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

FORM 10-Q

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

For the Quarterly Period Ended June 30, 2026
OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to
Commission File Number: 001-39450

HARMONY BIOSCIENCES HOLDINGS, INC.
(Exact name of registrant as specified in its charter)

Delaware	**82-2279923**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
630 W. Germantown Pike, Suite 215, Plymouth Meeting, PA	**19462**
(Address of principal executive offices)	(Zip Code)

(484) 539-9800
(Registrant's telephone number, including area code)

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

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Common Stock, par value $0.00001 value per share	HRMY	The Nasdaq Stock Market LLC (Nasdaq Global Market)

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

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

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

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

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

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

As of July 31, 2026, there were 58,236,393 shares of the registrant's common stock, par value $0.00001 value per share, outstanding.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

HARMONY BIOSCIENCES HOLDINGS, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share data)

	June 30, 2026	December 31, 2025
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 549,769	$ 752,502
Investments, short-term	118,022	22,838
Trade receivables, net	110,995	96,787
Inventory, net	6,360	5,357
Prepaid expenses	19,311	16,014
Other current assets	9,877	13,516
Total current assets	814,334	907,014
NONCURRENT ASSETS:		
Investments, long-term	294,668	107,127
Intangible assets, net	77,496	89,418
Deferred tax asset	156,765	149,699
Other noncurrent assets	29,821	18,373
Total noncurrent assets	558,750	364,617
TOTAL ASSETS	$ 1,373,084	$ 1,271,631
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Trade payables	$ 21,684	$ 17,693
Accrued compensation	12,091	18,443
Accrued expenses	169,128	191,039
Current portion of long-term debt	20,000	20,000
Other current liabilities	11,167	4,957
Total current liabilities	234,070	252,132
NONCURRENT LIABILITIES:		
Long-term debt, net	133,961	143,663
Other noncurrent liabilities	5,810	5,618
Total noncurrent liabilities	139,771	149,281
TOTAL LIABILITIES	373,841	401,413
COMMITMENTS AND CONTINGENCIES (Note 13)		
STOCKHOLDERS' EQUITY:		
Common stock—$0.00001 par value; 500,000,000 shares authorized at June 30, 2026 and December 31, 2025, respectively; 58,120,695 and 57,726,170 shares issued and outstanding at June 30, 2026 and December 31, 2025, respectively	1	1
Additional paid in capital	731,147	708,968
Accumulated other comprehensive (loss) income	(727)	346
Retained earnings	268,822	160,903
TOTAL STOCKHOLDERS' EQUITY	999,243	870,218
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 1,373,084	$ 1,271,631

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

HARMONY BIOSCIENCES HOLDINGS, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED
STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(In thousands, except share and per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net product revenue	$ 261,280	$ 200,489	$ 476,667	$ 385,222
Cost of product sold	63,198	38,153	107,710	70,147
Gross profit	198,082	162,336	368,957	315,075
Operating expenses:				
Research and development	46,596	50,159	115,979	84,699
Sales and marketing	34,120	30,073	65,814	60,784
General and administrative	28,050	33,924	60,557	65,167
Total operating expenses	108,766	114,156	242,350	210,650
Operating income	89,316	48,180	126,607	104,425
Other expense, net	(53)	(193)	(180)	(469)
Interest expense	(3,070)	(3,646)	(6,304)	(7,482)
Interest income	7,072	5,296	12,829	10,340
Income before income taxes	93,265	49,637	132,952	106,814
Income tax expense	(17,834)	(9,861)	(25,033)	(21,478)
Net income	$ 75,431	$ 39,776	$ 107,919	$ 85,336
Unrealized (loss) income on investments	(314)	(6)	(1,073)	173
Comprehensive income	$ 75,117	$ 39,770	$ 106,846	$ 85,509
EARNINGS PER SHARE:				
Basic	$ 1.30	$ 0.69	$ 1.86	$ 1.49
Diluted	$ 1.28	$ 0.68	$ 1.84	$ 1.46
Weighted average number of shares of common stock - basic	57,933,818	57,469,775	57,876,756	57,390,298
Weighted average number of shares of common stock - diluted	58,755,359	58,427,134	58,769,504	58,468,717

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

HARMONY BIOSCIENCES HOLDINGS, INC. AND SUBSIDIARIES

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In thousands, except share and per share data)

	Common Stock		Additional paid-in capital	Accumulated other comprehensive (loss) income	Retained earnings	Total stockholders' equity
	Shares	Amount				
Balance as of March 31, 2026	57,867,389	$ 1	$ 717,370	$ (413)	$ 193,391	$ 910,349
Net income	—	—	—	—	75,431	75,431
Unrealized loss on investments	—	—	—	(314)	—	(314)
Restricted stock unit tax withholding, net of stock option exercises	253,306	—	4,442	—	—	4,442
Stock-based compensation	—	—	9,335	—	—	9,335
Balance as of June 30, 2026	58,120,695	$ 1	$ 731,147	$ (727)	$ 268,822	$ 999,243

	Common Stock		Additional paid-in capital	Accumulated other comprehensive (loss)	Retained earnings	Total stockholders' equity
	Shares	Amount				
Balance as of December 31, 2025	57,726,170	$ 1	$ 708,968	$ 346	$ 160,903	$ 870,218
Net income	—	—	—	—	107,919	107,919
Unrealized (loss) on investments	—	—	—	(1,073)	—	(1,073)
Restricted stock unit tax withholding, net of stock option exercises	394,525	—	2,224	—	—	2,224
Stock-based compensation	—	—	19,955	—	—	19,955
Balance as of June 30, 2026	58,120,695	$ 1	$ 731,147	$ (727)	$ 268,822	$ 999,243

	Common Stock		Additional paid-in capital	Accumulated other comprehensive (loss) income	Accumulated deficit	Total stockholders' equity
	Shares	Amount				
Balance as of March 31, 2025	57,393,673	$ 1	$ 672,503	$ 245	$ 47,776	$ 720,525
Net income	—	—	—	—	39,776	39,776
Unrealized loss on investments	—	—	—	(6)	—	(6)
Restricted stock unit tax withholding, net of stock option exercises	144,196	—	1,329	—	—	1,329
Stock-based compensation	—	—	11,456	—	—	11,456
Balance as of June 30, 2025	57,537,869	$ 1	$ 685,288	$ 239	$ 87,552	$ 773,080

	Common Stock		Additional paid-in capital	Accumulated other comprehensive income	Retained earnings	Total stockholders' equity
	Shares	Amount				
Balance as of December 31, 2024	57,144,887	$ 1	$ 656,872	$ 66	$ 2,216	$ 659,155
Net income	—	—	—	—	85,336	85,336
Unrealized gain on investments	—	—	—	173	—	173
Restricted stock unit tax withholding, net of stock option exercises	392,982	—	4,462	—	—	4,462
Stock-based compensation	—	—	23,954	—	—	23,954
Balance as of June 30, 2025	57,537,869	$ 1	$ 685,288	$ 239	$ 87,552	$ 773,080

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

HARMONY BIOSCIENCES HOLDINGS, INC. AND SUBSIDIARIES

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands, except share and per share data)

	Six Months Ended June 30,	
	2026	**2025**
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 107,919	$ 85,336
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation	14	13
Intangible amortization	11,922	11,922
Acquired in-process research & development (IPR&D) expense	32,000	15,000
Stock-based compensation	19,955	23,954
Stock appreciation rights market adjustment	(71)	(110)
Debt issuance costs amortization	298	329
Deferred taxes	(7,066)	(10,796)
Amortization of premiums and accretion of discounts on investment securities	(638)	(904)
Other non-cash expenses	1,239	932
Change in operating assets and liabilities:		
Trade receivables	(14,208)	(9,948)
Inventory	(1,003)	1,098
Prepaid expenses and other assets	(10,844)	(5,586)
Trade payables	3,991	14,557
Other liabilities	(23,316)	(12,483)
Net cash provided by operating activities	120,192	113,314
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investment securities	(331,529)	(43,032)
Proceeds from maturities and sales of investment securities	48,380	40,937
Purchase of property and equipment	—	(132)
Payment of upfront fee related to license agreements	(32,000)	(15,000)
Net cash used in investing activities	(315,149)	(17,227)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal repayment of long-term debt	(10,000)	(7,500)
Payments of employee withholding taxes related to stock-based awards	(3,640)	(2,341)
Proceeds from exercised options	5,864	6,803
Net cash used in financing activities	(7,776)	(3,038)
NET (DECREASE) INCREASE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	(202,733)	93,049
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH—Beginning of period	752,772	453,271
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH—End of period	$ 550,039	$ 546,320
Supplemental Disclosure of Cash Flow Information:		
Cash paid during the year for interest	$ 6,215	$ 7,660
Cash paid during the year for income taxes net of refunds received	21,060	35,371

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

HARMONY BIOSCIENCES HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(In thousands, except share and per share data)

1. ORGANIZATION AND DESCRIPTION OF BUSINESS

The Company

Harmony Biosciences Holdings, Inc., and its consolidated subsidiaries (the "Company" or "Harmony"), was founded in July 2017 as Harmony Biosciences II, LLC, a Delaware limited liability company. The Company converted to a Delaware corporation named Harmony Biosciences II, Inc. in September 2017 and, in February 2020, the Company changed its name to Harmony Biosciences Holdings, Inc. The Company's operations are conducted in its wholly owned subsidiaries, Harmony Biosciences, LLC, and Harmony Biosciences Management, Inc. The Company is headquartered in Plymouth Meeting, Pennsylvania.

We are cultivating a differentiated neuroscience company, rooted in innovation and driven by a commitment to addressing the unmet needs of patients living with neurological diseases. To date, we have focused on rare neurological diseases with a growing portfolio now spanning sleep/wake and rare epilepsy, and we are harnessing scientific insights and pioneering approaches to advance meaningful treatments that help patients thrive.

In July 2017, the Company entered into a License Agreement (the "2017 LCA") with Bioprojet Société Civile de Recherche ("Bioprojet") whereby the Company acquired the exclusive right to commercialize the pharmaceutical compound pitolisant. Our lead product, WAKIX® (pitolisant) ("WAKIX"), is a first-in-class therapy with a novel mechanism of action designed to enhance histamine signaling in the brain by binding to H_3 receptors. Since its initial U.S. Food and Drug Administration (the "FDA") approval in 2019 for excessive daytime sleepiness ("EDS") in adult patients with narcolepsy, WAKIX has subsequently been approved for cataplexy in adult patients in 2020, and EDS and cataplexy in pediatric patients six years and older in 2024 and 2026, respectively. Beyond narcolepsy, we are also advancing late-stage clinical programs exploring pitolisant in Prader-Willi syndrome ("PWS") and continue to grow our impact in other rare neurological diseases. In July 2022, the Company entered into a License and Commercialization Agreement (the "2022 LCA") with Bioprojet whereby we obtained exclusive rights to manufacture, develop and commercialize one or more next generation pitolisant based products in the United States and Latin America. Two of the next generations formulations, Pitolisant Gastro-Resistant ("Pitolisant GR") and Pitolisant High-Dose ("Pitolisant HD") are currently in development.

Along with nurturing the growth of our original pipeline, our innovation strategy includes targeted business development that strengthens our foundation and strategically extends our patient reach as we look to expand our portfolio to new diseases beyond histaminergic science.

In April 2024, we expanded into orexin science through a sublicense agreement with Bioprojet for an orexin 2 receptor agonist ("BP-205") which is now in clinical development for narcolepsy and other potential central nervous systems ("CNS") indications. Under the sublicense agreement the Company obtained the exclusive right to develop, manufacture and commercialize BP-205 in the United States and Latin American territories, which are rights originally licensed from Teijin Pharma, the innovator of BP-205. We further broadened our portfolio into rare epilepsy when the Company acquired Epygenix Therapeutics, Inc. ("Epygenix") in April 2024. As a result, the Company now has an exclusive license relating to the use of clemizole hydrochloride, initially for the treatment of Dravet Syndrome ("DS") and Lennox-Gastaut Syndrome ("LGS").

In June 2025, we entered into a research collaboration, option and license agreement (the "CiRC Agreement") with CiRC Biosciences, Inc. ("CiRC"), a related party. Under this agreement, Harmony and CiRC will collaborate on the research and development of two discovery-stage candidates, CBS105 for treatment-

resistant narcolepsy and CBS104 for the treatment of refractory epilepsy (together, the “Candidates”), in each case, based on a cell replacement therapy approach for the treatment of these disorders.

2. LIQUIDITY AND CAPITAL RESOURCES

The unaudited condensed consolidated financial statements have been prepared as though the Company will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. The Company had retained earnings of $268,822 and $160,903, as of June 30, 2026, and December 31, 2025, respectively. As of June 30, 2026, the Company had cash, cash equivalents and investments of $962,459.

The Company believes that its existing cash, cash equivalents and investments on hand as of June 30, 2026, as well as additional cash generated from operating and financing activities will meet its operational liquidity needs and fund potential investing activities for at least the next twelve months from the date of issuance of these unaudited condensed consolidated financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The unaudited condensed consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) and include all adjustments necessary for the fair presentation of the Company’s financial position for the periods presented. All intercompany accounts and transactions have been eliminated in consolidation. The unaudited condensed consolidated balance sheet as of June 30, 2026, the unaudited condensed consolidated statements of cash flows for the six months ended June 30, 2026, and 2025, and the unaudited condensed consolidated statements of operations and comprehensive income and the unaudited condensed consolidated statements of stockholders’ equity for the three and six months ended June 30, 2026, and 2025, are unaudited. The balance sheet as of December 31, 2025, was derived from audited financial statements as of and for the year ended December 31, 2025. The unaudited interim condensed consolidated financial statements have been prepared on the same basis as the audited annual financial statements as of and for the year ended December 31, 2025, and, in the opinion of management, reflect all adjustments, which include only normal recurring adjustments, necessary for the fair presentation of the Company’s financial position as of June 30, 2026, and the results of its operations and its cash flows for the six months ended June 30, 2026, and 2025. The unaudited condensed consolidated results of operations are not necessarily indicative of the results that may occur for the full fiscal year. Certain information and disclosures normally included in the financial statements prepared in accordance with GAAP have been condensed or omitted under the SEC’s rules and regulations. These unaudited condensed consolidated financial statements should be read in conjunction with the audited financial statements and accompanying notes thereto contained in the Company’s Annual Report on Form 10-K for the year ended December 31, 2025.

