**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 September 30, 2024

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: 001-40880

# XERIS BIOPHARMA HOLDINGS, INC.

(Exact name of the registrant as specified in its charter)

| **Delaware** | **87-1082097** |
|---|---|
| (State or other jurisdiction of incorporation or organization) | (I.R.S. Employer Identification No.) |
| **1375 West Fulton Street, Suite 1300 Chicago, Illinois** | **60607** |
| (Address of principal executive offices) | (Zip Code) |

**(844) 445-5704**

(Registrant's telephone number, including area code)

**Not applicable**

(Former name, former address and former fiscal year, if changed since last report)

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

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

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

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

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

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

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

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

As of October 31, 2024, 149,081,461 shares, par value $0.0001 per share, of common stock were outstanding.

**XERIS BIOPHARMA HOLDINGS, INC.**

**Index to Quarterly Report on Form 10-Q**



Solely for convenience, the trademarks and trade names in this Quarterly Report on Form 10-Q (this "Quarterly Report") are referred to without the ® and ™ symbols, but absence of such references should not be construed as any indicator that their respective owners will not assert, to the fullest extent under applicable law, their rights thereto. The trademarks, trade names and service marks appearing in this Quarterly Report are the property of their respective owners.

**PART I. FINANCIAL INFORMATION**
**ITEM 1. FINANCIAL STATEMENTS**

**XERIS BIOPHARMA HOLDINGS, INC.**
**Condensed Consolidated Balance Sheets**
(in thousands, except share and par value)

| | September 30, 2024 | December 31, 2023 |
|---|---|---|
| **Assets** | (unaudited) | |
| Current assets: | | |
| Cash and cash equivalents | $ 59,232 | $ 67,449 |
| Short-term investments | 10,170 | 5,002 |
| Trade accounts receivable, net | 41,138 | 39,197 |
| Inventory | 45,119 | 38,838 |
| Prepaid expenses and other current assets | 7,140 | 5,778 |
| Total current assets | 162,799 | 156,264 |
| Property and equipment, net | 5,613 | 5,971 |
| Operating lease right-of-use assets | 22,758 | 23,204 |
| Goodwill | 22,859 | 22,859 |
| Intangible assets, net | 101,632 | 109,764 |
| Other assets | 5,443 | 4,540 |
| Total assets | $ 321,104 | $ 322,602 |
| **Liabilities and Stockholders' Equity** | | |
| Current liabilities: | | |
| Accounts payable | $ 7,451 | $ 11,565 |
| Current portion of long-term debt | 15,057 | — |
| Current operating lease liabilities | 6,042 | 3,495 |
| Other accrued liabilities | 23,543 | 23,510 |
| Accrued trade discounts and rebates | 20,519 | 22,149 |
| Accrued returns reserve | 17,723 | 14,198 |
| Current portion of contingent value rights | — | 19,109 |
| Other current liabilities | 678 | 1,167 |
| Total current liabilities | 91,013 | 95,193 |
| Long-term debt, net of current portion and unamortized debt issuance costs | 216,227 | 190,932 |
| Non-current operating lease liabilities | 33,639 | 34,764 |
| Non-current contingent value rights | — | 1,379 |
| Deferred tax liabilities | — | 2,268 |
| Other liabilities | 8,548 | 4,848 |
| Total liabilities | 349,427 | 329,384 |
| Commitments and contingencies (Note 14) | | |
| Stockholders' equity (deficit): | | |
| Preferred stock—par value $0.0001, 25,000,000 shares and 25,000,000 shares authorized and no shares issued and outstanding as of September 30, 2024 and December 31, 2023, respectively | — | — |
| Common stock—par value $0.0001, 350,000,000 shares and 350,000,000 shares authorized as of September 30, 2024 and December 31, 2023, respectively; 149,003,934 and 138,130,715 shares issued and outstanding as of September 30, 2024 and December 31, 2023, respectively | 15 | 14 |
| Additional paid in capital | 638,426 | 610,254 |
| Accumulated deficit | (666,748) | (617,025) |
| Accumulated other comprehensive loss | (16) | (25) |
| Total stockholders' equity (deficit) | (28,323) | (6,782) |
| Total liabilities and stockholders' equity (deficit) | $ 321,104 | $ 322,602 |

See accompanying notes to condensed consolidated financial statements.

**XERIS BIOPHARMA HOLDINGS, INC.**
**Condensed Consolidated Statements of Operations and Comprehensive Loss**
(in thousands, except share and per share data, unaudited)

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Product revenue, net | $ 52,861 | $ 41,697 | $ 139,636 | $ 110,855 |
| Royalty, contract and other revenue | 1,407 | 6,623 | 3,335 | 8,669 |
| Total revenue | 54,268 | 48,320 | 142,971 | 119,524 |
| Costs and expenses: | | | | |
| Cost of goods sold | 13,593 | 8,201 | 27,354 | 21,075 |
| Research and development | 5,888 | 5,034 | 19,468 | 15,959 |
| Selling, general and administrative | 44,969 | 37,287 | 123,342 | 108,527 |
| Amortization of intangible assets | 2,711 | 2,711 | 8,132 | 8,132 |
| Total costs and expenses | 67,161 | 53,233 | 178,296 | 153,693 |
| Loss from operations | (12,893) | (4,913) | (35,325) | (34,169) |
| Other income (expense): | | | | |
| Interest and other income | 1,197 | 1,121 | 4,411 | 3,644 |
| Loss on debt extinguishment, net | — | (2,837) | — | (2,837) |
| Debt refinancing costs | — | — | (2,690) | — |
| Interest expense | (7,786) | (6,847) | (22,782) | (19,591) |
| Change in fair value of warrants | — | 17 | 7 | 3 |
| Change in fair value of contingent value rights | 420 | 932 | 4,388 | 3,072 |
| Total other expense | (6,169) | (7,614) | (16,666) | (15,709) |
| Net loss before income taxes | (19,062) | (12,527) | (51,991) | (49,878) |
| Income tax benefit | 3,324 | 338 | 2,268 | 1,013 |
| Net loss | $ (15,738) | $ (12,189) | $ (49,723) | $ (48,865) |
| | | | | |
| Other comprehensive loss, net of tax: | | | | |
| Unrealized gains (losses) on investments | 15 | 28 | 9 | (27) |
| Comprehensive loss | $ (15,723) | $ (12,161) | $ (49,714) | $ (48,892) |
| | | | | |
| Net loss per common share - basic and diluted | $ (0.11) | $ (0.09) | $ (0.34) | $ (0.36) |
| | | | | |
| Weighted average common shares outstanding - basic and diluted | 148,993,823 | 138,059,781 | 145,962,198 | 137,523,202 |

See accompanying notes to condensed consolidated financial statements.

**XERIS BIOPHARMA HOLDINGS, INC.**
**Condensed Consolidated Statements of Stockholders' Equity (Deficit)**
(in thousands, except share data, unaudited)

| | Common Stock | | Additional Paid In Capital | Accumulated Other Comprehensive Loss | Accumulated Deficit | Total Stockholders' Equity (Deficit) |
|---|---|---|---|---|---|---|
| | Shares | Amount | | | | |
| Balance, December 31, 2022 | 136,273,090 | $ 14 | $ 599,966 | $ (23) | $ (554,770) | $ 45,187 |
| Net loss | — | — | — | — | (16,834) | (16,834) |
| Vesting of restricted stock units (net of 743,677 shares withheld for tax) | 1,018,187 | — | (863) | — | — | (863) |
| Stock-based compensation | — | — | 2,564 | — | — | 2,564 |
| Other comprehensive loss | — | — | — | (6) | — | (6) |
| Balance, March 31, 2023 | 137,291,277 | $ 14 | $ 601,667 | $ (29) | $ (571,604) | $ 30,048 |
| Net loss | — | — | — | — | (19,842) | (19,842) |
| Exercise of stock options | 14,036 | — | 32 | — | — | 32 |
| Vesting of restricted stock units (net of 13,525 shares withheld for tax) | 129,033 | — | (25) | — | — | (25) |
| Stock-based compensation | — | — | 2,928 | — | — | 2,928 |
| Issuance of common stock through employee stock purchase plan | 577,784 | — | 549 | — | — | 549 |
| Other comprehensive loss | — | — | — | (49) | — | (49) |
| Balance, June 30, 2023 | 138,012,130 | $ 14 | $ 605,151 | $ (78) | $ (591,446) | $ 13,641 |
| Net loss | — | — | — | — | (12,189) | (12,189) |
| Vesting of restricted stock units (net of 28,000 shares withheld for tax) | 55,676 | — | (72) | — | — | (72) |
| Stock-based compensation | — | — | 2,457 | — | — | 2,457 |
| Other comprehensive gain | — | — | — | 28 | — | 28 |
| Balance, September 30, 2023 | 138,067,806 | $ 14 | $ 607,536 | $ (50) | $ (603,635) | $ 3,865 |

| | Common Stock | | Additional Paid In Capital | Accumulated Other Comprehensive Loss | Accumulated Deficit | Total Stockholders' Equity (Deficit) |
|---|---|---|---|---|---|---|
| | Shares | Amount | | | | |
| Balance, December 31, 2023 | 138,130,715 | $ 14 | $ 610,254 | $ (25) | $ (617,025) | $ (6,782) |
| Net loss | — | — | — | — | (18,980) | (18,980) |
| Issuance of common stock to settle contingent value rights | 7,525,048 | 1 | 15,802 | — | — | 15,803 |
| Exercise of stock options | 229,417 | — | 459 | — | — | 459 |
| Vesting of restricted stock units (net of 1,437,592 shares withheld for tax) | 2,339,223 | — | (3,434) | — | — | (3,434) |
| Stock-based compensation | — | — | 3,767 | — | — | 3,767 |
| Other comprehensive loss | — | — | — | (11) | — | (11) |
| Balance, March 31, 2024 | 148,224,403 | $ 15 | $ 626,848 | $ (36) | $ (636,005) | $ (9,178) |
| Net loss | — | — | — | — | (15,005) | (15,005) |
| Vesting of restricted stock units (net of 23,230 shares withheld for tax) | 340,417 | — | (51) | — | — | (51) |
| Stock-based compensation | — | — | 4,233 | — | — | 4,233 |
| Issuance of common stock through employee stock purchase plan | 371,907 | — | 710 | — | — | 710 |
| Other comprehensive gain | — | — | — | 5 | — | 5 |
| Balance, June 30, 2024 | 148,936,727 | $ 15 | $ 631,740 | $ (31) | $ (651,010) | $ (19,286) |
| Net loss | — | — | — | — | (15,738) | (15,738) |
| Vesting of restricted stock units (net of 38,918 shares withheld for tax) | 67,207 | — | (82) | — | — | (82) |
| Stock-based compensation | — | — | 6,768 | — | — | 6,768 |
| Other comprehensive gain | — | — | — | 15 | — | 15 |
| Balance, September 30, 2024 | 149,003,934 | $ 15 | $ 638,426 | $ (16) | $ (666,748) | $ (28,323) |

See accompanying notes to condensed consolidated financial statements.

