United Kingdom
(Address of Principal Executive Offices)

Not Applicable
(Zip Code)

+44 (0) 207 400 3347
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

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

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Shares, $0.000037453 par value	**UROV**	**Nasdaq Global Select Market**

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

Emerging growth company ☒

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

Item 1.01. Entry into a Material Definitive Agreement.

As previously disclosed, on October 31, 2019, Urovant Sciences Ltd. ("we," "our," "us" or the "Company") entered into a letter agreement (the "Letter Agreement") with Sumitomo Dainippon Pharma Co., Ltd. ("Sumitomo"), in connection with the execution of a definitive transaction agreement (the "Transaction Agreement") among Sumitomo, Roivant Sciences Ltd. ("Roivant"), and certain of Roivant's affiliates. On December 27, 2019, Sumitomo and Roivant announced the closing of the transactions contemplated by the Transaction Agreement (the "Sumitomo Transaction"), pursuant to which all of our common shares held by Roivant were contributed to Sumitovant Biopharma Ltd., a wholly-owned subsidiary of Roivant at the time of such contribution ("Sumitovant"), and subsequent to such contribution, Sumitomo acquired all issued and outstanding equity securities of Sumitovant.

Pursuant to the Letter Agreement, among other things, (i) Sumitomo committed to provide us with a low-interest, interest-only, five-year term loan facility, with no principal repayments required to be made by us until the end of the term; and (ii) the parties agreed to enter into an investor rights agreement that would provide Sumitomo with customary registration and information rights and provide our minority shareholders certain protections outlined therein.

Sumitomo Loan Agreement

On December 27, 2019, we entered into a $300 million unsecured revolving debt financing agreement (the "Sumitomo Loan Agreement") with Sumitomo, as lender. Sumitomo has agreed to fund $87.5 million within five business days after the closing of the Sumitomo Loan Agreement. Additional funds may be drawn down by us no more than once any calendar quarter, subject to certain terms and conditions. Interest on the outstanding loans is payable quarterly, and the principal is due and payable in full on the five year anniversary of the closing date of the Sumitomo Loan Agreement.

Loans under the Sumitomo Loan Agreement (the "Loans") bear a rate per annum equal to LIBOR plus a margin of 3.0% payable on the last day of each calendar quarter. Our obligations under the Sumitomo Loan Agreement are fully and unconditionally guaranteed by each of our direct and indirect subsidiaries (Urovant Holdings Limited, Urovant Sciences GmbH, Urovant Sciences, Inc., Urovant Treasury Holdings, Inc. and Urovant Sciences Treasury, Inc.). The proceeds of the Loans will be used, among other things, to repay in full all outstanding obligations under the Hercules Loan Agreement (as defined below) and for working capital or other general corporate purposes incurred during any calendar quarter in accordance with our annual budget.

The Sumitomo Loan Agreement contains certain representations and warranties, affirmative covenants, negative covenants and conditions that are customarily required for similar financings, including financial reporting obligations, and certain limitations on indebtedness, liens, investments, distributions (including dividends), collateral, investments, distributions, transfers, mergers or acquisitions, corporate changes and transactions with affiliates. The Sumitomo Loan Agreement further requires that, within ten business days of closing, a portion of the proceeds of the Loans shall be used to repay in full all outstanding obligations under the Loan and Security Agreement, dated February 20, 2018 (the "Hercules Loan Agreement"), by and among us and two of our subsidiaries (Urovant Holdings Limited and Urovant Sciences GmbH), as co-borrowers, and our remaining subsidiaries (Urovant Sciences, Inc., Urovant Treasury Holdings, Inc. and Urovant Sciences Treasury, Inc.) as guarantors, and Hercules Capital, Inc., as agent and lender. The Sumitomo Loan Agreement also contains customary events of default (subject, in certain instances, to specified grace periods) including, but not limited to: (i) the failure to make payments of interest on, or principal under the Loans; (ii) the failure to comply with certain covenants and agreements specified in the Sumitomo Loan Agreement; (iii) the occurrence of certain events that could reasonably be expected to have a "material adverse effect" as set forth in the Sumitomo Loan Agreement; (iv) defaults in respect of certain other indebtedness; and (v) certain events relating to bankruptcy or insolvency. If any event of default occurs, the principal, premium, if any, interest and any other monetary obligations on all the then outstanding amounts under the Loans may become due and payable immediately. Upon the occurrence of an event of default, a default interest rate of an additional 5.0% may be applied to the outstanding principal balance, and Sumitomo may declare all outstanding obligations immediately due and payable (subject, in certain instances, to specified grace periods) and take such other actions as set forth in the Sumitomo Loan Agreement. Upon the occurrence of certain bankruptcy and insolvency events, the obligations under the Sumitomo Loan Agreement would automatically become due and payable.

The foregoing description of the Sumitomo Loan Agreement does not purport to be complete and is qualified in its entirety by reference to the complete text of the Sumitomo Loan Agreement which is attached hereto as Exhibit 10.1 and is incorporated herein by reference.

Investor Rights Agreement

On December 27, 2019, we entered into an Investor Rights Agreement with Sumitomo and Sumitovant (the "Investor Rights Agreement"). Pursuant to the Investor Rights Agreement, among other things, we agreed to comply with any demands by Sumitovant to register for sale, under the Securities Act of 1933, any common shares of the Company beneficially owned by

Sumitovant that has an anticipated aggregate net offering price of at least $5 million, subject to certain customary exceptions and the right of the Company to refuse any demand for registration if we already effected two registrations for Sumitovant in the year preceding such demand. In addition, we agreed to periodically provide Sumitovant (i) certain financial statements, projections, capitalization summaries and other information customarily provided to significant investors in publicly-traded companies and (ii) access to our books, records, facilities and employees during our normal business hours as Sumitovant may reasonably request.

Moreover, the Investor Rights Agreement also contains certain protections for our minority shareholders for so long as Sumitomo or certain of its affiliates beneficially own between 50% and 90% of the total number of votes entitled to be cast at elections of our directors (the "Total Voting Power"). These protections include, among other things: (i) a requirement for a minimum of three independent directors on our Board of Directors (the "Board") (each of whom cannot be removed by Sumitomo or certain of its affiliates without the approval of a majority of the minority shareholders); (ii) a requirement that the audit committee of our Board (the "Audit Committee") is comprised solely of independent directors; (iii) the appointment of Mr. Pierre Legault as our lead independent director; (iv) a requirement that any transaction proposed by Sumitomo or certain of its affiliates that would increase Sumitomo's beneficial ownership to over 76% of the Total Voting Power must be approved by the Audit Committee (if occurring prior to December 27, 2021) and, if such transaction would increase Sumitomo's beneficial ownership to over 80% of the Total Voting Power, a majority of our minority shareholders voting on such matter; and (v) a requirement that any related person transactions between Sumitomo or certain of its affiliates and the Company must be approved by our Audit Committee, consistent with our existing Related Person Transactions Policy.

Pursuant to the Investor Rights Agreement we also agreed that so long as Sumitomo or certain of its affiliates beneficially own between 50% and 90% of the Total Voting Power, we would inform Sumitovant before issuing any new common shares and allow Sumitovant to (i) participate in such issuance up to its pro rata share (unless such issuance is in connection with the acquisition of a business or its assets) or (ii) make sufficient open market purchases of our securities to ensure that Sumitomo's beneficial ownership percentage does not decline as a result of such issuance.

The foregoing description of the Investor Rights Agreement does not purport to be complete and is qualified in its entirety by reference to the complete text of the Investor Rights Agreement, which is attached hereto as Exhibit 10.2 and is incorporated herein by reference.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information set forth in Item 1.01 under the heading "Sumitomo Loan Agreement" is incorporated by reference into this Item 2.03.

Item 5.01. Changes in Control of Registrant.

The description of the Sumitomo Transaction set forth in Item 1.01 is incorporated by reference into this Item 5.01. Upon the consummation of the Sumitomo Transaction, (i) Sumitovant directly acquired 22,860,013 common shares of the Company, which represents approximately 74.9% of all issued and outstanding common shares of the Company, as a result of Roivant's contribution of such shares to Sumitovant; (ii) Sumitomo acquired indirect beneficial ownership of the 22,860,013 common shares of the Company directly held by Sumitovant as a result of its acquisition of all issued and outstanding equity securities of Sumitovant from Roivant; and (iii) Roivant no longer beneficially owns any common shares of the Company.

Because Sumitomo's acquisition of common shares of the Company owned by Roivant was only one component of the transactions contemplated by the Transaction Agreement, the parties to the Transaction Agreement did not indicate or assign a specific consideration amount with respect to Sumitomo's acquisition of control of the Company from Roivant.

Pursuant to the Transaction Agreement, Sumitomo and Roivant agreed that prior to the closing of the Sumitomo Transaction, Roivant would use its authority pursuant to bye-laws 38 and 41 of the Amended and Restated Bye-laws of the Company (the "Bye-laws") to replace any director serving on the Board as a Roivant Director (as such term is defined in the Bye-laws) with candidates chosen by Sumitomo. Accordingly, on December 22, 2019, Mr. Frank M. Torti, M.D., a Roivant Director, delivered a notice to the Company in accordance with bye-law 41.1(d) of the Bye-laws, resigning as a director effective as of December 27, 2019. Following the resignation of Mr. Torti, Roivant delivered a notice to the Company in accordance with bye-law 38.4 of the Bye-laws designating Dr. Shigeyuki Nishinaka to serve as a Roivant Director until a replacement has been designated and qualified or his earlier resignation or removal in accordance with the Bye-laws. Pursuant to bye-law 38.4 of the Bye-laws, Dr. Nishinaka became a director of the Company upon the delivery of such notice, without the need for any further approval by the Board or the shareholders of the Company.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

The description of the replacement of Mr. Torti as a director with Dr. Nishinaka set forth in Item 5.01 is incorporated by reference into this Item 5.02. Dr. Nishinaka will serve on the Nominating, Corporate Governance and Compliance Oversight Committee of the Board.

Item 7.01. Regulation FD Disclosure

On December 30, 2019, we issued (i) a press release announcing the consummation of the Sumitomo Transaction and (ii) another press release announcing our entry into the Sumitomo Loan Agreement. Copies of the Sumitomo Transaction press release and the Sumitomo Loan Agreement press release are furnished as Exhibits 99.1 and 99.2, respectively, to this Current Report on Form 8-K and are incorporated herein by reference.

The information being furnished in this Item 7.01 of Form 8-K, including Exhibits 99.1 and 99.2, shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that Section, nor shall it be incorporated by reference into a filing under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit	Description
10.1	Loan Agreement, dated December 27, 2019, by and between Sumitomo Dainippon Pharma Co., Ltd. and Urovant Sciences Ltd.
10.2	Investor Rights Agreement, dated December 27, 2019, by and among Sumitomo Dainippon Pharma Co., Ltd., Urovant Sciences Ltd., and Sumitomo Biopharma Ltd.
99.1	Press Release, dated December 30, 2019, announcing the consummation of the Sumitomo Transaction.
99.2	Press Release, dated December 30, 2019, announcing the execution of the Sumitomo Loan Agreement.

SIGNATURE

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 hereunto duly authorized.

UROVANT SCIENCES LTD.

Dated: December 30, 2019

By: /s/ Christine G. Ocampo

Christine G. Ocampo
Principal Accounting Officer

Exhibit 10.1

LOAN AGREEMENT

This Loan Agreement, dated as of December 27, 2019 (this "Agreement"), is between Sumitomo Dainippon Pharma Co., Ltd., a company (*Kabushiki Kaisha*) incorporated under the laws of Japan (the "Lender"), and Urovant Sciences Ltd., an exempted company limited by shares and organized under the laws of Bermuda (the "Borrower" and, together with the Lender, the "Parties" and each, a "Party").

PRELIMINARY STATEMENTS:

A. The Borrower is a subsidiary of the Lender.

B. The Borrower has requested the Lender provide it with loans in the maximum principal amount not to exceed $300,000,000 (the "Lender Commitment").

C. The Borrower's obligations to the Lender will be guaranteed by the Borrower's subsidiaries pursuant to the terms of the Guaranty (as defined below).

AGREEMENT:

In consideration of the foregoing and the mutual agreements contained in this Agreement, the receipt and sufficiency of which are acknowledged, the Parties hereby agree as follows:

SECTION 1. INTERPRETATION:

This Agreement is to be interpreted in accordance with the rules of construction set forth on Annex A. Capitalized terms used in this Agreement and not otherwise defined have the meanings set forth for such terms on Annex A. All annexes, schedules and exhibits to this Agreement are deemed to be a part of this Agreement.

SECTION 2. LOAN FACILITY:

2.1 Loans. Subject to the terms and conditions of this Agreement, the Lender shall make loans (collectively, the "Loans" and each, a "Loan") to the Borrower from time to time from the Closing Date to, but not including, the Drawdown Termination Date as requested by the Borrower in accordance with the terms of Section 2.2 so long as the aggregate outstanding principal amount of the Loans does not exceed the Lender Commitment. All Loans will be made in Dollars. Subject to the terms and conditions hereof, the Borrower may borrow, repay and reborrow the Loans until the Drawdown Termination Date.

2.2 Drawdown Procedures. The Borrower may request a Loan no more than once in any calendar quarter unless the Lender agrees otherwise. The Borrower shall give the Lender prior written notice of its intention to borrow a Loan substantially in the form of Exhibit A (a "Drawdown Notice") not later than 12:00 p.m., Japan Standard Time, at least ten Business Days prior to the first day of the calendar quarter in which such Loan is to be made, specifying (a) the calendar quarter in which such Loan is to be made, (b) the principal amount of such Loan, which must be at least $1,000,000 and may not exceed the amount for which the Borrower may use the proceeds thereof as set forth in Section 2.3 and (c) the location and number of the Borrower's deposit account to which the proceeds of such Loan are to be disbursed (provided that within five Business Days after the Closing Date, the Lender shall make a Loan in the amount of $87,500,000 to the Borrower to be used as described in Section 2.3(A)). A Borrowing Notice received after 12:00 p.m., Japan Standard Time, is deemed received on the next Business Day. Upon receipt of the Borrower's Drawdown Notice, the Lender shall disburse the proceeds of the Loan requested in such Drawdown Notice in immediately available funds on the first day of the calendar quarter for such Loan was

requested (or if such day is not a Business Day, then the next succeeding day that is a Business Day and in the case of the Loan to be made within five Business Days after the Closing Date, on such Business Day) by crediting or wiring such proceeds to the deposit account of the Borrower identified in the Drawdown Notice or as may be otherwise agreed upon by the Borrower and the Lender.

2.3 Use of Proceeds. The Borrower shall, and shall cause each of its Subsidiaries to, use the proceeds of the Loans:

(A) with respect to the Loan to be made within five Business Days after the Closing Date, to (i) repay in full the outstanding loans under the Loan and Security Agreement dated as of February 20, 2019 (the "Hercules Loan Agreement"), among the Borrower, Hercules Capital, Inc. (formerly known as Hercules Technology Growth Capital, Inc.) and the other parties thereto, (ii) to finance the costs and expenses incurred by the Borrower in connection with the Loan Documents and (iii) as provided in Section 2.3(B) with respect to the calendar quarter following the Closing Date; and

(B) with respect to Loans made with respect to a specified calendar quarter, for working capital or other general corporate purposes, including capital expenditures, of the Borrower and its Subsidiaries incurred during such calendar quarter in accordance with the Annual Budget (and expressly excluding any distributions to the shareholders of the Parent) or as otherwise approved by the Lender from time to time.

The Borrower shall not use the proceeds of the Loans, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry Margin Stock, or to extend credit to others for the purpose of purchasing or carrying Margin Stock or to refund indebtedness originally incurred for such purpose.

2.4 Evidence of Debt. The Lender shall maintain records evidencing the Borrower's indebtedness resulting from the Loans, and the entries made in such records are prima facie evidence, absent manifest error, of the existence and amounts of the obligations recorded therein. The Lender's failure to maintain such records or make any entry therein or any error therein does not in any manner affect the obligations of the Borrower under the Loan Documents. Upon the Lender's request, the Borrower shall prepare, execute and deliver a promissory note to the Lender to evidence the amount of the Lender's commitment to make the Loans, in a form reasonably approved by the Lender.

2.5 Repayment of the Loans. The Borrower shall repay the outstanding principal amount of the Loans in full on the Maturity Date. The Borrower shall repay the outstanding principal amount of the Loans upon the Lender's demand (a) within 30 days of the occurrence of a Change of Control or (b) if the Lender determines it unlawful under applicable law, or that any Governmental Authority has asserted that it is unlawful under applicable law, for the Lender to make, maintain or fund the Loans, or any Governmental Authority has imposed material restrictions on the authority of the Lender to make, maintain or fund the Loans.

2.6 Prepayment of the Loans. The Borrower may at any time and from time to time prepay the Loans, in whole or in part, with irrevocable prior written notice to the Lender substantially in the form attached as Exhibit B (a "Prepayment Notice") given not later than 12:00 p.m., Japan Standard Time, at least ten Business Days before the proposed prepayment date, specifying the date and amount of the prepayment. If a Prepayment Notice is given, the Borrower shall prepay the amount specified in such Prepayment Notice on the prepayment date set forth therein. A partial prepayment of the Loans must be in a minimum amount of $100,000 or any whole multiple of $100,000 in excess thereof (or, if less, the entire principal amount of the Loans then outstanding). A Prepayment Notice received after 12:00 p.m., Japan

Standard Time, is deemed received on the next Business Day. Subject to the terms and conditions hereof, amounts prepaid under this Section 2.6 may be re-borrowed.

2.7 Interest. The Borrower shall pay interest on the outstanding principal amount of the Loans at a rate per annum equal to the Benchmark Rate in effect from time to time plus the Margin. After the occurrence and during the continuation of an Event of Default, the Borrower shall pay interest on the outstanding principal amount of the Loans from the date of such Event of Default until such Event of Default has been waived by the Lender in writing at a rate per annum equal to 5% in excess of the interest rate then applicable to the Loans, such interest being payable on demand.

(A) Accrued and unpaid interest is payable on the last day of each of calendar quarter, on the date of any prepayment of the Loans, on the Maturity Date and, after the Maturity Date, on demand.

(B) If LIBOR becomes unavailable, the Lender and the Borrower will negotiate in good faith to select an alternative interest rate and, if applicable as a result of such alternative interest rate, margin adjustment that is an industry accepted successor rate for determining an interest rate as a replacement to LIBOR for floating rate obligations at such time and, if applicable, a margin adjustment with respect thereto, and such alternative interest rate plus the Margin (as modified, if applicable, to reflect any such margin adjustment), together will be the interest rate for purposes of this Agreement. In the event that the Lender and the Borrower cannot, within 30 days after LIBOR becomes unavailable, agree to such an alternative interest rate or applicable margin adjustment, the Lender shall select such alternative interest rate and margin adjustment.

(C) Notwithstanding anything in the Loan Documents to the contrary, if at any time the interest rate applicable to the Loans, together with all fees, charges and other amounts that are treated as interest on the Loans under applicable law (collectively, "charges"), exceed the maximum lawful rate (the "Maximum Rate") that may be contracted for, charged, taken, received or reserved by the Lender in accordance with applicable law, the rate of interest payable in respect of the Loans, together with all charges payable in respect thereof, is limited to the Maximum Rate. The Lender shall apply any amount it collected that exceeds the maximum amount collectible at the Maximum Rate to the reduction of the outstanding principal amount of the Loans or refunded to the Borrower so that at no time will the interest and charges paid or payable in respect of the Loans exceed the maximum amount collectible at the Maximum Rate.

(D) All computations of interest under this Agreement are made on the actual number of days elapsed over a year of 360 days.

2.8 Manner of Payment. The Borrower shall make each payment on account of the principal of or interest on the Loans or of any other amounts payable under this Agreement (a) not later than 12:00 p.m. , Japan Standard Time, on the date specified for payment by this Agreement, (b) to the Lender at the Lender's address as set forth in Section 8.5 or such other location as the Lender may identify in writing to the Borrower for such purpose, (c) in Dollars and in immediately available funds and (d) without condition or deduction for any counterclaim, defense, recoupment or setoff. Any payment received after 12:00 p.m., Japan Standard Time, is deemed to have been made on the next succeeding Business Day for all purposes. If any payment under this Agreement is specified to be made upon a day that is not a Business Day, then the Borrower shall make such payment on the next succeeding day that is a Business Day and such extension in such case will be included in computing any interest if payable along with such payment.

2.9 Withholding. The Borrower shall make all payments to the Lender under this Agreement without deduction for any and all present or future taxes, levies, imposts, duties, deductions, withholdings, assessments, fees or other charges imposed by any Governmental Authority (including any interest, additions to tax or penalties applicable thereto) unless required by a Governmental Authority or applicable law, regulation or international agreement. If at any time a Governmental Authority or applicable law, regulation or international agreement requires the Borrower to make any withholding or deduction from a payment to the Lender under this Agreement, the amount due from the Borrower with respect to such payment will be increased to the extent necessary to ensure that, after the making of such required withholding or deduction, the Lender receives a net sum equal to the sum which it would have received had no withholding or deduction been required, and the Borrower shall pay the full amount withheld or deducted to the relevant Governmental Authority unless the Borrower is contesting the amount or validity of such withholding payment in good faith by appropriate and timely proceedings and as to which payment in full is bonded or reserved against by the Borrower. The Borrower shall, upon request, furnish the Lender with proof reasonably satisfactory to the Lender indicating that the Borrower has made such withholding payment. The Borrower's obligations under this Section 2.9 survive the termination of the Loan Documents and payment of the Obligations.

2.10 Indemnity. The Borrower shall indemnify the Lender and each Related Party of the Lender (each such Person, an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (including the fees, charges and disbursements of any counsel for any Indemnitee) incurred by any Indemnitee or asserted against any Indemnitee by any Person (including the Borrower) arising out of, in connection with, or as a result of (a) the execution or delivery of each Loan Document, the performance by the Parties of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, (b) the Loans or the use or proposed use of the proceeds therefrom, (c) any actual or alleged presence or release of hazardous materials on or from any property owned or operated by the Borrower or any of its Subsidiaries, or any environmental liability related in any way to the Borrower or any of its Subsidiaries or (d) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Borrower, and regardless of whether any Indemnitee is a party thereto. The indemnity provided by this Section 2.10 is not, as to any Indemnitee, available to the extent that such losses, claims, damages, liabilities or related expenses (i) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee, (ii) result from a claim brought by the Borrower against an Indemnitee for breach in bad faith of such Indemnitee's obligations under any Loan Document, if the Borrower has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction or (iii) result from a claim not involving an act or omission of the Borrower and that is brought by an Indemnitee against another Indemnitee. The Borrower's obligations under this Section 2.10 survive the termination of the Loan Documents and payment of the Obligations.