Significant Risks and Uncertainties

The Company’s operations are subject to a number of factors that can affect its operating results and financial condition. Such factors include, but are not limited to, clinical trial results of the Company’s product candidates; the Company’s ability to obtain regulatory approval to market its products; competition from products sold and/or being developed by other companies, including generic competition; the price of, and demand for, the Company’s products, if approved; the Company’s ability to negotiate favorable licensing or other manufacturing and marketing agreements for its product candidates; and the Company’s ability to raise capital.

The Company currently has one commercialized product, WAKIX, and there can be no assurance that the Company’s research and development efforts will result in successfully commercialized products in addition to WAKIX. Developing and commercializing a product requires significant time and capital and is subject to

regulatory review and approval as well as competition from other biotechnology and pharmaceutical companies. The Company operates in an environment of rapid change and is dependent upon the continued services of its employees and consultants and obtaining and protecting intellectual property.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires the Company to make estimates and assumptions that affect the reported amounts and disclosures in the unaudited condensed consolidated financial statements, including the notes thereto, and elsewhere in this report. Actual results may differ significantly from estimates, which include rebates payable pursuant to commercial and government contracts, accrued research and development expenses, stock-based compensation expense and income taxes.

Operating Segments

Operating segments are defined as components of an entity for which separate financial information is available and that is regularly reviewed by the Chief Operating Decision Maker ("CODM") in deciding how to allocate resources to an individual segment and in assessing performance. The Company has determined it operates in a single operating segment, rare neurological diseases and, therefore, has one reportable segment. The Company holds all its tangible assets, conducts its operations, and generates its revenue in the United States.

Fair Value of Financial Instruments

The Company's unaudited condensed consolidated financial statements include cash, cash equivalents, accounts payable, and accrued liabilities, all of which are short term in nature and, accordingly, approximate fair value.

It is the Company's policy to measure non-financial assets and liabilities at fair value on a non-recurring basis. These non-financial assets and liabilities are not measured at fair value on an ongoing basis but are subject to fair value adjustments in certain circumstances (such as evidence of impairment), which, if material, are disclosed in the accompanying footnotes.

The Company measures certain assets and liabilities at fair value based on the fair value hierarchy that prioritizes inputs to valuation techniques used to measure fair value into three levels based on the source of inputs as follows:

Level 1—Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2—Valuations based on observable inputs and quoted prices in active markets for similar assets and liabilities.

Level 3—Valuations based on unobservable inputs and models that are supported by little or no market activity.

Money market funds are classified as Level 1 fair value instruments. Investments in available-for-sale debt securities are classified as Level 2 and carried at fair value, which we estimate utilizing a third-party pricing service. The pricing service utilizes industry standard valuation models whereby all significant inputs, including benchmark yields, reported trades, broker/dealer quotes, issuer spreads, bids, offers, or other market-related data, are observable. We validate valuations obtained from third-party services by obtaining market values from

other pricing sources. The Company did not classify any assets or liabilities as Level 3 as of June 30, 2026, or December 31, 2025.

Cash, Cash Equivalents and Restricted Cash

Cash and cash equivalents and restricted cash consist of cash and, if applicable, highly liquid investments with an original maturity of three months or less when purchased, including investments in money market funds and debt securities that approximate fair value. The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the balance sheet and the statements of cash flows.

	As of	
	June 30, 2026	December 31, 2025
Cash and cash equivalents	$ 549,769	$ 752,502
Restricted cash included in other noncurrent assets	270	270
Total cash, cash equivalents, and restricted cash shown in the statements of cash flows	$ 550,039	$ 752,772

Restricted cash includes amounts required to be held as a security deposit in the form of letters of credit for the Company's credit card program and the fleet program.

Investments

The Company's investments consist of debt securities that are classified as available-for-sale. Short-term and long-term investments are carried at fair value and unrealized gains and losses are recorded as a component of accumulated comprehensive income in stockholders' equity. Interest income earned on cash and investment balances, accretion of the discount on investments in debt securities, amortization of premiums and realized gains and losses, if any, are recorded in interest income in the unaudited condensed consolidated statement of operations and comprehensive income. Realized gains and losses that result from the sale of investments are determined on a specific identification basis.

At each reporting period, the Company reviews any unrealized losses position to determine if the decline in the fair value of the underlying investments is a result of credit losses or other factors. If the assessment indicates that a credit loss exists, any impairment is recognized as an allowance for credit losses in our consolidated statement of operations.

Concentrations of Risk

Substantially all of the Company's cash and money market funds are held in three financial institutions. Due to their size, the Company believes these financial institutions represent minimal credit risk. Deposits may exceed the amount of insurance provided on such deposits by the Federal Deposit Insurance Corporation for U.S. institutions. The Company believes that it is not exposed to significant credit risk due to the financial position of the depository institutions in which those deposits are held.

The Company is subject to credit risk from its trade receivables related to product sales. The Company extends credit to specialty pharmaceutical distribution companies within the United States. Customer creditworthiness is monitored, and collateral is not required. Historically, the Company has not experienced credit losses on its accounts receivable. The Company monitors its exposure within accounts receivable and would record a reserve for uncollectible amounts, if necessary. As of June 30, 2026, three customers accounted for 100% of gross accounts receivable; Accredo Health Group, Inc. ("Accredo"), which accounted for 41% of gross accounts receivable; Caremark LLC ("CVS Caremark"), which accounted for 33% of gross accounts receivable; and PANTHERx Specialty Pharmacy LLC ("Pantherx"), which accounted for 26% of gross accounts receivable. As of December 31, 2025, three customers accounted for 100% of gross accounts receivable;

Accredo, which accounted for 45% of gross accounts receivable, CVS Caremark, which accounted for 36% of gross accounts receivable; and Pantherx, which accounted for 19% of gross accounts receivable.

For the six months ended June 30, 2026, three customers accounted for 100% of gross product revenue; CVS Caremark accounted for 38% of gross product revenue; Accredo accounted for 37% of gross product revenue; and Pantherx accounted for 25% of gross product revenue. For the six months ended June 30, 2025, three customers accounted for 100% of gross product revenue; CVS Caremark accounted for 38% of gross product revenue; Accredo accounted for 36% of gross product revenue; and Pantherx accounted for 26% of gross product revenue.

The Company depends on two suppliers of the active pharmaceutical ingredient ("API") for its commercial product, WAKIX, and single API suppliers for each of its potential product candidates.

Share Repurchases

The Company accounts for share repurchases as constructive retirements, whereby it reduces common stock and additional paid-in capital by the amount of the original issuance, with any excess purchase price recorded as a reduction to retained earnings. Under this method, issued and outstanding shares of common stock are reduced by the amount of shares of common stock repurchased, and no treasury stock is recognized on the condensed consolidated financial statements.

Business Combinations

Business combinations and asset acquisitions are accounted for in accordance with FASB ASC 805 *Business Combinations*.

Recently Adopted Accounting Pronouncements

In December 2023, the FASB issued Accounting Standards Update ("ASU") No 2023-09, *"Income Taxes (Topic 740): Improvements to Income Tax Disclosures"* ("ASU 2023-09"). ASU 2023-09 expands disclosures in the rate reconciliation and requires disclosure of income taxes paid by jurisdiction. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024. Early adoption was permitted. The Company adopted this guidance in the fourth quarter of 2025 on a prospective basis. This pronouncement addresses disclosures only and had no impact on its consolidated financial results.

In September 2025, the FASB issued ASU 2025-06, *Targeted Improvements to the Accounting for Internal-Use Software*. ASU 2025-06 makes targeted improvements to accounting for and disclosure of software costs under ASC 350-40. This ASU is effective for all entities for annual reporting periods beginning after December 15, 2027, and interim reporting periods within those annual reporting periods. The guidance may be adopted prospectively, retrospectively, or via a modified prospective transition method. Early adoption is permitted. The Company early adopted this guidance in the first quarter of 2026 on a prospective basis. This pronouncement did not have a material impact on its unaudited condensed consolidated financial statements during the three and six months ended June 30, 2026.

Recently Issued Accounting Pronouncements

In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)*. ASU 2024-03 requires disclosure, in the notes to the financial statements, of specified information about certain costs and expenses, including amounts of purchases of inventory, employee compensation, depreciation, and intangible asset amortization included in each relevant expense caption, as well as a qualitative description of amounts remaining in relevant expense captions that are not separately disaggregated quantitatively. ASU 2024-03 also requires disclosure of the total amount of selling expenses and, in annual periods, an entity's definition of selling expenses. ASU 2024-03 is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning

after December 15, 2027. The guidance may be applied prospectively or retrospectively. Early adoption is permitted. The Company is currently evaluating the impact that ASU 2024-03 will have on the Company's consolidated financial statements.

4. INVESTMENTS

The carrying value and amortized cost of the Company's available-for-sale debt securities, summarized by type of security, consisted of the following:

	June 30, 2026			
	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Short-term:				
Commercial paper	$ 44,520	6	(38)	$ 44,488
Corporate debt securities	66,101	4	(53)	66,052
U.S. government securities	7,489	—	(7)	7,482
Total short-term investments	$ 118,110	10	(98)	$ 118,022
Long-term:				
Corporate debt securities	260,098	35	(551)	259,582
U.S. government securities	35,208	9	(131)	35,086
Total long-term investments	$ 295,306	44	(682)	$ 294,668

	December 31, 2025			
	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Short-term:				
Commercial paper	$ 7,558	7	—	$ 7,565
Corporate debt securities	15,261	12	—	15,273
Total short-term investments	$ 22,819	19	—	$ 22,838
Long-term:				
Commercial paper	$ 805	1	—	$ 806
Corporate debt securities	88,626	248	—	88,874
U.S. government securities	17,369	78	—	17,447
Total long-term investments	$ 106,800	327	—	$ 107,127

The Company classifies investments with an original maturity of less than one year as current and investments with an original maturity date of greater than one year as noncurrent in its unaudited condensed consolidated balance sheet. The investments classified as noncurrent have original maturity dates ranging from 1-2 years. The Company did not have any available-for-sale debt security investments in a continuous unrealized loss position of greater than 12 months as of June 30, 2026, and December 31, 2025, respectively.

5. FAIR VALUE MEASUREMENTS

Money market funds are classified as Level 1 fair value instruments. Investments in available-for-sale debt securities are classified as Level 2 and carried at fair value, which the Company estimates utilizing a third-party pricing service. The pricing service utilizes industry standard valuation models whereby all significant

inputs, including benchmark yields, reported trades, broker/dealer quotes, issuer spreads, bids, offers, or other market-related data, are observable. The Company validates valuations obtained from third-party services by obtaining market values from other pricing sources. The Company did not classify any assets or liabilities as Level 3 as of June 30, 2026, or December 31, 2025.

The Company's assets measured at fair value consisted of the following:

	June 30, 2026			December 31, 2025		
	Total	Level 1	Level 2	Total	Level 1	Level 2
Assets						
Cash equivalents	$ 275,765	275,765	—	$ 225,605	225,605	—
Commercial paper	44,488	—	44,488	8,371	—	8,371
Corporate debt securities	325,634	—	325,634	104,147	—	104,147
U.S. government securities	42,568	—	42,568	17,447	—	17,447
Total	$ 688,455	275,765	412,690	$ 355,570	225,605	129,965

6. INVENTORY

Inventory, net consisted of the following:

	As of	
	June 30, 2026	December 31, 2025
Work in process	3,917	2,885
Finished goods	2,607	2,636
Inventory, gross	6,524	5,521
Reserve for excess inventory	(164)	(164)
Total inventory, net	$ 6,360	$ 5,357

7. INTANGIBLE ASSETS

In August 2019, the Company received FDA approval of WAKIX for the treatment of EDS in adult patients with narcolepsy. This event triggered a milestone payment of $75,000 under the provisions of the 2017 LCA which the Company capitalized as an intangible asset. The Company determined a useful life of 10 years for the intangible asset, and, as of June 30, 2026, the remaining useful life was 3.3 years.

In October 2020, the Company received FDA approval for the New Drug Application ("NDA") for WAKIX for the treatment of cataplexy in adult patients with narcolepsy. This event triggered a milestone payment of $100,000 under the provisions of the 2017 LCA which the Company capitalized as an intangible asset and paid in January of 2021. The Company determined a useful life of 9 years for the intangible asset, and, as of June 30, 2026, the remaining useful life was 3.3 years.

In February 2022, the Company attained $500,000 in life-to-date aggregate net sales of WAKIX in the United States. This event triggered a final $40,000 payment under the provisions of the 2017 LCA which the Company capitalized as an intangible asset and paid in March of 2022. The Company determined a useful life of 7.6 years for the intangible asset, and, as of June 30, 2026, the remaining useful life was 3.3 years.

Amortization expense was $5,961 for each of the three months ended June 30, 2026, and 2025, respectively, and $11,922 for each of the six months ended June 30, 2026, and 2025, respectively, and is recorded in general and administrative on the unaudited condensed consolidated statements of operations and comprehensive income.

The Company expects the future annual amortization expense for the unamortized intangible assets to be as follows:

Years ending December 31,	
2026 (excluding the six months ended June 30, 2026)	$ 11,923
2027	23,845
2028	23,845
2029	17,883
2030	—
Thereafter	—
Total	$ 77,496

The gross carrying amount and net book value of the intangible asset was as follows:

	As of	
	June 30, 2026	**December 31, 2025**
Gross Carrying Amount	$ 215,000	$ 215,000
Accumulated Amortization	(137,504)	(125,582)
Net Book Value	$ 77,496	$ 89,418

8. LICENSE AGREEMENTS AND ASSET PURCHASE AGREEMENTS

Bioprojet Agreements

In July 2017, Harmony entered into the 2017 LCA with Bioprojet whereby Harmony acquired the exclusive right to commercialize the pharmaceutical compound pitolisant for the treatment, and/or prevention, of narcolepsy, obstructive sleep apnea, idiopathic hypersomnia, and Parkinson's disease, as well as any other indications unanimously agreed by the parties in the United States and its territories. A milestone payment of $50,000 was due upon acceptance by the FDA of pitolisant's NDA, which was achieved in February 2019 and was expensed within research and development for the year ended December 31, 2019. A milestone payment of $77,000, which included a $2,000 fee that is described below, was due upon FDA approval of WAKIX (pitolisant) for treatment of EDS in adult patients with narcolepsy, which was achieved in August 2019. The $2,000 payment and $75,000 milestone payment were paid in August and November 2019, respectively. In addition, a milestone payment of $102,000, which included a $2,000 fee was due upon the FDA approval of the NDA for WAKIX for the treatment of cataplexy in adult patients with narcolepsy. The $2,000 payment was paid in October 2020 and a $100,000 milestone payment was paid in January 2021. A final $40,000 milestone payment was paid to Bioprojet in March 2022 upon WAKIX attaining $500,000 in aggregate net sales in the United States. The 2017 LCA also requires a fixed trademark royalty and a tiered royalty based on net sales, which is payable to Bioprojet on a quarterly basis.