**XERIS BIOPHARMA HOLDINGS, INC.**
**Condensed Consolidated Statements of Cash Flows**
(in thousands, unaudited)

| | Nine Months Ended September 30, | |
|---|---|---|
| | **2024** | **2023** |
| Cash flows from operating activities: | | |
| Net loss | $ (49,723) | $ (48,865) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | |
| Depreciation | 914 | 1,141 |
| Amortization of intangible assets | 8,132 | 8,132 |
| Amortization of premium/discount on investments | (674) | (1,117) |
| Amortization of debt discount and debt issuance costs | 2,183 | 1,678 |
| Amortization of operating right-of-use assets | 446 | 628 |
| Deferred income tax expense (benefit) | (2,268) | — |
| Stock-based compensation | 14,768 | 7,949 |
| Loss on extinguishment of debt | — | 2,837 |
| Change in fair value of contingent value rights | (4,388) | (3,072) |
| Changes in operating assets and liabilities: | | |
| Trade accounts receivable | (1,941) | (15,136) |
| Prepaid expenses and other current assets | (1,362) | 1,170 |
| Inventory | (5,645) | (13,403) |
| Accounts payable | (4,410) | 7,312 |
| Other accrued liabilities | (603) | (12,005) |
| Accrued trade discounts and rebates | (1,630) | 4,736 |
| Accrued returns reserve | 3,525 | 2,155 |
| Supply agreement liabilities | — | (6,720) |
| Operating lease liabilities | 1,422 | 6,645 |
| Other | 2,298 | 1,441 |
| Net cash used in operating activities | (38,956) | (54,494) |
| Cash flows from investing activities: | | |
| Capital expenditures | (648) | (2,131) |
| Purchases of investments | (34,485) | (43,741) |
| Sales and maturities of investments | 30,000 | 25,000 |
| Net cash used in investing activities | (5,133) | (20,872) |
| Cash flows from financing activities: | | |
| Proceeds from debt refinancing | 50,000 | — |
| Payment of debt discount | (11,831) | — |
| Proceeds from issuance of employee stock purchase plan shares | 710 | 549 |
| Proceeds from exercise of stock awards | 459 | 32 |
| Repurchase of common stock withheld for taxes | (3,568) | (960) |
| Net cash provided by (used in) financing activities | 35,770 | (379) |
| Decrease in cash, cash equivalents and restricted cash | (8,319) | (75,745) |
| Cash, cash equivalents and restricted cash, beginning of year | 71,674 | 126,314 |
| Cash, cash equivalents and restricted cash, end of year | $ 63,355 | $ 50,569 |

**XERIS BIOPHARMA HOLDINGS, INC.**
**Condensed Consolidated Statements of Cash Flows**
(in thousands, unaudited)

| | Nine Months Ended September 30, | |
|---|---|---|
| | **2024** | **2023** |
| Supplemental schedule of cash flow information: | | |
| Cash paid for interest | $ 20,925 | $ 22,065 |
| Supplemental schedule of non-cash activities: | | |
| Issuance of common shares in settlement of CVR liability | $ 15,803 | $ — |

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the condensed consolidated balance sheets that agrees to the same amounts shown in the condensed consolidated statements of cash flows (in thousands):

| | As of September 30, | |
|---|---|---|
| | **2024** | **2023** |
| Cash flows from operating activities: | | |
| Cash and cash equivalents | $ 59,232 | $ 46,143 |
| Restricted cash included in Other assets [(1)] | 4,123 | 4,426 |
| Total cash, cash equivalents and restricted cash shown in the condensed consolidated statements of cash flows | $ 63,355 | $ 50,569 |

[(1)] These restricted cash items are primarily security deposit in the form of letters of credit for the Company to secure certain leases.

See accompanying notes to condensed consolidated financial statements.

**XERIS BIOPHARMA HOLDINGS, INC.**
**Notes to Condensed Consolidated Financial Statements**
**(unaudited)**

**Note 1. Organization and nature of the business**

***Nature of business***

Xeris Biopharma Holdings, Inc. ("Xeris Biopharma" or the "Company") is a growth-oriented biopharmaceutical company committed to improving patients' lives by developing and commercializing clinically meaningful products across a range of therapies. The Company currently has three commercially available products: Gvoke, a ready-to-use, liquid-stable glucagon for the treatment of severe hypoglycemia; Recorlev, a cortisol synthesis inhibitor for the treatment of endogenous hypercortisolemia in adult patients with Cushing's syndrome approved by the Food and Drug Administration ("FDA") in December 2021; and Keveyis, the first therapy approved in the United States to treat hyperkalemic, hypokalemic, and related variants of Primary Periodic Paralysis ("PPP"). The Company also has a pipeline of development programs to bring new products forward using its proprietary formulation science, XeriSol and XeriJect.

As used herein, the "Company" or "Xeris" refers to Xeris Pharmaceuticals, Inc. ("Xeris Pharma") when referring to periods prior to the acquisition of Strongbridge Biopharma plc ("Strongbridge") on October 5, 2021 and to Xeris Biopharma when referring to periods on or subsequent to October 5, 2021.

Throughout this document, unless otherwise noted, references to Gvoke include Gvoke PFS, Gvoke HypoPen, Gvoke Kit and Ogluo (glucagon).

The Company is subject to a number of risks similar to other specialty pharmaceutical companies, including, but not limited to, successful commercialization and market acceptance of available products and any future products, if and when approved, successful development of product candidates, the development of new technological innovations by competitors, ability to acquire additional capital when needed and on acceptable terms, and protection of intellectual property. The Company relies on a number of single source suppliers and manufacturers for the supply of its products and product candidates. Disruptions from these suppliers or manufacturers, which has occurred in the past and could occur in the future, could have a negative impact on the Company’s business, financial position and results of operations. In addition, the Company is subject to risks and uncertainties as a result of political and macroeconomic events and conditions.

***Liquidity and capital resources***

The Company has incurred operating losses since inception and has an accumulated deficit of $666.7 million as of September 30, 2024. The Company expects to continue to incur net losses for at least the next 12 months beyond the issuance date of these condensed consolidated financial statements. Based on the Company's current operating plans and existing working capital at September 30, 2024, the Company believes that its cash resources are sufficient to sustain operations and capital expenditure requirements for at least the next 12 months from the issuance date of these condensed consolidated financial statements.

If needed, the Company may elect to finance its operations through equity or debt financing along with revenues. There can be no assurance that such funding may be available to the Company on acceptable terms, or at all, or that the Company will be able to successfully market and sell Gvoke, Recorlev and Keveyis. Market volatility resulting from geopolitical instability resulting from the ongoing military conflicts between Russia and Ukraine, Israel and Hamas and the potential for wider conflict in the Middle East, elevated and fluctuating interest rates, inflationary pressures, the tightening of lending standards, any further deterioration in the macroeconomic economy or financial services industry resulting from actual or potential bank failures, uncertainty around the U.S. election or other factors could also adversely impact the Company's ability to access capital as and when needed. The issuance of equity securities may result in dilution to stockholders. If the Company raises additional funds through the issuance of additional debt, which may have rights, preferences and privileges senior to those of the Company's common stockholders, the terms of the debt could impose significant restrictions on the Company's operations. The failure to raise funds as and when needed could have a negative impact on the Company's financial condition and ability to pursue its business strategies. If additional funding is not secured when required, the Company may need to delay or curtail its operations until such funding is received, which would have a material adverse impact on the business prospects and results of operations.

**Note 2. Basis of presentation and summary of significant accounting policies and estimates**

***Basis of presentation***

The condensed consolidated financial statements are unaudited and have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"), including those for interim financial information, and with the instructions for Quarterly Reports on Form 10-Q and Article 10 of Regulation S-X issued by the U.S. Securities and Exchange Commission (the "SEC").

In the opinion of management, the accompanying condensed consolidated financial statements reflect all adjustments, consisting only of normal recurring adjustments, considered necessary for a fair presentation of the Company's financial position, results of operations and cash flows for the periods presented. The results of operations for such periods are not necessarily indicative of the results that may be expected for any future period. The accompanying financial statements should be read in conjunction with the audited

**XERIS BIOPHARMA HOLDINGS, INC.**
**Notes to Condensed Consolidated Financial Statements**
**(unaudited)**

financial statements and the related notes thereto for the year ended December 31, 2023 included in the Company's Annual Report on Form 10-K filed with the SEC on March 6, 2024.

Certain information and disclosures normally included in the annual financial statements prepared in accordance with GAAP, but that is not required for interim reporting purposes, have been condensed or omitted.

Any reference in these notes to applicable guidance is meant to refer to GAAP as found in the Accounting Standards Codification ("ASC") and Accounting Standards Update ("ASU") issued by the Financial Accounting Standards Board ("FASB").

Some items in the prior year financial statements may have been reclassified to conform to the current presentation. Reclassification had no effect on prior year net income or stockholders' equity.

***Basis of consolidation***

These condensed consolidated financial statements include the financial statements of Xeris Biopharma Holdings, Inc. and subsidiaries. All intercompany transactions have been eliminated.

***Use of estimates***

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses included in the financial statements and accompanying notes. Actual results could differ from those estimates.

***Revenue recognition***

The Company applies the guidance in ASC 606, *Revenue Recognition*, to all contracts with customers within the scope of the standard.

The Company sells product primarily to wholesalers or a specialty pharmacy that subsequently resell to retail pharmacies or patients. The Company enters into arrangements with payors, group purchasing organizations, and healthcare providers that provide for government-mandated or privately-negotiated rebates, chargebacks and discounts related to the Company's products. The Company currently sells Gvoke, Recorlev and Keveyis in the United States only.

Revenue is recognized when the Company's customer (e.g., a wholesaler or specialty pharmacy) obtains control of promised goods or services, which is when the Company's obligations under the terms of the contract with the customer are satisfied, based on the consideration the Company expects to receive in exchange for those goods or services.

Revenues are recorded at the net product sales price, which includes estimated allowances for patient copay assistance programs, prompt payment discounts, payor rebates, chargebacks, service fees, and product returns, all of which are recorded at the time of sale to the pharmaceutical wholesaler or other customer. The Company applies significant judgments and estimates in determining some of these allowances. If actual results differ from its estimates, adjustments are made to these allowances in the period in which the actual results or updates to estimates become known.

Such revenue is reported as product revenue, net in the condensed consolidated statements of operations and comprehensive loss.

Additionally, the Company earns revenue from research collaborations for the use of Xeris' proprietary formulation technology platforms and royalties from branded products. Such revenue is recognized as earned in accordance with contract terms when it can be reasonably estimated and collectability is reasonably assured. This revenue is reported as royalty, contract and other revenue in the condensed consolidated statements of operations and comprehensive loss.

***Concentration of credit risk***

For both the three and nine months ended September 30, 2024, four customers accounted for 95% and 96% of the Company's gross product revenue, respectively. For the three and nine months ended September 30, 2023, four customers accounted for 98% and 97% of the Company's gross product revenue, respectively. At September 30, 2024 and December 31, 2023, the same four customers accounted for 98% and 99% of the trade accounts receivable, net, respectively.

***New accounting pronouncements***

*Adopted accounting standard*

In July 2023, the FASB issued ASU 2023-03, *Presentation of Financial Statements (Topic 205), Income Statement - Reporting Comprehensive Income (Topic 220), Distinguishing Liabilities from Equity (Topic 480), Equity (Topic 505), and Compensation - Stock Compensation (Topic 718)*. This standard amends various SEC paragraphs in the Accounting Standards Codification to primarily reflect the issuance of SEC Staff Accounting Bulletin No. 120. Staff Accounting Bulletin No. 120 provides guidance to companies issuing share-based awards shortly before announcing material, nonpublic information to consider such material nonpublic information to adjust observable market prices if the release of material nonpublic information is expected to affect the share price.

**XERIS BIOPHARMA HOLDINGS, INC.**
**Notes to Condensed Consolidated Financial Statements**
**(unaudited)**

The standard does not provide any new guidance so there is no transition or effective date associated with it and therefore, the Company adopted this standard with no impact on the Company's financial statements.

In August 2020, the FASB issued ASU 2020-06, *Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity*. This standard eliminates certain accounting models to simplify the accounting for convertible instruments, expands the disclosure requirements related to the terms and features of convertible instruments, and amends the guidance for the derivatives scope exception for contracts settled in an entity's own equity. Consequently, more convertible debt instruments will be reported as a single liability instrument and more convertible preferred stock will be reported as a single equity instrument with no separate accounting for embedded conversion features. This standard enhances the consistency of earnings-per-share ("EPS") calculations by requiring that an entity use the if-converted method and that the effect of potential share settlement be included in diluted EPS calculations and disclosures. The Company adopted ASU 2020-06 on January 1, 2024. Adoption of ASU 2020-06 did not impact the Company's financial position, results of operations or cash flows since the Company did not separately present in equity an embedded conversion feature in such debt but accounted for the convertible debt instrument wholly as debt.