SECTION 3. REPRESENTATIONS:

The Borrower makes the following representations to the Lender, which representations survive the execution and delivery of this Agreement:

3.1 Existence, Qualification and Power. The Borrower and each Subsidiary (a) is duly organized or formed, validly existing and, as applicable, in good standing under the laws of the jurisdiction of its organization, (b) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to (i) own or lease its assets and carry on its business and (ii) execute, deliver and perform its obligations under the Loan Documents to which it is a party and (c) is duly qualified and is licensed and, as applicable, in good standing under the laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification or license, except

to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

3.2 Authorization; No Contravention. The execution, delivery and performance by each Loan Party of each Loan Document to which it is party have been duly authorized by all necessary organizational action, and do not and will not (a) contravene the terms of its organizational documents, (b) conflict with or result in any breach or contravention of, or the creation of any Lien under, or require any payment to be made under (i) any material security issued by such Loan Party or any material agreement, instrument or other undertaking to which such Loan Party is a party or affecting such Loan Party or the properties of such Loan Party or any Subsidiary (other than the payments contemplated in Section 2.3(A)) or (ii) any material order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Loan Party or any Subsidiary or its property is subject or (c) violate any law in any material respect.

3.3 Governmental Authorization; Other Consents. No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with the execution, delivery or performance by, or enforcement against, each Loan Party of each Loan Document to which it is a party, except for such approvals, consents, exemptions, authorizations, actions or notices that have been duly obtained, taken or made and in full force and effect.

3.4 Execution and Delivery; Binding Effect. This Agreement has been, and each other Loan Document, when delivered hereunder, will have been, duly executed and delivered by each Loan Party that is a party thereto. This Agreement constitutes, and each other Loan Document when so delivered will constitute, a legal, valid and binding obligation of each Loan Party that is a party thereto, enforceable against such Loan Party in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, receivership, moratorium or other laws affecting creditors' rights generally and by general principles of equity.

3.5 Litigation. There are no actions, suits, proceedings, claims, disputes or investigations pending or, to the knowledge of the Borrower, threatened, at law, in equity, in arbitration or before any Governmental Authority, by or against the Borrower or any Subsidiary or against any of their properties or revenues that (a) could reasonably be expected to be adversely determined and, if so determined, either individually or in the aggregate could reasonably be expected to have a Material Adverse Effect or (b) purport to affect or pertain to any Loan Document or any of the transactions contemplated hereby.

3.6 No Material Adverse Effect. Neither the Borrower nor any Subsidiary is in default under or with respect to any security issued by such Person or any agreement, instrument or other undertaking to which such Person is a party or affecting such Person or its properties that, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

3.7 Solvency. The fair value of each Loan Party's property is greater than the total amount of its liabilities, including contingent liabilities, the present fair saleable value of each Loan Party is not less than the amount that will be required to pay the probable liability of such Loan Party on its debts as they become absolute and matured, no Loan Party intends to, or believes that it will, incur debts or liabilities beyond its ability to pay such debts and liabilities as they mature and no Loan Party is engaged in a business or a transaction, and is not about to engage in a business or a transaction, for which its property would constitute an unreasonably small capital. The amount of any contingent liability at any time is computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

3.8 Property. Each of the Borrower and its Subsidiaries has good record and marketable title in fee simple to, or valid leasehold interests in, all real property necessary or used in the ordinary conduct

of its business, except for such defects in title that, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

3.9 Taxes. The Borrower and its Subsidiaries have filed all federal, state and other tax returns and reports required to be filed, and have paid all federal, state and other taxes, assessments, fees and other governmental charges levied or imposed upon them or their properties, income or assets otherwise due and payable, except (a) taxes that are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves are being maintained in accordance with GAAP or (b) to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect.

3.10 Compliance with Laws. Each of the Borrower and its Subsidiaries is in compliance with the requirements of all laws (including ERISA and Environmental Laws) and all orders, writs, injunctions and decrees applicable to it or to its properties, except in such instances in which (a) such requirement of law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted or (b) the failure to so comply, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect. The Borrower is not engaged and will not engage, principally or as one of its important activities, in the business of purchasing or carrying Margin Stock, or extending credit for the purpose of purchasing or carrying Margin Stock, and no part of the proceeds of the Loans will be used to buy or carry any Margin Stock. Neither the Borrower nor any of its Subsidiaries is an "investment company" as defined in, or subject to regulation under, the Investment Company Act of 1940.

3.11 Sanctions; Anti-Corruption.

(A) None of the Borrower, any of its Subsidiaries or, to the knowledge of the Borrower, any director, officer, employee, agent or Affiliate of the Borrower or any of its Subsidiaries is a Person that is, or is owned or controlled by Persons that are (i) the subject of any sanctions administered or enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control, the U.S. Department of State, the United Nations Security Council, the European Union, Her Majesty's Treasury or other relevant sanctions authority (collectively, "Sanctions") or (ii) located, organized or resident in a country or territory that is, or whose government is, the subject of Sanctions (including, currently, Crimea, Cuba, Iran, North Korea and Syria).

(B) The Borrower, its Subsidiaries and their respective directors, officers and employees and, to the knowledge of the Borrower, the agents of the Borrower and its Subsidiaries, are in compliance, in all material respects, with all applicable Sanctions and with the Foreign Corrupt Practices Act of 1977 and the rules and regulations thereunder (the "FCPA") and any other applicable anti-corruption law. The Borrower and its Subsidiaries have instituted and maintain policies and procedures designed to ensure continued compliance with applicable Sanctions, the FCPA and any other applicable anti-corruption laws.

3.12 Disclosure. The reports, financial statements, certificates and other written information (other than projected or pro forma financial information) furnished by or on behalf of the Borrower or its Subsidiaries to the Lender in connection with the transactions contemplated by this Agreement and the negotiation of the Loan Documents or delivered under any Loan Document (as modified or supplemented by other written information so furnished), taken as a whole, do not contain any material misstatement of fact or omit to state any material fact necessary to make the statements therein (when taken as a whole), in the light of the circumstances under which they were made, not misleading. All projected or pro forma financial information was prepared in good faith based upon assumptions believed to be reasonable at the time of preparation and delivery (it being understood that such projected information may vary from actual results and that such variances may be material).

SECTION 4. CONDITIONS:

4.1 Closing Date. This Agreement, and the obligations of the Lender under this Agreement, becomes effective when (a) it is fully executed by all Parties and (b) each of the conditions set forth on Annex B has been satisfied or waived in writing by the Lender.

4.2 Conditions Precedent to Drawdown. The obligation of the Lender to make a Loan (including the initial Loan to be made within five Business Days after the Closing Date) is subject to the satisfaction of the following conditions:

(A) other than with respect to the initial Loan to be made within five Business Days after the Closing Date, the Lender has received a written Borrowing Request in accordance with the requirements hereof and the requested Loan is made in accordance with the Annual Budget;

(B) the representations of the Borrower set forth in the Loan Documents are true and correct in all material respects on and as of the date of such Loan is made (or, in the case of any such representation expressly stated to have been made as of a specific date, as of such specific date);

(C) no Default has occurred and is continuing or would result from the making of such Loan or from the application of proceeds thereof.

(D) no Disruption Event is continuing;

(E) no Change of Control has occurred;

(F) other than with respect to the initial Loan to be made within five Business Days after the Closing Date, the Indebtedness under the Hercules Loan Agreement has been repaid in full, the commitments (if any) in respect thereof have been terminated and all guarantees and security therefor have been released (and the Borrower has delivered to the Lender documentation in form and substance satisfactory to the Lender evidencing such repayment, termination and release); and

(G) the Lender has not reasonably determined in good faith that it is unlawful under applicable law, and no Governmental Authority has asserted that it is unlawful under applicable law, for the Lender to make, maintain or fund the Loans, and no Governmental Authority has imposed material restrictions on the authority of the Lender to make, maintain or fund the Loans.

Each Drawdown Notice by the Borrower and the making of each Loan is deemed to constitute a representation by the Borrower on and as of the date of the applicable Loan as to the matters specified in Sections 4.2(B) and 4.2(C).

SECTION 5. AFFIRMATIVE COVENANTS:

Until the Obligations have been indefeasibly repaid in full and the Lender has no further commitment to the Borrower under this Agreement:

5.1 Financial Statements. The Borrower shall furnish to the Lender (in English):

(A) as soon as available (and in any event within 90 days after the end of each of the Borrower's fiscal years), a consolidated balance sheet of the Borrower and its Subsidiaries as at the end of such fiscal year and the related consolidated statements of income or operations, shareholders' equity and cash flows for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year, audited and accompanied by a report and opinion of independent public accountants of nationally recognized standing, which report and opinion must be prepared in accordance with GAAP (and must not be subject to any "going concern" or like qualification, exception or explanatory paragraph or any qualification, exception or explanatory paragraph as to the scope of such audit) to the effect that such consolidated financial statements present fairly in all material respects the financial condition, results of operations, shareholders' equity and cash flows of the Borrower and its Subsidiaries on a consolidated basis in accordance with GAAP consistently applied;

(B) as soon as available (and in any event within 45 days after the end of each of the Borrower's first three fiscal quarters), a consolidated balance sheet of the Borrower and its Subsidiaries as at the end of such fiscal quarter, the related consolidated statements of income or operations, shareholders' equity and cash flows for such fiscal quarter and for the portion of the Borrower's fiscal year then ended, in each case setting forth in comparative form, as applicable, the figures for the corresponding period of the previous fiscal year and the corresponding portion of the previous fiscal year, certified by a Responsible Officer of the Borrower as fairly presenting in all material respects the financial condition, results of operations, shareholders' equity and cash flows of the Borrower and its Subsidiaries on a consolidated basis in accordance with GAAP consistently applied, subject only to normal year-end audit adjustments and the absence of notes;

(C) as soon as available (and in any event at least ten Business Days prior to the first day of each of the Borrower's fiscal years), projected financial plans, including a consolidated balance sheet of the Borrower and its Subsidiaries as at the end of such next fiscal year and the related consolidated statements of income or operations, shareholders' equity and cash flows for such next fiscal year, that have been approved by the Borrower Board;

(D) as soon as available (and in any event at least ten Business Days prior to the first day of each of the Borrower's fiscal quarters), projected financial plans, including a consolidated balance sheet of the Borrower and its Subsidiaries as at the end of such next fiscal quarter and the related consolidated statements of income or operations, shareholders' equity and cash flows for such next fiscal quarter, that have been approved by the Borrower Board; and

(E) as soon as available (and in any event within 90 days after the end of each of the Borrower's fiscal years), an annual report of the Borrower for such fiscal year.

5.2 Notices. The Borrower shall promptly notify the Lender of (a) the occurrence of any Default, (b) the filing or commencement of any action, suit, investigation or proceeding by or before any arbitrator or Governmental Authority against or affecting the Borrower or any Affiliate thereof that could reasonably be expected to be adversely determined, and, if so determined, could reasonably be expected to result in liability of the Borrower and its Subsidiaries in an aggregate amount exceeding $1,000,000 and (c) the occurrence of any matter or development (including with respect to matters governed by ERISA or any Environmental Law) that has had or could reasonably be expected to have a Material Adverse Effect. Each notice delivered under this Section 5.2 must be accompanied by a statement of a Responsible Officer of the Borrower setting forth the details of the occurrence requiring such notice and stating what action the

Borrower has taken and proposes to take with respect thereto.

5.3 Preservation of Existence. The Borrower shall, and shall cause each of its Subsidiaries to, (a) preserve, renew and maintain in full force and effect its legal existence and, as applicable, good standing under the laws of the jurisdiction of its organization except in a transaction permitted by Section 6.3 or Section 6.4, (b) take all reasonable action to maintain all rights, licenses, permits, privileges and franchises necessary or desirable in the normal conduct of its business, except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect and (c) preserve or renew all of its registered patents, trademarks, trade names and service marks, the non-preservation of which could reasonably be expected to have a Material Adverse Effect.

5.4 Maintenance of Properties. The Borrower shall, and shall cause each of its Subsidiaries to, (a) maintain, preserve and protect all of its properties and equipment necessary in the operation of its business in good working order and condition (ordinary wear and tear excepted and subject to Permitted Dispositions) and (b) make all necessary repairs thereto and renewals and replacements thereof, except to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect.

5.5 Maintenance of Insurance. The Borrower shall, and shall cause each of its Subsidiaries to, maintain with financially sound and reputable insurance companies, insurance with respect to its properties and business against loss or damage of the kinds customarily insured against by Persons engaged in the same or similar business, of such types and in such amounts (after giving effect to any self-insurance reasonable and customary for similarly situated Persons engaged in the same or similar businesses as the Borrower and its Subsidiaries) as are customarily carried under similar circumstances by such Persons.

5.6 Payment of Obligations. The Borrower shall, and shall cause each of its Subsidiaries to, pay, discharge or otherwise satisfy as the same shall become due and payable, all of its obligations and liabilities, including tax liabilities, unless the same are being contested in good faith by appropriate proceedings diligently conducted and adequate reserves in accordance with GAAP are being maintained by Borrower or such Subsidiary, except to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect.

5.7 Compliance with Laws. The Borrower shall, and shall cause each of its Subsidiaries to, comply with the requirements of all laws (including ERISA and Environmental Laws) and all orders, writs, injunctions and decrees applicable to it or to its business or property, except to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect.

5.8 Books and Records. The Borrower shall, and shall cause each of its Subsidiaries to, maintain proper books of record and account, in which full, true and correct entries in conformity with GAAP consistently applied shall be made of all financial transactions and matters involving the assets and business of the Borrower or such Subsidiary, as the case may be.

5.9 Inspection Rights. The Borrower shall, and shall cause each of its Subsidiaries to, permit representatives and independent contractors of the Lender to visit and inspect any of its properties, to examine its organizational, financial and operating records, and make copies thereof or abstracts therefrom, and to discuss its affairs, finances and accounts with its directors, officers, and independent public accountants (so long as such discussions do not unreasonably interfere with the Borrower's business operations), all at the reasonable expense of the Borrower and at such reasonable times during normal business hours and as often as may be reasonably requested. Other than with respect to visits and inspections during the continuation of an Event of Default, the Lender may not exercise its rights under this Section 5.9 more than two times during any calendar year. When an Event of Default exists, the Lender (or any of its representatives or independent contractors) may take any of the actions under this Section 5.9

at the expense of the Borrower and at any time during normal business hours and without advance notice.

5.10 Pari Passu Ranking. The Borrower shall ensure that the Obligations rank at least *pari passu* with its other present and future obligations to any other lender or for any other debt, except with respect to Permitted Liens.

5.11 Sanctions; Anti-Corruption Laws. The Borrower shall maintain in effect policies and procedures designed to ensure compliance by the Borrower, its Subsidiaries and their respective directors, officers, employees and agents with applicable Sanctions and with the FCPA and any other applicable anti-corruption laws.

5.12 Anti-Social Forces. The Borrower shall, and shall cause any of its Subsidiaries to, maintain that neither the Borrower nor any of its Subsidiaries:

(A) has a relationship with any Anti-Social Force in such a way that its management is controlled by such Anti-Social Force;

(B) has a relationship with any Anti-Social Force in such a way that such Anti-Social Force is substantially involved in its management;

(C) has a relationship with any Anti-Social Force in such a way that such it unduly uses such Anti-Social Force for the purpose of unfair benefit for itself, its own company or any third party or for the purpose of causing damage to any third party;

(D) has a relationship with any Anti-Social Force in such a way as to provide funds to or extend credit for such Anti-Social Force; or

(E) has a relationship with any Anti-Social Force in such a way that any of its officers or any other Person substantially involved in its management has any socially repugnant relationship with such Anti-Social Force.

5.13 Hercules Facility. Within ten Business Days after the Closing Date (or such longer period as may be agreed by the Lender in its sole discretion), the Borrower shall repay the Indebtedness under the Hercules Loan Agreement in full, terminate all commitments (if any) in respect thereof and obtain the release of all guarantees and security therefor, and the Borrower shall deliver to the Lender documentation in form and substance satisfactory to the Lender evidencing such repayment, termination and release. The Lender consents to the Indebtedness under the Hercules Loan Agreement, the guarantees and Liens thereunder and the payments required under this Section 5.13 with respect thereto from the Closing Date until the tenth Business Day after the Closing Date (or such longer period as the Lender may agree hereunder).

SECTION 6. NEGATIVE COVENANTS:

Until the Obligations have been indefeasibly repaid in full and the Lender has no further commitment to the Borrower under this Agreement:

6.1 Indebtedness. The Borrower shall not, nor shall it permit any Subsidiary to, create, incur, assume or suffer to exist any Indebtedness other than Permitted Indebtedness.

6.2 Liens. The Borrower shall not, nor shall it permit any Subsidiary to, create, incur, assume or suffer to exist any Lien upon any of its property, assets or revenues, whether now owned or hereafter

acquired, other than Permitted Liens.

6.3 Fundamental Changes. The Borrower shall not, nor shall it permit any Subsidiary to, merge, dissolve, liquidate, consolidate with or into another Person, or Dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to or in favor of any Person, except that, so long as no Default exists or would result therefrom:

(A) any Subsidiary that is a Guarantor may merge with (i) the Borrower so long as the Borrower is the continuing or surviving Person or (ii) another Guarantor;

(B) any Subsidiary that is not a Guarantor may merge with (i) the Borrower or a Guarantor so long as the Borrower or such Guarantor is the continuing or surviving Person or (ii) any one or more other Subsidiaries so long as when any wholly owned Subsidiary is merging with another Subsidiary, a wholly owned Subsidiary is the continuing or surviving Person;

(C) the Borrower and its Subsidiaries may make Permitted Dispositions;

(D) any Permitted Investment may be structured as a merger, consolidation or amalgamation; and

(E) any Subsidiary may dissolve, liquidate or wind up its affairs if it owns no material assets, engages in no business and otherwise has no activities other than activities related to the maintenance of its existence and, as applicable, good standing.

6.4 Dispositions. The Borrower shall not, and shall not permit any Subsidiary to, make any Disposition or enter into any agreement to make any Disposition other than Permitted Dispositions or with respect to Permitted Dispositions.

6.5 Restricted Payments. The Borrower shall not, and shall not permit any Subsidiary to, declare or make, directly or indirectly, any Restricted Payment other than Restricted Payments made (a) by a Subsidiary to the Borrower or any other Subsidiary, (b) pursuant to employee, director or consultant repurchase plans or other similar agreements to the extent permitted under applicable law (so long as the aggregate amount of such Restricted Payment do not exceed the original consideration received by the Borrower or Subsidiary for the equity interests related thereto), (c) to repurchase such shares, stock or other equity interests deemed to occur upon exercise of stock options or warrants if such repurchased shares, stock or equity interest represents a portion of the exercise price of such options or warrants and (d) to repurchase such shares, stock or other equity interests deemed to occur upon the withholding of a portion of such shares, stock or equity interest granted or awarded to a current or former officer, director, employee or consultant to pay for the taxes payable by such Person upon such grant or award (or upon vesting thereof).

6.6 Investments. The Borrower shall not, and shall not permit any Subsidiary to, make any Investments other than Permitted Investments.

6.7 Transactions with Affiliates. The Borrower shall not, and shall not permit any Subsidiary to, enter into any transaction of any kind with any Affiliate of the Borrower, whether or not in the ordinary course of business, other than (a) on fair and reasonable terms substantially as favorable to the Borrower or such Subsidiary as would be obtainable by the Borrower or such Subsidiary at the time in a comparable arm's-length transaction with a Person other than an Affiliate, (b) transactions between or among the Lender, Borrower and any of its Subsidiaries or between and among any Subsidiaries, (c) Restricted Payments permitted by Section 6.1, (d) Permitted Investments and (e) payment of customary compensation, fees and reasonable out of pocket costs to, and indemnities for the benefit of, directors, officers and

employees of the Borrower and its Subsidiaries in the ordinary course of business.

6.8 Certain Restrictive Agreements. The Borrower shall not, and shall not permit any Subsidiary to, issue a security or enter into any agreement, instrument or other undertaking to which such Person is a party or affecting such Person or the properties of such Person (other than the Loan Documents) that, directly or indirectly, (a) limits the ability of (i) any Subsidiary to make Restricted Payments to the Borrower or to otherwise transfer property to the Borrower, (ii) any Subsidiary to guarantee Indebtedness of the Borrower or (iii) the Borrower or any Subsidiary to create, incur, assume or suffer to exist Liens on property of such Person to secure the Obligations or (b) requires the grant of a Lien to secure an obligation of such Person if a Lien is granted to secure another obligation of such Person. Nothing in this Section 6.8 prohibits any negative pledge incurred or provided in connection with Permitted Indebtedness set forth on Annex A solely to the extent that any such negative pledge relates to the property financed by or the subject of such Permitted Indebtedness.

6.9 Changes in Nature of Business. The Borrower shall not, and shall not permit any Subsidiary to, engage to any material extent in any business other than those businesses conducted by the Borrower and its Subsidiaries on the date hereof or any business reasonably related or incidental thereto or representing a reasonable expansion thereof.

6.10 Sanctions; Anti-Corruption Use of Proceeds. The Borrower shall not, directly or indirectly, use the proceeds of the Loans, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other Person, (a) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of the FCPA or any other applicable anti-corruption law, (b) to fund any activities or business of or with any Person, or in any country or territory, that, at the time of such funding, is, or whose government is, the subject of Sanctions or (c) in any other manner that would result in a violation of Sanctions by any Person.