In July 2022, Harmony entered into the 2022 LCA with Bioprojet whereby Harmony obtained exclusive rights to develop, manufacture and commercialize one or more new products based on pitolisant in the United States and Latin America, with the potential to add additional indications and formulations upon agreement of both parties. Harmony paid an initial, non-refundable $30,000 licensing fee in October 2022 and additional payments of up to $155,000 are potentially due upon the achievement of certain future development and sales-based milestones. In addition, there are other payments due upon achievement of development milestones for new indications and formulations as agreed upon by both parties. The 2022 LCA also requires a fixed trademark royalty and a tiered royalty based on net sales upon commercialization, which will be payable to Bioprojet on a quarterly basis.

In April 2024, the Company announced that it entered into a sublicense agreement with Bioprojet for an orexin-2 receptor agonist (the "Licensed Compound") to be evaluated for the treatment of narcolepsy and

other potential indications (the “Sublicense”). Under the Sublicense, the Company obtained the exclusive right to develop, manufacture and commercialize the Licensed Compound in the United States and Latin American territories (the “Licensed Territories”), which are rights that Bioprojet originally licensed from Teijin Pharma, the innovator of the Licensed Compound. Under the Sublicense, the Company paid Bioprojet an upfront license fee of $25,500, which the Company recognized as an IPR&D charge recorded in research and development within the consolidated statements of operations and comprehensive income for the year ended December 31, 2024. In November 2025, the Company achieved a clinical milestone for BP-205 that triggered a $4,250 payment to Bioprojet under the Sublicense, which was paid in December 2025. The Company will also be obligated to pay up to $123,250 upon achievement of development and regulatory milestones and up to $240,000 upon achievement of sales-based milestones, as well as royalty rates in the mid-teens on any sales of product using the Licensed Compound in the Licensed Territories.

CiRC Agreement

In June 2025, the Company entered into a research collaboration, option and license agreement (the “CiRC Agreement”) with a related party, CiRC Biosciences, Inc. (“CiRC”). Under this agreement, the Company and CiRC will collaborate on the research and development of two discovery-stage candidates (together the “Candidates”) using cell replacement therapy for treatment of refractory epilepsies and treatment-resistant narcolepsy. In connection with the CiRC Agreement, the Company paid CiRC an upfront fee of $15,000, which was recognized as an IPR&D charge recorded in research and development within the audited consolidated statements of operations and comprehensive income for the year ended December 31, 2025. The Company will also be obligated to pay $2,000 to CiRC upon the achievement of certain research milestones for each of the Candidates. In addition, the Company has an option to obtain an exclusive license for each of the Candidates that would grant the Company global rights to develop, manufacture and commercialize each Candidate. Upon exercise of each option, the Company would be obligated to pay an option exercise fee of $8,000, or $16,000 in the aggregate related to both Candidates, and the Company would be obligated upon achievement to pay future development, regulatory and sales-based milestones, as well as royalties on sales of any product derived from the Candidates. Refer to Note 18, *Related-Party Transactions*, for further discussion of related party considerations for the CiRC Agreement.

Novitium Agreement

In January 2026, the Company entered into a license agreement (the “Novitium License Agreement”) with Novitium Pharma LLC (“Novitium”), which includes an exclusive license to additional intellectual property that expands the intellectual property estate of the Company, as well as a co-exclusive license, under which the Company and Novitium intend to develop an amorphous formulation of pitolisant in broad CNS indications outside of sleep/wake. Pursuant to the Novitium License Agreement, the Company paid an upfront license fee of $15,000, which was recognized as an IPR&D charge recorded in research and development in the unaudited condensed consolidated statements of operations and comprehensive income for the six months ended June 30, 2026. The Company will also be obligated to pay $10,000 upon the achievement of certain development milestones, as well as low single-digit royalties on net sales of current and future pitolisant based products.

MSN Agreement

In February 2026 (the “MSN Effective Date”), the Company entered into a license agreement (the “MSN License Agreement”) with MSN Laboratories Private Limited (“MSN”), which includes an exclusive, royalty-bearing license, with the right to grant sublicenses, to additional intellectual property, including pending licensed patents, under which the Company intends to develop a new formulation of pitolisant in broad CNS indications outside of sleep/wake. Pursuant to the MSN License Agreement, the Company paid an upfront license fee of $17,000, which was recognized as an IPR&D charge recorded in research and development in the unaudited condensed consolidated statements of operations and comprehensive income for the six months ended June 30, 2026. In addition, the Company will be obligated to pay $25,000 upon approval of the pending licensed patents by the United States Patent and Trademark Office (“USPTO”), which amount the Company must deposit into an escrow account within nine months from the MSN Effective Date, and which will be returned to

the Company if approval by the USPTO does not occur by November 25, 2027. In addition, the Company will be obligated to pay low single-digit royalties on net sales of future products that include a new formulation of pitolisant.

The Company incurred $60,775 and $35,783 for the three months ended June 30, 2026, and 2025, respectively, and $102,681 and $65,340 for the six months ended June 30, 2026, and 2025, respectively, for sales-based, trademark and tiered royalties recognized as cost of product sold. As of June 30, 2026, and December 31, 2025, the Company had accrued $60,775 and $65,819, respectively, for sales-based, trademark and tiered royalties.

9. ACCRUED EXPENSES

Accrued expenses consisted of the following:

	As of	
	June 30, 2026	December 31, 2025
Royalties	$ 60,775	$ 65,819
Rebates and other sales deductions	80,283	76,304
Interest	1,942	2,151
Sales and marketing	4,767	3,153
Research and development	14,829	12,193
Legal and professional fees	4,978	29,999
Other expenses	1,554	1,420
	$ 169,128	$ 191,039

10. DEBT

Term Loan A Credit Agreement

In July 2023, the Company entered into a Credit Agreement (the “TLA Credit Agreement”) with JPMorgan Chase Bank, N.A., as “Administrative Agent”, and certain lenders, which was subsequently amended in September 2023. The TLA Credit Agreement, as amended, provides for a five-year senior secured term loan (the “TLA Term Loan”) in an aggregate principal amount of $200,000.

The repayment schedule for the TLA Term Loan consists of quarterly $3,750 principal payments, which commenced on December 31, 2023, increasing to quarterly $5,000 principal payments beginning on December 31, 2025, with a $115,000 payment due on the maturity date of July 26, 2028. The TLA Term Loan bears interest at a per annum rate equal to, at the Company’s option, (i) a base rate plus a specified margin ranging from 2.50% to 3.00%, based on the Company’s senior secured net leverage ratio (as defined in the TLA Credit Agreement) or (ii) Term SOFR plus a credit spread adjustment of 0.10% plus a specified margin ranging from 3.50% to 4.00%, based on the Company’s senior secured net leverage ratio.

The net cash received related to the TLA Term Loan as a result of the transactions, less debt issuance costs of $2,997, was $197,003. The debt issuance costs related to the TLA Term Loan will be amortized as additional interest expense over the loan term of the TLA Credit Agreement. The fair value of the TLA Term Loan as of June 30, 2026, was $151,369.

Long-term debt, net consisted of the following:

	June 30, 2026	December 31, 2025
Principal amount	$ 155,000	$ 165,000
Unamortized debt discount associated with debt financing costs	(1,039)	(1,337)
Total debt, net	153,961	163,663
Less current portion	(20,000)	(20,000)
Long-term debt, net	$ 133,961	$ 143,663

Future minimum payments relating to long-term debt, net as of June 30, 2026, for the periods indicated below consisted of the following:

Years ending December 31,	
2026 (excluding the six months ended June 30, 2026)	$ 10,000
2027	20,000
2028	125,000
2029	—
2030	—
Thereafter	—
Total	$ 155,000

Interest expense related to the Company's long-term debt, net, is included in interest expense within the unaudited condensed consolidated statements of operations and comprehensive income and consisted of the following:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Interest on principal balance	$ 2,923	$ 3,483	$ 6,006	$ 7,153
Amortization of deferred financing costs	147	163	298	329
Total term loan interest expense	$ 3,070	$ 3,646	$ 6,304	$ 7,482

The TLA Credit Agreement contains customary affirmative and negative covenants, financial covenants, representations and warranties, events of default and other provisions. The Company had an event of default, which dated back to July 2025, related to a nonfinancial covenant due to a delay in a subsidiary joining the TLA Credit Agreement as a guarantor. On May 4, 2026, the Company entered into a Waiver and Consent Agreement with the Administrative Agent and certain lenders, whereby the event of default was waived. The Company has made all required principal and interest payments on time in connection with the TLA Credit Agreement and is in compliance with all covenants as of June 30, 2026.

11. LEASES

In June 2018, the Company entered into an operating lease for three office suites of approximately fifteen thousand square feet, seven thousand square feet and thirteen thousand square feet in Plymouth Meeting, PA, which was set to expire in November 2025. In November 2025, the Company entered into an operating lease amendment (the "PM Lease Amendment") extending the lease through March 31, 2031. The terms of the PM Lease Amendment provide for fixed rental payments on a monthly basis and on a graduated scale. Additionally, the terms of the PM Lease Amendment provide the Company with an option to extend the lease for two additional five-year periods and an option to early terminate the lease effective on the forty-first month, which options were not considered in the determination of the operating lease right-of-use asset ("ROU asset") or operating lease liability as neither option is reasonably certain to be exercised by the Company.

The Company also leases a fleet of automobiles that are primarily used by its sales force and are classified as operating leases.

Operating lease right-of-use assets and operating lease liabilities are recognized based on the present value of the future lease payments using our incremental borrowing rate. Leases with an initial term of 12 months or less are not recorded on the balance sheet. Our leases have remaining lease terms of less than 1 year to approximately 5 years, some of which may include the option to extend or terminate the leases.

The Company recorded operating lease costs of $535 and $598 for the three months ended June 30, 2026, and 2025, respectively, and $1,034 and $1,065 for the six months ended June 30, 2026, and 2025 respectively.

As of June 30, 2026, the weighted-average remaining lease term for operating leases was 4.0 years and the weighted-average discount rate for operating leases was 7.59%.

Supplemental balance sheet information related to operating leases was as follows:

Leases	Classification	June 30, 2026	December 31, 2025
Assets			
Operating lease right-of-use assets	Other noncurrent assets	$ 5,839	$ 5,344
Liabilities			
Operating lease liability, current portion	Other current liabilities	$ 1,455	$ 1,073
Operating lease liability, long-term	Other long-term liabilities	4,775	4,512
Total operating lease liabilities		$ 6,230	$ 5,585

Supplemental cash flow information related to operating leases was as follows:

	June 30, 2026	June 30, 2025
Operating cash flows from operating leases	$ 885	$ 951
Right of use assets obtained in exchange for operating lease obligations	$ 1,366	$ 34

Future payments under non-cancelable operating leases with initial terms of one year or more as of June 30, 2026, consisted of the following:

Years ending December 31,	
2026 (excluding the six months ended June 30, 2026)	$ 882
2027	1,807
2028	1,736
2029	1,316
2030	1,215
Thereafter	311
Total lease payments	7,267
Less: imputed interest	(1,037)
Total lease liabilities	$ 6,230

12. COMMITMENTS AND CONTINGENCIES

Legal Proceedings

From time to time, the Company is subject to claims and suits arising in the ordinary course of business. The Company accrues such liabilities when they are known, if they are deemed probable and can be reasonably

estimated. Accruals may be adjusted from time to time, as appropriate, in light of new information. The amount of loss incurred in relation to matters for which an accrual has been established may be higher or lower than the amounts accrued. Any expenses, fines, fees, penalties, judgments or settlements that might be incurred by the Company in connection with proceedings could have a material adverse effect on the Company's results of operations and financial condition. As of June 30, 2026, there were no material claims or lawsuits outstanding other than the Abbreviated New Drug Application ("ANDA") litigation discussed below.

ANDA Litigation

In September 2023, the Company and its licensor, Bioprojet, received notice from Lupin Limited ("Lupin") pursuant to 21 U.S.C. § 355(j) *et seq.* and 21 C.F.R. § 314.95 *et seq.* (the "Lupin Notice Letter") that Lupin has submitted ANDA No. 218846 (the "Lupin ANDA") to the FDA and is seeking regulatory approval to market a generic version of WAKIX® before the expiration of U.S. Patent Nos. 8,486,947 ("'947 patent") and 8,207,197 ("'197 patent"). The '947 patent and the '197 patent are listed with respect to WAKIX® in the FDA's Orange Book and will expire in September 2029 and March 2030, respectively. The Lupin Notice Letter asserts that their generic product will not infringe the '947 patent and the '197 patent and/or that the '947 patent and the '197 patent are invalid or unenforceable. In November 2023, we, Bioprojet and Bioprojet's wholly owned subsidiary, Bioprojet Pharma SAS ("Bioprojet Pharma"), filed a complaint for patent infringement of the '947 patent and the '197 patent against Lupin and certain of their affiliates and agents in the United States District Court for the District of Delaware in response to the filing of their respective ANDAs with the FDA. In December 2024, the Company and Bioprojet received further notice from Lupin pursuant to 21 U.S.C. § 355(j) *et seq.* and 21 C.F.R. § 314.95 *et seq*. (the "Second Lupin Notice Letter") that Lupin has submitted the Lupin ANDA to the FDA and is seeking regulatory approval to market a generic version of WAKIX® before the expiration of the '947 patent and the '197 patent. The Second Lupin Notice Letter asserts that its generic product will not infringe the '947 patent and the '197 patent and/or that the '947 patent and the '197 patent are invalid or unenforceable. In January 2025, we, Bioprojet and Bioprojet Pharma filed a complaint in the United States District Court for the District of Delaware for patent infringement of the '947 patent and the '197 patent against Lupin. In June 2025, the Company reached an agreement with Lupin to resolve the dispute over Lupin's ANDA to market a generic version of WAKIX. Under the terms of the settlement agreement, the litigation between the parties in the United States District Court for the District of Delaware will be dismissed, and Lupin will have a license to sell its generic product beginning July 2030 if WAKIX receives pediatric exclusivity, or earlier under certain circumstances.