*Pending accounting standards*

In March 2024, the FASB issued ASU 2024-02, *Codification Improvements - Amendments to Remove References to the Concept Statements*. This standard amends the Codification to remove references to various concepts statements and impacts a variety of topics in the Codification. The amendments apply to all reporting entities within the scope of the affected accounting guidance, but in most instances the references removed are extraneous and not required to understand or apply the guidance. Generally, the amendments in this standard are not intended to result in significant accounting changes for most entities. The standard is effective January 1, 2025 and is not expected to have a material impact on the Company's financial statements.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures.* This standard expands the requirements for income tax disclosures in order to provide greater transparency. The amendments are effective for fiscal years beginning after December 15, 2024. Early adoption is permitted. The amendments should be applied prospectively. The Company is evaluating the timing and effects of the adoption of this standard on the Company's disclosures.

In December 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Segment Reporting Disclosures.* This standard requires an entity to provide more detailed information about its reportable segment expenses that are included within management's measurement of profit and loss and will require certain annual disclosures to be provided on an interim basis. The amendments in this ASU are effective for the Company in 2025 for annual reporting and in 2026 for interim reporting, with early adoption permitted beginning in 2024, and is required to be applied using the full retrospective method of transition. The Company is evaluating the timing and effects of the adoption of this standard on the Company's segment disclosures.

In October 2023, the FASB issued ASU 2023-06, *Disclosure Improvements - Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative.* This Standard modifies the disclosure or presentation requirements of a variety of Topics in the Codification to align with the SEC's regulations. The ASU also makes those requirements applicable to entities that were not previously subject to the SEC's requirements. The ASU is effective for the Company two years after the effective date to remove the related disclosure from Regulation S-X or S-K. As of the date these financial statements have been made available for issuance, the SEC has not yet removed any related disclosure. The Company does not expect the adoption of this standard to have a material impact on the Company's financial statements.

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. This standard provides optional expedients for the application of GAAP, if certain criteria are met, to contracts and other transactions that reference London Inter-bank Offered Rate ("LIBOR") or other reference rates that are expected to be discontinued because of reference rate reform. This standard is effective for all entities as of March 12, 2020 through December 31, 2022. On December 21, 2022, the FASB issued ASU 2022-06, Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848, which extends the period of time entities can utilize the reference rate reform relief guidance under ASU 2020-04 from December 31, 2022 to December 31, 2024. The Company does not expect the adoption of this standard to have a material impact on the Company's financial statements.

**XERIS BIOPHARMA HOLDINGS, INC.**
**Notes to Condensed Consolidated Financial Statements**
**(unaudited)**

**Note 3. Disaggregated revenue**

Disaggregated revenue by product (in thousands):

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Product revenue: | | | | |
| Gvoke | $ 22,942 | $ 17,735 | $ 59,567 | $ 48,406 |
| Recorlev | 17,726 | 8,097 | 41,663 | 19,741 |
| Keveyis | 12,193 | 15,865 | 38,406 | 42,708 |
| Product revenue, net | 52,861 | 41,697 | 139,636 | 110,855 |
| Royalty, contract and other revenue | 1,407 | 6,623 | 3,335 | 8,669 |
| Total revenue | $ 54,268 | $ 48,320 | $ 142,971 | $ 119,524 |

**Note 4. Short-term investments**

The Company classifies investments in debt securities as available-for-sale. Debt securities are comprised of liquid investments that are highly rated securities and, as of September 30, 2024, consist of U.S. government securities, all with remaining maturities of less than one year. Debt securities as of September 30, 2024 had an average remaining maturity of 0.1 years. The debt securities are reported at fair value with unrealized gains or losses recorded in accumulated other comprehensive income (loss) in the condensed consolidated balance sheets. The cost of short-term investments is adjusted for amortization of premiums or accretion of discounts to maturity, and such amortization or accretion, as well as interest income, are included in interest and other income in the condensed consolidated statements of operations and comprehensive loss. Refer to "Note 11 - Fair value measurements," for information related to the fair value measurements and valuation methods utilized.

The following table represents the Company's short-term investments by major security type (in thousands):

| | September 30, 2024 | | | |
|---|---|---|---|---|
| | Amortized Cost | Gross Unrealized Gains | Gross Unrealized Losses | Total Fair Value |
| Investments: | | | | |
| U.S. government securities | $ 10,163 | $ 7 | $ — | $ 10,170 |
| Total available-for-sale investments | $ 10,163 | $ 7 | $ — | $ 10,170 |

| | December 31, 2023 | | | |
|---|---|---|---|---|
| | Amortized Cost | Gross Unrealized Gains | Gross Unrealized Losses | Total Fair Value |
| Investments: | | | | |
| U.S. government securities | $ 5,004 | $ — | $ (2) | $ 5,002 |
| Total available-for-sale investments | $ 5,004 | $ — | $ (2) | $ 5,002 |

*Allowance for Credit Losses*

For available-for-sale securities in an unrealized loss position, the Company first assesses whether they are intended to be sold, or if it is more likely than not that the Company will be required to sell, the security before recovery of its amortized cost basis. If either of the criteria regarding intent or requirement to sell is met, the security's amortized cost basis is written down to fair value through earnings. For available-for-sale securities that do not meet the above criteria, the Company evaluates whether the decline in fair value has resulted from credit losses or other factors. In making this assessment, the Company considers the severity of the impairment, any changes in interest rates, market conditions, changes to the underlying credit ratings and forecasted recovery, among other factors. The credit-related portion of unrealized losses, and any subsequent improvements, are recorded in interest income through an allowance account. Any impairment that has not been recorded through an allowance for credit losses is included in other comprehensive loss on the statements of operations and comprehensive loss. No credit loss allowance was recorded in the three and nine months ended September 30, 2024 and 2023.

**XERIS BIOPHARMA HOLDINGS, INC.**
**Notes to Condensed Consolidated Financial Statements**
**(unaudited)**

**Note 5. Inventory**

The components of inventory consist of the following (in thousands):

| | September 30, 2024 | December 31, 2023 |
|---|---|---|
| Raw materials | $ 25,793 | $ 17,404 |
| Work in process | 12,104 | 10,959 |
| Finished goods | 7,222 | 10,475 |
| Inventory | $ 45,119 | $ 38,838 |

Inventory reserves were $7.2 million and $2.4 million at September 30, 2024 and December 31, 2023, respectively.

**Note 6. Property and equipment**

Property and equipment consist of the following (in thousands):

| | September 30, 2024 | December 31, 2023 |
|---|---|---|
| Lab equipment | $ 4,588 | $ 4,153 |
| Furniture and fixtures | 530 | 539 |
| Computer equipment | 864 | 860 |
| Office equipment | 96 | 97 |
| Software | 429 | 374 |
| Leasehold improvements | 6,056 | 5,984 |
| Total property and equipment | 12,563 | 12,007 |
| Less: accumulated depreciation and amortization | (6,950) | (6,036) |
| Property and equipment, net | $ 5,613 | $ 5,971 |

Depreciation and amortization expense relating to property and equipment was $0.3 million and $0.4 million for the three months ended September 30, 2024 and 2023, respectively. Depreciation and amortization expense relating to property and equipment was $0.9 million and $1.1 million for the nine months ended September 30, 2024 and 2023, respectively.

**Note 7. Intangible assets**

Identified intangible assets consist of the following (in thousands):

| | | September 30, 2024 | | | December 31, 2023 | | |
|---|---|---|---|---|---|---|---|
| | Life (Years) | Gross assets | Accumulated amortization | Net | Gross assets | Accumulated amortization | Net |
| Definite-lived intangible asset - Keveyis | 5 | $ 11,000 | $ (6,600) | $ 4,400 | $ 11,000 | $ (4,950) | $ 6,050 |
| Definite-lived intangible asset - Recorlev | 14 | 121,000 | (23,768) | 97,232 | 121,000 | (17,286) | 103,714 |
| Total intangible assets | | $ 132,000 | $ (30,368) | $ 101,632 | $ 132,000 | $ (22,236) | $ 109,764 |

As of September 30, 2024, expected amortization expense for intangible assets subject to amortization for the next five years and thereafter is as follows (in thousands):

| | |
|---|---|
| 2024 remaining | $ 2,711 |
| 2025 | 10,843 |
| 2026 | 10,293 |
| 2027 | 8,643 |
| 2028 | 8,643 |
| Thereafter | 60,499 |
| Total | $ 101,632 |

**XERIS BIOPHARMA HOLDINGS, INC.**
**Notes to Condensed Consolidated Financial Statements**
**(unaudited)**

**Note 8. Other accrued liabilities**

Other accrued liabilities consist of the following (in thousands):

| | September 30, 2024 | December 31, 2023 |
|---|---|---|
| Accrued employee costs | $ 16,433 | $ 16,956 |
| Accrued interest expense | 1,193 | 1,374 |
| Accrued supply chain costs | 734 | 523 |
| Accrued marketing costs | 1,107 | 598 |
| Accrued research and development costs | 925 | 960 |
| Accrued other costs | 3,151 | 3,099 |
| Other accrued liabilities | $ 23,543 | $ 23,510 |

**Note 9. Debt**

The components of debt are as follows (in thousands):

| | September 30, 2024 | December 31, 2023 |
|---|---|---|
| Convertible senior notes | $ 49,230 | $ 49,306 |
| Less: unamortized debt issuance costs | (1,080) | (1,400) |
| Loan agreement | 185,350 | 145,569 |
| Less: unamortized debt issuance costs | (2,216) | (2,543) |
| Debt, net of unamortized debt issuance costs | $ 231,284 | $ 190,932 |
| | | |
| Debt, net of unamortized debt issuance costs, current portion | $ 15,057 | $ — |
| Debt, net of unamortized debt issuance costs, non-current portion | 216,227 | 190,932 |
| Total debt, net of unamortized debt issuance costs | $ 231,284 | $ 190,932 |

*Convertible senior notes*

In June 2020, Xeris Pharma completed a public offering of $86.3 million aggregate principal amount of Xeris Pharma's 5.00% Convertible Senior Notes due 2025 (the "2025 Convertible Notes"), including $11.3 million pursuant to the underwriters' option to purchase additional notes, which was exercised in full in July 2020. Since January 15, 2021, the 2025 Convertible Notes bear cash interest at the rate of 5.00% per annum, payable semi-annually in arrears on January 15 and July 15 of each year.

Xeris Pharma incurred debt issuance costs of $5.1 million in connection with the issuance of the 2025 Convertible Notes. At any time before the close of business on the second scheduled trading day immediately before the maturity date, holders of 2025 Convertible Notes may convert their 2025 Convertible Notes at their option into shares of the Company's common stock, together, if applicable, with cash in lieu of any fractional share, at a conversion rate of 326.7974 shares of the Company's common stock per $1,000 principal amount of 2025 Convertible Notes. In the second half of 2020, $39.1 million in principal amount of 2025 Convertible Notes were converted into 13,171,791 shares of Xeris Pharma's common stock.

On September 29, 2023, the Company completed the exchange of $32.0 million in aggregate principal amount of the 2025 Convertible Notes for $33.6 million in aggregate principal amount of new 8.00% Convertible Notes due 2028 (the "2028 Convertible Notes" and together with the 2025 Convertible Notes, the "Convertible Notes"). As of September 30, 2024, the outstanding balance of the 2025 Convertible Notes was $15.2 million and the outstanding balance of the 2028 Convertible Notes was $33.6 million.