SECTION 7. DEFAULT; REMEDIES:

7.1 Events of Default. Each of the following events is an "Event of Default" for purposes of the Loan Documents:

(A) the Borrower fails to pay (i) any principal of the Loans when and as the same becomes due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or otherwise or (ii) any interest on the Loans or any other amount (other than the principal of the Loans) payable under any Loan Document when and as the same becomes due and payable, and such failure continues unremedied for a period of three or more Business Days;

(B) any representation or warranty made or deemed made by or on behalf of a Loan Party in or in connection with any Loan Document or any amendment or modification thereof, or any waiver thereunder, or in any report, certificate, financial statement or other document furnished pursuant to or in connection with any Loan Document or any amendment or modification thereof, or any waiver thereunder, is incorrect in any material respect when made or deemed made;

(C) the Borrower fails to observe or perform any covenant, condition or agreement contained in Section 2.3, Section 5.2, Section 5.3 (with respect to the Borrower's existence), Section 5.13 or in Section 6;

(D) a Loan Party fails to observe or perform any covenant, condition or agreement contained in any Loan Document (other than those specified in Section 7.1(A), Section 7.1(B) or Section 7.1(C)) and such failure continues unremedied for a period of 30 or more days after the earlier of (i) the Borrower obtaining knowledge thereof or (ii) notice thereof by the Lender to the Borrower;

(E) the Borrower or any Subsidiary fails to (i) make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) in respect of any Indebtedness having an aggregate principal amount of more than $1,000,000, in each case beyond the applicable grace period with respect thereto, if any, or the Borrower or any Subsidiary fails to (ii) observe or perform any other agreement or condition relating to any such Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event occurs, the effect of which default or other event is to cause, or to permit the holder or holders or beneficiary or beneficiaries of such Indebtedness (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, with the giving of notice if required, such Indebtedness to become due or to be repurchased, prepaid, defeased or redeemed (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such Indebtedness to be made, prior to its stated maturity;

(F) there is entered against the Borrower or any Subsidiary (i) a final judgment or order for the payment of money in an aggregate amount (as to all such judgments and orders) exceeding $1,000,000 (to the extent not covered by independent third-party insurance as to which the insurer has been notified of such judgment or order and has not denied or failed to acknowledge coverage) or (ii) a non-monetary final judgment or order that, either individually or in the aggregate, has or could reasonably be expected to have a Material Adverse Effect and, in either case, (a) enforcement proceedings are commenced by any creditor upon such judgment or order or (b) there is a period of 30 consecutive days during which a stay of enforcement of such judgment, by reason of a pending appeal or otherwise, is not in effect;

(G) an involuntary proceeding is commenced or an involuntary petition is filed seeking (i) liquidation, reorganization or other relief in respect of the Borrower or any Subsidiary or its debts, or of a substantial part of its assets, under any Debtor Relief Law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, conservator or similar official for the Borrower or any Subsidiary or for a substantial part of its assets, and, in any such case, such proceeding or petition continues undismissed for a period of 60 or more days or an order or decree approving or ordering any of the foregoing shall be entered;

(H) the Borrower or any Subsidiary (i) voluntarily commences any proceeding or files any petition seeking liquidation, reorganization or other relief under any Debtor Relief Law now or hereafter in effect, (ii) consents to the institution of, or fails to contest in a timely and appropriate manner, any proceeding or petition described in Section 7.1(G), (iii) applies for or consents to the appointment of a receiver, trustee, custodian, conservator or similar official for the Borrower or any Subsidiary or for a substantial part of its assets, (iv) files an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) makes a general assignment for the benefit of creditors or (vi) takes any action for the purpose of effecting any of the foregoing;

(I) the Borrower or any Subsidiary becomes unable, admits in writing its inability or fails generally to pay its debts as they become due; or

(J) any material provision of any Loan Document, at any time after its execution and delivery and for any reason other than as expressly permitted thereunder or satisfaction in full of all Obligations, ceases to be in full force and effect; or the Borrower or any other Person contests in writing the validity or enforceability of any provision of any Loan Document; or a Loan Party denies in writing that it has any or further liability or obligation under any Loan Document, or purports in writing to revoke, terminate or rescind any Loan Document.

7.2 Remedies. Upon the occurrence and during the continuance of an Event of Default, the Lender may:

(A) terminate its obligation to make Loans to the Borrower (provided that upon the occurrence of an Event of Default specified in Section 7.1(G) or Section 7.1(H), the Lender's obligation to make Loans to the Borrower automatically terminates without presentment, demand, protest or other notice of any kind, all of which are expressly waived by the Borrower);

(B) declare the outstanding principal of the Loans to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Loans so declared to be due and payable, together with accrued and unpaid interest thereon and all other Obligations accrued hereunder, become due and payable immediately, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower (provided that upon the occurrence of an Event of Default specified in Section 7.1(G) or Section 7.1(H), all Obligations automatically become due and payable without presentment, demand, protest or other notice of any kind, all of which are expressly waived by the Borrower); and

(C) exercise all rights and remedies available to it under the Loan Documents and applicable law.

7.3 Right of Setoff. If an Event of Default has occurred and is continuing, the Lender and each of its Affiliates is authorized at any time and from time to time, to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held, and other obligations (in whatever currency) at any time owing, by the Lender or any such Affiliate, to or for the credit or the account of the Borrower against any and all of the Obligations, irrespective of whether or not the Lender or such Affiliate has made any demand under any Loan Document and although any Obligations may be contingent or unmatured.

7.4 Application of Payments. Following the occurrence and during the continuance of an Event of Default, the Lender has the exclusive right to determine the order and manner in which all payments received on account of the Obligations may be applied to the Obligations, including the right to reverse and re-apply any such payments.

7.5 Remedies Cumulative; Waiver. The rights of the Lender and its Affiliates under the Loan Documents are in addition to any other right or remedy (including rights of setoff) that the Lender or any such Affiliates may have. No failure to exercise and no delay in exercising any right or remedy under the Loan Documents operates as a waiver thereof. No single or partial exercise of any right or remedy under the Loan Documents, or any abandonment or discontinuance thereof, precludes any other or further exercise thereof or the exercise of any other right or remedy.

SECTION 8. MISCELLANEOUS:

8.1 Governing Law. This Agreement is governed by, and construed in accordance with, the laws of the State of New York.

8.2 Expenses. The Borrower shall pay (a) $65,000 to the Lender to reimburse the Lender for its reasonable out-of-pocket costs and expenses (including the reasonable fees, charges and disbursements of counsel) incurred in connection with the transactions contemplated by the Loan Documents prior to and including the Closing Date, (b) all reasonable out-of-pocket costs and expenses (including the reasonable fees, charges and disbursements of counsel) incurred by the Lender in connection with any amendments, modifications or waivers of the Loan Documents after the Closing Date (whether or not the transactions contemplated thereby are consummated) and (c) all out-of-pocket costs and expenses incurred by the Lender (including the fees, charges and disbursements of any counsel) in connection with the enforcement or protection of its rights (i) in connection with the Loan Documents, including its rights under this Section 8.2 or (ii) in connection with the Loans, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of the Loans. The Borrower's obligations under this Section 8.2 survive the termination of the Loan Documents and payment of the Obligations.

8.3 Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction is, as to such jurisdiction, ineffective to the extent of such invalidity, illegality or unenforceability without effecting the validity, legality and enforceability of the remaining provisions of this Agreement; and the invalidity of a particular provision in a particular jurisdiction does not invalidate such provision in any other jurisdiction.

8.4 Integration. The Loan Documents constitute the entire contract among the Parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof.

8.5 Notices. All notices and other communications provided for in the Loan Documents must be in writing and delivered by hand or overnight courier service, mailed by certified or registered mail or sent by email to a Party at its address (or email address) set forth on Annex C. Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, are deemed to have been given when received and notices and other communications sent to an e-mail address are deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement). Any Party may change its address or email address for notices and other communications hereunder by notice to the other Parties.

8.6 Amendments; Waivers. Neither this Agreement nor any provision hereof may be amended, modified or waived except pursuant to an agreement or agreements in writing entered into by the Parties. No waiver or consent under this Agreement is applicable to any events, acts or circumstances except those specifically covered thereby.

8.7 Successors and Assigns. This Agreement is binding upon, and inures to the benefit of, the Parties and their respective successors and permitted assigns. The Borrower may not assign or transfer any of its interests or rights, or delegate its duties or obligations, under this Agreement, in whole or in part, without the Lender's prior written consent. The Lender may assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of the Loans at the time owing to it or its commitment to make the Loans) with the consent of the Borrower (such consent not to be unreasonably withheld, conditioned or delayed), such consent not being required if an Event of Default has occurred and is continuing at the time of such assignment or such assignment is to an Affiliate of the Lender

(provided that the Borrower is deemed to have consented to any such assignment unless it objects thereto by written notice to the Lender within ten Business Days after having received notice thereof). The Lender may at any time, without the consent of, or notice to, the Borrower, sell participations to any Person in all or a portion of its rights and obligations under this Agreement (including all or a portion of the Loans at the time owing to it or its commitment to make the Loans) so long as (a) the Lender's obligations under this Agreement remain unchanged, (b) the Lender remains solely responsible to the other Parties for the performance of such obligations and (c) the Borrower will continue to deal solely and directly with the Lender in connection with its rights and obligations under this Agreement. Nothing in this Agreement, expressed or implied, may be construed to confer upon any Person (other than the parties hereto, their respective successors and permitted assigns) any legal or equitable right, remedy or claim under or by reason of this Agreement

8.8 Submission to Jurisdiction; Waiver of Jury Trial.

(A) Subject to, and without limiting the applicability of, Section 8.9, the Parties agree that any action or proceeding with respect to this Agreement or any judgment entered by any court in respect thereof may be brought in the United States District Court for the Southern District of New York or the courts of the State of New York and each Party submits to the jurisdiction of such court for the purpose of any such action, proceeding or judgment.

(B) Each Party irrevocably consents to service of process in the manner provided for notice in Section 8.5. Nothing in this Agreement affects the right of any Party to service process in any other manner permitted by applicable law.

(C) Each Party irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement in any court referred to in Section 8.8(A). Each Party irrevocably waives, to the fullest extent permitted by applicable law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(D) EACH PARTY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER REASON).

8.9 Arbitration. Any dispute, claim or controversy arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity of this Agreement will be determined by binding arbitration in Paris, France. The arbitration will be conducted in accordance with the Rules of Arbitration of the International Chamber of Commerce ("ICC"). The arbitration will be conducted before three arbitrators. The Lender shall nominate one arbitrator and the Borrower shall nominate another arbitrator. The third arbitrator will be selected by the two party-appointed arbitrators or, if the two party-appointed arbitrators cannot agree on the third arbitrator, by the ICC. The arbitration proceedings will be conducted in English. The award rendered by the arbitrators is final and binding upon the Parties. Judgment upon such award may be entered in any court having jurisdiction thereof. Each Party to the arbitration shall pay its own costs and expenses in connection with the arbitration.

8.10 Waiver of Consequential Damages. To the fullest extent permitted by applicable law, the Borrower shall not assert, and hereby waive, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out

of, in connection with, or as a result of, any Loan Document, the transactions contemplated thereby, the Loans or the use of the proceeds thereof.

8.11 Reinstatement. To the extent that any payment by or on behalf of the Borrower is made to the Lender, or the Lender exercises its right of set-off, and such payment or the proceeds of such set-off or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then, to the extent of such recovery, the obligation or part thereof originally intended to be satisfied is revived and continued in full force and effect as if such payment had not been made or such set-off had not occurred.

8.12 Confidentiality. The Lender acknowledges that information provided to the Lender by the Loan Parties is confidential and proprietary information of the Loan Parties if and to the extent such information is marked as confidential by the Loan Parties at the time of disclosure or specifically identified as being subject to this Section 8.12 (the "Confidential Information"). Accordingly, the Lender shall maintain the confidentiality of the Confidential Information except that the Lender may disclose Confidential Information: (a) to its own directors, officers, employees, accountants, counsel and other professional advisors and to its Affiliates (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such information and instructed to keep such information confidential); (b) if such information is generally available to the public; (c) if such information becomes available to the Lender or any of its Affiliates on a nonconfidential basis from a source other than the Loan Parties who did not acquire such information as a result of a breach of this Section 8.12; (d) if required or requested by any Governmental Authority or regulatory authority having or claiming to have jurisdiction over the Lender or its Affiliates; (e) if required or appropriate in response to any summons, subpoena or similar legal process or in connection with any litigation; (f) to comply with any legal requirement or law applicable to the Lender; (g) in connection with the exercise of any right or remedy under any Loan Document or any action or proceeding relating to any Loan Document or the enforcement of rights thereunder; (h) to any assignee or participant of the Lender or any prospective assignee or participant so long as such Person agrees in writing to be bound by this Section 8.12 or an agreement containing provisions substantially the same as those of this Section 8.12; (i) to any other Party; or (j) otherwise with the prior consent of the Borrower. Any Person required to maintain the confidentiality of Confidential Information as provided in this Section 8.12 will be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such information as such Person would accord to its own confidential information. No disclosure made in violation of this Section 8.12 affects the obligations of the Loan Parties or any of their respective Affiliates under the Loan Documents.

8.13 Electronic Execution of Documents. The words "execution," "signed," "signature" and words of like import in any Loan Document are deemed to include electronic signatures or the keeping of records in electronic form, each of which will have the same legal effect, validity and enforceability as a manually executed signature or the use of a paper-based recordkeeping systems, as the case may be, to the extent and as provided for in any applicable law, including any state law based on the Uniform Electronic Transactions Act.

8.14 Counterparts. This Agreement may be executed in counterparts (and by different Parties in different counterparts), each of which constitutes an original, but all of which when taken together constitute a single contract. Delivery of an executed counterpart of a signature page of this Agreement by electronic transmission is as effective as delivery of a manually executed counterpart of this Agreement.

(Signature page(s) follow)

The Parties have executed and delivered this Agreement as of the date first above written.

UROVANT SCIENCES LTD.

By: /s/ Keith A. Katkin
Name: Keith A. Katkin
Title: Principal Executive Officer

[Signature Page to Loan Agreement]

SUMITOMO DAINIPPON PHARMA CO., LTD.

By: /s/ Hiroshi Nomura
Name: Hiroshi Nomura
Title: Representative Director, President and CEO

[Signature Page to Loan Agreement]

ANNEX A

Rules of Construction

1. Definitions. As used in this Agreement, the plural includes the singular and the singular includes the plural. As used in this Agreement, the following terms have the following meanings:

"Affiliate" means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, controls or is controlled by or is under common control with the specified Person, where "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise, and "controlled" has the meaning correlative thereto.

"Agreement" has the meaning set forth for such term in the introduction.

"Annual Budget" means the annual budget the initial form of which is attached as Exhibit C, as it may be amended, modified or supplemented from time to time as approved by the Borrower Board and delivered to the Lender under Section 5.1(C) or 5.1(D), as applicable.

"Anti-Social Force" means an organized crime group, an organized crime group member, a Person who has been an organized crime group member within the past five years, an organized crime group sub-member, an organized crime group affiliate company, a corporate extortionist, an extortionist who pretends to undertake social movements, a special intellectual organized crime group or any other Person or group similar to the above.

"Benchmark Rate" means, as of any date of determination, (a) until such time as an alternative rate is established under Section 2.7(B), a rate per annum equal to LIBOR for such date and (b) if an alternative rate is established under Section 2.7(B), then such alternative as of such date; provided that if the Benchmark Rate is less than 0%, then the Benchmark Rate will be deemed to be 0% for purposes of this Agreement.

"Borrower" has the meaning set forth for such term in the introduction.

"Borrower Board" means the board of directors of the Borrower.

"Business Day" means any day that is not a Saturday, Sunday or other day that is a legal holiday under the laws of Japan or California or is a day on which banking institutions in London or Zurich are authorized or required by law to close.

"Change of Control" means any of the following events: (a) any third party (or group of third parties acting in concert), other than Lender or any of its Affiliates, becomes the beneficial owner, directly or indirectly, of more than 50% of the total voting power of the capital stock then outstanding of the Borrower normally entitled to vote in elections of directors; (b) the Borrower consolidates with or merges into another corporation or entity, or any corporation or entity consolidates with or merges into the Borrower, in either event pursuant to a transaction (or series of transactions) in which more than 50% of the total voting power of the stock outstanding of the surviving entity normally entitled to vote in elections of directors is not held by the parties holding at least 50% of the outstanding shares of such Person preceding such consolidation or merger; (c) the Borrower or the Borrower conveys, transfers, assigns, leases, or otherwise disposes all or substantially all of its assets to any Person or (d) the Borrower ceases to be a direct or indirect wholly-owned Subsidiary of the Borrower.

"Closing Date" means the date of this Agreement.

"Confidential Information" has the meaning for such term set forth in Section 8.12.

"Drawdown Notice" has the meaning set forth for such term in Section 2.2.

"Drawdown Termination Date" means the date occurring the first day of the fiscal quarter commencing immediately prior to the fifth anniversary of the Closing Date.

"Debtor Relief Laws" means the United States Bankruptcy Code, the Insolvency Act 1986 (U.K.), Enterprise Act 2002 (U.K.), Companies Act 2006 (U.K.) and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States, the United Kingdom, Switzerland or Bermuda or other applicable jurisdictions from time to time in effect.

"Default" means any event or condition that constitutes an Event of Default or that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

"Disposition" or "Dispose" means the sale, transfer, license, lease or other disposition of any property by any Person (including any sale and leaseback transaction and any issuance of equity interests by a Subsidiary of such Person to any Person other than Borrower and its Subsidiaries), including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith.

"Disruption Event" means the inability of the Lender to fund a Loan due to (a) the occurrence of any natural disaster or war, (b) any suspension or disruption of electrical, communications or various clearing and settlement systems, (c) any event that occurs within the relevant interbank market that makes impossible for banks to provide or borrow loans in Dollars or (d) any other force majeure event not attributable to the Lender.

"Dollar" and "$" mean lawful money of the United States.

"Drawdown Notice" has the meaning set forth for such term in Section 2.2.

"Environmental Laws" means any and all federal, state, local, and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions, including all common law, relating to pollution or the protection of health, safety or the environment or the release of any materials into the environment, including those related to hazardous materials, air emissions, discharges to waste or public systems and health and safety matters.

"ERISA" means the Employee Retirement Income Security Act of 1974.

"Event of Default" has the meaning set forth for such term in Section 7.1.

"FCPA" has the meaning set forth for such term in Section 3.11(B).

"GAAP" means United States generally accepted accounting principles as in effect as of the date of determination thereof.

"Governmental Authority" means the government of the United States or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

"Guarantors" means, collectively, the Borrower's Subsidiaries.

"Guaranty" means the Guaranty dated as of the Closing Date made by the Guarantors in favor of the Lender.

"Hercules Loan Agreement" has the meaning set forth for such term in Section 2.3(A).

"Indebtedness" means, as to any Person at a particular time, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP:

(A) all obligations of such Person for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments;

(B) all direct or contingent obligations of such Person arising under (i) letters of credit (including standby and commercial), bankers' acceptances and bank guaranties and (ii) surety bonds, performance bonds and similar instruments issued or created by or for the account of such Person;

(C) net obligations of such Person under any Swap Contract;

(D) all obligations of such Person to pay the deferred purchase price of property or services (other than trade accounts payable in the ordinary course of business);

(E) indebtedness (excluding prepaid interest thereon) secured by a Lien on property owned or being purchased by such Person (including indebtedness arising under conditional sales or other title retention agreements), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse;

(F) any capitalized lease of such Person that would appear on its balance sheet in accordance with GAAP or any synthetic, off-balance sheet, tax retention lease or other similar arrangement of such Person that would appear on its balance sheet in accordance with GAAP if such arrangement were accounted for as a capital lease;

(G) all obligations of such Person in respect of any equity interest that, by its terms, or upon the happening of any event or condition, matures or is redeemable or is convertible into or exchangeable for Indebtedness; and

(H) all guarantees or contingent obligations of such Person in respect of any of the foregoing.

For all purposes hereof, the Indebtedness of any Person includes the Indebtedness of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which such Person is a general partner or a joint venturer, unless such Indebtedness is expressly made non-recourse to such Person.

"Indemnitee" has the meaning set forth for such term in Section 2.9.

"Investment" means, as to any Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition of equity interests or debt or other securities of another Person, (b) a loan, advance or capital contribution to, guarantee or assumption of debt of, or purchase or other acquisition of any other debt or equity participation or interest in, another Person or (c) the purchase or other acquisition (in one transaction or a series of transactions) of all or substantially all of the property and assets or business of another Person or assets constituting a business unit, line of business or division of such Person.

"Lender" has the meaning set forth for such term in the introduction.

"Lender Commitment" has the meaning set forth for such term in the recitals.

"LIBOR" means, as of any date of determination, the London Interbank Offered Rate for a three months period as displayed on any applicable screen page the Lender designates (or on any successor or substitute page or service providing quotations of interest rates comparable to those currently provided on such page) as published at approximately 11:00 a.m. (London time) three Business Days prior to the first day of the calendar quarter in which such date of determination occurs.

"Lien" means any security interest, pledge, mortgage, encumbrance, lien or charge of any kind (including any agreement to give any of the foregoing, any conditional sale or other title retention agreement or any lease in the nature thereof).

"Loans" has the meaning set forth for such term in Section 2.1.

"Loan Documents" means this Agreement, any promissory notes issued pursuant hereto, the Guaranty and all other agreements, instruments, certificates or other documents now or hereafter executed or delivered to, or in favor of, the Lender in connection with the Loan Agreement or the transactions contemplated thereby.

"Loan Parties" means, collectively, the Borrower and the Guarantors.

"Margin" means 3.00% per annum, as it may be adjusted in accordance with Section 2.7(B).

"Margin Stock" means margin stock within the meaning of Regulations T, U and X of the Federal Reserve Board and all official rulings and interpretations thereunder or thereof.

"Material Adverse Effect" means (a) a material adverse change in, or a material adverse effect on, the operations, business, properties, liabilities (actual or contingent) or condition (financial or otherwise) of the Borrower and its Subsidiaries, taken as a whole, or (b) a material adverse effect on (i) the ability of the Loan Parties to perform the Obligations, (ii) the legality, validity, binding effect or enforceability against the Borrower of any Loan Document to which it is a party or (iii) the rights, remedies and benefits available to, or conferred upon, the Lender under any Loan Document.

"Maturity Date" means the earlier to occur of (a) the fifth anniversary of the Closing Date and (b) the date the outstanding principal of the Loans is declared due and payable pursuant to Section 7.2(B).

"Obligations" means all advances to, and debts, liabilities, obligations, covenants and duties of, the Borrower arising under any Loan Document or otherwise with respect to the Loans, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against the Borrower or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such

Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding. Without limiting the foregoing, the Obligations include (a) the obligation to pay principal, interest, charges, expenses, fees, indemnities and other amounts payable by the Borrower under any Loan Document and (b) the obligation of the Borrower to reimburse any amount in respect of any of the foregoing that the Lender, in its sole discretion, may elect to pay or advance on behalf of the Borrower.

