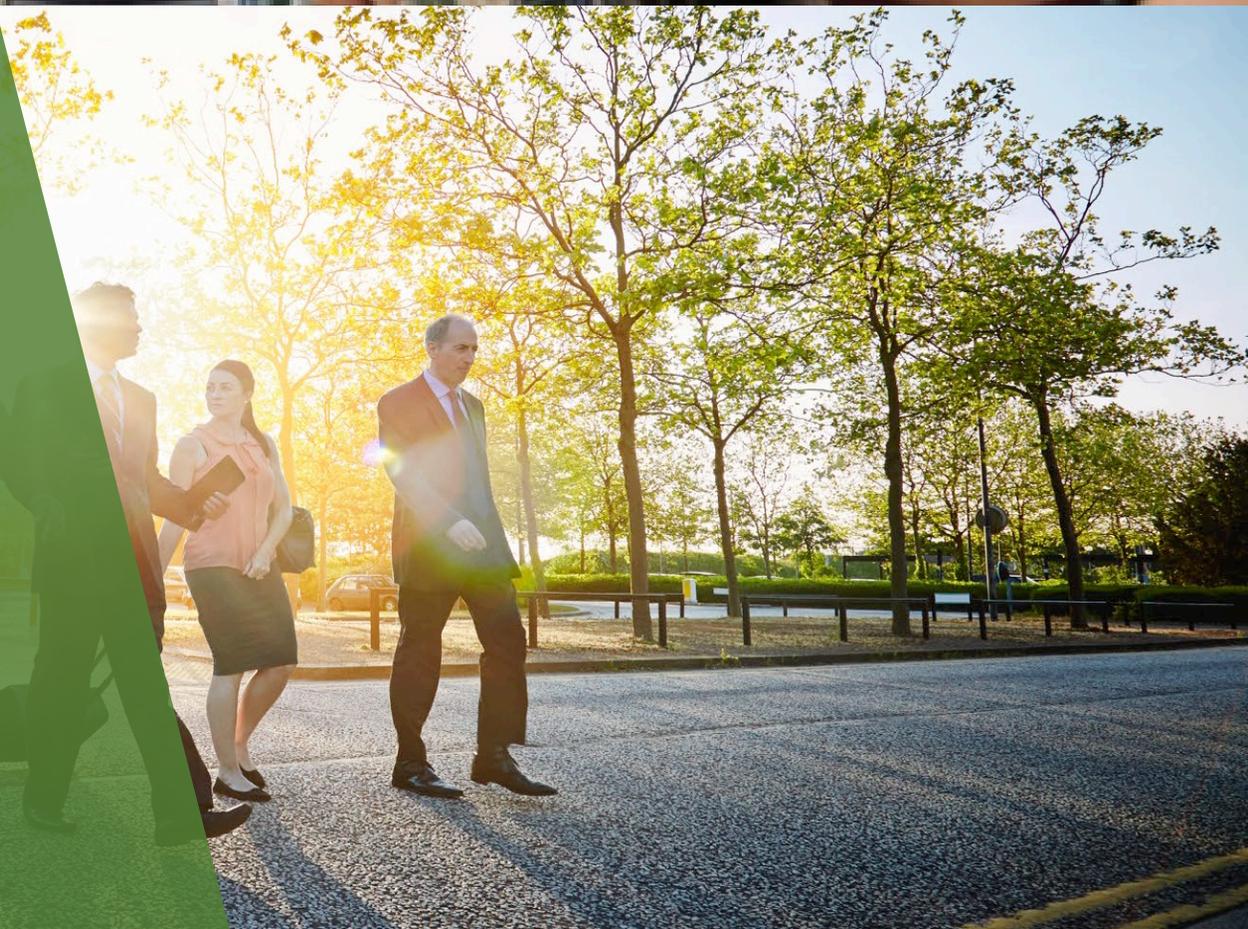




# Harmony Biosciences Q2 2021 Financial and Business Update

August 10, 2021

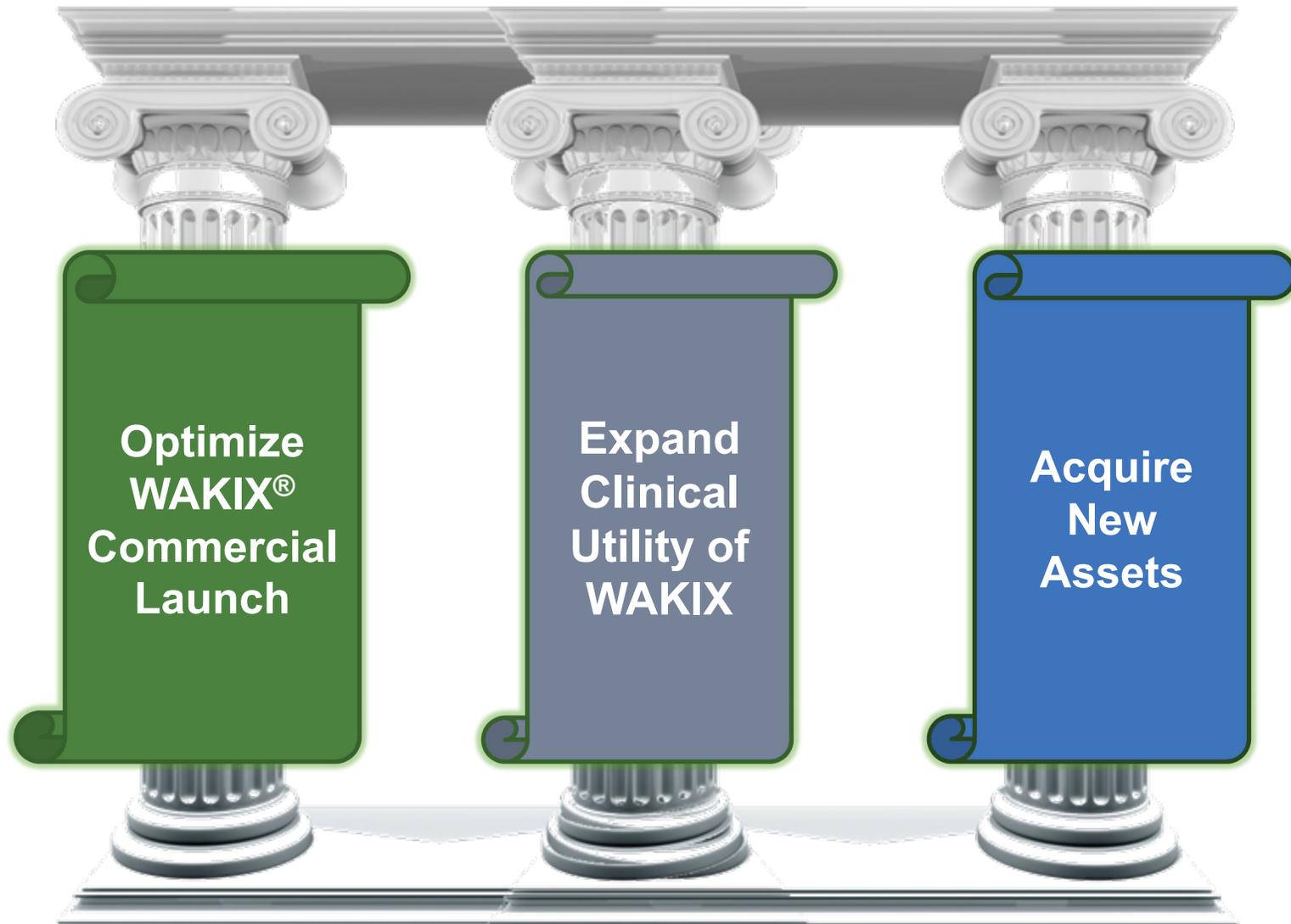


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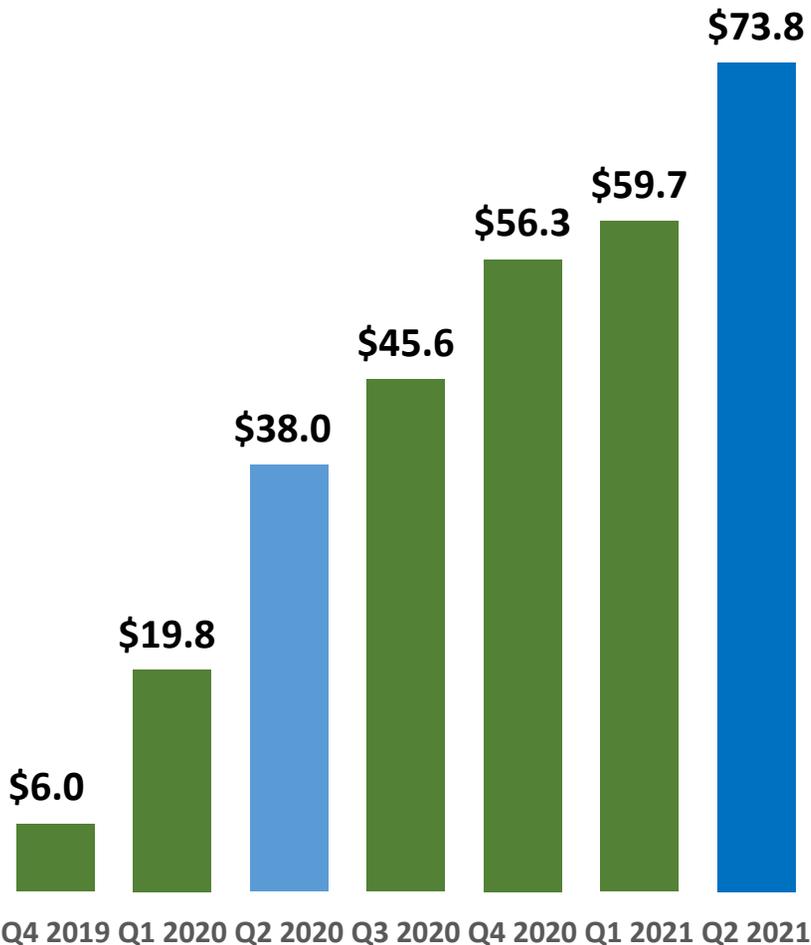
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# Harmony's Strategy for Growth



# Q2 2021 WAKIX Revenue Performance

Continued Growth with Q2 Revenue of \$73.8M



WAKIX Net Revenue (\$m)

2Q20	1Q21	2Q21	2Q21 vs. 1Q21	2Q21 vs. 2Q20
\$38.0	\$59.7	\$73.8	23.6%	94%

**Strong Revenue Growth in Q2 2021**

- 23.6% growth Q2 2021 vs. Q1 2021
- Over 90% growth Q2 2021 vs. Q2 2020
- Continued sequential quarter over quarter growth from launch