The 2025 Convertible Notes are governed by the terms of a base indenture for senior debt securities dated June 30, 2020 (the "2025 Base Indenture"), as supplemented by the first supplemental indenture dated June 30, 2020 (the "First Supplemental Indenture"), and the second supplemental indenture dated October 5, 2021 (the "Second Supplemental Indenture" and together with the 2025 Base Indenture and First Supplemental Indenture, the "2025 Indenture"), among the Company, as guarantor, Xeris Pharma, as issuer, and U.S. Bank Trust Company, National Association (f/k/a U.S. Bank National Association), as trustee (the "Trustee"). The 2028 Convertible Notes are governed by the terms of an indenture for senior debt securities dated September 29, 2023 (the "2028 Indenture" and together with the 2025 Indenture, the "Indentures") among the Company, as issuer, Xeris Pharma, as guarantor, and the Trustee. The 2025 Convertible Notes and the 2028 Convertible Notes will mature on July 15, 2025 and July 15, 2028, respectively, unless earlier converted or redeemed or repurchased.

**XERIS BIOPHARMA HOLDINGS, INC.**
**Notes to Condensed Consolidated Financial Statements**
**(unaudited)**

The Convertible Notes are senior, unsecured obligations and are equal in right of payment with the issuer's existing and future senior, unsecured indebtedness, senior in right of payment to its future indebtedness, if any, that is expressly subordinated to the Convertible Notes, and effectively subordinated to its existing and future secured indebtedness to the extent of the value of the collateral securing that indebtedness. The Convertible Notes are structurally subordinated to all existing and future indebtedness and other liabilities, including trade payables, and (to the extent the Company or Xeris Pharma is not a holder thereof) preferred equity, if any, of the Company's direct and indirect subsidiaries other than Xeris Pharma.

As a result of the transactions associated with the acquisition of Strongbridge, and pursuant to the Second Supplemental Indenture, the 2025 Convertible Notes are no longer convertible into shares of common stock of Xeris Pharma. Instead, subject to the terms and conditions of the 2025 Indenture, the 2025 Convertible Notes will be exchangeable into cash and shares of common stock of the Company in proportion to the transaction consideration payable pursuant to the transaction agreement for the acquisition of Strongbridge, and the "Reference Property" provisions in the 2025 Indenture.

The fair value of the Convertible Notes is determined using current interest rates based on credit ratings and the remaining term of maturity. As of September 30, 2024, the fair value of the Convertible Notes was approximately $61.1 million. The fair value of the convertible debt was estimated using inputs for volatility, the Company's stock price, time to maturity, the risk-free rate and the Company's credit spread, some of which are considered Level 3 inputs in the fair value hierarchy disclosed in "Note 11 - Fair value measurement."

*Loan agreement*

In September 2019, Xeris Pharma entered into an Amended and Restated Loan and Security Agreement (the "Oxford Loan Agreement") with Oxford Finance LLC ("Oxford"), as the collateral agent and a lender, and Silicon Valley Bank, as a lender ("SVB," and together with Oxford, the "Prior Lenders"). The Oxford Loan Agreement provided for the Prior Lenders to extend up to $85.0 million in term loans to Xeris Pharma in three tranches, of which $60.0 million was drawn down in September 2019.

In June 2020, Xeris Pharma paid a portion of the term loan equal to the sum of $20.0 million, plus all accrued and unpaid interest. In November 2020, an additional $3.5 million was drawn from the term loan.

In March 2022, the Company, Xeris Pharma and certain subsidiary guarantors of the Company entered into a Credit Agreement and Guaranty (as amended, modified or amended and restated from time to time, the "Hayfin Loan Agreement") with the lenders from time to time parties thereto (the "Lenders") and Hayfin Services LLP, as administrative agent for the Lenders (in such capacity, together with its successors and assigns, the "Agent"), pursuant to which the Company and its subsidiaries party thereto granted a first priority security interest on substantially all of their assets, including intellectual property, subject to certain exceptions. The Hayfin Loan Agreement provided for the Lenders to extend $100.0 million in term loans to the Company on the closing date and up to an additional $50.0 million in delayed draw term loans during the one year period immediately following the closing date (collectively, the "Loans"). On December 28, 2022, the Company borrowed the full amount of such $50.0 million delayed draw term loan under the Hayfin Loan Agreement. In conjunction with the execution of the Hayfin Loan Agreement, the Oxford Loan Agreement remaining balance of $43.5 million and fees of $2.1 million in connection with the loan repayment were paid. In addition to utilizing the proceeds to repay the obligations under the Oxford Loan Agreement in full, the proceeds were otherwise used for general corporate purposes.

On March 5, 2024, the Company, Xeris Pharma and certain subsidiary guarantors of the Company entered into an Amended and Restated Credit Agreement and Guaranty (the "Amended and Restated Credit Agreement") with the lenders from time to time parties thereto (the "New Lenders") and Hayfin Services LLP, as administrative agent for the New Lenders, pursuant to which the Company and its subsidiaries party thereto granted a first priority security interest on substantially all of their assets, including intellectual property, subject to certain exceptions. The Amended and Restated Credit Agreement amends and restates in its entirety the Hayfin Loan Agreement. The Amended and Restated Credit Agreement provided for the New Lenders to extend $200.0 million in term loans (the "Tranche 1 Loans") to Xeris Pharma on the closing date and $15.2 million in additional term loans (the "Tranche 2 Loans" and, together with the Tranche 1 Loans, the "2029 Loans") on any date after the closing date and through July 15, 2025. The Tranche 2 Loans may only be used to redeem the 2025 Convertible Notes. In conjunction with the execution of the Amended and Restated Credit Agreement, the aggregate principal balance of $150.0 million plus all accrued and unpaid interest outstanding under the Hayfin Loan Agreement was continued under the Amended and Restated Credit Agreement as Tranche 1 Loans. In addition to utilizing the proceeds to repay the obligations under the Hayfin Loan Agreement in full, the proceeds of the Tranche 1 Loans will otherwise be used for general corporate purposes. After repayment, the 2029 Loans may not be re-borrowed.

The 2029 Loans will mature on March 5, 2029; provided, however, that the 2029 Loans will mature on (A) January 15, 2025 if the 2025 Convertible Notes are outstanding as of such date or (B) January 15, 2028 if the 2028 Convertible Notes are outstanding as of such date and, in both cases, either (i) the maturity date of the applicable notes has not been extended to a date not earlier than September 5, 2029 and (ii) the Company has not received net cash proceeds from one or more permitted equity raises or permitted raises of convertible debt which, together with no more than $15.6 million of cash on hand, is sufficient to redeem and discharge the 2025 Convertible Notes or the 2028 Convertible Notes, as applicable, in full.

**XERIS BIOPHARMA HOLDINGS, INC.**
**Notes to Condensed Consolidated Financial Statements**
**(unaudited)**

The 2029 Loans incur interest at a floating per annum rate in an amount equal to the sum of (i) 6.95% (or 5.95% if the replacement rate is in effect) plus (ii) the greater of (x) the forward-looking term rate based on SOFR for a three month tenor (or the replacement rate, if applicable), and (y) 2.00% per annum. The remaining balance of unamortized debt issuance costs have been reflected as a direct reduction to the loan balance. The effective interest rate of the 2029 Loans, including the amortization of debt discount and debt issuance costs, amounts to approximately 11.4%. The debt outstanding under the 2029 Loans approximates fair value due to the variable interest rate on the debt.

The Amended and Restated Credit Agreement allows Xeris Pharma to voluntarily prepay the outstanding amounts thereunder. Xeris Pharma is subject to an early prepayment fee equal to (i) for any prepayment that occurs on or prior to the second anniversary of the closing date, the applicable make-whole amount, (ii) for any prepayment that occurs after the second anniversary of the closing date but on or prior to the fourth anniversary of the closing date, the product of (x) the amount of any principal so prepaid, multiplied by (y) for any prepayment that occurs (A) after the second anniversary of the closing date and on or prior to the third anniversary of the closing date, five percent (5.00%), (B) after the third anniversary of the closing date and on or prior to the fourth anniversary of the closing date, three percent (3.00%), and (C) after the fourth anniversary of the closing date, zero percent (0.00%).

The Amended and Restated Credit Agreement contains customary representations and warranties, events of default and affirmative and negative covenants, including, among others, covenants that limit or restrict the Company's (and its subsidiaries) ability to incur additional indebtedness, grant liens, merge or consolidate, make acquisitions, pay dividends or other distributions or repurchase equity, make investments, dispose of assets and enter into certain transactions with affiliates, in each case subject to certain exceptions.

The Amended and Restated Credit Agreement was accounted for as a modification of debt in accordance with ASC 470-50, *Debt - Modifications and Extinguishments*, thus there was no gain or loss recognized on the transaction.

The following table sets forth the Company's future minimum principal payments on the Convertible Notes and the loan facility (in thousands):

| | | |
|---|---|---|
| 2024 remaining | $ | — |
| 2025 | | 15,200 |
| 2026 | | — |
| 2027 | | — |
| 2028 | | 33,574 |
| Thereafter | | 200,000 |
| | $ | 248,774 |

For the three and nine months ended September 30, 2024, the Company recognized interest expense of $7.8 million and $22.8 million, respectively, of which $0.8 million and $2.2 million, respectively, related to the amortization of debt discount and issuance costs, respectively. For the three and nine months ended September 30, 2023, the Company recognized interest expense of $6.8 million and $19.6 million, respectively, of which $0.6 million and $1.7 million, respectively, related to the amortization of debt discount and issuance costs, respectively. Debt refinancing costs related to advisory and legal fees of $2.7 million were recorded in the condensed consolidated statements of operations and comprehensive loss for the nine months ended September 30, 2024.

**XERIS BIOPHARMA HOLDINGS, INC.**
**Notes to Condensed Consolidated Financial Statements**
**(unaudited)**

**Note 10. Warrants**

As of September 30, 2024, the following warrants were outstanding:

| | Outstanding Warrants | Exercise Price per Warrant | Expiration Date |
|---|---|---|---|
| **Warrants classified as liabilities:** | | | |
| 2018 Term A Warrants | 53,720 | $11.169 | February 2025 |
| 2018 Term B Warrants | 40,292 | $11.169 | September 2025 |
| | 94,012 | | |
| **Warrants classified as equities:** | | | |
| Warrants in connection with CRG loan amendment in January 2018 | 978,628 | $12.760 | January 2025 |
| Warrants in connection with Avenue Capital loan agreement | 209,633 | $2.390 | May 2025 |
| Warrants in connection with Avenue Capital loan agreement | 209,633 | $2.390 | December 2025 |
| Warrants in connection with Horizon and Oxford loan agreement | 125,999 | $3.130 | December 2026 |
| Warrants in connection with Armistice securities purchase agreement | 5,119,454 | $3.223 | February 2027 |
| Warrants in connection with Hayfin Loan Agreement | 1,315,789 | $2.280 | March 2029 |
| | 7,959,136 | | |

**Note 11. Fair value measurements**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements are classified and disclosed in one of the following categories:

Level 1: Measured using unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2: Measured using quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs, other than quoted prices in active markets, that are observable either directly or indirectly.

Level 3: Measured based on prices or valuation models that require inputs that are both significant to the fair value measurement and less observable from objective sources (i.e., supported by little or no market activity).