"Parties" has the meaning set forth for such term in the introduction.

"Permitted Affiliate Investments" means, with respect to any Person, an Investment by such Person in, or a Disposition by such Person to, (a) with respect to any Loan Party, (i) any other Loan Party or (ii) any Subsidiary that is not a Loan Party in an amount (for Investments and Dispositions in the aggregate) not to exceed $1,000,000 in the aggregate and (b) with respect to any Subsidiary of the Borrower that is not a Loan Party, (i) any Loan Party or (ii) any other Subsidiary that is wholly owned by a Loan Party.

"Permitted Dispositions" means:

(A) Dispositions of obsolete, surplus, worn out property or other property that is no longer used or useful in the business of the Borrower and its Subsidiaries, whether now owned or hereafter acquired, in each case in the ordinary course of business;

(B) Dispositions of inventory and Investments in the ordinary course of business;

(C) Dispositions of equipment or real property to the extent that (i) such property is exchanged for credit against the purchase price of similar replacement property or (ii) the proceeds of such Disposition are reasonably promptly applied to the purchase price of such replacement property;

(D) Dispositions permitted by Section 6.3, Restricted Payments permitted by Section 6.5, Permitted Investments and Permitted Liens;

(E) leases, licenses, subleases or sublicenses (including the provision of open source software under an open source license) granted in the ordinary course of business and on ordinary commercial terms that do not interfere in any material respect with the business of the Borrower and its Subsidiaries;

(F) Permitted Affiliate Investments;

(G) Dispositions of intellectual property rights that are no longer used or useful in the business of the Borrower and its Subsidiaries;

(H) the discount, write-off or Disposition of overdue accounts receivable or the sale of any such accounts receivable for the purpose of collection to any collection agency, in each case in the ordinary course of business;

(I) the surrender, waiver or settlement of contractual rights in the ordinary course of business, or the surrender, waiver or settlement of claims and litigation claims, whether or not in the ordinary course of business so long as no Event of Default has occurred and is continuing; and

(J) Dispositions by the Borrower and its Subsidiaries not otherwise permitted under this definition so long as that the aggregate book value of all property Disposed of pursuant to this clause (J) in any fiscal year does not exceed $1,000,000.

"Permitted Indebtedness" means:

(A) Indebtedness under the Loan Documents;

(B) guarantees of the Borrower or any Subsidiary in respect of Indebtedness otherwise permitted hereunder;

(C) obligations (contingent or otherwise) of the Borrower or its Subsidiaries existing or arising under any Swap Contract so long as such obligations (i) are entered into in the ordinary course of business for the purpose of mitigating risks associated with liabilities, commitments, investments, assets or property held or reasonably anticipated, or changes in the value of securities issued, and not for speculative purposes, and (ii) do not to exceed $3,000,000 in the aggregate;

(D) Indebtedness in respect of capital leases and purchase money obligations entered into in the ordinary course of business for fixed or capital assets within the limitations set forth in clause (G) of the definition of Permitted Liens so long as the aggregate outstanding amount of such Indebtedness does not exceed $1,500,000;

(E) Indebtedness in respect of performance bonds, bid bonds, appeal bonds, surety bonds and completion guarantees and similar obligations not in connection with money borrowed, in each case provided in the ordinary course of business, including those incurred to secure health, safety and environmental obligations in the ordinary course of business;

(F) Permitted Affiliate Investments;

(G) Indebtedness (i) resulting from a bank or other financial institution honoring a check, draft or similar instrument in the ordinary course of business or (ii) arising under or in connection with cash management services in the ordinary course of business;

(H) Indebtedness consisting of obligations under deferred or contingent consideration arrangements (including milestone payments, royalties and other contingent or deferred obligations as long as such obligations are not evidenced by any "seller notes" or similar Indebtedness) entered into in the ordinary course of business;

(I) reimbursement obligations in connection with letters of credit and cash management services and issued or incurred by the Borrower or any Subsidiary in an aggregate amount not to exceed $5,000,000 at any time outstanding;

(J) Indebtedness incurred in the ordinary course of business with corporate credit cards, merchant cards, purchase cards and debit cards; and

(K) other unsecured Indebtedness in an amount not to exceed $1,500,000 at any time outstanding.

"Permitted Investments" means:

(A) Investments held in the form of cash or cash equivalents;

(B) Investments in Subsidiaries in existence on the Closing Date;

(C) Permitted Affiliate Investments;

(D) Investments consisting of extensions of credit in the nature of accounts receivable, notes receivable or prepaid royalties arising from the grant of trade credit in the ordinary course of business and Investments received in satisfaction or partial satisfaction thereof from financially troubled account debtors to the extent reasonably necessary in order to prevent or limit loss;

(E) Investments consisting of the indorsement by the Borrower or any Subsidiary of negotiable instruments payable to such Person for deposit or collection in the ordinary course of business;

(F) Swap Contracts permitted under clause (C) of the definition of Permitted Indebtedness;

(G) to the extent constituting an Investment, any exclusive inbound licenses, sublicenses, and other similar arrangements for the use of intellectual property and related assets in the ordinary course of business and transactions otherwise permitted by Section 6.1, Section 6.3 and Section 6.1;

(H) Investments accepted in connection with Permitted Dispositions;

(I) Investments consisting of loans not involving the net transfer on a substantially contemporaneous basis of cash proceeds to employees, officers or directors relating to the purchase of share of the Borrower pursuant to employee share or stock purchase plans or other similar agreements approved by the board of directors of Borrower;

(J) Investments consisting of travel advances, relocation loans, and other loan advances (or guarantees thereof) to employees, officers and directors in the ordinary course of business; and

(K) additional Investments that do not exceed $1,500,000 in the aggregate net outstanding amount.

"Permitted Liens" means:

(A) Liens for Taxes not yet due or that are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person in accordance with GAAP;

(B) carriers', warehousemen's, mechanics', materialmen's, repairmen's or other like Liens arising in the ordinary course of business that are not overdue for a period of more than 60 days or that are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person;

(C) pledges or deposits in the ordinary course of business in connection with workers' compensation, unemployment insurance and other social security legislation, other than any Lien imposed by ERISA;

(D) deposits to secure the performance of bids, trade contracts and leases (other than Indebtedness), statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business, including by way of deposits to secure letters of credit, cash management services and corporate credit cards, merchant cards, purchase cards and debit cards to the extent permitted by this Agreement;

(E) easements, rights-of-way, restrictions and other similar encumbrances affecting real property that, in the aggregate, are not substantial in amount, and that do not in any case materially detract from the value of the property subject thereto or materially interfere with the ordinary conduct of the business of the applicable Person, and any zoning or similar law or right reserved to or vested in any Governmental Authority to control or regulate the use of any real property that does not materially interfere with the ordinary conduct of the business of the Borrower and its Subsidiaries;

(F) Liens securing judgments for the payment of money not constituting an Event of Default;

(G) Liens securing Indebtedness permitted under clause (D) of the definition of Permitted Indebtedness so long as (i) such Liens do not at any time encumber any property other than the property financed by such Indebtedness and (ii) the Indebtedness secured thereby does not exceed the cost or fair market value, whichever is lower, of the property being acquired on the date of acquisition;

(H) Liens (i) of a collecting bank arising under Section 4-210 of the Uniform Commercial Code on items in the course of collection and (ii) in favor of a banking institution encumbering deposits (including the right of setoff) that are customary in the banking industry and not securing Indebtedness for borrowed money;

(I) any interest or title of a lessor, sublessor, licensor or sublicensor under leases or licenses permitted by this Agreement that are entered into in the ordinary course of business;

(J) leases, licenses, subleases or sublicenses granted to others in the ordinary course of business that do not (i) interfere in any material respect with the ordinary conduct of the business of the Borrower and its Subsidiaries or (ii) secure any Indebtedness;

(K) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods in the ordinary course of business; and

(L) Liens to secure obligations under Swap Contracts permitted pursuant to clause (C) of the definition of Permitted Indebtedness.

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, governmental authority or other entity.

"Prepayment Notice" has the meaning set forth for such term in Section 2.6.

"Related Party" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person's Affiliates.

"Responsible Officer" means the Borrower's chief executive officer, president, chief financial officer, chief accounting officer or any executive vice president.

"Restricted Payment" means any dividend or other distribution (whether in cash, securities or other property) with respect to any equity interest of any Person, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such equity interest, or on account of any return of capital to such Person's shareholders, partners or members (or the equivalent Persons thereof).

"Sanctions" has the meaning set forth for such term in Section 3.11(A).

"Subsidiary" of any Person (the "parent") means and includes any other Person in which the parent directly or indirectly through one or more Persons holds more than 50% of the equity interests of such other Person. Unless otherwise expressly provided, all references to "Subsidiary" herein mean a Subsidiary of the Borrower.

"Swap Contract" means any rate swap transactions, foreign exchange transactions, currency swap transactions, credit derivative transactions, commodity swaps, equity or bond swaps or any other similar transactions or any combination thereof (including any options with respect thereto).

"United States" or "U.S." means the United States of America.

2. Use of Certain Terms. As used in this Agreement, "include," "includes" and "including" have the inclusive meaning of "including without limitation." All pronouns and any variations thereof refer to masculine, feminine, neuter, singular or plural as the identity of the Person or Persons may require.

3. Headings and References. Section and other headings are for reference only, and do not affect the interpretation or meaning of any provision of this Agreement. Unless otherwise provided, references to articles, sections, clauses, annexes, schedules and exhibits refer to articles, sections, clauses, annexes, schedules and exhibits of this Agreement. The words "hereof," "herein," "hereby," "hereunder" and other similar terms of this Agreement refer to this Agreement as a whole and not exclusively to any particular provision of this Agreement. Unless otherwise expressly indicated in this Agreement, the words "above" and "below," when following a reference to a clause of any Loan Document, refer to a clause within the same section of such Loan Document. References in this Agreement to any Loan Document or any other agreement are deemed to (a) refer to such Loan Document or such other agreements, as the case may be, as the same may be amended, restated, supplemented or otherwise modified from time to time under the provisions hereof or thereof, unless expressly stated otherwise or unless such amendment, restatement, supplement or modification is not permitted by the terms of this Agreement and (b) include all schedules, exhibits and appendices thereto. References in this Agreement to any law, rule, statute or regulation are deemed to refer to such law, rule, statute or regulation as it may be amended, supplemented or otherwise modified from time to time, and any successor law, rule, statute or regulation, in each case as in effect at the time any such reference is operative. Any reference to a Person includes the successors, assigns, participants and transferees of such Person, but such reference will not increase, decrease or otherwise modify in any way the provisions in any Loan Document governing the assignment of rights and obligations under or the binding effect of any provision of any Loan Document.

ANNEX B

Closing Conditions

The effectiveness of this Agreement is subject to the satisfaction or waiver of the following conditions (and, in the case of each document specified in this Annex B to be received by the Lender, such document is in form and substance satisfactory to the Lender):

(A) Executed Loan Documents. This Agreement and each of the other Loan Documents have been duly authorized, executed and delivered to the Lender by the Parties.

(B) Payoff Letter. The Lender has received a pay-off letter in respect of the Hercules Loan Agreement in form and substance satisfactory to it.

(C) Consents and Approvals. The Loan Parties have received all consents and approvals (including from its other lenders) to enter into the Loan Documents, incur the Loan and grant the security interests contemplated thereby.

(D) Certificates. The Lender has received such customary certificates of resolutions or other action, incumbency and other certification of the officers of the Loan Parties as the Lender may require evidencing the identity, authority and capacity of each officer authorized to act in connection with the Loan Documents.

(E) Organizational Documents. The Lender has received such certificates and other documents (including, as applicable, good standing certificates or certified commercial register excerpts) as the Lender may request relating to the organization, existence and, as applicable, good standing of the Loan Parties and any other legal matters relating to the Loan Parties, the Loan Documents or the transactions contemplated thereby.

(F) Legal Opinion. The Lender has received an opinion of counsel to the Loan Parties covering such customary matters as are required by the Lender.

(G) Fees and Expenses. The Borrower has paid all fees, costs and expenses (including legal fees and expenses) required to be paid by it to the Lender in connection herewith to the extent due.

(H) KYC Information. Upon the reasonable request of Lender made in writing at least ten days prior to the Closing Date, the Borrower has provided to the Lender all documentation and information so requested about the Borrower and its Subsidiaries in connection with applicable “know your customer” and anti-money-laundering rules and regulations, in each case at least five days prior to the Closing Date.

(I) Other Documents. The Lender has received such other documents as the Lender may request.

ANNEX C

Notices

All notices and other communications provided for in the Loan Documents must be in the manner set forth in Section 8.5 to the following addresses:

(A) if to any Loan Party:

c/o Urovant Sciences, Inc.
Attention: General Counsel
5281 California Avenue, Suite 100
Irvine, CA 92617
email:
Telephone:

with a copy (which shall not constitute notice) to:

O'Melveny & Myers LLP
Attention: Mark D. Peterson
610 Newport Center Drive, 17th Floor
Newport Beach, CA 92660
email:
Telephone:

(B) if to the Lender:

6-8, Doshomachi 2-chome
Chuo-ku, Osaka 541-0045
JAPAN
Attention: SUMITOMO DAINIPPON PHARMA CO., LTD.
Telephone:
Email:

EXHIBIT A

Drawdown Notice

From: UROVANT SCIENCES LTD.

To: SUMITOMO DAINIPPON PHARMA CO., LTD.

Dated:

Dear Sirs,

1. We refer to the agreement (as from time to time amended, varied, novated or supplemented) dated [mm dd, yyyy] and made between ourselves as the Borrower and yourselves as Lender (the "Loan Agreement").

2. We hereby give you notice, pursuant to the Loan Agreement, that we wish to borrow an Advance on [insert date] in the amount of US$ [insert amount] for an Interest Period of [insert number] days from [insert date] to [insert date] upon the terms and subject to the conditions contained therein.

3. The Advance should be credited on [insert date] to:

Bank:
Branch:
Address:
SWIFT Code:
Account no. :
Beneficiary :
ADDRESS:

Yours faithfully

_____

for and on behalf of
Urovant Sciences Ltd.

EXHIBIT B

Prepayment Notice

From: UROVANT SCIENCES LTD.

To: SUMITOMO DAINIPPON PHARMA CO., LTD.

Dated:

Dear Sirs,

1. We refer to the agreement (as from time to time amended, varied, novated or supplemented) dated [mm dd, yyyy] and made between ourselves as the Borrower and yourselves as Lender (the "Loan Agreement").

2. We hereby give you notice, pursuant to the Loan Agreement, that on [insert date] we intend to pay to you the sum of [insert total amount] ([amount] as the principal and [amount] as the interest), in prepayment of [an] Advance[s] (as defined in the Loan Agreement) made to us. Please let us know the details of your bank account, to which we shall remit the prepayment.

Yours faithfully

_____

for and on behalf of
Urovant Sciences Ltd.

Exhibit 10.2

INVESTOR RIGHTS AGREEMENT

dated as of December 27, 2019

by and among

Urovant Sciences Ltd.,

Sumitovant Biopharma Ltd.

and

Sumitomo Dainippon Pharma Co., Ltd.

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INVESTOR RIGHTS AGREEMENT

THIS INVESTOR RIGHTS AGREEMENT (this "**Agreement**") is made as of December 27, 2019 (the "**Effective Time**"), by and among Urovant Sciences Ltd., an exempted limited company incorporated under the laws of Bermuda (the "**Company**"), Sumitovant Biopharma Ltd., a Bermuda exempted company limited by shares ("**Sumitovant Bio**"), and Sumitomo Dainippon Pharma Co., Ltd., a company organized under the laws of Japan ("**Sumitomo**").

RECITALS

WHEREAS, pursuant to a Transaction Agreement, dated as of October 31, 2019, by and among Roivant Sciences Ltd. ("**Roivant**"), Sumitomo, Sumitovant Bio (f/k/a Vant Alliance Ltd.) and certain subsidiaries of Roivant, Roivant has, among other things, contributed all of the issued and outstanding common shares of the Company, par value US$0.000037453 per share (the "**Common Shares**"), owned by it to Sumitovant Bio and, subsequent to such contribution, Sumitomo has acquired all of the issued and outstanding common shares of Sumitovant Bio;

WHEREAS, the Board has validly and unanimously approved the Amended Bye-Laws (as defined below);

WHEREAS, the Board has caused the Company to file a preliminary information statement relating to the approval of the Amended Bye-Laws (the "**Preliminary Information Statement**") and set a record date of December 30, 2019 for determining the shareholders of the Company entitled to receive the Definitive Information Statement (as defined below); and

WHEREAS, the Company, Sumitovant Bio, and Sumitomo wish to set forth in this Agreement certain terms and conditions regarding the rights of Sumitovant Bio to cause the Company to register its Common Shares, the composition of the Board and committees thereof, and certain other matters as set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and promises contained in this Agreement and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto hereby agree as follows:

ARTICLE I
DEFINITIONS

Section 1.1 Definitions. For purposes of this Agreement:

"**13D Group**" means any group of persons formed for the purpose of acquiring, holding, voting or disposing of Voting Shares which would be required under Section 13(d) of the Exchange Act, and the rules and regulations promulgated thereunder, to file a statement on Schedule 13D pursuant to Rule 13d-1(a) or a Schedule 13G pursuant to Rule 13d-1(c) with the SEC as a "person" within the meaning of Section 13(d)(3) of the Exchange Act if such group

beneficially owned Voting Shares representing more than 5% of any class of Voting Shares then outstanding.

"**Acquisition Transaction**" means (i) any transaction (other than an acquisition of Exempt Excess Shares) that would either (x) cause the Sumitomo Group (together with any 13D Group of which a member of the Sumitomo Group is a part) to have Beneficial Ownership of an aggregate percentage of Total Current Voting Power in excess of the Standstill Limit, or (y) in the event that the Sumitomo Group (together with any 13D Group of which a member of the Sumitomo Group is a part) has Beneficial Ownership of an aggregate percentage of Total Current Voting Power in excess of the Standstill Limit, increase the Sumitomo Group's (together with any 13D Group of which a member of the Sumitomo Group is a part) Beneficial Ownership of Voting Shares, or (ii) the acquisition of all or substantially all of the Company's assets by the Sumitomo Group (or any 13D Group of which a member of the Sumitomo Group is a part).

"**Affiliate**" means, with respect to any specified Person, any other Person who directly or indirectly controls, is controlled by, or is under common control with such Person; *provided, however*, that, for purposes of this Agreement, unless expressly indicated otherwise (i) neither the Company nor any of its Subsidiaries will be deemed to be an Affiliate of Sumitovant Bio, Sumitomo or any other member of the Sumitomo Group and (ii) neither Sumitomo, nor any of its Subsidiaries or any other member of the Sumitomo Group (excluding the Company and its Subsidiaries) will be deemed an Affiliate of the Company.

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

"**Amended Bye-Laws**" means the Second Amended and Restated Bye-Laws of the Company, as approved by the Board on December 22, 2019 and in the form attached hereto as Exhibit A.

"**Antitrust Laws**" means the Sherman Act of 1890, as amended; the Clayton Act of 1914, as amended; the Federal Trade Commission Act of 1914, as amended; the HSR Act, and all other federal, state, foreign or supranational statutes, orders, decrees, administrative and judicial doctrines and other Laws in effect from time to time that are designed or intended to prohibit, restrict or regulate actions having the purpose or effect of monopolization or restraint of trade or lessening of competition through merger or acquisition.

"**Audit Committee**" means the Audit Committee of the Board.

"**Beneficial Ownership**," "**Beneficially Owned**" and "**Beneficially Owns**" have the meanings specified in Rule 13d-3 promulgated under the Exchange Act.

"**Board**" means the Board of Directors of the Company.

"**Business Acquisition Transaction**" has the meaning set forth in Section 6.3(a).

"**Business Day**" means any day, other than Saturday, Sunday or any day that is a legal holiday under the laws of the State of California or of Japan or is a day on which banking institutions in the State of California or in Japan are authorized or required by law or other governmental action to close.

"**Common Shares**" has the meaning set forth in the recitals.

"**Company**" has the meaning set forth in the preamble.

"**Company Acquisition Issuance Notice**" has the meaning set forth in Section 6.3(a).

"**Company Consolidation Package**" has the meaning set forth in Section 3.1.

"**Company Financing Issuance Notice**" has the meaning set forth in Section 6.2(b).

"**Company Other Issuance Notice**" has the meaning set forth in Section 6.4.

"**control**," including the terms "**controlling**," "**controlled by**" and "**under common control with**," means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting shares, by contract or otherwise.

"**Convertible Securities**" means any securities of the Company that are or by their terms will be convertible into, exchangeable for or otherwise exercisable to acquire Voting Shares of the Company, including convertible securities, warrants, rights or options to purchase Voting Shares of the Company, whether or not then in the money.

"**Damages**" means any loss, damage, claim or liability (joint or several) to which a party hereto may become subject under the Securities Act, the Exchange Act, or other federal or state law, insofar as such loss, damage, claim or liability (or any action in respect thereof) arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in any registration statement of the Company, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto; (ii) an omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading; or (iii) any violation or alleged violation by the indemnifying party (or any of its agents or Affiliates) of the Securities Act, the Exchange Act, any state securities law, or any rule or regulation promulgated under the Securities Act, the Exchange Act, or any state securities law.

"**Definitive Statement**" has the meaning set forth in Section 4.05(a).

"**Demand Notice**" has the meaning set forth in Section 2.1(a).

"**Direct Purchase Securities**" has the meaning set forth in Section 6.2(c).

"**Disinterested Shareholder**" means any shareholder of the Company that is not a member of the Sumitomo Group (or any 13D Group of which a member of the Sumitomo Group is a part).

"**Effective Time**" has the meaning set forth in the preamble.

"**Entity**" means any corporation (including any non-profit corporation), general partnership, limited partnership, limited liability partnership, joint venture, estate, trust, company

(including any limited liability company or joint stock company), branch office, firm or other enterprise, association, organization or entity.

"**Excess Share Ownership Notice**" has the meaning set forth in Section 5.3.

"**Excess Share Repurchase Notice**" has the meaning set forth in Section 5.3(a).

"**Excess Shares**" has the meaning set forth in Section 5.2(a).