In September 2023, the Company and Bioprojet received notice from Novugen Pharma Sdn. Bhd. ("Novugen") pursuant to 21 U.S.C. § 355(j) *et seq.* and 21 C.F.R. § 314.95 *et seq.* (the "Novugen Notice Letter") that Novugen had submitted ANDA No. 218834 (the "Novugen ANDA") to the FDA and is seeking regulatory approval to market a generic version of WAKIX® before the expiration of the '947 patent and '197 patent. The Novugen Notice Letter asserts that their generic product will not infringe the '947 patent and the '197 patent and/or that the '947 patent and the '197 patent are invalid or unenforceable. In November 2023, we, Bioprojet and Bioprojet's wholly owned subsidiary, Bioprojet Pharma SAS ("Bioprojet Pharma"), filed a complaint for patent infringement of the '947 patent and the '197 patent against Novugen and certain of their affiliates and agents in the United States District Court for the District of Delaware in response to the filing of their respective ANDAs with the FDA. In October 2024, the Company reached an agreement with Novugen Pharma to resolve the dispute over Novugen's ANDA for a generic pitolisant hydrochloride product. Under the terms of the settlement agreement, the litigation between the parties in the United States District Court for the District of Delaware was ended on November 4, 2024, and Novugen will have a license to sell its generic product beginning July 2030 if WAKIX receives pediatric exclusivity, or earlier under certain circumstances.

In October 2023, the Company and Bioprojet received notice from Novitium, pursuant to 21 U.S.C. § 355(j) *et seq.* and 21 C.F.R. § 314.95 *et seq.* (the "Novitium Notice Letter"), that Novitium has submitted ANDA No. 218495 (the "Novitium ANDA") to the FDA and is seeking regulatory approval to market a generic version of WAKIX® before the expiration of U.S. Patent No. 8,354,430 (the "'430 patent"), which is also listed with respect to WAKIX® in the FDA's Orange Book and will expire in February 2026. The Novitium Notice Letter asserts that its generic product will not infringe the '430 patent, '947 patent and the '197 patent and/or that the '430 patent, '947 patent and the '197 patent are invalid or unenforceable. In November 2023, the Company, Bioprojet and

Bioprojet Pharma filed a complaint for patent infringement of the ’947 patent and the ‘197 patent against Novitium and certain of their affiliates and agents and for patent infringement of the ’430 patent against Novitium and certain of their affiliates and agents in the United States District Court for the District of Delaware in response to their filing of their respective ANDAs with the FDA. In January 2026, the Company reached an agreement with Novitium to resolve the dispute over Novitium’s ANDA to market a generic version of WAKIX. Under the terms of the settlement agreement, the litigation between the parties in the United States District Court for the District of Delaware will be dismissed, and Novitium will have a license to sell its generic product beginning July 2030 if WAKIX receives pediatric exclusivity, or earlier under certain circumstances.

In October 2023, the Company and Bioprojet received notice from Zenara Pharma Pvt. Ltd. (“Zenara”), pursuant to 21 U.S.C. § 355(j) *et seq.* and 21 C.F.R. § 314.95 *et seq.* (the “Zenara Notice Letter”), that Zenara has submitted ANDA No. 218796 (the “Zenara ANDA”) to the FDA and is seeking regulatory approval to market a generic version of WAKIX® before the expiration of the ’430 patent, ’947 patent and the ’197 patent. The Zenara Notice Letter asserts that its generic product will not infringe the ‘430 patent, ’947 patent and the ‘197 patent and/or that the ‘430 patent, ’947 patent and the ‘197 patent are invalid or unenforceable. In November 2023, the Company, Bioprojet and Bioprojet Pharma filed a complaint for patent infringement of the ’947 patent and the ‘197 patent against Zenara and certain of their affiliates and agents and for patent infringement of the ’430 patent against Zenara and certain of their affiliates and agents in the United States District Court for the District of Delaware in response to their filing of their respective ANDAs with the FDA. In January 2026, the Company reached an agreement with Hikma (to whom Zenara transferred its ANDA) to resolve the dispute over Hikma’s ANDA to market a generic version of WAKIX. Under the terms of the settlement agreement, the litigation between the parties in the United States District Court for the District of Delaware will be dismissed, and Hikma will have a license to sell its generic product beginning March 2030 if WAKIX receives pediatric exclusivity, or earlier under certain circumstances.

In October 2023, the Company and Bioprojet received notice from AET Pharma US, Inc. (“AET”), pursuant to 21 U.S.C. § 355(j) *et seq.* and 21 C.F.R. § 314.95 *et seq.* (the “AET Notice Letter”), that AET has submitted ANDA No. 218892 (the “AET ANDA”) to the FDA and is seeking regulatory approval to market a generic version of WAKIX® before the expiration of the ’947 patent and the ’197 patent. AET’s Notice Letter asserts that AET’s generic product will not infringe the ’947 patent and the ‘197 patent and/or that ’947 patent and the ‘197 patent are invalid or unenforceable. In November 2023, the Company, Bioprojet and Bioprojet Pharma filed a complaint for patent infringement of the ’947 patent and the ‘197 patent against AET and certain of their affiliates and agents in the United States District Court for the District of Delaware in response to their filing of their respective ANDAs with the FDA. In August 2024, the Company and Bioprojet received further notice from AET pursuant to 21 U.S.C. § 355(j) *et seq.* and 21 C.F.R. § 314.95 *et seq*. (the “Second AET Notice Letter”) that AET has submitted the AET ANDA to the FDA and is seeking regulatory approval to market a generic version of WAKIX® before the expiration of the ‘947 patent and the ‘197 patent. The Second AET Notice Letter asserts that its generic product will not infringe the ’947 patent and the ‘197 patent and/or that the ’947 patent and the ‘197 patent are invalid or unenforceable. In August 2024, we, Bioprojet and Bioprojet Pharma filed a complaint in the United States District Court for the District of Delaware for patent infringement of the ’947 patent and the ‘197 patent against AET.

In October 2023, the Company and Bioprojet received notice from Annora Pharma Private Limited (“Annora”), pursuant to 21 U.S.C. § 355(j) *et seq.* and 21 C.F.R. § 314.95 *et seq.* (the “Annora Notice Letter”), that Annora has submitted ANDA No. 218832 (the “Annora ANDA”) to the FDA and is seeking regulatory approval to market a generic version of WAKIX® before the expiration of the ’430 patent, the ’947 patent and the ’197 patent. The Annora Notice Letter asserts that its generic product will not infringe the ‘430 patent, ’947 patent and the ‘197 patent and/or that the ‘430 patent, ’947 patent and the ‘197 patent are invalid or unenforceable. In November 2023, the Company, Bioprojet and Bioprojet Pharma filed a complaint for patent infringement of the ’947 patent and the ‘197 patent against Annora and certain of their affiliates and agents and for patent infringement of the ’430 patent against Annora and certain of their affiliates and agents in the United States District Court for the District of Delaware in response to their filing of their respective ANDAs with the FDA. In March 2025, the Company reached an agreement with Annora to resolve the dispute over Annora’s ANDA for a generic pitolisant hydrochloride product. Under the terms of the settlement agreement, the litigation

between the parties in the United States District Court for the District of Delaware was ended on March 31, 2025, and Annora will have a license to sell its generic product beginning July 2030 if WAKIX receives pediatric exclusivity, or earlier under certain circumstances.

In October 2023, MSN Pharmaceuticals Inc. ("MSN Pharma") sent correspondence to the Company and Bioprojet stating that MSN Pharma has submitted ANDA No. 218873 (the "MSN ANDA") to the FDA and is seeking regulatory approval to market a generic version of WAKIX®. In December 2023, MSN Laboratories Private Limited ("MSN") filed a declaratory judgment action in the United States District Court for the Eastern District of Virginia against Bioprojet claiming that the '430 patent, the '947 patent and the '197 patent will not be infringed by MSN's generic version of WAKIX® and that the '947 patent is invalid. In December 2023, we, Bioprojet and Bioprojet Pharma filed a complaint in the United States District Court for the District of Delaware for patent infringement of the '430 patent, the '947 patent and the '197 patent against MSN and MSN Pharma. In January 2024, the declaratory judgment action was transferred from the United States District Court for the Eastern District of Virginia to the United States District Court for the District of Delaware. In January 2026, the Company reached an agreement with MSN to resolve the dispute over MSN's ANDA to market a generic version of WAKIX. Under the terms of the settlement agreement, the litigation between the parties in the United States District Court for the District of Delaware will be dismissed. The remaining terms of the settlement agreement remain confidential.

In April 2024, the United States District Court for the District of Delaware issued a scheduling order consolidating the cases described above for all purposes up to and including trial (the "Scheduling Order"). The Scheduling Order set March 27, 2025, as the date for the hearing on claim construction and scheduled a bench trial that began on February 17, 2026, and concluded on February 19, 2026. Opening post-trial briefs were filed on April 9, 2026. Rebuttal briefs were filed on May 7, 2026, and reply briefs were filed on May 21, 2026. Oral arguments are scheduled for October 22, 2026.

The resolution of any ANDA litigation matter against the Company could have a material adverse effect on the Company's results of operations.

Patent Infringement Litigation

On April 20, 2026, the Company, along with its exclusive licensor Novitium, filed a lawsuit against AET, AET Laboratories Private Limited, Alfred E. Tiefenbacher (GmbH & Co. KG), Sandoz Inc., Sandoz Private Limited, and Sandoz GmbH, alleging that the defendants' actions in connection with the filing of AET's ANDA No. 218892 infringe one or more claims of U.S. Patent No. 11,623,920. The case was filed in the United States District Court for the District of Delaware and assigned case no. 26-cv-00453-JLH.

On June 22, 2026, the defendants filed their answer to our complaint, along with counterclaims alleging various antitrust counterclaims against either the Company or the Company and Novitium. On July 6, 2026, the parties stipulated that defendants Sandoz Private Limited and Sandoz GmbH be dismissed without prejudice, which stipulation was granted on July 7, 2026. On July 21, 2026, the defendants filed an amended answer updating the complaint to remove those parties.

13. STOCKHOLDERS' EQUITY

Common Stock

The holders of common stock are entitled to one vote for each share held on all matters submitted to a vote of the Company's stockholders. The holders of common stock do not have any cumulative voting rights. Holders of common stock are entitled to receive any dividends declared by the Company's board of directors out of funds legally available for that purpose, subject to any preferential dividend rights of any outstanding preferred stock. The Company's common stock has no preemptive rights, conversion rights or other subscription rights or redemption or sinking fund provisions.

Share Repurchase Program

In October 2023, the Company's Board of Directors approved a share repurchase program (the "October 2023 Repurchase Program") providing for the repurchase of shares of common stock in an aggregate amount of up to $200,000, excluding commissions and transaction fees. The October 2023 Repurchase Program may be suspended, terminated, or modified at any time for any reason. During the three and six months ended June 30, 2026, and 2025, no shares of common stock were repurchased by the Company under the October 2023 Repurchase Program. As of June 30, 2026, the remaining amount of common stock authorized for repurchases was $150,000.

14. STOCK INCENTIVE PLAN AND STOCK-BASED COMPENSATION

2020 Stock Incentive Plan

In August 2020, the Company adopted, and its stockholders approved, the 2020 Incentive Award Plan (the "2020 Plan"), in order to facilitate the grant of cash and equity incentives to directors, employees (including the Company's named executive officers) and consultants of the Company and its subsidiaries. The 2020 Plan provides for the grant of stock options, including incentive stock options ("ISOs") and non-qualified stock options ("NSOs"), Stock Appreciation Rights ("SARs"), restricted stock, dividend equivalents, restricted stock units ("RSUs") and other stock or cash-based awards.

Stock options and SARs under the 2020 Plan have a 10-year contractual term and vest over the vesting period specified in the applicable award agreement, at achievement of a performance requirement, or upon change of control (as defined in the applicable plan). RSUs vest over the vesting period specified in the applicable award agreement, at achievement of a performance requirement, or upon change of control (as defined in the applicable plan). As of June 30, 2026, there were 7,040,302 shares of common stock available for issuance under the 2020 Plan. The number of shares that may be issued under the 2020 Plan automatically increases on January 1 of each year in an amount equal to the lesser of (i) 4.0% of the shares of the Company's common stock outstanding on December 31 of the preceding year or (ii) an amount determined by the Company's board of directors.

2017 Stock Incentive Plan

In August 2017, the Company adopted an equity incentive plan (the "2017 Plan"). Under the 2017 Plan, directors, officers, employees, consultants, and advisors of the Company can be paid incentive compensation measured by the value of the Company's shares of common stock through grants of stock options, SARs or restricted stock. Following the adoption of the 2020 Plan, no further grants have been, or will be, made under the 2017 Plan. However, the 2017 Plan will continue to govern the terms and conditions of outstanding awards granted under it.

Stock Options

The following table summarizes stock option activity for the six months ended June 30, 2026:

	Number of Awards	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value ($000's)
Awards outstanding—December 31, 2025	7,861,925	$ 33.56	6.3	
Awards issued	1,664,051	$ 33.90		
Awards exercised	(236,405)	$ 23.22		
Awards forfeited	(362,605)	$ 36.59		
Awards outstanding—June 30, 2026	8,926,966	$ 33.78	6.4	$ 48,181
Awards exercisable—June 30, 2026	6,026,171	$ 33.67	5.2	$ 39,583
Awards unvested—June 30, 2026	2,900,795	$ 34.01	9.0	$ 8,598

The weighted-average grant-date fair value of stock options granted during the six months ended June 30, 2026, and 2025, was $21.90 and $24.24, respectively. The total intrinsic value of stock options exercised for the six months ended June 30, 2026, and 2025, was $2,462 and $3,400, respectively.

Stock Appreciation Rights

The following table summarizes SARs activity for the six months ended June 30, 2026:

	Number of Awards	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value ($000's)
Awards outstanding—December 31, 2025	33,471	$ 8.72	3.2	
Awards issued	—	$ —		
Awards exercised	(3,651)	$ 8.22		
Awards forfeited	—	$ —		
Awards outstanding—June 30, 2026	29,820	$ 8.78	2.7	$ 582
Awards exercisable—June 30, 2026	29,820	$ 8.78	2.7	$ 582

Restricted Stock Units

The following table summarizes RSU activity for the six months ended June 30, 2026:

	Number of Awards	Weighted-Average Grant Date Fair Value
Awards outstanding—December 31, 2025	796,498	$ 34.47
Awards issued	472,250	$ 36.76
Awards vested	(251,617)	$ 33.71
Awards forfeited	(109,795)	$ 35.79
Awards outstanding—June 30, 2026	907,336	$ 35.72

Value of RSUs

The fair value of RSUs is equal to the value of the Company's common stock on the grant date.