Fair value measurements are classified based on the lowest level of input that is significant to the measurement. The Company's assessment of the significance of a particular input to the fair value measurement requires judgment, which may affect the valuation of the assets and liabilities and their placement within the fair value hierarchy levels. The determination of the fair values stated below considers the market for the financial assets and liabilities, the associated credit risk and other factors as required. The Company considers active markets as those in which transactions for the assets or liabilities occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

**XERIS BIOPHARMA HOLDINGS, INC.**
**Notes to Condensed Consolidated Financial Statements**
**(unaudited)**

The following tables present the Company's fair value hierarchy for those assets and liabilities measured at fair value as of September 30, 2024 and December 31, 2023 (in thousands):

| | Total as of September 30, 2024 | Level 1 | Level 2 | Level 3 |
|---|---|---|---|---|
| *Assets* | | | | |
| Cash and cash equivalents: | | | | |
| Cash and money market funds | $ 59,232 | $ 59,232 | $ — | $ — |
| Investments: | | | | |
| U.S. government securities | $ 10,170 | $ 10,170 | $ — | $ — |
| Other assets: | | | | |
| Restricted cash | $ 4,123 | $ 4,123 | $ — | $ — |
| *Liabilities* | | | | |
| Warrant liabilities | $ 1 | $ — | $ — | $ 1 |

| | Total as of December 31, 2023 | Level 1 | Level 2 | Level 3 |
|---|---|---|---|---|
| *Assets* | | | | |
| Cash and cash equivalents: | | | | |
| Cash and money market funds | $ 67,449 | $ 67,449 | $ — | $ — |
| Investments: | | | | |
| U.S. government securities | $ 5,002 | $ 5,002 | $ — | $ — |
| Other assets: | | | | |
| Restricted cash | $ 4,225 | $ 4,225 | $ — | $ — |
| *Liabilities* | | | | |
| Current portion of contingent value rights | $ 19,109 | $ — | $ — | $ 19,109 |
| Non-current contingent value rights | $ 1,379 | $ — | $ — | $ 1,379 |
| Warrant liabilities | $ 8 | $ — | $ — | $ 8 |

*Contingent Value Rights*

As part of the 2021 acquisition of Strongbridge, the Company issued contingent value rights ("CVRs") representing additional contingent consideration of up to $1.00 for each CVR upon the achievement of the following:

- Keveyis Milestone: $0.25 per CVR, upon the earlier of the first listing of any patent in the FDA's Orange Book for Keveyis by the end of 2023 or the first achievement of at least $40 million in net revenue of Keveyis in 2023;
- 2023 Recorlev Milestone: $0.25 per CVR, upon the first achievement of at least $40 million in net revenue of Recorlev in 2023; and
- 2024 Recorlev Milestone: $0.50 per CVR, upon the first achievement of at least $80 million in net revenue of Recorlev in 2024.

**XERIS BIOPHARMA HOLDINGS, INC.**
**Notes to Condensed Consolidated Financial Statements**
**(unaudited)**

As of September 30, 2024, there were approximately 74.4 million CVRs outstanding. Up to 8.1 million CVRs may be issued to holders of Strongbridge rollover options and assumed warrants upon the exercise thereof. CVRs are settleable in cash, common stock, or a combination of cash and common stock, at the Company's sole election.

Contingent consideration obligations are recorded at their estimated fair values and these obligations are revalued at each reporting period until the related contingencies are resolved. The CVRs are adjusted to fair value using the methods described above at the end of each reporting period. Significant changes which increase or decrease the probabilities of achieving the related milestones or shorten or lengthen the time required to achieve such events would result in corresponding increases or decreases in the fair values of these obligations.

The 2023 Keveyis milestone was achieved, triggering a milestone payment to CVR holders. In settlement of the milestone payment obligation, the Company issued 7,525,048 shares of common stock in the first quarter of 2024. The 2023 Recorlev Milestone was not achieved. A gain of $3.0 million from the remeasurement of the CVR liability was recorded in the first quarter of 2024 in the condensed consolidated statements of operations and comprehensive loss as a result of changes in the Company's stock price prior to the issuance of the common stock in settlement of the CVR.

The Company has determined that the CVR liabilities' fair values are Level 3 items within the fair value hierarchy. The following table presents the change in the CVR liabilities (in thousands):

| | | |
|---|---|---|
| Balance at December 31, 2023 | $ | 20,488 |
| CVR settlement | | (16,100) |
| Change in fair value of CVRs | | (4,388) |
| Balance at September 30, 2024 | $ | — |

**Note 12. Stock compensation plan**

In 2011, the Company adopted the 2011 Stock Option Issuance Plan (the "2011 Plan") and subsequently amended it to authorize the Board of Directors to issue up to 4,714,982 incentive stock option and non-qualified stock option awards.

The 2018 Stock Option and Incentive Plan (the "2018 Plan") was adopted by the Board of Directors in April 2018 and approved by the Company's stockholders in June 2018 to award up to 1,822,000 shares of common stock. The 2018 Plan replaced the 2011 Plan as the Board of Directors decided not to make additional awards under the 2011 Plan following the closing of the IPO, which occurred in June 2018. The 2018 Plan allows the compensation committee to make equity-based and cash-based incentive awards to the Company's officers, employees, directors and other key persons (including consultants). No grants of stock options or other awards may be made under the 2018 Plan after the tenth anniversary of the effective date.

As of September 30, 2024, there were 2.1 million shares of common stock available for future issuance under the 2018 Plan.

The 2018 Employee Stock Purchase Plan (the "ESPP") was adopted by the Board of Directors in April 2018 and approved by the Company's stockholders in June 2018 to issue up to 193,000 shares of common stock to participating employees. Through the ESPP, eligible employees may authorize payroll deductions of up to 15% of their compensation to purchase up to the number of shares of common stock determined by dividing $25,000 by the closing market price of Xeris common stock on the offering date. The purchase price per share at each purchase date is equal to 85% of the lower of (i) the closing market price per share of Xeris common stock on the employee's offering date or (ii) the closing market price per share of Xeris common stock on the purchase date. Each offering period has a six-month duration and purchase interval. As of September 30, 2024, there were 6.7 million shares available for issuance under the ESPP.

The Equity Inducement Plan (the "Inducement Plan") was adopted by the Board of Directors in February 2019. The Inducement Plan allows the Company to make stock option or restricted stock unit awards to prospective employees of the Company as an inducement to such individuals to commence employment with the Company. The Company uses this Inducement Plan to help it attract and retain prospective employees who are necessary to support the commercialization of products and the expansion of the Company generally. As of September 30, 2024, there were 1.4 million shares of common stock available for future issuance under the Inducement Plan.

*Assumed Plans*

On the acquisition date of Strongbridge, the Company assumed all then-outstanding stock options and shares available and reserved for issuance under some legacy equity incentive plans of Strongbridge, including the Strongbridge 2015 equity compensation plan and Strongbridge 2017 inducement plan (collectively, the "Assumed Plans"). Shares reserved under the Assumed Plans will be available for future grants. The Company also assumed all then-outstanding stock options from the rest of the legacy equity incentive plans of Strongbridge without assuming the shares available and reserved for issuance under these plans. The number of shares subject to stock options outstanding under all Strongbridge legacy equity incentive plans are included in the tables below. As of September 30, 2024, there were 0.3 million shares reserved for future grants under the Assumed Plans.

**XERIS BIOPHARMA HOLDINGS, INC.**
**Notes to Condensed Consolidated Financial Statements**
**(unaudited)**

*Stock options*

Stock options are granted with an exercise price equal to the market price of the Company's stock at the date of grant. Stock option awards typically vest over either two, three or four years after the grant date and expire seven to ten years from the grant date.

The fair value of each option is estimated on the date of grant using a Black-Scholes option valuation model that uses the assumptions noted in the following table. The expected term of options represents the period of time that options granted are expected to be outstanding. The risk-free interest rate for periods during the contractual life of the option is based on the United States Treasury yield curve in effect at the time of grant. The expected stock price volatility assumption is based on the historical volatilities of a peer group of publicly traded companies as well as the historical volatility of the Company's common stock, since the Company began trading subsequent to the IPO in June 2018, over the period corresponding to the expected life as of the grant date. The expected dividend yield is based on the expected annual dividend as a percentage of the market value of the Company's ordinary shares as of the grant date.

Stock option activity under the 2011 Plan, 2018 Plan, Inducement Plan and Assumed Plans for the nine months ended September 30, 2024 was as follows:

| | Number of Options | Weighted Average Exercise Price Per Share | Weighted Average Contractual Life (Years) |
|---|---|---|---|
| Outstanding - December 31, 2023 | 9,199,744 | $5.22 | 3.84 |
| Exercised | (229,417) | 2.00 | |
| Forfeited | (1,887) | 5.09 | |
| Expired | (27,568) | 5.44 | |
| Outstanding - September 30, 2024 | 8,940,872 | $5.29 | 2.65 |
| Vested and expected to vest at September 30, 2024 | 8,940,872 | $5.29 | 2.65 |
| Exercisable - September 30, 2024 | 8,881,331 | $5.30 | 2.64 |

At September 30, 2024, there was a total of $0.1 million of unrecognized stock-based compensation expense related to stock options that is expected to be recognized over a weighted average period of 0.2 years.

*Restricted Stock Units*

The Company grants Restricted Stock Units ("RSUs") to employees. RSUs that are granted vest over either three or four years in equal annual installments beginning on the one-year anniversary of the date of grant, provided that the employee is employed by the Company on such vesting date. If and when the RSUs vest, the Company will issue one share of common stock for each whole RSU that has vested, subject to satisfaction of the employee's tax withholding obligations. Upon vesting and settlement of RSUs or exercise of stock options, at the election of the grantee, the Company does not collect withholding taxes in cash from employees. Instead, the Company withholds upon settlement as RSUs vest, or as stock options are exercised, the portion of those shares with a fair market value equal to the amount of the minimum statutory withholding taxes due. The withheld shares are accounted for as repurchases of common stock. Stock-based compensation expense related to RSUs is recognized on a straight-line basis over the employee's requisite service period.

A summary of outstanding RSU awards and the activity for the nine months ended September 30, 2024 was as follows:

| | Number of Units | Weighted Average Grant Date Fair Value Per Share |
|---|---|---|
| Unvested balance - December 31, 2023 | 11,579,548 | $ 1.83 |
| Granted | 10,230,250 | 2.45 |
| Vested | (4,246,587) | 2.17 |
| Forfeited | (1,189,548) | 2.05 |
| Unvested balance - September 30, 2024 | 16,373,663 | $ 2.11 |

As of September 30, 2024, there was $20.5 million of unrecognized stock-based compensation expense related to RSUs, which is expected to be recognized over the weighted-average remaining vesting period of 1.8 years.

**XERIS BIOPHARMA HOLDINGS, INC.**
**Notes to Condensed Consolidated Financial Statements**
**(unaudited)**

The following table summarizes the reporting of total stock-based compensation expense resulting from stock options, RSUs and the ESPP (in thousands):

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Research and development | $ 308 | $ 202 | 1,027 | 1,156 |
| Selling, general and administrative | 6,460 | 2,255 | 13,741 | 6,793 |
| Total stock-based compensation expense | $ 6,768 | $ 2,457 | $ 14,768 | $ 7,949 |

**Note 13. Leases**

The Company has non-cancellable operating leases for office and laboratory space, which expire at various times in 2031 and 2036. The non-cancellable lease agreements provide for monthly lease payments, which increase during the term of each lease agreement.

All of the Company's leases are classified as operating leases, which are included as operating lease right-of-use assets and current and non-current operating lease liabilities in the condensed consolidated balance sheets. The Company's operating lease costs are included in operating expenses in the accompanying condensed consolidated statements of operations and comprehensive loss. The Company's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

A majority of the Company's lease agreements include fixed rental payments. Certain lease agreements include fixed rental payments that are adjusted periodically by a fixed rate. The fixed payments, including the effects of changes in the fixed rate or amount, and renewal options reasonably certain to be exercised, are included in the measurement of the related lease liability. The exercise of lease renewal options is at the Company's sole discretion. The depreciable life of assets and leasehold improvements are limited by the expected lease term, which includes renewal options reasonably certain to be exercised. The majority of the Company's real estate leases require that the Company pay maintenance, real estate taxes and insurance in addition to rent. These payments are generally variable and based on actual costs incurred by the lessor. Therefore, these amounts are not included in the consideration of the contract when determining the right-of-use asset and lease liability but are reflected as variable lease expenses.

As the interest rate implicit in the lease is not readily determinable, the Company uses the incremental borrowing rate as the discount rate. The Company considers observable inputs as of the effective date of the ASC 842 adoption including the credit rating, existing borrowings and other relevant borrowing rates, such as risk-free rates like the United States Treasury rate, and then adjusting as necessary for the appropriate lease term. The incremental borrowing rate is reassessed if there is a change to the lease term or if a modification occurs and it is not accounted for as a separate contract. As of September 30, 2024, the Company's operating leases had a weighted-average remaining lease term of 10.9 years and a weighted-average discount rate of 11.9%.