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"**Excluded Registration**" means (i) a registration relating to the sale of securities to employees of the Company or its Subsidiaries pursuant to an equity option, equity purchase, or similar plan; (ii) a registration relating to an SEC Rule 145 transaction; or (iii) a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities.

"**Exempt Excess Shares**" has the meaning set forth in Section 5.2(b).

"**Fair Market Value**" means, with respect to the securities of any Person as of any date of determination, the average of the closing sale prices of such securities of such Person during the 20 trading days immediately preceding such date of determination on the principal U.S. or foreign securities exchange on which such securities of such Person is listed or, if such securities are not listed or primarily traded on any such exchange, the average of the closing sale prices or, in the absence of a closing sale price, the closing bid quotations, of such security during the 20 trading day period preceding such date of determination on any quotation system then in use; *provided* that, all such closing sales prices or, in the absence of a closing sale price, closing bid quotations, will be appropriately adjusted to take into account the effect of any dividends, stock splits, recapitalization, spin-offs or similar transactions that affect such closing sale prices or bid quotations during such 20 trading day period.

"**Financing Transaction**" has the meaning set forth in Section 6.2(a).

"**Form S-3**" means such form under the Securities Act as in effect on the date hereof or any registration form under the Securities Act subsequently adopted by the SEC that permits incorporation of substantial information by reference to other documents filed by the Company with the SEC.

"**GAAP**" means generally accepted accounting principles in the United States.

"**Grace Period**" means with respect to any Voting Shares or Convertible Securities that are subject to a Sumitovant Bio Maintenance Notice, the earlier of (i) 11:59 p.m. California time on the nine month anniversary of the delivery of the applicable Sumitovant Bio Financing Participation Notice, Company Acquisition Issuance Notice or Company Other Issuance Notice, and (ii) with respect to the number of shares of Voting Shares or Convertible Securities that are reduced by the delivery by Sumitovant Bio of a revised Sumitovant Bio Maintenance Notice stating a determination to acquire a lesser number of, or no, shares of Voting Shares or

Convertible Securities, the date of delivery of such revised Sumitovant Bio Maintenance Notice (*provided* that the Grace Period set forth in the foregoing clause (i) will continue to apply to the shares of Voting Shares and Convertible Securities that continue to be subject to such revised Sumitovant Bio Maintenance Notice).

"**Holder**" means, Sumitovant Bio or its valid transferees that are holders of Registrable Securities as a result of an assignment of the rights set forth in Article II in accordance with the requirements of Section 8.2.

"**Immediate Family Member**" means a child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, including adoptive relationships, of a natural person referred to herein.

"**Incumbent Independent Director**" has the meaning set forth in Section 4.2.

"**Independent Director**" means any Director of the Company who (i) the Board reasonably determines qualifies as an "independent director" of the Company under the listing rules of NASDAQ, (ii) is not and within the last three years has not been a director, officer or employee of a member of the Sumitomo Group, (iii) does not have any Immediate Family Member who is or within the last three years has been a director or executive officer of a member of the Sumitomo Group and (iv) is not a Sumitomo Director.

"**Independent Director Approval**" means the affirmative approval of a majority of the Independent Directors then in office who comprise the Audit Committee.

"**Initiating Holder**" has the meaning set forth in Section 2.1(a).

"**Law**" means national, supranational, EU, state, provincial, municipal or local statute, law, resolution, constitution, treaty, ordinance, code, regulation, statute, rule, notice, regulatory requirement, interpretation, agency guidance, order, stipulation, determination, certification standard, accreditation standard, permit, requirement or rule of law (including common law), code or edict issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any governmental authority, including the rules and regulations of any stock exchange.

"**NASDAQ**" means The NASDAQ Global Select Market.

"**New Securities**" means an issuance by the Company of Voting Shares or Convertible Securities, excluding (i) Convertible Securities issued or granted to directors, officers, bona fide individual consultants and employees of the Company or its Subsidiaries issued pursuant to an equity incentive plan approved by the Board or the Compensation Committee of the Board, as distinguished from the issuance of Voting Shares issued upon the exercise, vesting or conversion of such Convertible Securities, which Voting Shares will be considered New Securities as of such issuance, (ii) Common Shares issued after the date hereof to give effect to any stock dividend or distribution, stock split, reverse stock split or combination or other similar pro rata recapitalization event affecting the outstanding Common Shares equally, and (iii) Voting Shares or Convertible Securities issued to any Entity that is a member of the Sumitomo Group.

"**Organizational Documents**" means, with respect to any Entity, its certificate of incorporation or formation, memorandum of association, bye-laws or similar organizational documents.

"**Person**" means any individual, Entity or governmental authority.

"**Preliminary Statement**" has the meaning set forth in the recitals.

"**Purchase Price**" has the meaning set forth in Section 6.2(a).

"**Qualified Acquisition Transaction**" means each of (i) a merger providing for the acquisition by an Entity that is a member of the Sumitomo Group of 100% of the Voting Shares (other than shares owned by members of the Sumitomo Group) and is conditioned (which condition may not be waived) on a majority of the Voting Shares held by Disinterested Shareholders being voted in favor of such merger, (ii) a *bona fide* public tender offer subject to the provisions of Regulation 14D when first commenced within the meaning of Rule 14d-2(a) under the Exchange Act, by an Entity that is a member of the Sumitomo Group to purchase 100% of the Voting Shares (other than Shares owned by members of the Sumitomo Group) and is conditioned (which condition may not be waived) on a majority of the Voting Shares held by Disinterested Shareholders being tendered and not withdrawn with respect to such offer, (iii) the acquisition of all or substantially all of the assets of the Company and its Subsidiaries by the Sumitomo Group, which acquisition is conditioned (which condition may not be waived) on a majority of Voting Shares held by Disinterested Shareholders being voted in favor of such acquisition, and (iv) a license, commercial transaction or similar transaction between a member of the Sumitomo Group, on the one hand, and the Company or any of its Subsidiaries, on the other hand, that is conditioned (which condition may not be waived) on a majority of the Voting Shares held by Disinterested Shareholders being voted in favor of such transaction.

"**Registrable Securities**" means, collectively, (i) the Common Shares held by any Holder, including Common Shares issued or issuable (directly or indirectly) upon conversion, exchange and/or exercise of any other securities of the Company, acquired by any Holder on or after the date hereof, and (ii) Common Shares issued as (or issuable upon the conversion or exercise of any warrant, right, or other security that is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of, the securities referenced in clause (i) (excluding in all cases of (i) and (ii), any Registrable Securities sold by a Person in a transaction in which the applicable rights under this Agreement are not assigned pursuant to Section 8.1, and excluding for purposes of Article II any securities for which registration rights have terminated pursuant to Section 2.12 of this Agreement).

"**Related Party Transaction**" has the meaning set forth in Section 4.3(a)(iv).

"**Restricted Securities**" means the Registrable Securities that are "restricted securities" as defined in SEC Rule 144.

"**Rolling Forecast**" means the 18-month forward projections and sources and uses, the initial form of which is attached as Exhibit C to the Sumitomo Loan Agreement, as it may be extended, amended, modified or supplemented from time to time (including any quarterly updates thereto) as approved by the Board.

"**Rule 14c-2**" has the meaning set forth in Section 4.05(a).

"**SEC**" means the Securities and Exchange Commission.

"**SEC Rule 144**" means Rule 144 promulgated by the SEC under the Securities Act.

"**SEC Rule 145**" means Rule 145 promulgated by the SEC under the Securities Act.

"**Securities Act**" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"**Selling Expenses**" means all underwriting discounts, selling commissions, and share transfer taxes applicable to the sale of Registrable Securities, and fees and disbursements of counsel for any Holder, except for the fees and disbursements of the Selling Holder Counsel borne and paid by the Company as provided in Section 2.6.

"**Selling Holder Counsel**" has the meaning set forth in Section 2.6.

"**Standstill Limit**" means 76% of the Total Current Voting Power then in effect.

"**Standstill Termination Event**" means such time when the Sumitomo Group collectively holds Beneficial Ownership of (x) at least 90% of the Total Current Voting Power or (y) less than 50% of the Total Current Voting Power.

"**Subsidiary**" means with respect to any Entity, that such Entity will be deemed to be a "Subsidiary" of another Person if (i) such other Person directly or indirectly owns, beneficially or of record, (x) an amount of voting securities or other interests in such Entity, or a Contractual or similar right, that is sufficient to enable such Person to elect at least a majority of the members of such Entity's board of directors or other governing body or (y) at least a majority of the outstanding equity interests of such Entity, (ii) such other Person is a managing or controlling member or general partner of such Entity or (iii) such other Person holds the power or is otherwise contractually entitled to direct and control such Entity.

"**Sumitomo**" has the meaning set forth in the preamble.

"**Sumitovant** Bio" has the meaning set forth in the preamble.

"**Sumitovant Bio Acquisition Participation Notice**" has the meaning set forth in Section 6.2(c).

"**Sumitovant Bio Financing Participation Notice**" has the meaning set forth in Section 6.2(c).

"**Sumitovant Bio Maintenance Notice**" means a Sumitovant Bio Financing Participation Notice, a Company Acquisition Issuance Notice, or a Company Other Issuance Notice.

"**Sumitomo Director**" has the meaning set forth in the Amended Bye-Laws.

"**Sumitomo Group**" means Sumitomo and any Entity that is a controlled Affiliate of Sumitomo (but in all events excluding the Company and its Subsidiaries).

"**Sumitomo Group Pro Rata Portion**" means a number of New Securities determined by the following:

X = NS x PI

Where:

X = the number of New Securities that may be purchased by Sumitovant Bio

NS = the number of New Securities being issued by the Company

PI = the percentage of the Total Outstanding Company Equity Beneficially Owned by all members of the Sumitomo Group prior to the issuance of New Securities (including in the Beneficial Ownership of the Sumitomo Group all Voting Shares and Convertible Securities for which the applicable Grace Period, if any, has not expired), expressed as a decimal

"**Sumitomo Loan Agreement**" means that certain Loan Agreement, dated as of the date hereof, between Sumitomo and the Company, pursuant to which Sumitomo has agreed to provide the Company a term loan facility of US$200 million, subject to the terms and conditions of the Loan Agreement.

"**Total Current Voting Power**" means the total number of votes that may be cast in the election of members of the Board if all securities entitled to vote in the election of such directors are present and voted.

"**Total Outstanding Company Equity**" means the total number of shares of outstanding capital stock of the Company, on a fully diluted basis assuming the conversion, exchange or exercise in full of all outstanding Convertible Securities for Common Shares.

"**Voting Shares**" means Common Shares and any other securities of the Company having the ordinary power to vote in the election of members of the Board.

"**Voting Threshold**" means the aggregate Beneficial Ownership of 50% or more of the Total Current Voting Power.

ARTICLE II
REGISTRATION RIGHTS

Section 2.1 Demand Registration.

(a) If at any time when it is eligible to use a Form S-3 registration statement, the Company receives a request from any Holder (the "**Initiating Holder**") that the Company

file a Form S-3 registration statement with respect to outstanding Registrable Securities of such Holder having an anticipated aggregate offering price, net of Selling Expenses, of at least five million dollars ($5,000,000), then the Company will, (i) within 10 days after the date such request is given, give notice of such demand (a "**Demand Notice**") to all Holders other than the Initiating Holder; and (ii) as soon as practicable, and in any event within 45 days after the date such request is given by the Initiating Holder, file a Form S-3 registration statement under the Securities Act covering all Registrable Securities requested to be included in such registration by the Initiating Holder and by any other Holder, as specified by notice given by each such Holder to the Company within 20 days of the date the Demand Notice is given, and in each case, subject to the limitations of Section 2.1(b) and Section 2.3.

(b) Notwithstanding the foregoing obligations, if the Company furnishes to the Initiating Holder a certificate signed by the Company's principal executive officer stating that in the good faith judgment of the Board it would be materially detrimental to the Company and its shareholders for such registration statement to either become effective or remain effective for as long as such registration statement otherwise would be required to remain effective, because such action would (i) materially interfere with a significant acquisition, corporate reorganization, or other similar transaction involving the Company; (ii) require premature disclosure of material information that the Company has a bona fide business purpose for preserving as confidential; or (iii) render the Company unable to comply with requirements under the Securities Act or Exchange Act, then the Company will have the right to defer taking action with respect to such filing for a period of not more than 120 days after the request of the Initiating Holder is given; *provided* that the Company may not invoke this right more than once in any 12-month period; and *provided further* that the Company will not register any securities for its own account or that of any other shareholder during such 120 day period other than an Excluded Registration.

(c) The Company will not be obligated to effect, or to take any action to effect, any registration pursuant to Section 2.1(a) (i) during the period that is 30 days before the Company's good faith estimate of the date of filing of, and ending on a date that is 90 days after the effective date of, a Company-initiated registration, *provided* that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; or (ii) if the Company has effected two registrations pursuant to Section 2.1(a) within the 12 month period immediately preceding the date of such request. A registration will not be counted as "effected" for purposes of this Section 2.1(c) until such time as the applicable registration statement has been declared effective by the SEC, unless the Initiating Holder withdraws its request for such registration, elects not to pay the registration expenses therefor, and forfeits its right to one demand registration statement pursuant to Section 2.6, in which case such withdrawn registration statement will be counted as "effected" for purposes of this Section 2.1(c).

Section 2.2 Company Registration. If the Company proposes to register (including, for this purpose, a registration effected by the Company for shareholders other than the Holders) any of its Common Shares under the Securities Act in connection with the public offering of such securities solely for cash (other than in an Excluded Registration), the Company will, at such time, promptly give each Holder notice of such registration. Upon the request of each Holder given within 20 days after such notice is given by the Company, the Company will, subject to the

provisions of Section 2.3, cause to be registered all of the Registrable Securities that each such Holder has requested to be included in such registration. The Company will have the right to terminate or withdraw any registration initiated by it under this Section 2.2 before the effective date of such registration, whether or not any Holder has elected to include Registrable Securities in such registration. The expenses (other than Selling Expenses) of such withdrawn registration will be borne by the Company in accordance with Section 2.6.

Section 2.3 Underwriting Requirements.

(a) If, pursuant to Section 2.1, the Initiating Holder intends to distribute the Registrable Securities covered by its request by means of an underwriting, it will so advise the Company as a part of its request made pursuant to Section 2.1, and the Company will include such information in the Demand Notice. The underwriter(s) will be selected by the Company but must be reasonably acceptable to the Initiating Holder. In such event, the right of any Holder to include such Holder's Registrable Securities in such registration will be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein. All Holders proposing to distribute their securities through such underwriting will (together with the Company, as provided in Section 2.4(e)) enter into an underwriting agreement in customary form with the underwriter(s) selected for such underwriting. Notwithstanding any other provision of this Section 2.3, if the managing underwriter(s) advise(s) the Initiating Holder in writing that marketing factors require a limitation on the number of shares to be underwritten, then the Initiating Holder will so advise all Holders of Registrable Securities that otherwise would be underwritten pursuant hereto, and the number of Registrable Securities that may be included in the underwriting will be allocated among such Holders of Registrable Securities, including the Initiating Holder, in proportion (as nearly as practicable) to the number of Registrable Securities owned by each Holder or in such other proportion as will mutually be agreed to by all such selling Holders; *provided* that the number of Registrable Securities held by the Holders to be included in such underwriting will not be reduced unless all other securities are first entirely excluded from the underwriting. To facilitate the allocation of shares in accordance with the above provisions, the Company or the underwriters may round the number of shares allocated to any Holder to the nearest 100 shares.

(b) In connection with any offering involving an underwriting of Common Shares pursuant to Section 2.2, the Company will not be required to include any Registrable Securities in such underwriting unless the selling Holders accept the terms of the underwriting as agreed upon between the Company and its underwriters, and then only in such quantity as the underwriters in their reasonable discretion determine will not jeopardize the success of the offering by the Company. If the total number of securities, including Registrable Securities, requested by shareholders to be included in such offering exceeds the number of securities to be sold (other than by the Company) that the underwriters in their reasonable discretion determine is compatible with the success of the offering, then the Company will be required to include in the offering the full number of Registrable Securities that the underwriters in their reasonable discretion determine will not jeopardize the success of the offering (taking into account the securities to be registered by the Company and the number of Registrable Securities requested to be included in the offering). If the underwriters determine that less than all of the Registrable Securities requested to be registered can be included in such offering, then the Registrable Securities that are included in such offering will be allocated among the selling Holders in

proportion (as nearly as practicable to) the number of Registrable Securities owned by each selling Holder or in such other proportions as is mutually agreed to by all such selling Holders. To facilitate the allocation of shares in accordance with the above provisions, the Company or the underwriters may round the number of shares allocated to any Holder to the nearest 100 shares. Notwithstanding the foregoing, in no event will (i) the number of Registrable Securities included in the offering be reduced unless all other securities (other than securities to be sold by the Company) are first entirely excluded from the offering, or (ii) the number of Registrable Securities included in the offering be reduced below 30% of the total number of securities included in such offering. For purposes of the provision in this Section 2.3(b) concerning apportionment, for any selling Holder that is a partnership, limited liability company, or corporation, the partners, members, retired partners, retired members, shareholders, and Affiliates of such Holder, or the estates and Immediate Family Members of any such partners, retired partners, members, and retired members and any trusts for the benefit of any of the foregoing Persons, will be deemed to be a single "selling Holder**,**" and any pro rata reduction with respect to such "selling Holder" will be based upon the aggregate number of Registrable Securities owned by all Persons included in such "selling Holder**,**" as defined in this sentence.

Section 2.4 Obligations of the Company. Whenever required under this Article II to effect the registration of any Registrable Securities, the Company will, as expeditiously as reasonably possible:

(a) prepare and file with the SEC a registration statement with respect to such Registrable Securities and use commercially reasonable efforts to cause such registration statement to become effective and, upon the request of any Holder, keep such registration statement effective for a period of up to 120 days or, if earlier, until the distribution contemplated in the registration statement has been completed; *provided* that (i) such 120 day period will be extended for a period of time equal to the period the Holder refrains, at the request of an underwriter of Common Shares, from selling any securities included in such registration, and (ii) in the case of any registration of Registrable Securities on Form S-3 that are intended to be offered on a continuous or delated basis, subject to compliance with applicable SEC rules, such 120 day period will be extended for up to an additional 120 days, if necessary, to keep the registration statement effective until all such Registrable Securities are sold;

(b) prepare and file with the SEC such amendments and supplements to such registration statement, and the prospectus used in connection with such registration statement, as may be necessary to comply with the Securities Act in order to enable the disposition of all securities covered by such registration statement;

(c) furnish to the selling Holders such numbers of copies of a prospectus, including a preliminary prospectus, as required by the Securities Act, and such other documents as the Holders may reasonably request in order to facilitate the disposition of their Registrable Securities;

(d) use its commercially reasonable efforts to register and qualify the securities covered by such registration statement under such other securities or blue-sky laws of such jurisdictions as will be reasonably requested by the selling Holders; provided that the Company will not be required to qualify to do business or to file a general consent to service of

process in any such states or jurisdictions, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act;

(e) in the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the underwriter(s) of such offering;

(f) use its commercially reasonable efforts to cause all such Registrable Securities covered by such registration statement to be listed on a national securities exchange or trading system and each securities exchange and trading system (if any) on which similar securities issued by the Company are then listed;

(g) provide a transfer agent and registrar for all Registrable Securities registered pursuant to this Agreement and provide a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration;

(h) promptly make available for inspection by the selling Holders, any managing underwriter(s) participating in any disposition pursuant to such registration statement, and any attorney or accountant or other agent retained by any such underwriter or selected by the selling Holders, all financial and other records, pertinent corporate documents, and properties of the Company, and cause the Company's officers, directors, employees, and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant, or agent, in each case, as necessary or advisable to verify the accuracy of the information in such registration statement and to conduct appropriate due diligence in connection therewith;

(i) notify each selling Holder, promptly after the Company receives notice thereof, of the time when such registration statement has been declared effective or a supplement to any prospectus forming a part of such registration statement has been filed;

(j) after such registration statement becomes effective, notify each selling Holder of (i) any request by the SEC that the Company amend or supplement such registration statement or prospectus; (ii) of the issuance by the SEC or any state securities authority of any stop order suspending the effectiveness of such registration statement or the initiation of any proceedings for that purpose, and (iii) of the happening of any event during the period such registration statement is effective as a result of which such registration statement or the related prospectus or any document incorporated by reference therein contains any untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein (which, in the case of the prospectus, shall be determined in light of the circumstances in which such prospectus is to be used) not misleading (which information shall be accompanied by an instruction to suspend the use of the registration statement and the prospectus until the requisite changes have been made);

(k) use its commercially reasonable efforts to avoid the issuance of, or if issued, to obtain the withdrawal of, any order enjoining or suspending the use or effectiveness of a registration statement or suspending of the qualification (or exemption from qualification) of any of the Registrable Securities for sale in any jurisdiction, as promptly as practicable; and

(l) take all other commercially reasonable actions as are necessary or advisable in order to expedite or facilitate the disposition of Registrable Securities by the Holder, including using commercially reasonable efforts to cause appropriate officers and employees to be available, on a customary basis and upon reasonable advance notice, to meet with prospective investors in presentations, meetings, and road shows.

In addition, the Company will ensure that, at all times after any registration statement covering a public offering of securities of the Company under the Securities Act has become effective; its insider trading policy will provide that the Board may implement a trading program under Rule 10b5-1 of the Exchange Act.

Section 2.5 Furnish Information. It will be a condition precedent to the obligations of the Company to take any action pursuant to this Article II with respect to the Registrable Securities of any selling Holder that such Holder will furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as is reasonably required to effect the registration of such Holder's Registrable Securities.

Section 2.6 Expenses of Registration. All expenses (other than Selling Expenses) incurred in connection with registrations, filings, or qualifications pursuant to this Article II, including all registration, filing, and qualification fees; printers' and accounting fees; fees and disbursements of counsel for the Company; and the reasonable fees and disbursements of one counsel for the selling Holders ("**Selling Holder Counsel**"), will be borne and paid by the Company; *provided* that the Company will not be required to pay for any expenses of any registration proceeding begun pursuant to Section 2.1 if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered (in which case all selling Holders will bear such expenses pro rata based upon the number of Registrable Securities that were to be included in the withdrawn registration), unless the Holders of a majority of the Registrable Securities agree to forfeit their right to one registration pursuant to Section 2.1; *provided further* that if, at the time of such withdrawal, the Holders have learned of a material adverse change in the condition, business, or prospects of the Company from that known to the Holders at the time of their request and have withdrawn the request with reasonable promptness after learning of such information then the Holders will not be required to pay any of such expenses and will not forfeit their right to one registration pursuant to Section 2.1. All Selling Expenses relating to Registrable Securities registered pursuant to this Article II will be borne and paid by the Holders pro rata based on the number of Registrable Securities registered on their behalf as compared to the total number of securities registered.