The weighted-average per share fair value of awards issued under the 2020 Plan during the six months ended June 30, 2026, and 2025 was $36.76 and $37.61, respectively.

Value of Stock Options and SARs

The Company values options and SARs using the Black-Scholes option-pricing model. The Company lacks sufficient historical company-specific volatility information. Therefore, the Company estimates expected stock volatility based on historical volatility of peer companies and expects to continue to do so until such time as it has adequate historical data regarding the volatility of its own traded stock price. For options with service-based vesting conditions, the expected term of the Company's stock options has been determined utilizing the "simplified" method for awards that qualify as "plain-vanilla" options. For SARs, the expected term is based upon the weighting of certain future events. The risk-free interest rate is determined by reference to the U.S. Treasury yield curve in effect at the time of grant of the award for the time periods approximately equal to the expected term of the award. An expected dividend yield of 0% is based on the fact that the Company has never paid cash dividends and does not expect to do so in the foreseeable future.

The assumptions used to value the awards are summarized in the following table.

	As of	
	June 30, 2026	December 31, 2025
Dividend yield	0.00 %	0.00 %
Expected volatility	66.49 - 73.24 %	69.03 - 71.43 %
Risk-free interest rate	3.84 - 4.20 %	3.72 - 4.44 %
Lack of marketability discount	0.00 %	0.00 %
Expected term (years)	1.1 - 6.1	1.4 - 6.1

Stock-Based Compensation Expense

Stock-based compensation expense for each of the three and six months ended June 30, 2026, and 2025, was recorded in the unaudited condensed consolidated statements of operations and comprehensive income in the following line items:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Research and development expense	$ 2,562	$ 2,113	$ 4,927	$ 4,415
Sales and marketing expense	1,809	1,652	3,604	4,396
General and administrative expense	5,205	7,629	11,353	15,033
	$ 9,576	$ 11,394	$ 19,884	$ 23,844

Stock-based compensation expense related to options and RSUs issued under the 2017 Plan and 2020 Plan is included in stockholder's equity, and a liability for SARs is included in other non-current liabilities, in the Company's unaudited condensed consolidated balance sheet. As of June 30, 2026, the total unrecognized stock-based compensation expense was $59,273 and $28,079 for stock options and RSUs,

respectively. These amounts will be recognized in the Company's consolidated statement of operations over a weighted average period of 2.9 years for each of stock options and RSUs.

Employee Stock Purchase Plan

The 2020 Employee Stock Purchase Plan ("ESPP") was adopted by the Company on April 30, 2021. The ESPP permits eligible employees to purchase shares of the Company's common stock at a 15% discount from the lesser of the fair market value per share of the Company's common stock on the first day of the offering period or the fair market value of the Company's common stock on the purchase date. Funds are collected from employees through after-tax payroll deductions. The total number of shares reserved for issuance under the ESPP was initially 629,805, which automatically increases on January 1 of each year in an amount equal to the lesser of (i) 1.0% of the shares of the Company's common stock outstanding on December 31 of the preceding year or (ii) an amount determined by the Company's board of directors. It is intended that the ESPP meet the requirements for an "employee stock purchase plan" under Section 423 of the Internal Revenue Code. There were 15,066 and 11,772 shares issued under the ESPP for each of the three and six months ended June 30, 2026, and 2025, respectively. The discount on the ESPP was $85 and $65 for the three months ended June 30, 2026, and 2025, respectively, and $174 and $125 for the six months ended June 30, 2026, and 2025, respectively, and is recorded within stock-based compensation expense.

15. SEGMENT INFORMATION

The Company has one reportable segment: rare neurological diseases. The rare neurological diseases segment consists of the Company's commercial product, WAKIX, and its potential product candidates that focus on patients living with rare neurological diseases. The Company currently derives all of its revenue from sales of WAKIX and manages its business activities on a consolidated basis.

The accounting policies of the rare neurological diseases segment are consistent with those described in Note 3, *Summary of Significant Accounting Policies*, and the measure of segment assets is reported on the consolidated balance sheets as total assets. The Company's CODM is the chief executive officer. The CODM assesses performance of the rare neurological diseases segment using net income as reported in the consolidated statements of operations and comprehensive income. Net income is assessed by the CODM to make decisions on how to allocate resources, such as reinvesting profits into the rare neurological diseases segment or pursuing potential investing activities.

The following table summarizes segment revenue and significant segment expenses for each of the three and six months ended June 30, 2026, and 2025:

	Rare Neurological Diseases Segment			
	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net product revenue	$ 261,280	$ 200,489	$ 476,667	$ 385,222
Less:				
Cost of product sold (a)	63,191	38,147	107,696	70,134
Research and development (b)	44,034	33,046	79,052	65,284
Sales and marketing (c)	32,311	28,421	62,210	56,388
General and administrative (d)	16,884	20,334	37,282	38,212
Depreciation and amortization	5,968	5,967	11,936	11,935
Stock-based compensation	9,576	11,394	19,884	23,844
Interest expense	3,070	3,646	6,304	7,482
Interest income	(7,072)	(5,296)	(12,829)	(10,340)
Income tax expense	17,834	9,861	25,033	21,478
Other segment items (e)	53	15,193	32,180	15,469
Consolidated net income	$ 75,431	$ 39,776	$ 107,919	$ 85,336

(a) Cost of product sold excluding depreciation.
(b) Research and development excluding stock-based compensation and IPR&D.
(c) Sales and marketing excluding stock-based compensation.
(d) General and administrative excluding stock-based compensation and amortization.
(e) Other segment items include other expense, net and IPR&D charges.

16. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing net income by the weighted average number of shares of common stock outstanding. Diluted net income per share of common is computed under the treasury stock method by using the weighted average number of shares of common stock outstanding, plus, for periods with net income, the potential dilutive effects of stock options, stock appreciation rights and restricted stock units.

The following table sets forth the computation of basic and diluted net income per share:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Numerator				
Net income	$ 75,431	$ 39,776	$ 107,919	$ 85,336
Denominator				
Net income per share of common stock - basic	$ 1.30	$ 0.69	$ 1.86	$ 1.49
Net income per share of common stock-diluted	$ 1.28	$ 0.68	$ 1.84	$ 1.46
Weighted average number of shares of common stock - basic	57,933,818	57,469,775	57,876,756	57,390,298
Weighted average number of shares of common stock - diluted	58,755,359	58,427,134	58,769,504	58,468,717

Securities outstanding and included in the computation above, utilizing the treasury stock method are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Stock options, SARs, and RSUs to purchase common stock	821,541	957,359	892,748	1,078,419

The following table represents the shares of common stock excluded from the diluted earnings per share calculation because their effect would have been anti-dilutive:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Stock options, SARs, and RSUs to purchase common stock	9,042,582	7,945,010	8,971,374	7,823,950

17. INCOME TAXES

A reconciliation of the differences between the U.S. statutory federal income tax rate of 21.0% and the Company's effective income tax rate for the three and six months ended June 30, 2026, after the adoption of ASU 2023-09, is as follows:

	Three Months Ended June 30, 2026		Six Months Ended June 30, 2026	
	Amount	Percent	Amount	Percent
Federal statutory rate	$ 19,587	21.0%	$ 27,920	21.0%
State income taxes, net of federal tax effect*	1,501	1.6%	2,017	1.5%
Tax credits				
Orphan drug credit	(3,060)	(3.3)%	(4,322)	(3.3)%
Research and development credit	(770)	(0.8)%	(1,080)	(0.8)%
Other nontaxable or nondeductible items	742	0.8%	664	0.5%
Other adjustments	(166)	(0.2)%	(166)	(0.1)%
Effective tax rate	$ 17,834	19.1%	$ 25,033	18.8%

* State taxes in Illinois made up the majority (greater than 50%) of the tax effect in this category.

A reconciliation of the differences between the U.S. statutory federal income tax rate of 21.0% and the Company's effective tax rate for the three and six months ended June 30, 2025, prior to the adoption of ASU 2023-09, is as follows:

	Three Months Ended June 30, 2025	Six Months Ended June 30, 2025
Federal income tax rate	21.0 %	21.0 %
Stock-based compensation	(0.3)	0.1
State taxes	1.3	1.2
Credits	(2.7)	(2.6)
Other	0.6	0.4
Total	19.9 %	20.1 %

18. RELATED-PARTY TRANSACTIONS

Paragon Biosciences, LLC ("Paragon") is an entity that shares common ownership with the Company. In addition, the Chairman of the Company's board of directors was the President and owner of the entity. The Company is party to a right of use agreement with Paragon whereby it has access to and the right to use certain office space leased by Paragon in Chicago, Illinois. In addition, the Company received consulting services from Paragon during the three and six months ended June 30, 2025. The Company incurred $72 and $255 for the three months ended June 30, 2026, and 2025, respectively, and incurred $145 and $328 for the six months ended June 30, 2026, and 2025, respectively, of expenses related to Paragon, which are included in general and administrative in the unaudited condensed consolidated statements of operations and comprehensive income. As of June 30, 2026, and December 31, 2025, there were no amounts due to or due from Paragon included in the unaudited condensed consolidated balance sheets.

In June 2025, the Company entered into the CiRC Agreement with CiRC, an entity controlled by Paragon. The Company paid a $15,000 upfront payment to CiRC pursuant to the CiRC Agreement which was recorded as an IPR&D charge in research and development in the unaudited condensed consolidated statements of operations and comprehensive income. As of June 30, 2026, and December 31, 2025, there were no amounts due to or due from CiRC under the CiRC agreement. Refer to Note 8, *License Agreements*, for further discussion regarding the CiRC Agreement.

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

Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward-looking statements. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements other than statements of historical facts contained in this Quarterly Report on Form 10-Q, including statements regarding our future results of operations and financial position, business strategy, products, prospective products, product approvals, research and development costs, anticipated timing and likelihood of success of clinical trials, expected timing of the release of clinical trial data, the plans and objectives of management for future operations and future results of anticipated products, are forward-looking statements. In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "expect," "plan," "anticipate," "could," "intend," "target," "project," "contemplate," "believe," "estimate," "predict," "potential," or "continue" or the negative of these items or similar expressions.

All of our forward-looking statements are qualified in their entirety by reference to known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These factors include, but are not limited to, risks and uncertainties relating to:

- our commercialization efforts and strategy for WAKIX;
- the rate and degree of market acceptance and clinical utility of pitolisant in additional indications, if approved, and any other product candidates we may develop or acquire, if approved;
- our research and development plans, including our plans to explore the therapeutic potential of pitolisant in additional indications, progress developing the new Pitolisant Gastro-resistant ("Pitolisant GR") and Pitolisant High Dose ("Pitolisant HD") formulations, and the development of BP-205, clemizole hydrochloride ("EPX-100") and other compounds;

- our ongoing and planned clinical trials;
- the availability of favorable insurance coverage and reimbursement for WAKIX;
- the timing of, and our ability to obtain, regulatory approvals for pitolisant for other indications as well as any other product candidates;
- our estimates regarding expenses, future revenue, capital requirements and additional financing needs;
- our ability to identify, acquire and integrate additional products or product candidates with significant commercial potential that are consistent with our commercial objectives;
- our commercialization, marketing and manufacturing capabilities and strategy;
- significant competition in our industry;
- our intellectual property positions;
- loss or retirement of key members of management;
- failure to successfully execute our growth strategy, including any delays in our planned future growth;
- our failure to maintain effective internal controls;
- the impact of government laws and regulations; and
- other risks and uncertainties identified under the ‘‘Risk Factors’’ section or other portions of this report or other of our filings with the SEC, including our Annual Report on Form 10-K for the year ended December 31, 2025.

The forward-looking statements in this Quarterly Report on Form 10-Q are only predictions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition and results of operations. These forward-looking statements speak only as of the date of this Quarterly Report on Form 10-Q and are subject to a number of important factors that could cause actual results to differ materially from those in the forward-looking statements, including the factors described under the section in our most recent Annual Report on Form 10-K entitled “Item 1A. Risk Factors” and the sections in this Quarterly Report on Form 10-Q titled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

Moreover, we operate in an evolving environment. New risk factors and uncertainties may emerge from time to time, and it is not possible for management to predict all risk factors and uncertainties.

Unless otherwise indicated, information contained in this Quarterly Report on Form 10-Q concerning our industry, including industry statistics and forecasts, competitive position and the markets in which we operate is based on information from independent industry and research organizations, other third-party sources and management estimates. Management estimates are derived from publicly available information released by independent industry analysts and other third-party sources, as well as data from our internal research, and are based on assumptions made by us upon reviewing such data, and our experience in, and knowledge of, such industry and markets, which we believe to be reasonable. In addition, projections, forecasts, assumptions and estimates of the future performance of the industry in which we operate and our future performance are necessarily subject to uncertainty and risk due to a variety of factors, including those described in "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements." These and other factors could cause results to differ materially from those expressed and forecasts in the estimates made by the independent parties and by us.

You should read this Quarterly Report on Form 10-Q and the documents that we reference in this Quarterly Report on Form 10-Q completely and with the understanding that our actual future results may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise.

As used herein, the terms "Harmony," "we," "us," "our" and "the Company" refer to Harmony Biosciences Holdings, Inc., a Delaware corporation and our operating subsidiary, Harmony Biosciences, LLC.

Further, we have in-licensed from Bioprojet Société Civile de Recherche ("Bioprojet") the registered trademark product name WAKIX® in the United States. We also have registered trademark protection in the United States for KNOW NARCOLEPSY®, REM AT THE WRONG TIME® and NON-REM AT THE WRONG TIME®, as well as our brand and logo HB®, HB HARMONY BIOSCIENCES® and HARMONY BIOSCIENCES®. This report also includes trademarks, service marks and trade names of other companies. Trademarks, service marks and trade names appearing in this Quarterly Report on Form 10-Q are the property of their respective owners.

Company Overview

At Harmony, we are cultivating a differentiated neuroscience company, rooted in innovation and driven by a commitment to addressing the unmet needs of patients living with neurological diseases. To date, we have focused on rare neurological diseases with a growing portfolio now spanning sleep/wake and rare epilepsy, and we are harnessing scientific insights and pioneering approaches to advance meaningful treatments that help patients thrive. Our operations are conducted by our wholly owned subsidiaries, Harmony Biosciences, LLC and Harmony Biosciences Management, Inc.