Supplemental cash flow information related to the Company's operating leases was as follows (in thousands):

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Cash paid for amounts included in the measurement of lease liabilities: | | | | |
| Operating cash flows for operating leases | $ 1,309 | $ 365 | $ 2,513 | $ 1,283 |
| Right of use assets obtained in exchange for new lease obligations: | | | | |
| Operating leases | $ — | $ — | $ — | $ 20,043 |

The Company reports the amortization of operating lease right-of-use assets and the change in operating lease liabilities on a net basis in other in the operating activities of the accompanying condensed consolidated statements of cash flows.

**XERIS BIOPHARMA HOLDINGS, INC.**
**Notes to Condensed Consolidated Financial Statements**
**(unaudited)**

The components of lease expense were as follows (in thousands):

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| Lease cost | 2024 | 2023 | 2024 | 2023 |
| Operating lease expense | $ 1,301 | $ 1,394 | $ 3,981 | $ 3,157 |
| Variable lease cost | 471 | 286 | 1,037 | 938 |
| Sublease income | (194) | (54) | (299) | (162) |
| Total lease cost | $ 1,578 | $ 1,626 | $ 4,719 | $ 3,933 |

As of September 30, 2024, maturities of lease liabilities are summarized as follows (in thousands):

| | |
|---|---|
| 2024 remaining | $ 1,494 |
| 2025 | 6,080 |
| 2026 | 6,232 |
| 2027 | 6,389 |
| 2028 | 6,549 |
| Thereafter | 45,441 |
| Total lease payments | 72,185 |
| Less: Effect of discounting to net present value | (32,504) |
| Present value of lease liabilities | $ 39,681 |

| | |
|---|---|
| Operating lease liabilities, current | $ 6,042 |
| Operating lease liabilities, non-current | 33,639 |
| Total operating lease liabilities | $ 39,681 |

**Note 14. Commitments and contingencies**

***Commitments***

Commitments to Taro

The Company has a supply agreement with Taro Pharmaceuticals North America, Inc. ("Taro") to produce Keveyis. In 2023, the Company amended the agreement to extend the initial term until March 2027. As part of the agreement, as amended, the Company has agreed to certain annual minimum marketing spend requirements and minimum purchase order quantities for each year, which in the case of the minimum purchase order quantities, is based on the previous year's purchases.

Leases

As of September 30, 2024, the Company had unused letters of credit of $4.1 million, which were issued primarily to secure leases. These letters of credit are collateralized by $4.1 million of restricted cash, which is recorded in other assets in the condensed consolidated balance sheets.

***Contingencies***

Litigation

From time to time, the Company may become involved in various legal actions arising in the ordinary course of business. As of September 30, 2024, management was not aware of any existing, pending or threatened legal actions that would have a material impact on the financial position or results of operations of the Company.

Long Term Debt

In the event (i) the 2025 Convertible Notes are still outstanding as of January 15, 2025 or (ii) the 2028 Convertible Notes are still outstanding as of January 15, 2028 and, in each case, the maturity date has not been extended to a date not earlier than September 5, 2029, then unless the Company has received net cash proceeds from one or more permitted equity raises or permitted raises of convertible debt which, together with no more than $15.6 million of cash on hand, is sufficient to redeem and discharge the 2025

**XERIS BIOPHARMA HOLDINGS, INC.**
**Notes to Condensed Consolidated Financial Statements**
**(unaudited)**

Convertible Notes or 2028 Convertible Notes, as applicable, in full, the loans outstanding under the Amended and Restated Credit Agreement will mature on January 15, 2025 in the case of outstanding 2025 Convertible Notes and January 15, 2028 in the case of outstanding 2028 Convertible Notes. As disclosed in "Note 9 - Long-term debt", the Amended and Restated Credit Agreement provided for the New Lenders to extend $15.2 million Tranche 2 Loans on any date after March 5, 2024 and through July 15, 2025 solely for the purpose of redeeming the 2025 Convertible Notes.

**Note 15. Net loss per common share**

Basic and diluted net loss per common share are determined by dividing net loss applicable to common stockholders by the weighted average common shares outstanding during the period. For all periods presented, the shares issuable upon conversion, exercise or vesting of Convertible Notes, warrants, stock option awards and RSUs have been excluded from the calculation because their effects would be anti-dilutive. Therefore, the weighted average common shares outstanding used to calculate both basic and diluted net loss per common share are the same.

The following potentially dilutive securities were excluded from the computation of diluted weighted average common shares outstanding due to their anti-dilutive effect:

| | As of September 30, | |
|---|---|---|
| | **2024** | **2023** |
| Shares to be issued upon conversion of Convertible Notes | 15,939,216 | 15,939,216 |
| Vested and unvested stock options | 8,940,872 | 9,247,564 |
| Restricted stock units | 16,373,663 | 10,428,975 |
| Warrants | 8,053,148 | 8,362,270 |
| Total anti-dilutive securities excluded from EPS computation [(1)] | 49,306,899 | 43,978,025 |

[(1)] Total anti-dilutive securities exclude CVRs which are settleable in cash, additional Xeris Biopharma shares, or a combination, at the election of the Company.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

**Cautionary statements for forward-looking information**

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our condensed consolidated financial statements and notes to those financial statements appearing elsewhere in this Quarterly Report on Form 10-Q and with the audited financial statements and the notes to those financial statements included in the Annual Report on Form 10-K filed on March 6, 2024 with the U.S. Securities and Exchange Commission. In addition to financial information, the following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. All statements in this document other than statements of historical fact are, or could be, "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as "will," "would," "may," "should," "expects," "focus," "goal," "intends," "plans," "anticipates," "believes," "estimates," "predicts," "potential," "continue," and terms of similar meaning are also generally intended to identify forward-looking statements. Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors, including without limitation, the regulatory approval of our product candidates, our ability to market and sell our products and product candidates if approved, and factors discussed in Item 1A. Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2023 and in our other subsequent filings with the U.S. Securities and Exchange Commission, including elsewhere in this Quarterly Report on Form 10-Q. Any forward-looking statements contained herein speak only as of the date hereof, and Xeris expressly disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

**Overview**

Unless otherwise indicated, references to "Xeris," the "Company," "we," "our" and "us" in this Quarterly Report on Form 10-Q refer to Xeris Biopharma Holdings, Inc. Throughout this document, unless otherwise noted, references to Gvoke include Gvoke PFS, Gvoke HypoPen, Gvoke Kit and Ogluo (glucagon).

We are focused on building an innovative, self-sustaining, growth-oriented biopharmaceutical company committed to improving patients' lives by developing and commercializing clinically meaningful products across a range of therapies. We are uniquely positioned to achieve this through our three commercial products and our proprietary formulation science (XeriSol and XeriJect), which generates partnerships and enhances our product candidates.

***Outlook and strategies***

Our goal is to build an innovative, self-sustaining, growth-oriented biopharmaceutical company committed to improving patients' lives by developing and commercializing clinically meaningful products across a range of therapies. To achieve our goal, we are pursuing the following strategies:

- ***Drive growth through effective commercial execution of our innovative products.*** We have three innovative commercial products (Gvoke, Keveyis, and Recorlev) all of which fill unmet needs. Additionally, Gvoke and Recorlev are in the very early stages of their product lifecycles and both leverage our experienced and growing leadership presence in the endocrinology community. We are focused on executing against the opportunities made possible by Gvoke, Recorlev, and Keveyis in order to maintain our momentum of growth and enable the financial self-sufficiency of our Company.
- ***Continue to leverage our proprietary formulation science and expertise to develop our internal new product candidates.*** We have established a proven capability to bring new and innovative products through the development and regulatory process to successful commercialization. XeriSol and XeriJect have broad application and have the potential to be utilized across a range of potential product candidates in multiple therapeutic areas. Our immediate focus is on developing XP-8121, a once weekly subcutaneous injection of levothyroxine, and eventually generating significant benefits for patients and value for our company.
- ***Collaborate with pharmaceutical and biotechnology companies to apply our formulation science to enhance the formulations of their proprietary products and candidates.*** We are pursuing formulation and development partnerships to apply our XeriSol and XeriJect formulation platforms to enhance the drug delivery and clinical profile of other companies' proprietary drugs and biologics. We currently are collaborating with several major pharmaceutical companies on the development of formulations of their proprietary therapeutics with XeriSol or XeriJect. Our strategic goal is to ultimately enter into commercial licensing agreements with these partners upon successful completion of formulation development.

We believe these three distinct pillars of our strategy can bring new products to market and transform the lives of patients with life-impacting diseases and ultimately drive value for Xeris' shareholders. Pursuing these strategies provides Xeris with a range of value driving opportunities that are incremental to the value already realized by the Xeris enterprise.

***Commercial Products***

Our top priority is maximizing the potential of our three commercial products:

- *Gvoke* is a ready-to-use, liquid-stable glucagon for the treatment of severe hypoglycemia. The product is indicated for use in pediatric and adult patients with diabetes age 2 years and above and can be administered in 2 simple steps. The estimated total addressable market for this drug is approximately $5.0 billion in the United States.
- *Recorlev* is a cortisol synthesis inhibitor approved for the treatment of endogenous hypercortisolemia in adult patients with Cushing's syndrome for whom surgery is not an option or has not been curative. Endogenous Cushing's syndrome is a rare but serious and potentially fatal endocrine disease caused by chronic elevated cortisol exposure. The estimated total addressable market for this therapy is approximately $3.0 billion in the United States.
- *Keveyis* is the first therapy approved in the United States to treat hyperkalemic, hypokalemic, and related variants of Primary Periodic Paralysis ("PPP"). PPP is a rare genetic, neuromuscular disorder that can cause extreme muscle weakness and/or paralysis; some forms are also commonly associated with myotonia or muscle stiffness. The estimated total addressable market for this therapy is greater than $0.5 billion in the United States.

***Our proprietary formulation capabilities***

Our company name, Xeris, is derived from the ancient Greek word xērós meaning 'dry' or 'without water/non-aqueous'. Our proprietary, non-aqueous formulation capabilities are designed to enable the convenient injection of medicines previously uninjectable or poorly injectable when utilizing aqueous approaches. Both XeriSol and XeriJect offer the opportunity to create ready-to-use, room-temperature stable, highly concentrated, injectable formulations of both small and large molecules. These proprietary formulation capabilities can enable subcutaneous (SC) or intramuscular (IM) administration in lieu of intravenous (IV) infusion, allow for convenient, cost-effective storage, and provide an improved patient, caregiver, and healthcare provider experience. XeriSol and XeriJect have broad applications and enable us to develop our own internal product development candidates in endocrinology, neurology and other therapeutic areas. They also enable us to pursue formulation and development partnerships pursuant to which our proprietary formulation science is applied with the goal of enhancing the product formulation, delivery and clinical profile of other companies' proprietary drugs and biologics.

***Development of product candidates***

***Once Weekly Subcutaneous Injection of Levothyroxine (XP-8121)***

XP-8121 is a novel formulation for subcutaneous administration that could potentially mitigate many of the challenges associated with oral formulations, such as identification of an ideal dose due to absorption variation and medication adherence for patients who have difficulty maintaining a stable, therapeutic serum level. Preclinical studies of XP-8121 showed a sustained plasma exposure profile and similar highest concentration of a drug in the blood, ("Cmax"), when compared with equivalent doses of the oral formulation. We conducted a Phase 1 study of XP-8121 to evaluate the pharmacokinetics, safety and tolerability, and potential for weekly dosing in the treatment of hypothyroidism.

*Levothyroxine and Hypothyroidism*

The thyroid gland is responsible for the synthesis, storage, and release of metabolic hormones including thyroxine (T4) and triiodothyronine (T3). These hormones are crucial in the regulation of critical metabolic processes and are vital for normal growth and development during fetal life, infancy, and childhood.