# Driving Growth Through Our Launch For WAKIX

## Q2 2021 Performance



Increased Access to HCPs



**~3,200** Average # of WAKIX Patients

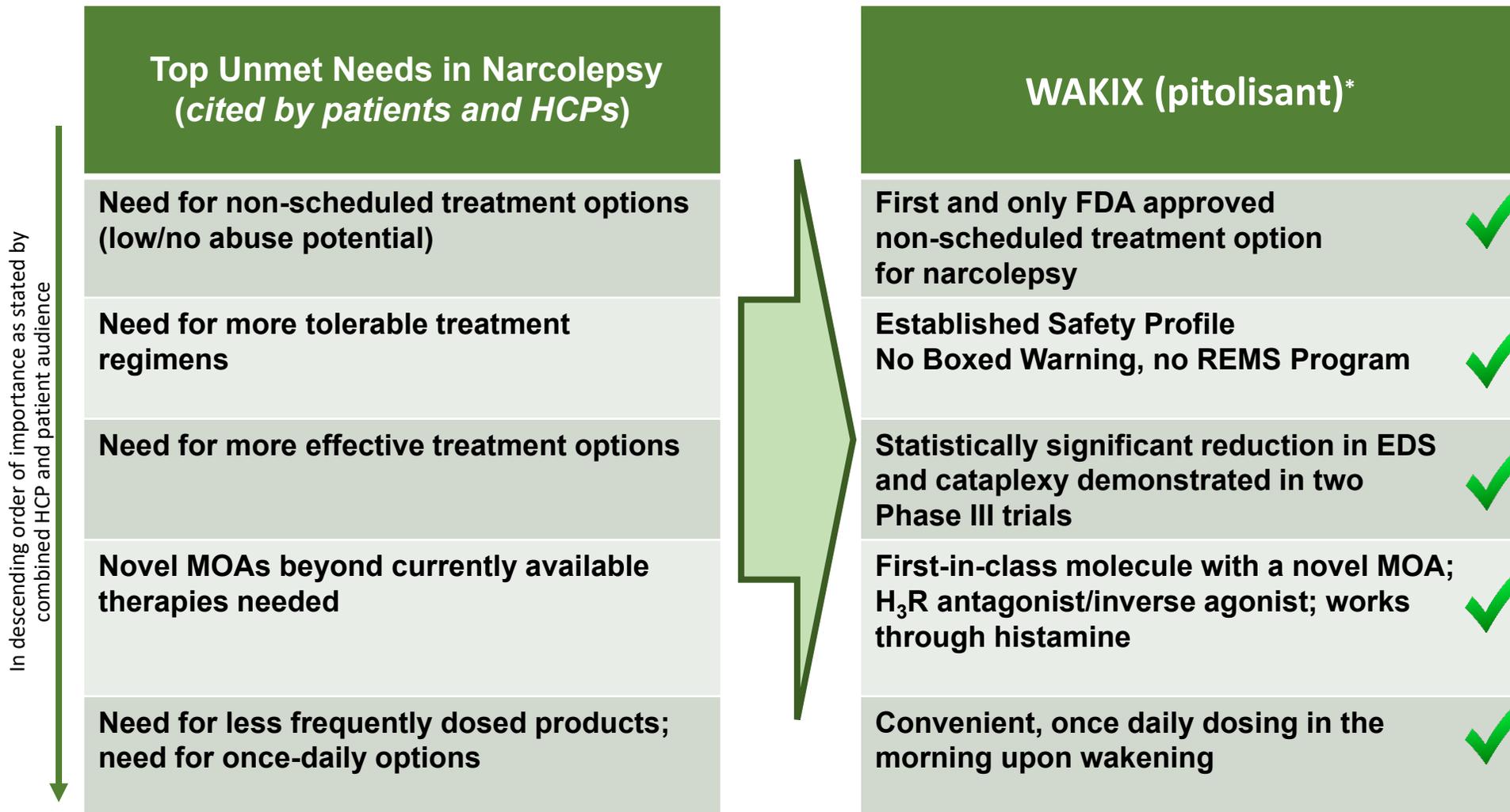


**>37%** Of 8,000 unique HCPs have prescribed WAKIX since launch



**~80%** U.S. Covered Lives With Formulary Access

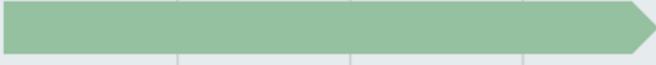
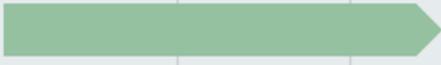
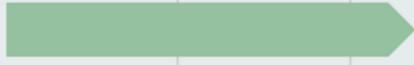
# Core Attributes of WAKIX Product Profile Align with Existing Unmet Needs in Narcolepsy



\* Based on FDA approved product labeling

Source: Harmony ATU, July 2018 (n=286); Versta Research, Know Narcolepsy Survey ("Know Narcolepsy"), October 2018