Section 2.7 Delay of Registration. No Holder will have any right to obtain or seek an injunction restraining or otherwise delaying any registration pursuant to this Agreement as the result of any controversy that might arise with respect to the interpretation or implementation of this Article II.

Section 2.8 Indemnification. If any Registrable Securities are included in a registration statement under this Article II:

(a) To the extent permitted by Law, the Company will indemnify and hold harmless each selling Holder, and the partners, members, officers, directors, and shareholders of each such Holder; legal counsel and accountants for each such Holder; any underwriter (as defined in the Securities Act) for each such Holder; and each Person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or the Exchange Act, against any Damages, and the Company will pay to each such Holder, underwriter, controlling Person, or other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; *provided* that the indemnity agreement contained in this Section 2.8(a) will not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Company, which consent will not be unreasonably conditioned, withheld or delayed, nor will the Company be liable for any Damages to the extent that such Damages arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of any such Holder, underwriter, controlling Person, or other aforementioned Person in writing expressly for use in connection with such registration.

(b) To the extent permitted by Law, each selling Holder, severally and not jointly, will indemnify and hold harmless the Company, and each of its directors, each of its officers who has signed the registration statement, each Person (if any), who controls the Company within the meaning of the Securities Act, legal counsel and accountants for the Company, any underwriter (as defined in the Securities Act), any other Holder selling securities in such registration statement, and any controlling Person of any such underwriter or other Holder, against any Damages, in each case only to the extent that such Damages arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of such selling Holder expressly for use in connection with such registration; and each such selling Holder will pay to the Company and each other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; provided that the indemnity agreement contained in this Section 2.8(b) will not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Holder, which consent will not be unreasonably conditioned, withheld or delayed; and *provided* further that in no event will the aggregate amounts payable by any Holder by way of indemnity or contribution under this Section 2.8(b) when taken together with the aggregate amounts payable by such Holder under Section 2.8(d) exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder), except in the case of fraud by such Holder.

(c) Promptly after receipt by an indemnified party under this Section 2.8 of notice of the commencement of any action (including any governmental action) for which a party may be entitled to indemnification hereunder, such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Section 2.8, give the indemnifying party notice of the commencement thereof. The indemnifying party will have the right to participate in such action and, to the extent the indemnifying party so desires, participate jointly with any other indemnifying party to which notice has been given, and to assume the defense thereof with counsel mutually satisfactory to the parties; *provided* that an indemnified party (together with all other indemnified parties that may be represented without conflict by one

counsel) will have the right to retain one separate counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such action. The failure to give notice to the indemnifying party within a reasonable time of the commencement of any such action will relieve such indemnifying party of any liability to the indemnified party under this Section 2.8, only to the extent that such failure materially prejudices the indemnifying party's ability to defend such action. The failure to give notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 2.8.

(d) To provide for just and equitable contribution to joint liability under the Securities Act in any case in which either: (i) any party otherwise entitled to indemnification hereunder makes a claim for indemnification pursuant to this Section 2.8 but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case, notwithstanding the fact that this Section 2.8 provides for indemnification in such case, or (ii) contribution under the Securities Act may be required on the part of any party hereto for which indemnification is provided under this Section 2.8, then, and in each such case, such parties will contribute to the aggregate losses, claims, damages, liabilities, or expenses to which they may be subject (after contribution from others) in such proportion as is appropriate to reflect the relative fault of each of the indemnifying party and the indemnified party in connection with the statements, omissions, or other actions that resulted in such loss, claim, damage, liability, or expense, as well as to reflect any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party will be determined by reference to, among other things, whether the untrue or allegedly untrue statement of a material fact, or the omission or alleged omission of a material fact, relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission; provided that, in any such case (x) no Holder will be required to contribute any amount in excess of the public offering price of all such Registrable Securities offered and sold by such Holder pursuant to such registration statement, and (y) no Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation; and *provided further* that in no event will a Holder's liability pursuant to this Section 2.8(d), when combined with the amounts paid or payable by such Holder pursuant to Section 2.8(b), exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder), except in the case of fraud by such Holder.

(e) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement will control.

(f) Unless otherwise superseded by an underwriting agreement entered into in connection with the underwritten public offering, the obligations of the Company and the Holders under this Section 2.8 will survive the completion of any offering of Registrable

Securities in a registration under this Article II, and otherwise will survive the termination of this Agreement.

Section 2.9 Reports Under Exchange Act. With a view to making available to the Holders the benefits of SEC Rule 144 and any other rule or regulation of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form S-3, the Company will:

(a) make and keep available adequate current public information, as those terms are understood and defined in SEC Rule 144, at all times;

(b) use commercially reasonable efforts to file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act (at any time after the Company has become subject to such reporting requirements); and

(c) furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request (i) to the extent accurate, a written statement by the Company that it has complied with the reporting requirements of SEC Rule 144, the Securities Act, and the Exchange Act (at any time after the Company has become subject to such reporting requirements), or that it qualifies as a registrant whose securities may be resold pursuant to Form S-3 (at any time after the Company so qualifies) and (ii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC that permits the selling of any such securities without registration (at any time after the Company has become subject to the reporting requirements under the Exchange Act) or pursuant to Form S-3 (at any time after the Company so qualifies to use such form).

Section 2.10 Limitations on Subsequent Registration Rights. From and after the date of this Agreement, the Company will not, without the prior written consent of the Holders, enter into any agreement with any holder or prospective holder of any securities of the Company that would (a) provide to such holder the right to include securities in any registration other than on a subordinate basis after all of the Holders have had the opportunity to include in the registration and offering all Registrable Securities that they wish to so include or (b) allow such holder or prospective holder to initiate a demand for registration of any securities held by such holder or prospective holder.

Section 2.11 Restrictions on Transfer.

(a) The Restricted Securities will not be sold, pledged, or otherwise transferred, and the Company will not recognize and will issue stop-transfer instructions to its transfer agent with respect to any such sale, pledge, or transfer, except upon the conditions specified in this Section 2.11, which conditions are intended to ensure compliance with the provisions of the Securities Act. Each Holder, if effecting a transfer, will cause any proposed purchaser, pledgee, or transferee of the Restricted Securities to agree to take and hold such securities subject to the provisions and upon the conditions specified in this Section 2.11.

(b) Each certificate or instrument representing the Restricted Securities, and any other securities issued in respect of such Restricted Securities, upon any split, dividend,

recapitalization, merger, consolidation, or similar event, will (unless otherwise permitted by the provisions of Section 2.11(d)) be stamped or otherwise imprinted with a legend substantially in the following form:

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF, AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). SUCH SHARES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN EXEMPTION THEREFROM UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

THE SALE, PLEDGE, HYPOTHECATION OR TRANSFER OF THE SHARES REPRESENTED BY THIS CERTIFICATE IS SUBJECT TO, AND IN CERTAIN CASES PROHIBITED BY, THE ISSUER'S BYLAWS AND A CERTAIN INVESTOR RIGHTS AGREEMENT BETWEEN THE ISSUER AND THE HOLDER. COPIES OF SUCH AGREEMENTS MAY BE OBTAINED UPON WRITTEN REQUEST TO THE SECRETARY OF THE ISSUER.

(c) The parties hereto consent to the Company making a notation in its records and giving instructions to any transfer agent of the Restricted Securities in order to implement the restrictions on transfer set forth in this Section 2.11.

(d) Each Holder, as a holder of Restricted Securities, by acceptance of ownership thereof, agrees to comply in all respects with the provisions of this Section 2.11. Before any proposed sale, pledge, or transfer of any Restricted Securities that is not effected pursuant to SEC Rule 144, unless there is in effect a registration statement under the Securities Act covering the proposed transaction, the Holder will give notice to the Company of its intention to effect such sale, pledge, or transfer. Each such notice will describe the manner and circumstances of the proposed sale, pledge, or transfer in sufficient detail and, if reasonably requested by the Company, will be accompanied at such Holder's expense by either (i) a written opinion of legal counsel who will, and whose legal opinion will, be reasonably satisfactory to the Company, addressed to the Company, to the effect that the proposed transaction may be effected without registration under the Securities Act; (ii) a "no action" letter from the SEC to the effect that the proposed sale, pledge, or transfer of such Restricted Securities without registration will not result in a recommendation by the staff of the SEC that action be taken with respect thereto; or (iii) any other evidence reasonably satisfactory to counsel to the Company to the effect that the proposed sale, pledge, or transfer of the Restricted Securities may be effected without registration under the Securities Act, whereupon the Holder of such Restricted Securities will be entitled to sell, pledge, or transfer such Restricted Securities in accordance with the terms of the notice given by the Holder to the Company. The Company will not require such a legal opinion or "no action" letter (x) in any transaction in compliance with SEC Rule 144 or (y) in any transaction in which such Holder distributes Restricted Securities to an Affiliate of such Holder for no consideration; *provided* that each transferee agrees in writing to be subject to the terms of this Section 2.11. Each certificate or instrument evidencing the Restricted Securities transferred

as above provided will bear, except if such transfer is made pursuant to SEC Rule 144, the appropriate restrictive legend set forth in Section 2.11(b), except that such certificate will not bear such restrictive legend if, in the opinion of counsel for such Holder and the Company, such legend is not required in order to establish compliance with any provisions of the Securities Act.

Section 2.12 Termination of Registration Rights. The right of any Holder to request registration or inclusion of Registrable Securities in any registration pursuant to Section 2.1 or Section 2.2 will terminate upon the earliest to occur of:

(a) such time as Rule 144 or another similar exemption under the Securities Act is available for the sale of all of such Holder's shares without limitation during a three-month period without registration; and

(b) such time, if any, as members of the Sumitomo Group Beneficially Owns, in the aggregate, less than 10% of the issued and outstanding Common Shares of the Company.

ARTICLE I ARTICLE III
INFORMATION AND INSPECTION RIGHTS

Section 3.1 Financial Information. The Company will continue to appoint an accounting firm of international reputation to perform independent audit services for the Company. The Company will, at the Company's expense, prepare its financial reports in accordance with GAAP. The Company will provide routine reports to Sumitovant Bio as reasonably requested by it in formats it may reasonably specify. Sumitovant Bio may also request the Company to prepare and provide quarterly financial statements and any other documents reasonably required for consolidated accounting or to satisfy any mandatory disclosure requirement, and the contents and formats of those documents will be determined in each case through consultation between the Company and Sumitovant Bio (collectively, the "**Company Consolidation Package**"). Sumitovant Bio may also request the Company to prepare and provide monthly financial statements prepared consistent with the preparation of the Company's interim financial statements prepared for filing with the SEC, and any other documents reasonably required in accordance with GAAP for consolidated accounting or to satisfy any mandatory disclosure requirement, and the contents and formats of those documents will be determined in each case through consultation between the Company and Sumitovant Bio. The Company will no longer be required to deliver a Company Consolidation Package after such time as Sumitovant Bio is no longer required to consolidate the financial results of the Company into its financial statements.

Section 3.2 Delivery of Certain Information. The Company will deliver to Sumitovant Bio:

(a) As soon as practicable, but in any event within 10 days after the end of each fiscal quarter, a statement showing the number of shares of each class and series of shares and Convertible Securities outstanding at the end of the period, the Common Shares issuable upon conversion or exercise of any outstanding Convertible Securities and the exchange ratio or exercise price applicable thereto, and the number of Convertible Securities (and Common Shares into which they will be convertible) not yet

issued but reserved for issuance, if any, all in sufficient detail as to permit the Holders to calculate their respective percentage equity ownership in the Company, and certified by the chief financial officer or chief executive officer of the Company as being true, complete, and correct.

(b) Within 90 days after the end of each of the Company's fiscal years commencing with the fiscal year ending March 31, 2020, a consolidated balance sheet of the Company and its Subsidiaries as at the end of such fiscal year and the related consolidated statements of income or operations, shareholders' equity and cash flows for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year, audited and accompanied by a report and opinion of independent public accountants of nationally recognized standing, which report and opinion must be prepared in accordance with GAAP to the effect that such consolidated financial statements present fairly in all material respects the financial condition, results of operations, shareholders' equity and cash flows of the Company and its Subsidiaries on a consolidated basis in accordance with GAAP consistently applied.

(c) Within 45 days after the end of each of the Company's first three fiscal quarters of any fiscal year, a consolidated balance sheet of the Company and its Subsidiaries as at the end of such fiscal quarter, the related consolidated statements of income or operations, shareholders' equity and cash flows for such fiscal quarter and for the portion of the Company's fiscal year then ended, in each case setting forth in comparative form, as applicable, the figures for the corresponding period of the previous fiscal year and the corresponding portion of the previous fiscal year, certified by a Responsible Officer of the Company as fairly presenting in all material respects the financial condition, results of operations, shareholders' equity and cash flows of the Company and its Subsidiaries on a consolidated basis in accordance with GAAP consistently applied, subject only to normal year-end audit adjustments and the absence of notes.

(d) As soon as practicable after approval by the Board, the Company's Rolling Forecast for each calendar quarter and any other extension, amendment, modification or supplement to the Rolling Forecast.

(e) As soon as available (and in any event within 90 days after the end of each of the Company's fiscal years), an annual report on Form 10-K of the Company for such fiscal year.

Notwithstanding the foregoing, the Company may deliver the documents required to be delivered under Sections 3.2(b), (c), and (e) electronically and such documents will be deemed to have been delivered on the date on which the Company files such documents with the SEC and such documents are publicly available on the SEC's EDGAR filing system or any successor thereto.

Section 3.3 Inspections. The Company will permit each Holder, at such Holder's expense, to visit and inspect the Company's properties; examine its books of account and records; and discuss the Company's affairs, finances, and accounts with its officers, during normal business hours of the Company as may be reasonably requested by such Holder; *provided*, *however*, that the Company will not be obligated pursuant to this Section 3.3 to provide access to any information that it reasonably and in good faith considers to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement,

in form reasonably acceptable to the Company) or the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel.

Section 3.4 Confidentiality. Each Holder agrees that such Holder will keep confidential and will not disclose, divulge, or use for any purpose any confidential information obtained from the Company pursuant to the terms of this Agreement (including notice of the Company's intention to file a registration statement), unless such confidential information (a) is known or becomes known to the public in general (other than as a result of a breach of this Section 3.4 by such Holder), (b) is or has been independently developed or conceived by the Holder without use of the Company's confidential information, or (c) is or has been made known or disclosed to the Holder under circumstances in which such Holder does not have a reasonable expectation that such disclosure constitutes a breach of an obligation of confidentiality such third party may have to the Company; *provided*, *however*, that any Holder may disclose confidential information (i) to its attorneys, accountants, consultants, and other professionals to the extent necessary to obtain their services in connection with evaluating whether to exercise any rights hereunder; (ii) to any prospective purchaser of any Registrable Securities from such Holder, if such prospective purchaser agrees to be bound by the provisions of this Section 3.4; (iii) to any existing Affiliate, partner, member, shareholder, or Subsidiary of such Holder in the ordinary course of business, *provided* that such Holder informs such Person that such information is confidential and directs such Person to maintain the confidentiality of such information; or (iv) as may otherwise be required by Law, *provided* that the Holder promptly notifies the Company of such disclosure and takes reasonable steps to minimize the extent of any such required disclosure.

Section 3.5 Termination of Information and Inspection Rights. The provisions of this Article III will terminate at such time as members of the Sumitomo Group Beneficially Own, in the aggregate, less than 10% of the issued and outstanding Common Shares of the Company.

CORPORATE GOVERNANCE

Section 4.1 Board and Committee Composition. At all times that the Sumitomo Group satisfies the Voting Threshold:

(a) the Board will have at least three Independent Directors, at least one of which will meet the requirements of an "Audit Committee financial expert" as such term is defined in Item 407(d)(5) of Regulation S-K under the Exchange Act;

(b) the Audit Committee of the Board will be composed solely of Independent Directors;

(c) neither Sumitomo nor Sumitovant Bio will, and Sumitomo will cause each other member of the Sumitomo Group to not, without first obtaining approval of the holders of a majority of the Voting Shares held by the Disinterested Shareholders, remove any of the Independent Directors who comprise the Audit Committee from office;

(d) any other standing or *ad hoc* committee of the Board will be composed of not less than a majority of Sumitomo Directors, *provided that*, a Sumitomo Director will not be included in the membership of any such committee of the Board the sole purpose of which is to

consider any transaction between a member of the Sumitomo Group, on the one hand, and the Company or any of its Subsidiaries, on the other hand, including an Acquisition Transaction;

(e) the Company will utilize, to the extent available, the "controlled company" exemption under the rules of NASDAQ or any other applicable securities exchange in respect of the composition of Board and the committees thereof;

(f) the charter of the Audit Committee as in effect as of the Effective Time can only be modified with the approval of both the Board and the Audit Committee;

(g) the provisions in the Corporate Governance Guidelines of the Company as in effect as of the Effective Time regarding the Lead Independent Director can only be modified with the approval of both the Board and the Audit Committee; and

(h) Amended Bye-laws 24, 38, 40, 41 and 46 (and any defined terms as used therein) may not be amended, revised, or removed without the prior written consent of Sumitovant Bio.

Section 4.2 Certain Acknowledgements and Agreements.

(a) the Board has affirmatively determined that Dr. Sef Kurstjens, Mr. Pierre Legaut and Mr. James Robinson (each, an "**Incumbent Independent Director**") are Independent Directors as of the Effective Time, and each such Incumbent Independent Director will, from and after the Effective Time, continue to serve as a Director of the Company until the earliest to occur of (i) the Company's next annual general meeting (unless reelected at such meeting), (ii) any removal or replacement of such Incumbent Independent Director by the Disinterested Shareholders at a meeting of the Company's shareholders, (iii) his or her office being vacated sooner pursuant to Amended Bye-law 41.1(d) or (iv) such Incumbent Independent Director no longer satisfies the requirements of an "Independent Director" as set forth in this Agreement; and

(b) Mr. Legaut will serve as the Lead Independent Director until the earliest to occur of (i) the Company's next annual general meeting (unless reelected at such meeting), (ii) any removal or replacement of Mr. Legaut by the Disinterested Shareholders at a meeting of the Company's shareholders, (iii) his office being vacated sooner pursuant to Amended Bye-law 41.1(d), (iv) the Independent Directors elect to remove Mr. Legaut as the Lead Independent Director, or (v) Mr. Legaut no longer satisfies the requirements of an "Independent Director" as set forth in this Agreement.

Section 4.3 Voting Agreement. At all times that the Sumitomo Group satisfies the Voting Threshold, (a) Sumitomo and Sumitovant Bio will, and Sumitomo will cause each member of the Sumitomo Group to, vote or cause to be voted the Voting Shares owned by them as of the record date for determining the shareholders of the Company entitled to vote at any annual or special meeting of shareholders of the Company (however noticed or called) in connection with any election of Independent Directors designated to serve on the Audit Committee, or the taking by the shareholders of the Company of an action by written consent in connection with any election of Independent Directors designated to serve on the Audit Committee, in each case in a manner that is in direct proportion to the manner in which the

Disinterested Shareholders vote their Voting Shares in respect of the election of such Independent Directors (including, for this purpose, any abstentions and "withhold" votes), and (b) neither Sumitomo nor Sumitovant Bio will, and Sumitomo will cause each member of the Sumitomo Group to not, without first obtaining Independent Director Approval, solicit proxies with respect to any Voting Shares, or become a "participant" in any "election contest" (as such terms are used in Rule 14(a)-11 of Regulation 14A promulgated under the Exchange Act), in each case, relating to the election of the Independent Directors designated to serve on the Audit Committee; *provided* that, none of Sumitomo or any of its Subsidiaries will be deemed to be engaged in the solicitation of proxies or such a "participant" merely by reason of the membership of the Sumitomo Directors on the Board and nothing contained in this Agreement will limit, restrict or prohibit any member of the Sumitomo Group from voting all of the Voting Shares Beneficially Owned by them in favor of the election of any nominee to the Board that will constitute a Sumitomo Director if elected or appointed.

Section 4.4 Matters Requiring Independent Director Approval. After the Effective Time and until a Standstill Termination Event, except for an Acquisition Transaction or a Qualified Acquisition Transaction, which will be governed by Section 5, the Company will not, and will cause its Subsidiaries not to, take or commit to taking, any of the following actions without first obtaining the Independent Director Approval:

(a) approve, agree to, enter into or engage in any transaction between a member of the Sumitomo Group or one of their Affiliates, on the one hand, and the Company and any of its Subsidiaries, on the other hand, in each case to the extent such transaction would constitute a transaction with related persons under Item 404 of Regulation S-K under the Exchange Act; except (1) for any action, transaction or arrangement taken pursuant to the Sumitomo Loan Agreement, (2) the payment of dividends or distributions in respect of the Company's outstanding equity interests in which all holders of a class of equity interests receive a pro rata portion of such dividend or distribution based on the number of equity interests of such class that are held by such holder, (3) the Company's repurchase or redemption of outstanding equity interests in which a class of equity interests are repurchased or redeemed on a pro rata basis based on the number of equity interests of such class that are then outstanding, (4) the repurchase of securities issued to or held by employees, consultants or contractors of the Company or its Subsidiaries at a price not greater than the then current fair market value for such securities upon the termination of employment or services and pursuant to agreements providing for the right of said repurchase, (5) the Company or its Subsidiaries entering into compensation arrangements with directors, officers, employees or independent contractors in the ordinary course of business and on terms consistent with other arrangements that do not involve members of the Sumitomo Group, (6) the issuance of securities upon the exchange or exercise of Convertible Securities in accordance with their terms, (7) the issuance of Direct Purchase Securities pursuant to Article VI and (8) a transaction that would not constitute a transaction with related persons under Item 404 of Regulation S-K under the Exchange Act; (any transaction referred to in this Section 4.4(a), but subject to the exceptions in the foregoing (1) through (8), a "**Related Party Transaction**"); or

(b) (i) amend this Agreement or (ii) waive any rights of the Company under this Agreement, in each case of (i) and (ii), to the extent such amendment or waiver would have

the effect of expanding the rights or materially reducing the obligations of Sumitomo and/or Sumitovant Bio under the this Agreement.