Therapeutically, levothyroxine is administered as a replacement for deficient thyroid hormones. The goal of the therapy is restoration of the euthyroid state which can reverse the clinical manifestations of hypothyroidism and significantly improve quality of life. The treatment of choice for correction of hypothyroidism is currently continuous daily oral administration of levothyroxine. It is one of the most widely prescribed drug products in the United States, but the complexity of maintaining biochemical and clinical euthyroidism in patients undergoing treatment with oral levothyroxine is challenging. It has been reported that nearly 40% of patients undergoing treatment with oral levothyroxine are either over- or under-treated due to factors that include, but are not limited to, drug formulation, use of the drug with food, adherence to the drug, use of concomitant medications, and pre-existing medical conditions. Many patients failing to reach target thyroid stimulating hormone ("TSH") levels are managed by simply increasing their levothyroxine daily dose. However, levothyroxine is a drug with a narrow therapeutic index, meaning that relatively small deviations from the proper dose can cause a clinically meaningful shift in pharmacological effects when administered to a patient; thus, the titration of levothyroxine oral drug may be a tailored and incremental process.

The Phase 1 clinical study was a single ascending dose crossover design in 30 healthy participants to compare matching doses of oral levothyroxine (Synthroid) and subcutaneous XP-8121. The primary endpoints of the study were to characterize the absorption and elimination kinetics of XP-8121 and compare bioavailability of XP-8121 to oral levothyroxine. Secondary endpoints were safety and tolerability of XP-8121.

In October 2022, we reported positive topline Phase 1 data of XP-8121. The data showed that subjects receiving XP-8121 subcutaneous had slower absorption, lower peak plasma, and higher extended exposure compared to Synthroid PO at the comparable dose of 600 µg. In addition, exposure was proportional over the range of ascending XP-8121 doses studied. Simulations based on a population pharmacokinetic model indicated that exposure from weekly XP-8121 1200 µg SC doses overlapped daily Synthroid PO 300 µg suggesting a dose conversion factor of 4x. Importantly, single SC doses of XP-8121 at all doses were generally well-tolerated and the XP-8121 doses studied were generally comparable to Synthroid 600 µg PO with respect to the safety findings. In June 2023, we initiated a non-randomized, open-label, single arm, self-controlled Phase 2 study to determine a target dose conversion factor from

stably dosed oral levothyroxine to XP-8121 in patients with hypothyroidism and also assess the safety and tolerability after once-weekly subcutaneous injections. The data established an average once-weekly SC dose of XP-8121 and confirmed our previous Phase 1 study of a four-time target dose conversion factor when switching from once-daily oral administration of levothyroxine. Participants who completed the study rated higher treatment satisfaction with XP-8121 compared to oral levothyroxine and a majority (72%) indicated a strong preference for the subcutaneous route of administration. An FDA End-of-Phase 2 interaction to facilitate a Phase 3 pivotal study program is expected by year-end.

***Patents***

We currently own 179 patents issued globally, including composition of matter patents covering our ready-to-use glucagon formulation that expire in 2036. Included in the total patents, we have 64 granted patents globally related to our platform technologies and 8 patents granted in the United States and listed in the United States FDA Orange Book covering proprietary formulations of levoketoconazole (the active pharmaceutical ingredient in Recorlev) and the uses of such formulations in treating certain endocrine-related diseases and syndromes. The latter includes United States Patent Nos. 11,020,393, 11,278,547 and 11,903,940, which were granted on June 1, 2021, March 22, 2022, and February 20, 2024, respectively, and which provide patent protection through 2040 for the use of Recorlev in the treatment of certain patients with persistent or recurrent Cushing's syndrome.

***Financing***

We have funded our operations to date primarily with proceeds from the sale of our preferred and common stock and debt financing.

For the nine months ended September 30, 2024 and September 30, 2023, we reported net losses of $49.7 million and $48.9 million, respectively. We have not been profitable since inception, and, as of September 30, 2024, our accumulated deficit was $666.7 million. In the near term, we expect to continue to incur significant expenses, operating losses and net losses as we, among other things:

- continue our marketing and selling efforts related to the commercialization of Gvoke, Recorlev and Keveyis;
- continue our research and development efforts;
- continue to operate as a public company; and
- continue to fund our operations with an increased cost of borrowing due to a high interest rate environment and tighter lending requirements.

We may continue to seek public equity and debt financing to meet our capital requirements. There can be no assurance that such funding may be available to us on acceptable terms, or at all, or that we will be able to commercialize our product candidates, if approved. In addition, we may not be profitable even if we commercialize any of our product candidates.

**Components of our Results of Operations**

The following discussion sets forth certain components of the statement of operations of Xeris for the three and nine months ended September 30, 2024 and 2023 as well as factors that impact those items.

***Product revenue, net***

Product revenue, net, represents gross product sales less estimated allowances for patient copay assistance programs, prompt payment discounts, payor rebates, chargebacks, service fees, and product returns, all of which are recorded at the time of sale to the pharmaceutical wholesaler or other customer. We apply significant judgment and estimates in determining some of these allowances. If actual results differ from our estimates, we make adjustments to these allowances in the period in which the actual results or updates to estimates become known.

***Royalty, contract and other revenue***

Royalty and contract revenue is recognized as earned in accordance with contract terms when it can be reasonably estimated and collectability is reasonably assured. Revenue generated from various collaboration and technology partnerships are included in this line item.

***Cost of goods sold***

Cost of goods sold primarily includes product costs, which include all costs directly related to the purchase of raw materials, charges from our contract manufacturing organizations, and manufacturing overhead costs, as well as shipping and distribution charges. Cost of goods sold also includes losses from excess, slow-moving or obsolete inventory and inventory purchase commitments, if any.

***Research and development expenses***

Research and development expenses consist of expenses incurred in connection with the discovery and development of our products and product candidates. We recognize research and development expenses as incurred. Expenses that are paid in advance of performance are capitalized until services are provided or goods are delivered. We track external research and development costs by project, however, personnel related expenses related to research and development are not allocated by project. Research and development expenses primarily include:

- the cost of acquiring and manufacturing preclinical study and clinical trial materials and manufacturing costs related to commercial production and scale-up until a product is approved and initially available for commercial sale;
- expenses incurred under agreements with contract research organizations ("CROs") as well as investigative sites and consultants that conduct our preclinical studies and clinical trials;
- personnel-related expenses, which include salaries, benefits and stock-based compensation;
- laboratory materials and supplies used to support our research activities;
- outsourced product development services;
- expenses relating to regulatory activities, including filing fees paid to regulatory agencies; and
- allocated expenses for facility-related costs.

Research and development activities are central to our business model. We expect to continue to incur significant research and development expenses as we advance our pipeline candidates and in particular plan and conduct clinical trials, prepare regulatory filings for our product candidates, and utilize internal resources to support these efforts. Our research and development costs have declined as compared to previous levels as a result of directing significant funding to our commercial activities.

Our research and development expenses may vary significantly over time due to uncertainties relating to the timing and results of our clinical trials, feedback received from interactions with the FDA and the timing of regulatory approvals.

***Selling, general and administrative expenses***

Selling, general and administrative expenses consist primarily of compensation and related personnel costs, marketing and selling expenses, professional fees and facility costs not otherwise included in research and development expenses.

***Amortization of intangible assets***

Amortization of intangible assets relates to the amortization of our products: Keveyis and Recorlev. These two intangible assets are being amortized over a five-year and fourteen-year period, respectively, using the straight-line method.

***Other income (expense)***

Other income (expense) consists primarily of interest expense related to our convertible debt, senior secured credit facility, interest income earned on deposits and investments, debt refinancing costs and gains and losses on the change in fair value of the CVRs.

**Results of Operations**

The following table summarizes our results of operations for the three and nine months ended September 30, 2024 and 2023 (in thousands):

| | Three Months Ended September 30, | | Change | | Nine Months Ended September 30, | | Change | |
|---|---|---|---|---|---|---|---|---|
| | 2024 | 2023 | $ | % | 2024 | 2023 | $ | % |
| Product revenue, net: | | | | | | | | |
| Gvoke | $ 22,942 | $ 17,735 | $ 5,207 | 29.4 | $ 59,567 | $ 48,406 | $ 11,161 | 23.1 |
| Recorlev | 17,726 | 8,097 | 9,629 | 118.9 | 41,663 | 19,741 | 21,922 | 111.0 |
| Keveyis | 12,193 | 15,865 | (3,672) | (23.1) | 38,406 | 42,708 | (4,302) | (10.1) |
| Product revenue, net | 52,861 | 41,697 | 11,164 | 26.8 | 139,636 | 110,855 | 28,781 | 26.0 |
| Royalty, contract and other revenue | 1,407 | 6,623 | (5,216) | (78.8) | 3,335 | 8,669 | (5,334) | (61.5) |
| Total revenue | 54,268 | 48,320 | 5,948 | 12.3 | 142,971 | 119,524 | 23,447 | 19.6 |
| | | | | | | | | |
| Cost and expenses: | | | | | | | | |
| Cost of goods sold, excluding amortization of intangible assets | 13,593 | 8,201 | 5,392 | 65.7 | 27,354 | 21,075 | 6,279 | 29.8 |
| Research and development | 5,888 | 5,034 | 854 | 17.0 | 19,468 | 15,959 | 3,509 | 22.0 |
| Selling, general and administrative | 44,969 | 37,287 | 7,682 | 20.6 | 123,342 | 108,527 | 14,815 | 13.7 |
| Amortization of intangible assets | 2,711 | 2,711 | — | — | 8,132 | 8,132 | — | — |
| Total cost and expenses | 67,161 | 53,233 | 13,928 | 26.2 | 178,296 | 153,693 | 24,603 | 16.0 |
| Loss from operations | (12,893) | (4,913) | (7,980) | 162.4 | (35,325) | (34,169) | (1,156) | 3.4 |
| Other income (expense): | | | | | | | | |
| Interest and other income | 1,197 | 1,121 | 76 | 6.8 | 4,411 | 3,644 | 767 | 21.0 |
| Loss on debt extinguishment | — | (2,837) | 2,837 | (100.0) | — | (2,837) | 2,837 | (100.0) |
| Debt refinancing costs | — | — | — | — | (2,690) | — | (2,690) | 100.0 |
| Interest expense | (7,786) | (6,847) | (939) | 13.7 | (22,782) | (19,591) | (3,191) | 16.3 |
| Change in fair value of warrants | — | 17 | (17) | (100.0) | 7 | 3 | 4 | 133.3 |
| Change in fair value of contingent value rights | 420 | 932 | (512) | (54.9) | 4,388 | 3,072 | 1,316 | 42.8 |
| Total other expense | (6,169) | (7,614) | 1,445 | (19.0) | (16,666) | (15,709) | (957) | 6.1 |
| Net loss before benefit from income taxes | (19,062) | (12,527) | (6,535) | 52.2 | (51,991) | (49,878) | (2,113) | 4.2 |
| Income tax benefit | 3,324 | 338 | 2,986 | 883.4 | 2,268 | 1,013 | 1,255 | 123.9 |
| Net loss | $ (15,738) | $ (12,189) | $ (3,549) | 29.1 | $ (49,723) | $ (48,865) | $ (858) | 1.8 |

***Product revenue, net***

Gvoke

Net revenue increased by $5.2 million or 29.4% for the three months ended September 30, 2024 compared to the same period ended September 30, 2023. The increase was due to higher volume ($3.8 million or 21.5%), primarily driven by prescription growth, and favorable net pricing ($1.4 million or 7.9%).

Net revenue increased by $11.2 million or 23.1% for the nine months ended September 30, 2024 compared to the same period ended September 30, 2023. The increase was due to higher volume ($8.9 million or 18.4%), primarily driven by prescription growth and favorable net pricing ($2.3 million or 4.7%).

Recorlev

Net revenue increased by $9.6 million or 118.9% for the three months ended September 30, 2024 compared to the same period ended September 30, 2023. The increase was due to higher volume ($9.0 million or 111.6%) and favorable net pricing ($0.6 million or 7.3%).