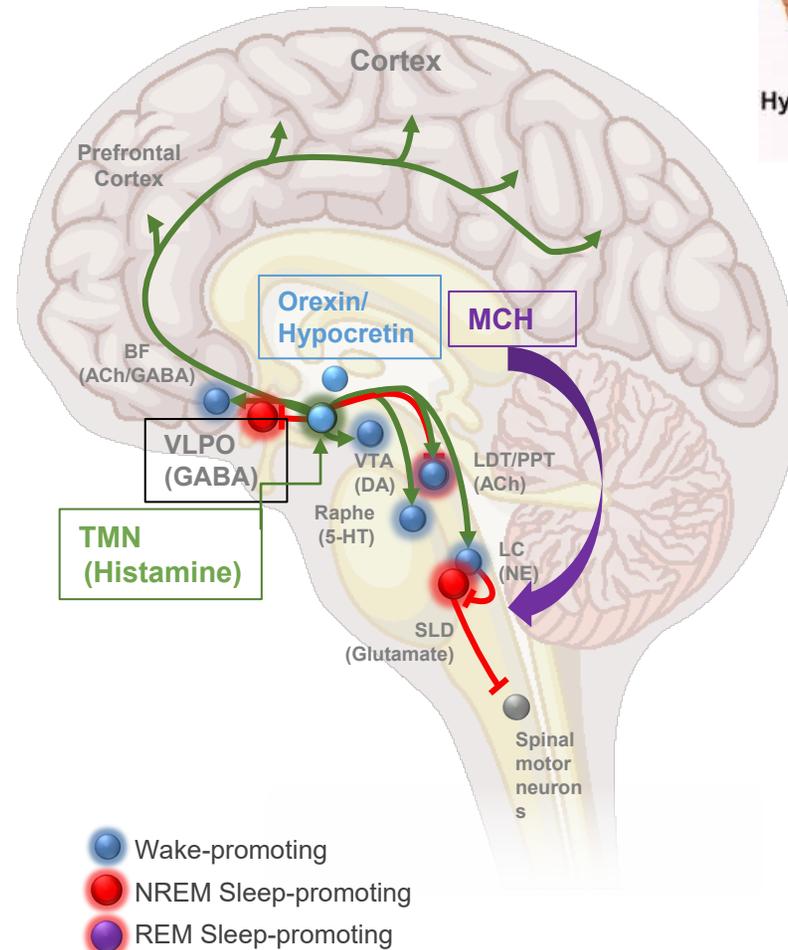
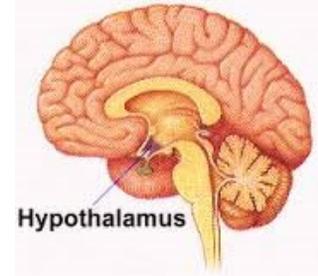
# Harmony Development Pipeline

Product / Indication	Pre-IND	Phase 1	Phase 2	Phase 3	Regulatory Filing <sup>1</sup>	Marketed Product	Upcoming Milestones
<b>WAKIX®</b>							
Narcolepsy with EDS (Adults)							
Narcolepsy with Cataplexy (Adults)							
<b>Pitolisant</b>							
Narcolepsy (Pediatrics) <sup>2</sup>							
Prader-Willi Syndrome (PWS)							Top line data 1H2022
Myotonic Dystrophy (DM)							Top line data 2H2022
<b>HBS-102</b>							
Narcolepsy <sup>3</sup>							

1. Includes New Drug Applications and supplemental New Drug Applications.
2. Current trial being conducted by Bioprojet.
3. Phase 1 PK data available from studies conducted in the UK.

# Control Centers for Sleep-Wake Centered in the Hypothalamus (HT)

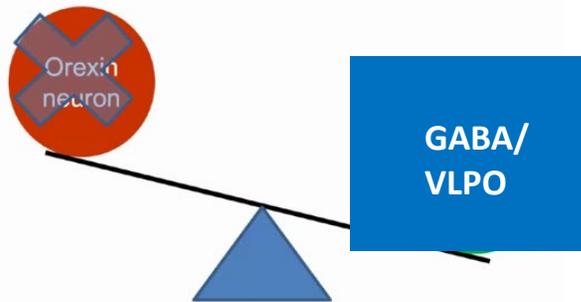
- Main mediators of wakefulness and sleep/wake state stability:
  - orexin/hypocretin (produced in the lateral HT)
  - histamine (produced in the TMN, also located in the HT)
- Main driver of NREM sleep:
  - GABA (produced in the VLPO in the HT)
- Main generator of REM sleep:
  - Melanin concentration hormone (MCH) (produced in a diffuse network of neurons in the lateral HT interspersed amongst the orexin neurons)