Section 4.5 Amendment of the Bye-laws.

(a) The Board agrees to take all actions necessary, including promptly responding to any inquiries or comments of the SEC relating to the Preliminary Information Statement so as to facilitate the filing of a definitive information statement relating to the approval of the Amended Bye-laws (the "**Definitive Information Statement**"), and after the Preliminary Information Statement is cleared or deemed to have been cleared by the SEC, file the Definitive Information Statement with the SEC and mail such Definitive Information Statement to the Company's shareholders as of the record date, in accordance with Rule 14c-2 within two Business Days following the expiration of the waiting period applicable to the Preliminary Information Statement, or such longer period as required by the SEC, in each case in compliance with Rule 14c-2 and the Exchange Act.

(b) From Effective Time until such date as the Amended Bye-laws become effective, the Company will refrain from taking any actions that would conflict with, or be prohibited under, the Amended Bye-laws, as if they were in effect as of the Effective Time.

ARTICLE V
ACQUISITION TRANSACTIONS

Section 5.1 Standstill Obligations with Respect to Acquisition Transactions. From the Effective Time and until a Standstill Termination Event and subject to the provisions of Section 5.2, no member of the Sumitomo Group will, and no member of the Sumitomo Group will cooperate with or act in concert with any 13D Group to which a member of the Sumitomo Group is a part to, make a tender offer, exchange offer, merger proposal or other offer the effect of which if completed would be an Acquisition Transaction or otherwise engage in an Acquisition Transaction unless such Acquisition Transaction is effected in compliance with the following:

(a) A member of the Sumitomo Group may, at any time, propose, negotiate and consummate a Qualified Acquisition Transaction, in each case, at the written request of a majority of the Independent Directors then in office who comprise the Audit Committee;

(b) Any member of the Sumitomo Group may, at any time, make a proposal for an Acquisition Transaction that is subject to Independent Director Approval, to the Audit Committee on a confidential basis in a manner that would not reasonably be expected to require the Company to make a public announcement regarding the receipt of such proposal; *provided, however*, this Section 5.1 will not be deemed to prohibit a member of the Sumitomo Group from making any disclosure required by Law, and any such required disclosure will not be deemed to be a violation of this Section 5.1;

(c) After the second anniversary of the Effective Time, a member of the Sumitomo Group may publicly announce or disclose any proposal regarding a Qualified Acquisition Transaction if, prior to such public announcement or disclosure of such proposal (in each case excluding any disclosure required by Law), a member of the Sumitomo Group and/or

its Representatives has engaged in at least 15 Business Days of confidential discussions with the Audit Committee regarding such Qualified Acquisition Transaction; *provided*, *however*, Sumitomo will be deemed to have complied with the confidential discussion requirement if 15 Business Days have passed since the member of the Sumitomo Group or its Representatives made a request for such discussion and (i) the Audit Committee has not responded to such request, (ii) the Audit Committee has declined to engage in discussions regarding the Acquisition Transaction, or (iii) the Audit Committee has ceased discussions regarding the Acquisition Transaction prior to the end of such 15-Business-Day period or (iv) such announcement or disclosure has received Independent Director Approval;

(d) From the Effective Time until (and including) the second anniversary of the Effective Time, any Acquisition Transaction must receive prior Independent Director Approval; and

(e) Solely with respect to any Acquisition Transaction that would result in the Sumitomo Group having Beneficial Ownership, in the aggregate, of more than 80% of the Total Current Voting Power then in effect, such Acquisition Transaction must be approved by the affirmative vote of a majority of the Voting Shares held by the Disinterested Shareholders. Notwithstanding anything to the contrary in this Agreement, (i) none of the Company, the Board (or any committee thereof), Sumitomo, Sumitovant Bio, or any of their respective Affiliates, acting alone or together, may waive, amend or otherwise modify the requirement set forth in this Section 5.1(e) and (ii) any amendment to this Section 5.1(e) must be approved by the affirmative vote of a majority of the Voting Shares held by the Disinterested Shareholders.

Section 5.2 Exceptions to Standstill Limitations. No member of the Sumitomo Group will be deemed to have violated the obligations applicable to the Sumitomo Group under Section 5.1:

(a) subject to Section 5.2(b), if any member or members of the Sumitomo Group engage in any transaction that results in the Sumitomo Group having Beneficial Ownership of Voting Shares in excess of the Standstill Limit (any such shares or Convertible Securities, "**Excess Shares**"), inadvertently and without knowledge that the transaction in which the Sumitomo Group acquired Beneficial Ownership of such Excess Shares would cause the Sumitomo Group to Beneficially Own Voting Shares constituting more than the Standstill Limit, so long as (i) Sumitovant Bio provides prompt written notice of the acquisition of such Excess Shares to the Company after becoming aware thereof, (ii) the Sumitomo Group complies with the voting requirements of Section 5.4 with respect to such Excess Shares, and (iii) the Sumitomo Group disposes of such Excess Shares pursuant to and in accordance with Section 5.3. For the avoidance of doubt, Excess Shares shall not include any shares acquired by the Sumitomo Group in accordance with Section 5.1; and

(b) to the extent that (x) any member or members of the Sumitomo Group have acquired Convertible Securities from the Company directly pursuant to Article VI and the subsequent conversion of such Convertible Securities into Voting Shares causes the Sumitomo Group's Beneficial Ownership of Voting Shares to exceed the Standstill Limit or (y) to the extent that Excess Shares result solely from any increase in the aggregate percentage of Voting Shares Beneficially Owned by the Sumitomo Group that results from: (A) a recapitalization of

the Company, a repurchase of securities by the Company or other actions taken by the Company or any of its Subsidiaries, in each case of the circumstances in this clause (y), solely to the extent such transaction was approved in advance by the Audit Committee, that have the effect of reducing the number of Voting Shares then outstanding; or (B) the rights specified in any "poison pill" share purchase rights plan of the Company having separated from the Common Shares and a member of the Sumitomo Group having exercised such rights (such shares in (x) and (y) that are Beneficially Owned by the Sumitomo Group that are in excess of the Standstill Limit, the "**Exempt Excess Shares**"); so long as (i) Sumitovant Bio provides prompt written notice of the acquisition of such Exempt Excess Shares to the Company, and (ii) the Sumitomo Group complies with the voting requirements of Section 5.4 with respect to such Exempt Excess Shares.

Section 5.3 Disposition of Excess Shares. In the event that Sumitovant Bio becomes aware that the members of the Sumitomo Group Beneficially Own Excess Shares (that are not Exempt Excess Shares), Sumitovant Bio will provide prompt written notice to the Company of the number of such Excess Shares (that are not Exempt Excess Shares). In the event that the Company becomes aware that members of the Sumitomo Group Beneficially Own Excess Shares (that are not Exempt Excess Shares), the Company will promptly provide written notice to Sumitovant Bio. Following delivery of notice by Sumitovant Bio to the Company or by the Company to Sumitovant Bio pursuant to the foregoing two sentences (the "**Excess Share Ownership Notice**"), Sumitovant Bio will, and will cause members of the Sumitomo Group to, as soon as reasonably practicable (but not in a manner that would require a member of the Sumitomo Group to (i) incur liability under Section 16(b) of the Exchange Act, (ii) transfer to a Person other than the Company during a period in which such member of the Sumitomo Group is in possession of material nonpublic information relating to the Company or (iii) violate any Antitrust Law or listing requirement of NASDAQ) either:

(a) sell all or any portion of the Excess Shares (other than Exempt Excess Shares) to the Company, *provided* that it receives from the Company (upon approval by the Audit Committee) an irrevocable election to purchase any portion of such shares within 20 Business Days after the delivery of the Excess Share Ownership Notice (the "**Excess Share Repurchase Notice**"), at the Fair Market Value of the Common Shares on the day prior to the date of the Excess Share Ownership Notice; or

(b) if no such Excess Share Repurchase Notice is received from the Company, or such Excess Share Repurchase Notice does not apply to all of such Excess Shares, sell such shares (or such remaining shares) through open market sales, or privately negotiated sales to any Disinterested Shareholders, within 40 Business Days of the delivery of the Excess Share Ownership Notice;

in each case to cause the Voting Shares Beneficially Owned by the Sumitomo Group to no longer exceed the Standstill Limit (excluding, for purposes of determining both the number of Voting Shares Beneficially Owned by the Sumitomo Group and the number of Voting Shares outstanding, any Exempt Excess Shares).

Section 5.4 Voting of Excess Shares and Exempt Excess Shares. If, as of the record date for determining the shareholders of the Company entitled to vote at any annual or special

meeting of shareholders of the Company (however noticed or called), or the taking by the shareholders of the Company of an action by written consent, the Sumitomo Group holds any Excess Shares or Exempt Excess Shares, then at each such meeting or in connection with such action by written consent, the Sumitomo Group will vote all such shares, or cause all such shares to be voted, in a manner that is in direct proportion to the manner in which Disinterested Shareholders vote (including, for this purpose, any abstentions and "withhold" votes) on each matter, resolution, action or proposal that is submitted to the shareholders of the Company. With respect to any meeting of shareholders of the Company (however noticed or called), the number of Excess Shares and Exempt Excess Shares, if any, will be determined by the Company as promptly as practicable following the record date established for determining the shareholders of the Company entitled to vote at such meeting. From time to time before the scheduled date for any such meeting at the request of any member of the Sumitomo Group, the Company will inform the Sumitomo Group of the voting tabulations (including, for this purpose, all votes "for" or "against" and all "abstentions" and "withhold" votes) for such meeting (it being understood and agreed by the parties that the Company will request the proxy solicitation firm engaged by it, if any, in connection with such meeting to provide such tabulations directly to the Sumitomo Group from time to time as such tabulations are provided to the Company) for the purpose of facilitating the Sumitomo Group's agreement to vote the Excess Shares and Exempt Excess Shares in accordance with the requirements of this Section 5.4.

ARTICLE VI
SUMITOMO GROUP'S RIGHT TO MAINTAIN OWNERSHIP PERCENTAGE

Section 6.1 General. Subject to Article V, and in addition to any other rights set forth in this Article VI, the Sumitomo Group may directly or indirectly acquire, through open market purchases, privately negotiated purchases from Disinterested Shareholders or, subject to Section 4.4, purchases from the Company, securities of the Company that result in the Sumitomo Group Beneficially Owning securities of the Company that constitute no more than the Standstill Limit.

Section 6.2 Financings of the Company.

(a) Until the occurrence of a Standstill Termination Event, if the Company proposes to issue New Securities primarily for cash consideration in a financing transaction (except in any transaction specifically described in Section 6.3) and the effect of consummating such transaction would result in a reduction in the percentage interest of the Total Outstanding Company Equity held by the Sumitomo Group (a "**Financing Transaction**"), Sumitovant Bio will have the right to purchase for cash up to a number of New Securities sold in such Financing Transaction that is equal to the Sumitomo Group Pro Rata Share, or any part thereof, at the same price per New Security at which such New Securities are sold in such Financing Transaction to the other investors (the "**Purchase Price**"), as further described in this Section 6.2.

(b) Until the occurrence of a Standstill Termination Event, no less than 20 and no more than 25 Business Days prior to the issuance and sale of any New Securities in a Financing Transaction, the Company will notify Sumitovant Bio of the Company's intention to make such issuance by written dated notice setting forth: (i) the proposed date of the closing of the Financing Transaction, (ii) the number, type and material terms of New Securities to be sold

in the Financing Transaction, (iii) the calculation of the number of New Securities constituting the Sumitomo Group Pro Rata Portion of the New Securities to be sold in the Financing Transaction), (iv) the closing price or in the absence of a closing price, the closing bid price, of the Common Shares on the prior trading day on the principal securities exchange on which the Common Shares are then trading and (v) the capitalization of the Company on an actual and pro forma basis after giving effect to the issuance of New Securities (the "**Company Financing Issuance Notice**").

(c) At least five Business Days prior to the proposed date of the closing of the Financing Transaction as set forth in the Company Financing Issuance Notice, Sumitovant Bio will notify the Company by written dated notice, stating (i) the number of New Securities to be purchased by Sumitovant Bio in the Financing Transaction, which will not exceed the Sumitomo Pro Rata Share of such New Securities (the "**Direct Purchase Securities**") and/or (ii) whether or not Sumitovant Bio has made a determination to acquire Voting Shares or Convertible Securities in open market purchases, or privately negotiated purchases from Disinterested Shareholders, so as, together with any Direct Purchase Securities, to maintain the Sumitomo Group's Beneficial Ownership percentage of the Total Current Voting Power immediately prior to such Financing Transaction within the applicable Grace Period relating to the Company Financing Issuance Notice (the "**Sumitovant Bio Financing Participation Notice**"). If Sumitovant Bio fails to deliver a Sumitovant Bio Financing Participation Notice at least five Business Days prior to the proposed date of the closing of the Financing Transaction as set forth in the Company Financing Issuance Notice, Sumitovant Bio will be deemed to have elected not to acquire any Direct Purchase Securities or to maintain the Sumitomo Group's Beneficial Ownership percentage of the Total Current Voting Power immediately prior to such Financing Transaction within the Grace Period relating to such Company Financing Issuance Notice; *provided, however*, that if the actual closing of such Financing Transaction does not occur within 10 Business Days following the proposed date of the closing set forth in, and on the terms and conditions in all material respects as set forth in, the Company Financing Issuance Notice, the Company will deliver a revised Company Financing Issuance Notice and Sumitovant Bio will have 10 Business Days following the date of receipt of the revised Company Financing Issuance Notice to provide a new Sumitovant Bio Financing Participation Notice, which revised Company Financing Issuance Notice and Sumitovant Bio Financing Participation Notice will supersede and replace any prior delivered Company Financing Issuance Notice and Sumitovant Bio Financing Participation Notice, respectively, and will otherwise be subject to the terms and processes set forth in this Section 6.2.

(d) If the Company issues and sells the New Securities in a Financing Transaction that was subject to a Company Financing Issuance Notice, then Sumitovant Bio will be obligated to purchase the number of Direct Purchase Securities, if any, that are subject to the Sumitovant Bio Financing Participation Notice delivered to the Company pursuant to Section 6.2(c), if any, for the Purchase Price; *provided, however*, that if a preliminary "red herring" prospectus is filed in connection with such Financing Transaction and (A) the closing sale prices of such New Security on the principal U.S. or foreign securities exchange on which such New Securities are listed or, if such securities are not listed or primarily traded on any such exchange, the closing bid quotations of such New Security on any quotation system then in use (all such closing sales prices or, in the absence of a closing sale price, closing bid quotations, will be appropriately adjusted to take into account the effect of any dividends, stock splits,

recapitalization, spin-offs or similar transactions that affect such closing sale prices or bid quotations having a record date or effected since the date prior to which the Sumitovant Bio Financing Participation Notice was delivered), is more than 10% higher than (B) the closing price (or in the absence of a closing price, the closing bid quotations) of such New Security on the day prior to the delivery of a Sumitovant Bio Financing Participation Notice, Sumitovant Bio will not be obligated to purchase the Direct Purchase Securities. The closing of the Direct Purchase Securities, if any, will take place contemporaneously with such Financing Transaction, subject to the provisions of Section 6.2(f).

(e) If, pursuant to the terms of Section 6.2(d), Sumitovant Bio is no longer obligated to purchase Direct Purchase Securities that were subject to a validly delivered Sumitovant Bio Financing Participation Notice, Sumitovant Bio will have the right, within 15 Business Days after the closing of the Financing Transaction, to deliver to the Company an amended Sumitovant Bio Financing Participation Notice stating whether or not Sumitovant Bio has made a bona fide determination to acquire Voting Shares or Convertible Securities in open market purchases, or privately negotiated purchases from Disinterested Shareholders, so as, together with any New Securities subject to the previously delivered Sumitovant Bio Financing Participation Notice, to maintain the Sumitomo Group's Beneficial Ownership percentage of the Total Current Voting Power immediately prior to such Financing Transaction within the applicable Grace Period relating to any then effective Sumitovant Bio Financing Participation Notice. If Sumitovant Bio fails to deliver an amended Sumitovant Bio Financing Participation Notice within such 15 Business Day Period, Sumitovant Bio will be deemed to have elected not to satisfy any portion of Sumitovant Bio's right to maintain the Sumitomo Group's Beneficial Ownership percentage of the Total Current Voting Power immediately prior to such Financing Transaction, other than with respect to Voting Shares or Convertible Securities, if any, that are subject to any then effective Sumitovant Bio Financing Participation Notice and that were not Direct Purchase Securities.

(f) The purchase and sale of New Securities pursuant to this Section 6.2 will be subject to, and will take place on the later of, the: (i) closing date specified in Section 6.2(d) or (ii) the third Business Day following the expiration or early termination of all waiting periods imposed on such purchase and sale by applicable Antitrust Laws, or at such other time and place as the Company and Sumitovant Bio may agree. The Company and Sumitovant Bio will use their commercially reasonable efforts to (i) comply with Antitrust Laws applicable to such purchase and sale of such New Securities and (ii) all federal and state laws and regulations and the listing requirements of NASDAQ applicable to any purchase and sale of such New Securities.

(g) Notwithstanding anything to the contrary set forth in this Agreement, nothing in this Agreement will be deemed to require Sumitovant Bio or the Company or any Affiliate thereof to litigate with any governmental entity or agree to any divesture by itself or any of its Affiliates of shares of capital stock or of any business, assets or property, or the imposition of any limitation on the ability of any of them to conduct their business or to own or exercise control of such assets, properties and stock.

(h) Notwithstanding anything in this Section 6.2 to the contrary, if a purchase by Sumitovant Bio of New Securities that are the subject of a Financing Transaction is not able to be consummated at the same time as the purchase and sale to other purchasers of such New

Securities as a result of a legal or regulatory delay, such as a delay related to compliance with the HSR Act or any similar required non-U.S. regulatory scheme or to compliance with applicable laws and regulations and requirements of NASDAQ or any other applicable stock exchange, the applicable Grace Period relating to such New Securities will be extended for the same period of time as such regulatory delay or until it is determined that the acquisition by the Sumitomo Group of such securities is no longer legally permitted or feasible, and the Company will be entitled to issue the portion of New Securities to be sold to third parties in advance of the issuance of New Securities to Sumitovant Bio.

Section 6.3 Acquisition Issuances.

(a) Until the occurrence of a Standstill Termination Event, no less than 15 Business Days after the issuance and sale of any New Securities in consideration for the acquisition of a business or assets of a business (a "**Business Acquisition Transaction**"), the Company will notify Sumitovant Bio of the Company's issuance by written dated notice setting forth: (x) the number, type and material terms of New Securities issued in such Business Acquisition Transaction, (y) a description of the material elements of the consideration therefor and (z) the capitalization of the Company after giving effect to the issuance of such New Securities and the calculation of the number of shares that the Sumitomo Group would need to acquire to maintain the Sumitomo Group's Beneficial Ownership percentage of the Total Current Voting Power immediately prior to such Business Acquisition Transaction (a "**Company Acquisition Issuance Notice**").

(b) Within 15 Business Days after receipt by Sumitovant Bio of the Company Acquisition Issuance Notice, Sumitovant Bio will notify the Company by written dated notice stating whether or not Sumitovant Bio has made a bona fide determination to acquire Voting Shares or Convertible Securities in open market purchases, or privately negotiated purchases from Disinterested Shareholders to maintain the Sumitomo Group's Beneficial Ownership percentage of the Total Current Voting Power immediately prior to such Business Acquisition Transaction within the applicable Grace Period relating to the Company Acquisition Issuance Notice (the "**Sumitovant Bio Acquisition Participation Notice**"). If Sumitovant Bio fails to deliver a Sumitovant Bio Acquisition Participation Notice within 15 Business Days after the receipt by Sumitovant Bio of the Company Acquisition Issuance Notice relating to such Business Acquisition Transaction, Sumitovant Bio will be deemed to have elected not to maintain the Sumitomo Group's Beneficial Ownership percentage of the Total Current Voting Power immediately prior to such Business Acquisition Transaction within the applicable Grace Period relating to the Company Acquisition Issuance Notice.

(c) Other Issuances. Until the occurrence of a Standstill Termination Event, promptly following any issuance of New Securities that are not the subject of a Company's Financing Issuance Notice or a Company's Acquisition Issuance Notice (a "**Company Other Issuance**"), the Company shall promptly (but shall not be required to do so more frequently than monthly) notify Sumitovant Bio of such issuance. Following receipt of such notification Sumitovant Bio may acquire Common Shares from the Company so long as such acquisition does not result in the Sumitomo Group Beneficially Owning Common Shares of the Company that constitute a percentage of the Total Current Voting Power held by the Sumitomo Group immediately after such acquisition that exceeds the percentage of the Total Current Voting

Power held by the Sumitomo Group immediately prior to such Company Other Issuance. Any such purchases of Common Shares from the Company pursuant to (ii) above shall occur no more frequently than quarterly at mutually satisfactory times and be effected at a cash purchase price per Common Share equal to the greater of (A) Fair Market Value per Common Share and (B) such minimum purchase price per Common Share as may be required by NASDAQ rules or Law.

Section 6.4 Grace Periods under This Agreement. Notwithstanding anything in this Agreement to the contrary, all Voting Shares and Convertible Securities that are subject to a then outstanding Sumitovant Bio Maintenance Notice delivered within the applicable time period set forth in Section 6.2 or Section 6.3 and for which the Grace Period as to such Voting Shares or Convertible Securities has not yet expired will be deemed to have at all times been Voting Shares or Convertible Securities owned by the Sumitomo Group for all purposes of calculating the Sumitomo Pro Rata Share and whether the Voting Threshold is satisfied under this Agreement.

Section 6.5 Cooperation with Sumitovant Bio. The Company agrees not to take any action that could impede or delay the exercise by Sumitovant Bio of any of its rights under this Article VI.

ARTICLE VII
REPRESENTATIONS AND WARRANTIES

Section 7.1 Representations and Warranties of the Company. The Company hereby represents and warrants to Sumitomo and Sumitovant Bio that:

(a) The Company is duly organized, validly existing and in good standing under the Laws of Bermuda. The Company has the requisite power and authority to execute and deliver this Agreement and to perform its obligations hereunder. The execution, delivery and performance by the Company of this Agreement and the consummation by the Company of the transactions contemplated hereby have been duly authorized by all necessary action on the part of the Company. This Agreement has been duly and validly executed and delivered by the Company and assuming due execution and delivery by Sumitomo and Sumitovant Bio, this Agreement constitutes a valid and binding agreement of the Company enforceable against it in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and similar Laws relating to or affecting creditors generally and by general equity principles.