Products and Product Candidates

WAKIX® (pitolisant) ("WAKIX")

Our pitolisant franchise is anchored by WAKIX, an oral, once-daily therapy licensed from Bioprojet Société Civile de Recherche ("Bioprojet") for the treatment of narcolepsy. WAKIX is approved by the U.S. Food and Drug Administration (the "FDA") for the treatment of excessive daytime sleepiness ("EDS") and cataplexy in patients six years and older with narcolepsy. WAKIX is a first-in-class molecule with a novel mechanism of action ("MOA") and is the only selective H_3 receptor antagonist/inverse agonist approved by the FDA. Additionally, it is the first-and-only FDA-approved treatment that is not scheduled as a controlled substance by the United States Drug Enforcement Administration (the "DEA").

We are focusing development efforts on other rare neurological diseases in which EDS is a prominent symptom, including Prader-Willi Syndrome ("PWS"), and remain committed to obtaining pediatric exclusivity for WAKIX. In 2024, we initiated the PWS Phase 3 registrational trial, the TEMPO study, in support of these efforts. We anticipate topline data from the TEMPO study in mid-2027.

Pitolisant gastro-resistant ("Pitolisant GR") and Pitolisant high dose ("Pitolisant HD")

We are developing two new formulations of pitolisant through a license agreement with Bioprojet: Pitolisant GR and Pitolisant HD. Pitolisant GR is designed with an enteric coating meant to reduce the potential for gastrointestinal side effects in patients prone to gastrointestinal symptoms, and to enable patients to initiate treatment at a therapeutic dose without titration, which we believe is an important clinical differentiation. In June 2026, we submitted a New Drug Application ("NDA") for Pitolisant GR to the FDA, which was subsequently accepted for full review with a target Prescription Drug User Fee Act ("PDUFA") date of April 1, 2027. Pitolisant HD is an enhanced formulation of pitolisant with an optimized pharmacokinetic ("PK") profile, enteric coating and higher dosing to drive greater efficacy. It is designed to provide differentiated labeling for fatigue in narcolepsy and sleep inertia in idiopathic hypersomnia ("IH"). Pitolisant HD is currently in a Phase 3 registrational trial in narcolepsy, ONSTRIDE1, and a Phase 3 registrational trial in IH, ONSTRIDE2. We expect topline data in 2027 and anticipate a target PDUFA date in 2028. Utility patents for both Pitolisant GR and Pitolisant HD have been filed to extend the pitolisant franchise into the 2040s.

Other Pipeline Products

Through business development, we have acquired or licensed the rights to develop BP-205 (orexin-2 receptor agonist), EPX-100 (clemizole hydrochloride), CBS-104 and CBS-105.

BP-205 is built on a novel chemical scaffold with the potential for best-in-class therapy due to its high potency. We intend to develop BP-205 for the treatment of multiple central nervous system ("CNS") indications outside of sleep/wake. We filed an investigational medicinal product dossier ("IMPD") with the EMA and began first-in-human studies in the fourth quarter of 2025. The topline data from the single ascending dose ("SAD") study are encouraging and supportive of a potential best-in-class profile for an orexin 2 receptor agonist. In July 2026, we submitted an Investigational New Drug application ("IND") to the FDA, which is now open, and are preparing to initiate a Phase 1b study in sleep-deprived healthy volunteers.

EPX-100 has been granted orphan drug designation and rare pediatric disease designation by the FDA for treatment of Dravet syndrome ("DS") and Lennox-Gastaut syndrome ("LGS"). EPX-100 is currently in two Phase 3 registrational trials, one for each of DS (the ARGUS study) and LGS (the LIGHTHOUSE study). We expect topline data in 2027 and anticipate a target PDUFA date in 2028.

CBS-104 and CBS-105 are investigational novel regenerative cellular therapies being developed in collaboration with CiRC Biosciences for the treatment of refractory epilepsy and treatment-resistant narcolepsy, respectively.

Key Developments

In January 2026, we entered into a license agreement (the "Novitium License Agreement") with Novitium Pharma LLC ("Novitium"), which includes an exclusive license to additional intellectual property that will expand our patent estate, as well as a co-exclusive license, under which we intend to develop a new formulation of pitolisant in broad CNS indications outside of sleep/wake.

In February 2026, we entered into a license agreement (the "MSN License Agreement") with MSN Laboratories Private Limited ("MSN"), which includes an exclusive, royalty-bearing license, with the right to grant sublicenses, to additional intellectual property, including pending licensed patents, under which we intend to develop a new formulation of pitolisant in broad CNS indications outside of sleep/wake.

In April 2026, we, along with our exclusive licensor Novitium, filed a lawsuit against AET Pharma US, Inc. ("AET"), AET Laboratories Private Limited, Alfred E. Tiefenbacher (GmbH & Co. KG), Sandoz Inc., Sandoz Private Limited, and Sandoz GmbH, alleging that the defendants' actions in connection with the filing of AET's ANDA No. 218892 infringe one or more claims of U.S. Patent No. 11,623,920. The case was filed in the United States District Court for the District of Delaware and assigned case no. 26-cv-00453-JLH.

In June 2026, we submitted an NDA for Pitolisant GR to the FDA, which was subsequently accepted for full review with a target PDUFA date of April 1, 2027.

In July 2026, we submitted an IND for BP-205 to the FDA, which is now open, and are preparing to initiate a Phase 1b study in sleep-deprived healthy volunteers in the third quarter of 2026, with topline data expected in early 2027. In August 2026, we announced Phase 1 clinical PK data from the SAD study for BP-205, which demonstrated favorable PK, safety, and tolerability profiles. Topline data from the Phase 1 multiple ascending dose study is expected in the fourth quarter of 2026. In addition, we plan to initiate Phase 2 trials for BP-205 in mid-2027 to evaluate multiple CNS indications.

Commercial Performance Metrics

As of June 30, 2026, we have continued to see growth in the number of unique healthcare professionals ("HCP") prescribing WAKIX since it became available in November 2019. There are approximately 9,000 HCPs who treat patients living with narcolepsy, with approximately 4,000 enrolled in oxybate risk-evaluation and mitigation strategies ("REMS") programs. The average number of patients on WAKIX for the three months ended June 30, 2026, was approximately 8,950. Additionally, as of June 30, 2026, we have secured formulary access for more than 80% of all insured lives (Commercial, Medicare and Medicaid) in the United States.

Financial Operations Overview

Net Product Revenue

Net product revenue includes gross product shipments less provisions for sales discounts and allowances, which includes trade allowances, rebates to government and commercial entities, and other discounts. Although we expect net sales to increase over time, provisions for sales discounts and allowances may fluctuate based on the mix of sales to different customer segments and/or changes in our estimates.

Cost of Product Sold

Cost of product sold includes manufacturing and distribution costs, the cost of API, FDA program fees, royalties due to third parties on net product sales, freight, shipping, handling, storage costs, and salaries of employees involved with oversight of production. We expect the cost of product sold to increase as we continue to ramp up production in order to meet future demand for WAKIX and diversify our supply chain for WAKIX.

The shelf life of WAKIX is four years from the date of manufacture, with the earliest expiration of current inventory expected to be May 2027. We regularly review our inventory levels and expect write-offs from time to time. We will continue to assess inventory levels in future periods as demand for WAKIX and the rate of inventory turnover evolves. We currently have adequate supply of WAKIX to cover demand into the fourth quarter of 2028, with additional API on-hand inventory to support at least 24 months beyond this time frame.

Research and Development Expenses

Research and development expenses primarily include development programs for potential new indications for pitolisant in patients with PWS, and the development of our product candidates EPX-100, Pitolisant GR, Pitolisant HD, and BP-205. We also incur research and development expenses related to our team of Medical Science Liaisons ("MSLs") who interact with key opinion leaders, with a focus on the science, the role of histamine in sleep-wake state stability and the novel mechanism of action of pitolisant. In addition, our MSLs support our market access team with the presentation of clinical data to payors upon request and our clinical development team to identify potential clinical trial sites. Research and development costs are expensed as incurred. We have significantly increased our research and development efforts as we advance our clinical programs and add product candidates to expand our pipeline. Research and development expenses also include:

- employee-related expenses, such as salaries, share-based compensation, benefits and travel expenses for our research and development personnel;
- direct third-party costs such as expenses incurred under agreements with clinical research organizations ("CROs"), and contract development and manufacturing organizations ("CDMOs");
- manufacturing costs in connection with producing materials for use in conducting clinical trials;
- costs related to packaging and labelling of clinical supplies;
- other third-party expenses (e.g., consultants, advisors) directly attributable to the development of our product candidates;
- payments associated with the achievement of development and regulatory milestones;
- acquired in-process research and development; and
- amortization expense for assets used in research and development activities.

A significant portion of our research and development costs are external costs, such as fees paid to CROs and CDMOs, central laboratories, contractors, and consultants in connection with our clinical development programs. Internal expenses primarily relate to personnel who are deployed across multiple programs.

Product candidates in later stages of clinical development generally have higher development costs in the current period than those in earlier stages of clinical development, primarily due to the increased size and duration of later-stage clinical trials, milestone payments, and the cost of submitting an NDA to the FDA (and/or other regulatory authorities). We expect our research and development expenses to be significant as we advance our current clinical development programs and prepare to seek regulatory approval for Pitolisant GR, complete the Phase 3 clinical trials for additional indications for pitolisant, EPX-100 and Pitolisant HD, and advance the development of BP-205 and CBS105 toward new indications.

At this time, we cannot reasonably estimate or know the nature, timing and estimated costs of the efforts that will be necessary to complete the development of any additional indications for pitolisant or other product candidates that we move forward for regulatory approval. There are numerous risks and uncertainties associated with developing product candidates, including uncertainty related to:

- the duration, costs and timing of clinical trials of our current development programs and any further clinical trials related to new product candidates;

- the sufficiency of our financial and other resources to complete the necessary preclinical studies and clinical trials;
- the acceptance of INDs for our planned clinical trials or future clinical trials;
- the successful and timely enrollment and completion of clinical trials;
- the successful completion of preclinical studies and clinical trials;
- successful data from our clinical programs that support an acceptable risk-benefit profile of our product candidates in the intended populations;
- the receipt and maintenance of regulatory and marketing approvals from applicable regulatory authorities;
- establishing agreements with third-party manufacturers for clinical supply for our clinical trials and commercial manufacturing, if our product candidate is approved;
- the entry into collaborations to further the development of our product candidates;
- obtaining and maintaining patent and trade secret protection or regulatory exclusivity for our product candidates; and
- successfully launching our product candidates and achieving commercial sales, if and when approved.

A change in the outcome of any of these variables with respect to the development of any of our programs or any product candidate we develop would significantly change the costs, timing and viability associated with the development and/or regulatory approval of such programs or product candidates.

Sales and Marketing Expenses

Our sales and marketing expenses primarily relate to the marketing and commercialization activities of WAKIX for the treatment of EDS and cataplexy in patients six years and older with narcolepsy. Marketing and commercial activities account for a significant portion of our operating expenses and are expensed as incurred. We expect our sales and marketing expenses to increase in the near- and mid-term to support WAKIX's indications for the treatment of EDS or cataplexy in adult patients with narcolepsy, the treatment of EDS in pediatric patients 6 years of age and older with narcolepsy and to expand our portfolio with the anticipated growth from potential additional indications.

Sales and marketing expenses include:

- employee-related expenses, such as salaries, share-based compensation, benefits and travel expenses for our sales, marketing and market access personnel;
- healthcare professional-related expenses, including marketing programs, healthcare professional promotional medical education, disease education, conference exhibits and market research;

- patient-related expenses, including patient awareness and education programs, disease awareness education, patient reimbursement programs, patient support services and market research;

- market access expenses, including payor education, specialty pharmacy programs and services to support the continued commercialization of WAKIX; and

- secondary data purchases (i.e., patient claims and prescription data), data warehouse development and data management.

In addition, sales and marketing expenses include external costs such as website development, media placement fees, agency fees for patient, medical education and promotional expenses, market research, analysis of secondary data, conference fees and consulting fees.

General and Administrative Expenses

General and administrative expenses consist primarily of employee-related expenses, such as salaries, share-based compensation, benefits and travel expenses for our personnel in executive, legal, finance and accounting, human resources, investor relations, and other administrative departments. General and administrative expenses also consist of office leases, and professional fees, including legal, tax and accounting, and consulting fees.

We anticipate that our general and administrative expenses will increase in the future to support our continued commercialization efforts and ongoing and future potential research and development activities. These increases will likely be driven by costs associated with the hiring of additional personnel and fees paid to outside consultants, lawyers and accountants, among other expenses. Additionally, we anticipate increased costs associated with being a public company, including expenses related to services associated with maintaining compliance with the requirements of Nasdaq and the SEC, insurance and investor relations costs. If any of our current or future indication expansion programs or new product candidates obtain U.S. regulatory approval, we expect that we would incur significantly increased expenses associated with building a sales and marketing team.

Paragon Agreement

We are party to a right-of-use agreement with Paragon whereby we have access to and the right to use certain office space leased by Paragon in Chicago, Illinois. We paid rental fees to Paragon of $0.1 million and $0.2 million for the three and six months ended June 30, 2026, respectively.

Interest Expense

Interest expense consists primarily of interest expense on debt facilities, amortization of debt issuance costs and amortization of premiums on our debt securities.

Interest Income

Interest income consists primarily of cash interest earned on our cash and investment balances and accretion of the discount on our investments in debt securities.

Results of Operations

The following table sets forth selected items in our unaudited condensed consolidated statements of operations for the periods presented:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
	(In thousands)		(In thousands)	
Net product revenue	$ 261,280	$ 200,489	$ 476,667	$ 385,222
Cost of product sold	63,198	38,153	107,710	70,147
Gross profit	198,082	162,336	368,957	315,075
Operating expenses:				
Research and development	46,596	50,159	115,979	84,699
Sales and marketing	34,120	30,073	65,814	60,784
General and administrative	28,050	33,924	60,557	65,167
Total operating expenses	108,766	114,156	242,350	210,650
Operating income	89,316	48,180	126,607	104,425
Other (expense) income, net	(53)	(193)	(180)	(469)
Interest expense	(3,070)	(3,646)	(6,304)	(7,482)
Interest income	7,072	5,296	12,829	10,340
Net income before provision for income taxes	93,265	49,637	132,952	106,814
Income tax expense	(17,834)	(9,861)	(25,033)	(21,478)
Net income	$ 75,431	$ 39,776	$ 107,919	$ 85,336

Net Product Revenue

Net product revenue increased by $60.8 million, or 30.3%, for the three months ended June 30, 2026, and increased by $91.4 million, or 23.7%, for the six months ended June 30, 2026, compared to the same periods in 2025. The increase for the three months ended June 30, 2026, was primarily due to a 26.5% increase in the number of units shipped and the impact of a 7% price increase partially offset by higher rebates of approximately 4.0%. The increase for the six months ended June 30, 2026, was primarily due to a 19.4% increase in the number of units shipped and the impact of a 7% price increase partially offset by higher rebates of approximately 3.8%. The price increase occurred in January 2026.