# Orexin and MCH: Opposing Roles in the Hypothalamus Related to Sleep-Wake Function

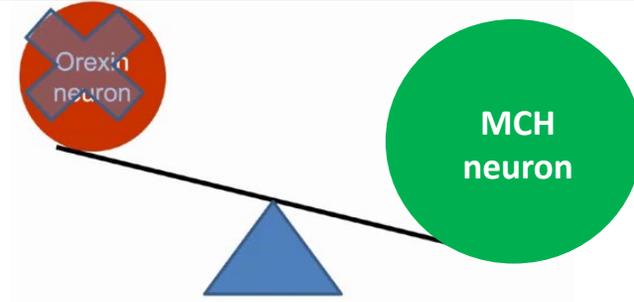
## Original model of narcolepsy:

- imbalance between orexin and GABA, the NREM sleep generator
- GABA goes unchecked resulting in sleep intruding into wakefulness (EDS)



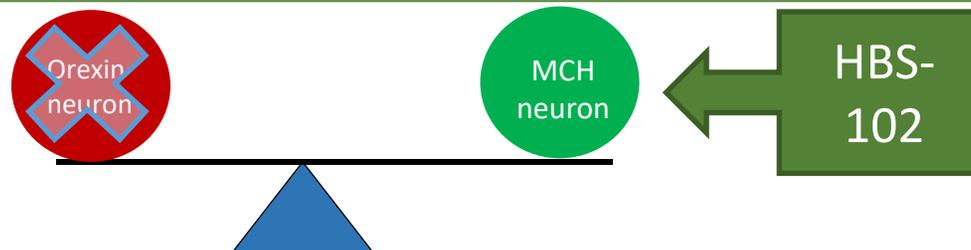
## In NT1 with orexin deficiency:

- imbalance between orexin and MCH, the REM generator
- MCH goes unchecked causing REM intrusion into wakefulness (cataplexy, hallucinations, sleep paralysis)



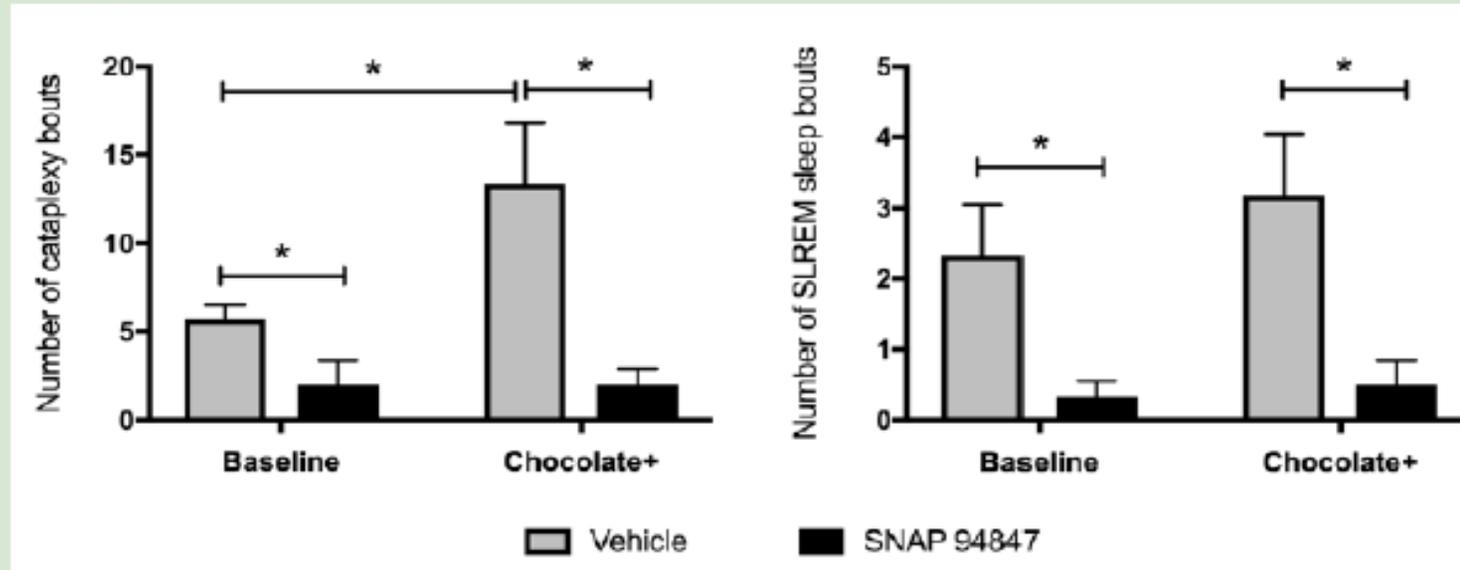
## HBS-102 therapeutic hypothesis:

- MCH activity goes unchecked in the setting of orexin deficiency (NT1)
- HBS-102, an MCHR1 antagonist, will potentially:
  - restore balance between MCH and orexin signaling
  - decrease REM overdrive → decrease REM intrusions into wakefulness → decrease the symptoms of cataplexy, hallucinations and sleep paralysis



## Preclinical Evidences

- MCHR-1 antagonist, SNAP 94847, almost completely eliminated cataplexy & SLREM in orexin KO mice<sup>1</sup>, a translational cataplexy model.



- MCH neuron activity positively correlated with the number of cataplexy bouts in orexin KO mice<sup>2</sup>

SLREM: short latency transitions into REM sleep (a feature of NT1)

# HBS-102: Next Steps

- Demonstrate preclinical POC with HBS-102 in orexin knockout mouse model
- Prepare IND then submit to FDA
- Initiate Phase 2a proof of concept study once IND opens

Become a leading rare neurological disease company with an innovative product portfolio

Committed to advancing breakthrough science and addressing unmet medical needs

\$330M of financing and growth capital from Blackstone enables Harmony to expand portfolio of assets in rare, neurological diseases

**\$200M**

Debt to payoff existing debt facility

**\$100M**

Cash available for drawdown within 12 months

**\$30M**

Equity investment in common stock

## Benefits to Harmony

- Strengthens balance sheet
- Access to additional capital to acquire complementary assets to build our product pipeline
- Lower interest cost - reduces annual interest expense by ~\$10M
- Equity investment from premier, global investment firm with leading life sciences capabilities

# Q2 2021 Financial Summary *(in millions, USD)*

	Three Months Ended June 30,	
	2021	2020
<b>Net Product Revenues</b>	<b>\$ 73.8</b>	<b>\$ 38.0</b>
Cost of Product Sold	12.7	6.4
<b>Total Operating Expenses</b>	<b>\$ 37.8</b>	<b>\$ 24.2</b>
R&D Expense	6.5	4.2
S&M Expense	17.0	12.4
G&A Expense	14.3	7.6
<b>Net Income available to common stockholders (Loss)</b>	<b>\$ 14.1</b>	<b>\$ (10.5)</b>
<b>Cash &amp; cash equivalents</b>	<b>\$ 159.7</b>	

Totals may not foot due to rounding

# GAAP vs Non-GAAP Reconciliation *(in millions, USD)*

	Three Months Ended June 30,	
	2021	2020
<b>GAAP reported net income (loss)</b>	<b>\$ 14.1</b>	<b>\$ (0)</b>
Interest expense / income	7.2	6.9
Taxes	2.0	
Depreciation	0.1	0.1
Amortization	4.6	1.9
EBITDA	28.0	8.9
Stock-based compensation expense	3.8	0.6
Loss on debt extinguishment		
Warrant expense		0.4
Non-GAAP adjusted net income (loss)	31.9	9.9
Accumulation of yield on preferred stock		(10.4)
Non-GAAP adjusted net income (loss) available to common stockholders	\$ 31.9	\$ (0.5)
<b>GAAP reported net loss per diluted share</b>	<b>\$ 0.24</b>	<b>\$ (1.34)</b>
Non-GAAP adjusted net income (loss) per diluted share	\$ 0.54	\$ (0.07)
Weighted average number of shares of common stock used in non-GAAP diluted per share	58,592,876	7,805,848

Totals may not foot due to rounding



Thank You

August 10, 2021