(b) The execution, delivery and performance by the Company of this Agreement and the consummation of the transactions contemplated hereby do not and will not (i) violate any Organizational Document of the Company or its Subsidiaries, (ii) violate any applicable Law in any material respect, (iii) require any consent or other action by any Person under, constitute a default under, or give rise to any right of termination, cancellation or acceleration or to a loss of any benefit to which the Company or its Subsidiaries are entitled under any provision of any agreement or other instrument binding on the Company or (iv) result in the imposition of any lien (other than pursuant to this Agreement) on any asset of the Company or any of its Subsidiaries (including the Common Shares).

Section 7.2 Representations and Warranties of Sumitomo and Sumitovant Bio. Each of Sumitomo and Sumitovant Bio hereby represents and warrants to the Company that:

(a) Such party is duly organized, validly existing and in good standing under the Law of its jurisdiction of organization or formation. Such party has the requisite power and authority to execute and deliver this Agreement and to perform its obligations hereunder. The execution, delivery and performance by such party of this Agreement and the consummation by such party of the transactions contemplated hereby have been duly authorized by all necessary action on the part of such party. This Agreement has been duly and validly executed and delivered by such party and assuming due execution and delivery by the Company, this Agreement constitutes a valid and binding agreement of such party enforceable against it in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and similar Laws relating to or affecting creditors generally and by general equity principles.

(b) The execution, delivery and performance by such party of this Agreement and the consummation of the transactions contemplated hereby do not and will not (i) violate any Organizational Document of such party, (ii) violate any applicable Law in any material respect, (iii) require any consent or other action by any Person under, constitute a default under, or give rise to any right of termination, cancellation or acceleration or to a loss of any benefit to which such party or its Subsidiaries (excluding the Company and its Subsidiaries) are entitled under any provision of any agreement or other instrument binding on such party or (iv) result in the imposition of any lien (other than pursuant to this Agreement) on any asset of such party or any of its Subsidiaries (including the Common Shares).

ARTICLE VIII
MISCELLANEOUS

Section 8.1 Expenses. Except as otherwise specifically provided herein, each party hereto will bear its own costs and expenses incurred in connection with its performance under or compliance with the terms of this Agreement.

Section 8.2 Successors and Assigns. The rights under this Agreement are not assignable without the Company's written consent (which will not be unreasonably withheld, delayed or conditioned), except that the rights under Article II and Article III of this Agreement may be assigned by a Holder to a transferee of Registrable Securities (x) that is an Affiliate of such Holder or (y) in connection with the transfer of all Registrable Securities held by such Holder to such transferee; *provided* that (i) such transfer or assignment may otherwise be effected in accordance with applicable securities laws, (ii) the Company is, within a reasonable time after such transfer, furnished with written notice of the name and address of such transferee and the Registrable Securities with respect to which such rights are being transferred; and (iii) such transferee agrees in a written instrument delivered to the Company to be bound by and subject to the terms and conditions of Article II and this Article VIII. The terms and conditions of this Agreement inure to the benefit of and are binding upon the respective successors and permitted assignees of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and permitted

assignees any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided herein.

Section 8.3 Governing Law and Jurisdiction. This Agreement will be governed by and construed in accordance with the internal law of the State of New York in all respects as such laws are applied to agreements among New York residents entered into and performed entirely within the State of New York, without giving effect to conflict of law principles thereof. With respect to any controversy arising out of or related to this Agreement, the parties hereto consent to the exclusive jurisdiction of, and venue in, the state or federal courts located in the borough of Manhattan in the State of New York.

Section 8.4 Counterparts. This Agreement may be executed in two or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered will be deemed to have been duly and validly delivered and be valid and effective for all purposes.

Section 8.5 Titles and Subtitles. The titles and subtitles used in this Agreement are for convenience only and are not to be considered in construing or interpreting this Agreement.

Section 8.6 Notices. All notices, requests, demands, claims and other communications which are required or may be given under this Agreement will be in writing, in English, and shall be deemed to have been duly given: (a) on the date of delivery, if delivered in person (upon confirmation of receipt) prior to 5:00 p.m. in the time zone of the receiving Party or on the next Business Day, if delivered after 5:00 p.m. in the time zone of the receiving Party, (b) on the third Business Day following the date of dispatch, if delivered by an internationally recognized courier service (upon proof of delivery) or (c) upon receipt if delivered by certified or registered mail, return receipt requested; and in each case with a copy sent by email. In each case, notice will be addressed to a Party as specified in this Section 8.6:

If to the Company, to:

Urovant Sciences Ltd.
5281 California Avenue, Suite #100
Irvine, CA 92617
Attention: Bryan E. Smith
General Counsel
Email:
Facsimile:

With copies (which will not constitute notice to the Company) to:
O'Melveny & Myers LLP
610 Newport Center Drive, 17th Floor
Newport Beach, CA 92660
Attention: Mark D. Peterson
Email:

Facsimile:

If to Sumitomo or Sumitovant Bio, to:

Sumitomo Dainippon Pharma Co., Ltd.
6-8, Doshomachi 2-Chome, Chuo-ku
Osaka 541-0045 Japan
Attention: Shigeyuki Nishinaka
Executive Officer, Global Business Development
Email:
Facsimile:

With copies (which will not constitute notice to the Company) to:

Jones Day
3161 Michelson Drive
Irvine, CA 92612-4412
Attention: Jonn R. Beeson, Esq.
Email:
Facsimile:

Section 8.7 Amendments and Waivers. Subject to Section 5.1(e), any term of this Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance, and either retroactively or prospectively) only with the written consent of the Company and Sumitomo; *provided*, *however*, that the Company may in its sole discretion waive compliance with Section 2.11(d) (and the Company's failure to object promptly in writing after notification of a proposed assignment allegedly in violation of Section 2.11(d) will be deemed to be a waiver); and *provided further* that any provision hereof may be waived by any waiving party on such party's own behalf, without the consent of any other party. Notwithstanding the foregoing, this Agreement may not be amended or terminated and the observance of any term hereof may not be waived with respect to any Holder without the written consent of such Holder. Any amendment, termination, or waiver effected in accordance with this Section 8.7 will be binding on all parties hereto, regardless of whether any such party has consented thereto. No waivers of or exceptions to any term, condition, or provision of this Agreement, in any one or more instances, will be deemed to be or construed as a further or continuing waiver of any such term, condition, or provision.

Section 8.8 Severability. In case any one or more of the provisions contained in this Agreement is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability will not affect any other provision of this Agreement, and such invalid, illegal, or unenforceable provision will be reformed and construed so that it will be valid, legal, and enforceable to the maximum extent permitted by law.

Section 8.9 Aggregation of Securities. All Registrable Securities held or acquired by Affiliates will be aggregated together for the purpose of determining the availability of any rights under this Agreement and such Affiliated Persons may apportion such rights as among themselves in any manner they deem appropriate.

Section 8.10 Entire Agreement. This Agreement (including any Schedules and Exhibits hereto) constitutes the full and entire understanding and agreement among the parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between the parties is expressly canceled.

Section 8.11 WAIVER OF JURY TRIAL. EACH PARTY HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE SECURITIES OR THE SUBJECT MATTER HEREOF OR THEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING CONTRACT CLAIMS, TORT CLAIMS (INCLUDING NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS WILL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

Section 8.12 Delays or Omissions. No delay or omission to exercise any right, power, or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, will impair any such right, power, or remedy of such nonbreaching or nondefaulting party, nor will it be construed to be a waiver of or acquiescence to any such breach or default, or to any similar breach or default thereafter occurring, nor will any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. All remedies, whether under this Agreement or by law or otherwise afforded to any party, will be cumulative and not alternative.

Section 8.13 Specific Performance. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached, and that money damages or other legal remedies would not be an adequate remedy for any such damages. It is accordingly agreed among the parties hereto that, in addition to any other remedy to which they are entitled at law or in equity, in the event of any breach or threatened breach by the Company, on the one hand, or Sumitomo or Sumitovant Bio, on the other hand, of any of their respective covenants or obligations set forth in this Agreement, the Company, on the one hand, and Sumitomo or Sumitovant Bio, on the other hand, will be entitled to an injunction or injunctions to prevent or restrain breaches or threatened breaches of this Agreement or to enforce compliance with, the covenants and obligations of the other under this Agreement. The Company, on the one hand, and Sumitomo or Sumitovant Bio, on the other hand, hereby agree not to raise any objections to the availability of the equitable remedy of specific performance to prevent or restrain breaches or threatened breaches of this Agreement by such party (or parties), and to specifically enforce the terms and provisions of this Agreement to prevent breaches or threatened breaches of, or to enforce compliance with, the covenants and obligations of such party (or parties) under this Agreement. The parties hereto further agree that (x) by seeking the remedies provided for in this Section 8.13, a party will not in any respect waive its right to seek any other form of relief that

may be available to a party under this Agreement (including monetary damages), and (y) nothing set forth in this Section 8.13 will require any party hereto to institute any proceeding for (or limit any party's right to institute any proceeding for) specific performance under this Section 8.13, nor will the commencement of any legal proceeding pursuant to this Section 8.13 or anything set forth in this Section 8.13 restrict or limit any party's right to pursue any other remedies for damages resulting from a breach of this Agreement.

Section 8.14 Further Assurances. The parties hereto will do and perform or cause to be done and performed all such further acts and things and will execute and deliver all such other agreements, certificates, instruments or documents as any other party may reasonably request from time to time in order to carry out the intent and purposes of this Agreement and the consummation of the transactions contemplated hereby. Neither the Company, Sumitovant Bio nor Sumitomo will voluntarily undertake any course of action inconsistent with satisfaction of the requirements applicable to them set forth in this Agreement and each will promptly do all such acts and take all such measures as may be appropriate to enable them to perform as early as practicable the obligations herein and therein required to be performed by them.

[*Signatures Follow*]

IN WITNESS WHEREOF, the parties have executed this Investor Rights Agreement as of the date first set forth above.

COMPANY:

UROVANT SCIENCES LTD.

By: /s/ Marianne Romeo
Name: Marianne Romeo
Title: Head, Global Transactions and Risk Management

[*Signature page to Urovant Investor Rights Agreement*]

IN WITNESS WHEREOF, the parties have executed this Investor Rights Agreement as of the date first set forth above.

SUMITOVANT BIOPHARMA LTD.

By: /s/ Marianne Romeo
Name: Marianne Romeo
Title: Head, Global Transactions and Risk Management

SUMITOMO DAINIPPON PHARMA CO., LTD.

By: /s/ Hiroshi Nomura
Name: Hiroshi Nomura
Title: Representative Director, President and CEO

[*Signature page to Urovant Investor Rights Agreement*]

Exhibit 99.1

5281 California Ave
Suite 100
Irvine, California 92617

urovant.com

Urovant Sciences Majority Shareholder, Roivant Sciences, and Sumitomo Dainippon Pharma Complete Transaction for Strategic Alliance

IRVINE, Calif. and BASEL, Switzerland, December 30, 2019/Business Wire – Urovant Sciences (Nasdaq: UROV) ("Urovant"), announced today that its majority shareholder, Roivant Sciences Ltd. ("Roivant"), and Sumitomo Dainippon Pharma Co., Ltd. (TSE: 4506) ("Sumitomo Dainippon Pharma"), a leading global Japanese pharmaceutical company, have completed their transaction that creates a significant, multi-national Sumitomo Dainippon Pharma-Roivant Alliance ("Alliance"), including the transfer of Roivant's ownership interests in Urovant, as well as four additional biopharmaceutical "Vant" companies, to the Alliance. The Alliance will operate as Sumitovant Biopharma Ltd., a newly-formed subsidiary of Sumitomo Dainippon Pharma. Sumitovant is committed to supporting Urovant in its mission to develop and commercialize innovative therapies for urologic conditions.

In connection with the completion of the transaction, Urovant entered into a loan agreement with Sumitomo Dainippon Pharma whereby Sumitomo Dainippon Pharma will provide Urovant with a $300 million, low interest, interest-only, five-year term loan facility, with no repayments due until the end of the term. Sumitomo Dainippon Pharma also expects to continue to support Urovant through profitability.

Sumitomo Dainippon Pharma plans to support the commercialization of vibegron by providing access to its U.S. commercial infrastructure, including drug distribution, operations and managed care support.

In addition, Urovant and Sumitomo Dainippon Pharma entered into an investor rights agreement that grants customary registration and information rights to Sumitomo Dainippon Pharma and provides certain protections for Urovant's minority shareholders for as long as Sumitomo Dainippon Pharma holds between 50% and 90% of Urovant's outstanding voting power. These protections include the following requirements: 1) any transaction that would increase Sumitomo Dainippon Pharma's beneficial ownership to over 80% requires approval by the majority of the minority shareholders; 2) a minimum of three independent directors on the Urovant Board, who can only be removed by a majority of the minority shareholders; 3) Urovant's Audit Committee must be comprised solely of independent directors; and 4) the Audit Committee must approve any related-party transaction between Sumitomo Dainippon Pharma and Urovant in accordance with Urovant's Related Person Transactions Policy.

"We are excited about the new Alliance, the potential benefits it brings to Urovant, and the future of our company," said Keith Katkin, Chief Executive Officer of Urovant. "As we prepare to file our New Drug Application for vibegron, access to Sumitomo Dainippon Pharma's deep commercial expertise and ongoing financial commitment will help us ensure an effective launch of vibegron, if approved by the FDA. In addition, the shareholder rights agreement demonstrates Sumitomo Dainippon Pharma's alignment with many of our investors and shows their commitment and dedication to building Urovant into a leading urology specialty company.

About Urovant Sciences

Urovant Sciences is a clinical-stage biopharmaceutical company focused on developing and commercializing innovative therapies for urologic conditions. The Company's lead product candidate, vibegron, an oral, once-daily small molecule beta-3 agonist is being evaluated for overactive bladder (OAB). Vibegron reported positive data from the 12-week phase 3 pivotal EMPOWUR study and demonstrated favorable longer-term efficacy, safety and tolerability in a 40-week extension study. Vibegron is also being evaluated for treatment of OAB in men with benign prostatic hyperplasia (OAB+BPH) and for abdominal pain associated with irritable bowel syndrome (IBS). Urovant's second product candidate, URO-902, is a novel gene therapy being developed for patients with OAB who have failed oral pharmacologic therapy. Urovant Sciences, a subsidiary of Sumitomo Dainippon Pharma Co., Ltd., intends to develop novel treatments for additional urologic diseases. Learn more about us at www.urovant.com.

About Sumitovant Biopharma Ltd.

Sumitovant is a global biopharmaceutical company based in New York City and London. Sumitovant is the parent company of five biopharma subsidiaries: Myovant, Urovant, Enzyvant, Altavant and Spirovant. Sumitovant's promising pipeline is comprised of early through late-phase investigational medicines across a range of disease areas targeting high unmet need. We are a wholly owned subsidiary of Sumitomo Dainippon Pharma. For further information about Sumitovant please visit https://www.sumitovant.com

About Sumitomo Dainippon Pharma Co., Ltd.

Sumitomo Dainippon Pharma is among the top-ten listed pharmaceutical companies in Japan, operating globally in major pharmaceutical markets, including Japan, the U.S., China and the European Union. Sumitomo Dainippon Pharma is based on the merger in 2005 between Dainippon Pharmaceutical Co., Ltd., and Sumitomo Pharmaceuticals Co., Ltd. Today, Sumitomo Dainippon Pharma has more than 6,000 employees worldwide. Additional information about Sumitomo Dainippon Pharma is available through its corporate website at https://www.ds-pharma.com.

About Roivant Sciences

Roivant aims to improve health by rapidly delivering innovative medicines and technologies to patients. Roivant does this by building Vants – nimble, entrepreneurial biotech and healthcare technology companies with a unique approach to sourcing talent, aligning incentives, and deploying technology to drive greater efficiency in R&D and commercialization. Roivant today is comprised of a central technology-enabled platform and 20 Vants with over 45 investigational medicines in clinical and preclinical development and multiple healthcare technologies. For more information, please visit www.roivant.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include all statements that are not historical statements of fact and statements regarding the Company's intent, belief or expectations and can be identified by words such as "anticipate," "believe," "can," "continue," "could," "estimate," "expect," "intend," "likely," "may," "might," "objective," "ongoing," "plan," "potential," "predict," "project," "should," "strive," "to be," "will," "would," or the negative or plural of these words or other similar expressions or variations, although not all forward-looking statements contain these identifying words. In this press release, forward-looking statements include, but are not limited to, statements regarding Urovant's plans to advance the clinical development of vibegron, and statements regarding any support Sumitomo Dainippon Pharma or the Alliance may provide Urovant, including any benefits of the Alliance for Urovant. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially and reported results should not be considered as an indication of future performance. These risks and uncertainties include, but are not limited to, risks associated with: the success, cost, and timing of Urovant's development activities, including the timing of the initiation and completion of clinical trials and the timing of expected regulatory filings; the clinical utility and potential attributes and benefits of vibegron, including reliance on collaboration partners and the ability to procure additional sources of financing; our ability to commercialize vibegron and reliance upon the services of commercial partners to do so; our intellectual property position, including the ability to identify and in-license or acquire third-party patents and licenses, and associated costs; and other risks and uncertainties listed in the Company's filings with the United States Securities and Exchange Commission (SEC), including under the heading "Risk Factors" in the Company's most recently filed Annual Report on Form 10-K and any subsequent Quarterly Reports on Form 10-Q filed with the SEC, as such risk factors may be amended, supplemented or superseded from time to time by other filings with the SEC. Given these risks and uncertainties, you should not place undue reliance on any forward-looking statements. These forward-looking statements are based on information available to Urovant as of the date of this press release and speak only as of the date of this release. Urovant disclaims any obligation to update these forward-looking statements, except as may be required by law.

Contacts

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Urovant Sciences Enters into $300 Million Term Loan Agreement with Sumitomo Dainippon Pharma

IRVINE, Calif. and BASEL, Switzerland, December 30, 2019/Business Wire – Urovant Sciences (Nasdaq: UROV) ("Urovant"), announced today that it has entered into a $300 million term loan facility with Sumitomo Dainippon Pharma Co., Ltd. (TSE: 4506) ("Sumitomo Dainippon Pharma"), a leading global Japanese pharmaceutical company. Urovant plans to use proceeds from this facility to repay existing debt, fund ongoing development projects, fund the initial commercial launch of vibegron if approved by the FDA, and for general corporate purposes.

Under the terms of the agreement, Sumitomo Dainippon Pharma will provide Urovant with a $300 million low interest, interest-only, five-year term loan facility, with no repayments due until the end of the term. Loans drawn from the facility will bear interest of LIBOR plus 3.0% with interest payable quarterly and with no principal repayments due until the end of the five-year term. Within five business days following the closing, Urovant expects to borrow $87.5M under this facility of which approximately $48 million will be used to repay Urovant's outstanding Hercules Capital loans in full. Future borrowings are expected to be on a quarterly basis under the terms and conditions of the agreement and Sumitomo Dainippon Pharma expects to continue to support Urovant through profitability.

"We are pleased with the term loan facility and the additional flexibility it provides Urovant as we prepare to file our New Drug Application for vibegron, which has the potential to be a best-in-class prescription treatment for patients suffering from overactive bladder," said Keith Katkin, Chief Executive Officer of Urovant. "Sumitomo Dainippon Pharma's willingness to increase the size of the facility by $100 million from the originally agreed-upon $200M, demonstrates its belief in vibegron and their long-term commitment to Urovant. This $300 million loan facility provides Urovant with capital well into 2021, eliminating the need for any short-term equity financing."

About Urovant Sciences

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failed oral pharmacologic therapy. Urovant Sciences, a subsidiary of Sumitomo Dainippon Pharma Co., Ltd., intends to develop novel treatments for additional urologic diseases. Learn more about us at www.urovant.com.

About Sumitomo Dainippon Pharma Co., Ltd.

Sumitomo Dainippon Pharma is among the top-ten listed pharmaceutical companies in Japan, operating globally in major pharmaceutical markets, including Japan, the U.S., China and the European Union. Sumitomo Dainippon Pharma is based on the merger in 2005 between Dainippon Pharmaceutical Co., Ltd., and Sumitomo Pharmaceuticals Co., Ltd. Today, Sumitomo Dainippon Pharma has more than 6,000 employees worldwide. Additional information about Sumitomo Dainippon Pharma is available through its corporate website at https://www.ds-pharma.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include all statements that are not historical statements of fact and statements regarding the Company's intent, belief or expectations and can be identified by words such as "anticipate," "believe," "can," "continue," "could," "estimate," "expect," "intend," "likely," "may," "might," "objective," "ongoing," "plan," "potential," "predict," "project," "should," "strive," "to be," "will," "would," or the negative or plural of these words or other similar expressions or variations, although not all forward-looking statements contain these identifying words. In this press release, forward-looking statements include, but are not limited to, statements regarding Urovant's plans to advance the clinical development of vibegron, and statements regarding Urovant's expectations for the Sumitomo Dainippon Pharma loan facility. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially and reported results should not be considered as an indication of future performance. These risks and uncertainties include, but are not limited to, risks associated with: the success, cost, and timing of Urovant's development activities, including the timing of the initiation and completion of clinical trials and the timing of expected regulatory filings; the clinical utility and potential attributes and benefits of vibegron, including reliance on collaboration partners and the ability to borrow under the Sumitomo Dainippon Pharma loan facility or otherwise procure additional sources of financing; our intellectual property position, including the ability to identify and in-license or acquire third-party patents and licenses, and associated costs; and other risks and uncertainties listed in the Company's filings with the United States Securities and Exchange Commission (SEC), including under the heading "Risk Factors" in the Company's most recently filed Annual Report on Form 10-K and any subsequent Quarterly Reports on Form 10-Q filed with the SEC, as such risk factors may be amended, supplemented or superseded from time to time by other filings with the SEC. Given these risks and uncertainties, you should not place undue reliance on any forward-looking statements. These forward-looking statements are based on information available to Urovant as of the date of this press release and speak only as of the date of this release. Urovant disclaims any obligation to update these forward-looking statements, except as may be required by law.

Contacts

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