Cost of Product Sold

Cost of product sold increased by $25.0 million, or 65.6%, for the three months ended June 30, 2026, and increased by $37.6 million, or 53.5%, for the six months ended June 30, 2026, compared to the same periods in 2025. Cost of product sold as a percentage of net product revenue was 24.2% and 22.6% for the three and six months ended June 30, 2026, respectively, compared to 19.0% and 18.2% for the three and six months ended June 30, 2025, respectively. The increase in cost of product sold was primarily due to higher royalties as a result of the increase in net product revenue of WAKIX. The increase in the cost of product sold as a percentage of net revenue was driven by new royalties related to the Novitium License Agreement.

Research and Development Expenses

The following table is a summary of our research and development expenses:

	Three Months Ended June 30,			Six Months Ended June 30,		
	2026	2025	Change	2026	2025	Change
	(in thousands)			(in thousands)		
BP-205	$ 4,485	$ 1,167	$ 3,318	$ 6,581	$ 2,262	$ 4,319
Pitolisant	4,637	6,343	(1,706)	10,028	11,734	(1,706)
EPX-100	13,395	7,899	5,496	21,554	14,445	7,109
Pitolisant GR and Pitolisant HD	9,611	2,059	7,552	17,345	4,038	13,307
IPR&D	-	15,000	(15,000)	32,000	15,000	17,000
Personnel expenses	8,760	8,506	254	17,123	16,033	1,090
Stock-based compensation	2,562	2,113	449	4,927	4,415	512
Other research and development	3,146	7,072	(3,926)	6,421	16,772	(10,351)
Total	$ 46,596	$ 50,159	$ (3,563)	$ 115,979	$ 84,699	$ 31,280

Research and development expenses decreased by $3.6 million, or 7.1%, for the three months ended June 30, 2026, and increased by $31.3 million, or 36.9%, for the six months ended June 30, 2026, compared to the same periods in 2025. The decrease for the three months ended June 30, 2026, was primarily driven by a $15.0 million IPR&D charge related to the CiRC Agreement that occurred during the three months ended June 30, 2025, a $4.4 million decrease related to the phase out of the ZYN002 program in FXS, and a $1.7 million decrease in clinical development associated with pitolisant offset by a combined $16.4 million increase in research and development expenses for BP-205, EPX-100, and Pitolisant GR and HD as we progressed clinical trials and manufacturing, a $0.3 million increase in personnel costs associated with higher headcount, and a $0.4 million increase in stock compensation.

The increase for the six months ended June 30, 2026, was primarily driven by a combined $24.7 million increase in research and development expenses for BP-205, EPX-100, and Pitolisant GR and HD as we progressed clinical trials and manufacturing, a $17.0 million increase in IPR&D charges related to the Novitium License Agreement ($15.0 million) and MSN License Agreement ($17.0 million) entered into during the six months ended June 30, 2026, offset by the CiRC Agreement ($15.0 million) entered into during the six months ended June 30, 2025, a $1.1 million increase in personnel costs associated with higher headcount, a $0.5 million increase in stock compensation associated with new equity awards, and a $1.0 million increase in other research and development expenses offset by a $11.3 million decrease related to the phase out of the ZYN002 program in FXS and a $1.7 million decrease in clinical development associated with pitolisant.

Sales and Marketing Expenses

Sales and marketing expenses increased by $4.0 million, or 13.5%, for the three months ended June 30, 2026, and increased by $5.0 million, or 8.3%, for the six months ended June 30, 2026, compared to the same periods in 2025. The increase for the three months ended June 30, 2026, was primarily due to a $2.0 million increase in patient engagement and marketing activities, a $1.6 million increase in personnel costs, a $0.2 million increase in travel expenses and a $0.2 million increase in stock compensation expense. The increase for the six months ended June 30, 2026, was primarily due to a $4.5 increase in patient engagement and marketing activities and a $2.1 million increase in personnel costs offset by a $0.8 million decrease in stock compensation expense and a $0.8 million decrease in travel expenses. The increase in patient engagement and marketing activities was driven by our continued growth of WAKIX and the increase in personnel costs was driven primarily by higher headcount as a result of our sales force expansion.

General and Administrative Expenses

General and administrative expenses decreased by $5.9 million, or 17.3%, for the three months ended June 30, 2026, and decreased by $4.6 million, or 7.1%, for the six months ended June 30, 2026, compared to the same periods in 2025. The decrease for the three months ended June 30, 2026, was primarily due to a $5.1 million decrease in legal and professional fees and a $2.4 million decrease in stock compensation offset by a $1.6 million increase in personnel costs. The decrease for the six months ended June 30, 2026, was primarily due to a $2.8 million decrease in legal and professional fees and a $3.7 million decrease in stock compensation offset by a $1.9 million increase in personnel costs. The decrease in legal and professional fees for both comparable periods was primarily driven by expenses incurred due to ANDA settlements and lower ANDA litigation during the three and six months ended June 30, 2025. The increase in personnel costs for both comparable periods was primarily driven by higher headcount during the three and six months ended June 30, 2026.

Interest Expense

Interest expense decreased by $0.6 million, or 15.8%, for the three months ended June 30, 2026, and decreased by $1.2, or 15.7%, for the six months ended June 30, 2026, compared to the same periods in 2025. The decrease for the three and six months ended June 30, 2026, was primarily due to lower average outstanding debt balances and lower interest rates compared to the same periods in the prior year.

Interest Income

Interest income increased by $1.8 million, or 33.5%, for the three months ended June 30, 2026, and increased by $2.5 million, or 24.1%, for the six months ended June 30, 2026, compared to the same periods in 2025. The increase for the three and six months ended June 30, 2026, was primarily a result of having higher invested balances compared to the prior year.

Income Taxes

Income tax expense was $17.8 million, representing a 19.1% effective tax rate, for the three months ended June 30, 2026, compared to $9.9 million, representing a 19.9% effective tax rate, for the three months ended June 30, 2025. Income tax expense was $25.0 million, representing an 18.8% effective tax rate, for the six months ended June 30, 2026, compared to $21.5 million, representing a 20.1% effective tax rate, for the six months ended June 30, 2025. The decrease in our effective tax rate for both comparable periods was primarily driven by an increase in the benefits from research and development and orphan drug credits. The effective tax rate of 19.1% for the three months ended June 30, 2026, included 1.6% in state income taxes offset by a 4.1% benefit from credits. The effective tax rate of 18.8% for the six months ended June 30, 2026, included 1.5% in state income taxes offset by a 4.1% benefit from credits.

Liquidity, Sources of Funding and Capital Resources

Overview

As of June 30, 2026, we had cash, cash equivalents, and investments of $962.5 million, outstanding debt of $155.0 million and retained earnings of $268.8 million.

The unaudited condensed consolidated financial statements have been prepared as though we will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business.

We believe that our existing cash, cash equivalents and investments on hand as of June 30, 2026, will enable us to meet our operational liquidity needs and fund our potential investing activities for at least the next 12 months. We have based our liquidity and cash flow projections on assumptions that may prove to be incorrect, and we could use our capital resources sooner than we expect.

Term Loan A Credit Agreement

In July 2023, we entered into a Credit Agreement (the "TLA Credit Agreement") with JPMorgan Chase Bank, N.A., as "Administrative Agent", and certain lenders, which was subsequently amended in September 2023. The TLA Credit Agreement, as amended, provides for a five-year senior secured term loan (the "TLA Term Loan") in an aggregate principal amount of $200.0 million.

The repayment schedule for the TLA Term Loan consisted of $3.8 million quarterly principal payments, commencing on December 31, 2023, which increased to $5.0 million quarterly principal payments beginning on December 31, 2025, and includes a $115.0 million payment due on the maturity date of July 26, 2028. The TLA Term Loan bears interest at a per annum rate equal to, at our option, (i) a base rate plus a specified margin ranging from 2.50% to 3.00%, based on our senior secured net leverage ratio (as defined in the TLA Credit Agreement) or (ii) Term SOFR plus a credit spread adjustment of 0.10% plus a specified margin ranging from 3.50% to 4.00%, based on our senior secured net leverage ratio.

The TLA Credit Agreement contains customary affirmative and negative covenants, financial covenants, representations and warranties, events of default and other provisions. We had an event of default, which dated back to July 2025, related to a nonfinancial covenant due to a delay in a subsidiary joining the TLA Credit Agreement as a guarantor. On May 4, 2026, we entered into a Waiver and Consent Agreement with the Administrative Agent and certain lenders, whereby the event of default was waived. We have made all required principal and interest payments on time in connection with the TLA Credit Agreement and are in compliance with all covenants as of June 30, 2026.

Share Repurchases

In October 2023, our Board of Directors approved a share repurchase program (the "October 2023 Repurchase Program") providing for the repurchase of shares of common stock in an aggregate amount of up to $200,000, excluding commissions and transaction fees. The October 2023 Repurchase Program may be suspended, terminated, or modified at any time for any reason. During the three and six months ended June 30, 2026, no shares of common stock were repurchased by the Company under the October 2023 Repurchase Program. As of June 30, 2026, the remaining amount of common stock authorized for repurchases was $150.0 million.

Bioprojet Agreements

In July 2022, we entered into the 2022 LCA with Bioprojet whereby we obtained exclusive rights to manufacture, develop and commercialize one or more new products based on pitolisant in the United States and Latin America, with the potential to add additional indications and formulations upon the agreement of both parties. We paid an initial, non-refundable $30.0 million licensing fee in October 2022 and additional payments of up to $155.0 million are potentially due under the 2022 LCA upon the achievement of certain future development and sales-based milestones. In addition, certain payments will become due upon the achievement of development milestones for new indications and formulations as agreed upon by both parties. The 2022 LCA also includes a fixed trademark royalty and a tiered royalty based on net sales of any new products commercialized, which will be payable to Bioprojet on a quarterly basis.

In April 2024, we entered into a sublicense agreement with Bioprojet for an orexin-2 receptor agonist (OX2R) (the "Licensed Compound"), which we are developing for the treatment of narcolepsy and other potential indications (the "Sublicense"). Under the Sublicense, the Company obtained the exclusive right to develop, manufacture and commercialize the Licensed Compound in the United States and Latin American territories (the "Licensed Territories"), which are rights that Bioprojet originally licensed from Teijin Pharma, the innovator of the Licensed Compound. Under the Sublicense, the Company paid Bioprojet an upfront license fee of $25.5 million. In November 2025, we achieved a clinical milestone for BP-205 that triggered a $4.3 million payment to Bioprojet under the Sublicense. We will also be obligated to pay up to $123.3 million upon achievement of other development and regulatory milestones and up to $240.0 million upon achievement of certain sales-based milestones, as well as royalty rates in the mid-teens on potential sales in the Licensed Territories.

Epygenix Acquisition

In April 2024, we acquired Epygenix, pursuant to the terms of a stock purchase agreement. In connection with the closing of the transaction, we paid the former stockholders of Epygenix up front consideration of $35.0 million less a working capital adjustment. In addition, we will also be obligated to pay up to $130.0 million upon the achievement of development and regulatory milestones and up to $515.0 million upon the achievement of certain sales-based milestones, in each case to Epygenix's former stockholders. As a result, the Company now has an exclusive license relating to the use of clemizole, initially for the treatment of DS and LGS.

CiRC Agreement

In June 2025, we entered into a research collaboration, option and license agreement (the "CiRC Agreement") with a related party, CiRC Biosciences, Inc. ("CiRC"). Under this agreement, we will collaborate on the research and development of two discovery-stage candidates (together the "Candidates") using cell replacement therapy for the treatment of refractory epilepsies and treatment-resistant narcolepsy. As part of the CiRC Agreement, we paid CiRC an upfront fee of $15.0 million and we will also be obligated to pay $2.0 million upon the achievement of certain research milestones for each of the Candidates. In addition, we have an option to obtain an exclusive license for each of the Candidates that would grant us global rights to develop, manufacture and commercialize that Candidate. We would be obligated to pay an option exercise fee of $8.0 million, or $16.0 million in the aggregate if the options related to both Candidates were exercised, and we would be obligated upon achievement to pay future development, regulatory and sales-based milestones, as well as royalties on sales of any product derived from the Candidates.

Novitium Agreement

In January 2026, we entered into the Novitium License Agreement with Novitium, which includes an exclusive license to additional intellectual property that will expand our patent estate, as well as a co-exclusive license, under which we intend to develop a new formulation of pitolisant in broad CNS indications outside of sleep/wake. Pursuant to the Novitium License Agreement, we paid an upfront license fee of $15.0 million, which was recognized as an IPR&D charge recorded in research and development within the unaudited condensed consolidated statements of operations and comprehensive income for the six months ended June 30, 2026, and will also be obligated to pay up to $10.0 million upon the achievement of certain development milestones, as well as low single-digit royalties on net sales of pitolisant based products.

MSN Agreement

On February 25, 2026 (the "MSN Effective Date"), we entered into the MSN License Agreement with MSN, which includes an exclusive, royalty-bearing license, with the right to grant sublicenses, to additional intellectual property, including pending licensed patents, under which we intend to develop a new formulation of pitolisant in broad CNS indications outside of sleep/wake. Pursuant to the MSN License Agreement, we paid an upfront license fee of $17.0 million, which was recognized as an IPR&D charge recorded in research and development within the unaudited condensed consolidated statements of operations and comprehensive income for the six months ended June 30, 2026. In addition, we will be obligated to pay $25.0 million upon approval of the pending licensed patents by the United States Patent and Trademark Office ("USPTO"), which amount we must deposit into an escrow account within nine months from the MSN Effective Date, and which will be returned us if approval by the USPTO does not occur by November 25, 2027. In addition, we will be obligated to pay low single-digit royalties on net sales of future products that include a new formulation of pitolisant.

Recent Milestone Payments

In November 2025, we achieved a clinical milestone for BP-205 that triggered a $4.3 million payment to Bioprojet under the Sublicense, which was paid in December 2025.

In September 2025, we achieved a clinical milestone for ZYN002 that triggered a $15.0 million payment to contingent value rights holders per the terms of our acquisition of Zynerba, which was paid in November 2025.

Cash Flows

The following table sets forth a summary of our cash flows for the six months ended June 30, 2026, and 2025:

	Six Months Ended June 30,	
	2026	2025
Selected cash flow data	(In thousands)	
Cash provided by (used in):		
Operating activities	$ 120,192	$ 113,314
Investing activities	(315,149)	(17,227)
Financing activities	(7,776)	(3,038)

Operating Activities

Net cash provided by operating activities for the six months ended June 30, 2026, primarily consisted of net income of $107.9 million adjusted for non-cash items of $19.9 million related to stock-based compensation expense, $32.0 million related to acquired IPR&D, $11.9 million related to intangible amortization and depreciation, offset by $7.1 million related to deferred tax assets. Net working capital excluding cash increased by $45.4 million, primarily driven by increases in accounts receivable due to higher net product revenue in the current period and a decrease in accrued expenses primarily from lower accrued royalties and legal and professional feels offset by an increase in accounts payable due to the timing of payments.

Net cash provided by operating activities for the six months ended June 30, 2025, primarily consisted of net income of $85.3 million adjusted for non-cash items of $23.8 million related to stock-based compensation expense, $15.0 million related to acquired IPR&D and $11.9 million related to intangible amortization and depreciation, partially offset by $10.8 million related to deferred tax assets. Net working capital excluding cash increased by $12.4 million, primarily driven by increases in accounts receivable due to higher net product revenue in the current period and an increase in accounts payable due to the timing of payments.

Investing Activities

Net cash used in investing activities for the six months ended June 30, 2026, was $315.1 million, which was primarily attributable to $331.5 million in purchases of debt securities and $32.0 million in upfront license fees related to new license agreements, offset by $48.4 million from maturities of investments.

Net cash used in investing activities for the six months ended June 30, 2025, was $17.2 million, which was primarily attributable to $43.0 million in purchases of debt securities, a $15.0 million upfront fee paid to CiRC and $0.1 million in purchases of property and equipment, partially offset by $40.9 million from maturities of investments.

Financing Activities

Net cash used in financing activities for the six months ended June 30, 2026, was $7.8 million, which primarily consisted of $10.0 million in principal payments associated with the TLA Credit Agreement and $3.6 million of employee withholding tax payments related to stock-based awards, partially offset by $5.9 million in proceeds from the exercise of stock options.

Net cash used in financing activities for the six months ended June 30, 2025, was $3.0 million, which primarily consisted of $7.5 million in principal payments associated with the TLA Credit Agreement and $2.3 million of employee withholding tax payments related to stock-based awards, partially offset by $6.8 million in proceeds from the exercise of stock options.

Critical Accounting Estimates

Management's discussion and analysis of our financial condition and results of operations is based on our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America, or GAAP. The preparation of these financial statements requires us to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities as of the dates of the balance sheets and the reported amounts of expenses during the reporting periods. In accordance with GAAP, we evaluate our estimates and judgments on an ongoing basis.

Significant estimates include assumptions used in the determination of the amount of revenue recognized on sales of WAKIX, costs incurred under services type agreements related to the performance of research and development activities, the measurement of compensation expense pursuant to stock-based awards, the calculation of our income tax provision, and the determination of accounting treatment for our business combinations. We base our estimates on contractual terms, historical experience and various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Items Deducted from Gross Product Revenue

Product revenue is recorded at the product's list price and is reduced from the product's list price at the time of recognition for variable consideration that is offered within contracts between us and our customers, payors, and other indirect customers relating to the sale of WAKIX. Components of variable consideration include government (as detailed below) and commercial contracts, commercial co-payment assistance program, and distribution service fees. These deductions are based on the amounts earned, or to be claimed on the related sales, and are classified as a current liability or reduction of receivables in our condensed consolidated balance sheet.

The following table provides a summary of activity and ending balances of our sales allowances and accruals for the six months ended June 30, 2026 (in thousands):

	Distribution Fees & Discounts	Co-Pay Assistance	Rebates	Total
Balance as of December 31, 2025	$ 2,984	$ 8,424	$ 70,015	$ 81,423
Provision, net	14,762	25,029	139,475	179,266
Payments/Credits	(14,662)	(29,684)	(130,833)	(175,179)
Balance as of June 30, 2026	$ 3,084	$ 3,769	$ 78,657	$ 85,510

Included in these amounts are immaterial adjustments related to prior-year sales due to changes in estimates.

We define our critical accounting policies as those that require us to make subjective estimates and judgments about matters that are uncertain and are likely to have a material impact on our financial condition and results of operations, as well as the specific manner in which we apply those principles. During the quarter covered by this report, there were no material changes to our previously disclosed accounting policies and assumptions, except as discussed in Note 3 to the unaudited condensed consolidated financial statements contained herein.

Recent Accounting Pronouncements

See Note 3 to our unaudited condensed consolidated financial statements for recent accounting pronouncements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Interest Rate Fluctuation Risk

We are exposed to market risk related to changes in interest rates. We invest a portion of our cash in investment-grade, interest-bearing securities. The primary objectives of our investment activities are to preserve principal, maintain liquidity and maximize total return. In order to achieve these objectives, we invest in money market funds, U.S. government and agency securities, corporate bonds and commercial paper in accordance with our investment policy. Our investment policy defines allowable investments and establishes guidelines relating to credit quality, diversification, and maturities of our investments to preserve principal and maintain liquidity. All investment securities have a credit rating of at least A-2/P-2/F2 from at least two National Recognized Statistical Rating Organizations. We do not have any direct investments in asset-backed securities, collateralized debt or loan obligations, or structured investment vehicles. Our primary exposure to market risk is interest income sensitivity, which is affected by changes in the general level of U.S. interest rates. Based on our $688.0 million of investments in money market funds, U.S. treasury notes, corporate bonds and municipal obligations as of June 30, 2026, an immediate 10% change in market interest rates would not have a material impact on the fair market value of our investment portfolio or on our financial position or results of operations.

As of June 30, 2026, we had $155.0 million in borrowings outstanding. The Term Loan bears interest at a per annum rate equal to, at our option, (i) a base rate plus a specified margin ranging from 2.50% to 3.00%, based on our senior secured net leverage ratio (as defined in the TLA Credit Agreement) or (ii) Term SOFR plus a credit spread adjustment of 0.10% plus a specified margin ranging from 3.50% to 4.00%, based on our senior secured net leverage ratio. Based on the $155.0 million of principal outstanding as of June 30, 2026, an immediate 10% change in the Term SOFR would not have a material impact on our debt-related obligations, financial position or results of operations.

Foreign Currency Fluctuation Risk

We are not exposed to significant market risk related to changes in foreign currency exchange rates; however, we have contracted with and may continue to contract with foreign vendors that are located in Europe and other parts of the world. Our operations may be subject to fluctuations in foreign currency exchange rates in the future, which could have a material impact on our financial condition or results of operations.

Inflation Fluctuation Risk

Inflation may affect us by potentially increasing costs such as labor and our clinical trial costs. We do not believe that inflation had a material effect on our business, financial condition or results of operations for each of the three and six months ended June 30, 2026, and 2025.

Item 4. Controls and Procedures

Limitations on Effectiveness of Controls and Procedures

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

Evaluation of Disclosure Controls and Procedures

Our management, including our principal executive officer and our principal financial officer, has evaluated the effectiveness of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, as of June 30, 2026. Based on that evaluation, our principal executive officer and principal financial officer concluded that, as of June 30, 2026, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during the quarter ended June 30, 2026, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings.

From time to time, we may become involved in litigation relating to claims arising from the ordinary course of business. Our management believes that there are currently no claims or actions pending against us, the ultimate disposition of which could have a material adverse effect on our results of operations or financial condition.

Refer to Part I, Item I, Note 12 “Commitments and Contingencies,” of this Quarterly Report for a full description of our material pending legal matters.

Item 1A. Risk Factors.

In addition to the other information included in this report, you should carefully consider the discussion of risk factors affecting the Company as set forth in Part I, Item 1A "Risk Factors" included in our Annual Report on Form 10-K for the year ended December 31, 2025, which could materially affect our business, financial condition or future results. The risks described in these reports are not the only risks facing the Company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially adversely affect our business, financial condition, and operating results. As of June 30, 2026, there have been no material changes from the risk factors previously disclosed in response to Item 1A of Part I of our Annual Report on Form 10-K for the year ended December 31, 2025.

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

None.

Item 3. Defaults upon Senior Securities.

Discussion of defaults under our TLA Credit Agreement is incorporated by reference from Part I, Item 1, Note 10 – Debt of this Quarterly Report on Form 10-Q, and should be considered an integral part of Part II, Item 3, "Defaults Upon Senior Securities."

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

(a) None.

(b) None.

(c) On May 14, 2026, Kumar Budur, Chief Medical and Scientific Officer of the Company, adopted a Rule 10b5-1 trading arrangement that is intended to satisfy the affirmative defense of Rule 10b5-1(c) for the sale of (i) up to 61,406 shares of the Company's common stock related to the to the exercise of options, (ii) up to 9,995 shares of the Company's common stock related to the vesting of restricted stock units previously granted, and (iii) up to 1,005 shares of the Company's common stock related the Company's employee stock purchase plan, beginning on August 13, 2026, and continuing until June 30, 2027. On June 5, 2026, this plan entered into on May 14, 2026, was subsequently terminated and Kumar Budur adopted a new Rule 10b5-1 trading arrangement that is intended to satisfy the affirmative defense of Rule 10b5-1(c) for the sale of (i) up to 61,406 shares of the Company's common stock related to the to the exercise of options, (ii) up to 9,995 shares of the Company's common stock related to the vesting of restricted stock units previously granted, and (iii) up to 1,005 shares of the Company's common stock related the Company's employee stock purchase plan, beginning on September 4, 2026, and continuing until June 30, 2027.

Item 6. Exhibits.

Exhibit No.	Exhibit Description	Incorporated by Reference		
		Form	Date	Number
2.1+	Agreement and Plan of Merger, dated August 14, 2023, by and among Harmony Biosciences Holdings, Inc., Xylophone Acquisition Corp. and Zynerba Pharmaceuticals, Inc.	8-K/A	September 14, 2023	2.1
3.1	Amended and Restated Certificate of Incorporation of Harmony Biosciences Holdings, Inc.	8-K	August 21, 2020	3.1
3.2	Amended and Restated Bylaws.	8-K	August 21, 2020	3.2
10.1#	Executive Employment Agreement between Harmony Biosciences Management, Inc. and Peter Anastasiou, dated April 2, 2026.	8-K	April 2, 2026	10.1
10.2#	Separation Agreement by and between Harmony Biosciences Holdings, Inc., Harmony Biosciences Management, Inc., and Sandip Kapadia, dated April 14, 2026.	8-K	April 14, 2026	10.1
10.3#	Executive Employment Agreement by and between Harmony Biosciences Management, Inc. and Glenn Reicin, dated April 14, 2026.	8-K	April 14, 2026	10.2
10.4#	Separation Agreement between Harmony Biosciences Management, Inc. and Glenn Reicin, dated July 16, 2026.	8-K	July 16, 2026	10.1
31.1*	Certification of Chief Executive Officer pursuant to Rules 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.			
31.2*	Certification of Chief Financial Officer pursuant to Rules 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.			
32.1**	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.			
32.2**	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.			
101*	The following financial statements from the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2026, formatted in Inline XBRL: (i) Balance Sheets, (ii) Statements of Operations, (iii) Statements of Stockholders' Equity and (vi) Notes to Financial Statements, tagged as blocks of text and including detailed tags.			
104*	Cover Page Interactive Date File (formatted as Inline XBRL and contained in Exhibit 101)			

* Filed herewith.

** Furnished herewith. This certification is deemed furnished, and not filed, with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Harmony Biosciences Holdings, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Quarterly Report on Form 10-Q, irrespective of any general incorporation language contained in such filing.

# Indicates management contract or compensatory plan or arrangement.

+ Schedules have been omitted pursuant to Item 601(b)(2) of Regulation S-K. The Company hereby undertakes to furnish supplemental copies of any of the omitted schedules upon request by the SEC; provided, however, that the Company may request confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934 for any schedules so furnished.

SIGNATURES

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

HARMONY BIOSCIENCES HOLDINGS, INC.

By: /s/ Jeffrey M. Dayno
Name: Jeffrey M. Dayno, M.D.
Title: President, Chief Executive Officer and Director (principal executive officer)
Date: August 4, 2026

By: /s/ Stephen Mollichella
Name: Stephen Mollichella
Title: Senior Vice President, Controller and Interim Principal Financial Officer (principal financial officer)
Date: August 4, 2026

Exhibit 31.1

Certification of Principal Executive Officer

I, Jeffrey M. Dayno, M.D., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Harmony Biosciences Holdings, Inc.;

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

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

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

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

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

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

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

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

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

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

Date: August 4, 2026

By: /s/ Jeffrey M. Dayno, M.D.

Jeffrey M. Dayno, M.D.

President, Chief Executive Officer and Director
(Principal Executive Officer)

Exhibit 31.2

Certification of Principal Financial Officer

I, Stephen Mollichella, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Harmony Biosciences Holdings, Inc.;

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

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

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

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

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

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

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

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

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

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

Date: August 4, 2026

By: /s/ Stephen Mollichella
Stephen Mollichella
Senior Vice President, Controller and Interim Principal Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

Exhibit 32.1

Certification of Principal Executive Officer
Pursuant To 18 U.S.C. Section 1350,
as Adopted Pursuant to
Section 906 of The Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report on Form 10-Q of Harmony Biosciences Holdings, Inc. (the "Company") for the quarter ended June 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to such officer's knowledge:

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

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

Date: August 4, 2026

By: /s/ Jeffrey M. Dayno, M.D.
Jeffrey M. Dayno, M.D.
President, Chief Executive Officer and Director
(Principal Executive Officer)

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

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

Exhibit 32.2

Certification of Principal Financial Officer
Pursuant To 18 U.S.C. Section 1350,
as Adopted Pursuant to
Section 906 of The Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report on Form 10-Q of Harmony Biosciences Holdings, Inc. (the "Company") for the period ended June 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to such officer's knowledge:

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

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

Date: August 4, 2026

By:
/s/ Stephen Mollichella

Stephen Mollichella

Senior Vice President, Controller and Interim Principal Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

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