Net revenue increased by $21.9 million or 111.0% for the nine months ended September 30, 2024 compared to the same period ended September 30, 2023. The increase was due to higher volume ($18.8 million or 95.2%) and favorable net pricing ($3.1 million or 15.8%).

Keveyis

Net revenue decreased by $3.7 million or 23.1% for the three months ended September 30, 2024 compared to the same period ended September 30, 2023. The decrease was due to lower volume ($2.9 million or 18.0%) and unfavorable net pricing ($0.8 million or 5.1%).

Net revenue decreased by $4.3 million or 10.1% for the nine months ended September 30, 2024 compared to the same period ended September 30, 2023. The decrease was due to lower volume ($5.4 million or 12.6%) partially offset by favorable net pricing ($1.1 million or 2.5%).

***Cost of goods sold***

Cost of goods sold increased by $5.4 million or 65.7% and $6.3 million or 29.8% for the three and nine months ended September 30, 2024 compared to the same periods ended September 30, 2023, respectively.

Cost of goods sold as a percent of total product revenue increased by 6.0%, to 25.7% for the three months ended September 30, 2024 compared to 19.7% for the same period ended September 30, 2023, primarily due to the write-off of Gvoke components as a result of manufacturing process changes required to support Gvoke capacity expansion efforts ($3.6 million or 6.8%), offset by higher sales of products with a lower cost of goods sold (0.8%).

Cost of goods sold as a percent of total product revenue increased by 0.6%, to 19.6% for the nine months ended September 30, 2024 compared to 19.0% for the same period ended September 30, 2023, due to the write-off of Gvoke components as a result of manufacturing process changes required to support Gvoke capacity expansion efforts ($4.4 million or 3.2%), offset by higher sales of products with a lower cost of goods sold (2.6%).

***Research and development expenses***

Research and development expenses increased by $0.9 million or 17.0% for the three months ended September 30, 2024 compared to the same period ended September 30, 2023, primarily driven by higher spending for our pipeline ($0.6 million), primarily XP-8121 ($0.4 million), and personnel related expenses ($0.5 million), offset by lower spending on our technology development ($0.3 million).

Research and development expenses increased by $3.5 million or 22.0% for the nine months ended September 30, 2024 compared to the same period ended September 30, 2023, primarily driven by higher spending for our pipeline ($1.9 million) and personnel related expenses ($1.5 million).

The following table summarizes our research and development expenses by type for the three and nine months ended September 30, 2024 and 2023:

| | Three Months Ended September 30, | | Change | | Nine Months Ended September 30, | | Change | |
|---|---|---|---|---|---|---|---|---|
| | 2024 | 2023 | $ | % | 2024 | 2023 | $ | % |
| Project specific expenses: | | | | | | | | |
| Pipeline | $ 1,539 | $ 951 | $ 588 | 61.8 % | $ 5,610 | $ 3,734 | $ 1,876 | 50.2 % |
| Technology development [1] | 235 | 500 | (265) | (53.0)% | 1,074 | 1,508 | (434) | (28.8)% |
| Personnel related expenses | 3,280 | 2,829 | 451 | 15.9 % | 10,288 | 8,755 | 1,533 | 17.5 % |
| Lab supplies and equipment depreciation | 442 | 481 | (39) | (8.1)% | 1,206 | 1,094 | 112 | 10.2 % |
| Other | 392 | 273 | 119 | 43.6 % | 1,290 | 868 | 422 | 48.6 % |
| Total | $ 5,888 | $ 5,034 | $ 854 | 17.0 % | $ 19,468 | $ 15,959 | $ 3,509 | 22.0 % |

[1] Technology Development represents any investment in our proprietary technology platforms, XeriSol and XeriJect.

***Selling, general and administrative expenses***

Selling, general and administrative expenses increased by $7.7 million or 20.6% for the three months ended September 30, 2024 compared to the same period ended September 30, 2023, primarily due to the CEO succession plan and restructuring ($6.1 million) and higher expenses for Recorlev expansion ($3.7 million), partially offset by lower external spending ($2.1 million).

Selling, general and administrative expenses increased by $14.8 million or 13.7% for the nine months ended September 30, 2024 compared to the same period ended September 30, 2023, primarily due to the CEO succession plan and restructuring ($6.1 million), higher expenses for Recorlev expansion ($10.7 million), and higher rent ($1.0 million), partially offset by lower external spending ($3.0 million).

***Amortization of intangible assets***

For the three and nine months ended September 30, 2024 and September 30, 2023, amortization of intangible assets were both $2.7 million and $8.1 million, respectively.

***Other income (expense)***

For the three and nine months ended September 30, 2024, interest expense increased $0.9 million or 13.7% and $3.2 million or 16.3% compared to the same periods ended September 30, 2023, respectively. The increases in both periods were primarily due to a higher principal amount and increased interest rates.

For the three and nine months ended September 30, 2024, change in fair value of contingent value rights was a gain of $0.4 million and $4.4 million, respectively, compared to $0.9 million and $3.1 million for the three and nine months ended September 30, 2023, respectively. The gains were primarily due to the remeasurement of the CVR liability as a result of changes in our stock price prior to issuance of the common stock issued in settlement of the CVR in the first quarter 2024 and the revaluation of the CVR liability related to the Recorlev 2024 sales milestone.

For the nine months ended September 30, 2024, deferred refinancing costs were $2.7 million related to the third party debt arrangements for advisory and legal fees.

**Liquidity and Capital Resources**

Our primary uses of cash are to fund costs related to the manufacturing, marketing and selling of products, the research and development of our product candidates, general and administrative expenses and working capital requirements. Historically, we have funded our operations primarily through private placements of convertible preferred stock, public equity offerings of common stock, and the issuance of debt.

On January 2, 2022, we entered into a securities purchase agreement in connection with the private placement of our common stock with Armistice for aggregate gross proceeds of approximately $30.0 million and completed the transaction on January 3, 2022. In January 2022, we filed a shelf registration statement on Form S-3 with the SEC, which was declared effective on February 7, 2022, and which covers the offering, issuance and sale by us of up to an aggregate of $250.0 million of our common stock, preferred stock, debt securities, warrants and/or units.

In March 2022, we, Xeris Pharma and certain subsidiary guarantors, entered into a Credit Agreement and Guaranty (the "Hayfin Loan Agreement") with the lenders from time to time parties thereto (the "Lenders") and Hayfin Services LLP, as administrative agent for the Lenders, pursuant to which we and our subsidiaries party thereto granted a first priority security interest on substantially all of our assets, including intellectual property, subject to certain exceptions. The Hayfin Loan Agreement provided for the Lenders to extend $100.0 million in term loans to us on the closing date and up to an additional $50.0 million in delayed draw term loan(s) during the one year period immediately following the closing date (collectively, the "Loans"). On December 28, 2022, we borrowed the full amount of such $50.0 million delayed draw term loan under the Hayfin Loan Agreement. In conjunction with the execution of the Hayfin Loan Agreement, the Oxford Loan Agreement balance of $43.5 million was repaid in full and fees of $2.1 million in connection with the loan repayment were paid. In addition to utilizing the proceeds to repay the obligations under the Oxford Loan Agreement in full, the proceeds were otherwise used for general corporate purposes. After repayment, the Loans may not be re-borrowed.

In September 2023, we completed the exchange of $32.0 million in aggregate principal amount of the 2025 Convertible Notes for $33.6 million in aggregate principal amount of the 2028 Convertible Notes. As of September 30, 2024, the outstanding balance of the 2025 Convertible Notes was $15.2 million and the outstanding balance of the 2028 Convertible Notes was $33.6 million.

In March 2024, we, Xeris Pharma and certain subsidiary guarantors, entered into an Amended and Restated Credit Agreement and Guaranty (the "Amended and Restated Credit Agreement") with the lenders from time to time parties thereto (the "New Lenders") and Hayfin Services LLP, as administrative agent for the New Lenders, pursuant to which the Company and its subsidiaries party thereto granted a first priority security interest on substantially all of their assets, including intellectual property, subject to certain exceptions. The Amended and Restated Credit Agreement amended and restated the Hayfin Loan Agreement in its entirety. The Amended and Restated Credit Agreement provided for the New Lenders to extend $200.0 million in term loans to the Company on the closing date and up to an additional $15.2 million in additional term loans, which additional term loans are available only to redeem the Company's existing 2025 Convertible Notes.

***Capital Resources and Funding Requirements***

We have incurred operating losses since inception, and we have an accumulated deficit of $666.7 million at September 30, 2024. Based on our current operating plans and existing working capital at September 30, 2024, we believe that our cash resources are sufficient to sustain operations and capital expenditure requirements for at least the next 12 months. We expect to incur substantial additional expenditures in the near term to support the marketing and selling of Gvoke, Recorlev and Keveyis as well as our ongoing research and development activities. We expect to continue to incur net losses for at least the next 12 months. Our ability to fund the marketing and selling of Gvoke, Recorlev and Keveyis, as well as our product development and clinical operations, including

completion of future clinical trials, will depend on the amount and timing of cash received from product revenue and potential future financings. Our future capital requirements will depend on many factors, including, but not limited to:

- our degree of success in commercializing Gvoke, Recorlev and Keveyis;
- the costs of commercialization activities, including product marketing, sales and distribution;
- the costs, timing and outcomes of clinical trials and regulatory reviews associated with our product candidates;
- the effect on our product development activities of actions taken by the FDA or other regulatory authorities;
- the number and types of future products we develop and commercialize;
- the emergence of competing technologies and products and other adverse market developments; and
- the costs of preparing, filing and prosecuting patent applications and maintaining, enforcing and defending intellectual property-related claims.

As we continue the marketing and selling of Gvoke, Recorlev and Keveyis, we may not generate a sufficient amount of product revenue to fund our cash requirements. Accordingly, we may need to obtain additional financing in the future which may include public or private debt and/or equity financings. As detailed in "Note 1 – Liquidity and capital resources" above, there can be no assurance that such funding may be available to us on acceptable terms, or at all, or that we will be able to successfully market and sell Gvoke, Recorlev and Keveyis.

***Cash Flows***

| | Nine Months Ended September 30, | |
|---|---|---|
| **(in thousands)** | **2024** | **2023** |
| Net cash used in operating activities | $ (38,956) | $ (54,494) |
| Net cash used in investing activities | $ (5,133) | $ (20,872) |
| Net cash provided by/(used in) financing activities | $ 35,770 | $ (379) |

*Operating activities*

Net cash used in operating activities was $39.0 million for the nine months ended September 30, 2024, compared to $54.5 million for the nine months ended September 30, 2023. The decrease in net cash used in operating activities was primarily driven by reduced working capital usage. For a discussion regarding product revenue, net and increases in spending, refer to "Results of Operations" included in this "Item 2 - Management's Discussion and Analysis of Financial Condition and Results of Operations" of Part I of this Quarterly Report on Form 10-Q.

*Investing activities*

Net cash used in investing activities was $5.1 million for the nine months ended September 30, 2024, compared to $20.9 million for the nine months ended September 30, 2023. Cash used in investing activities in 2024 was primarily due to net purchases of short-term investments.

*Financing activities*

Net cash provided by financing activities was $35.8 million for the nine months ended September 30, 2024, compared to net cash used in financing activities of $0.4 million for the nine months ended September 30, 2023. The cash provided by financing activities in 2024 was primarily due to the net proceeds of $38.2 million from the term loan made to the Company on the closing date of the Amended and Restated Credit Agreement.

**CRITICAL ACCOUNTING POLICIES AND USE OF ESTIMATES AND ASSUMPTIONS**

Our Annual Report on Form 10-K for the year ended December 31, 2023 describes the critical accounting policies for which management uses significant judgments and estimates in the preparation of our consolidated financial statements. There have been no significant changes to our critical accounting policies since December 31, 2023.

**NEW ACCOUNTING STANDARDS**

Refer to "Note 2 - Basis of presentation and summary of significant accounting policies and estimates," for a description of recent accounting pronouncements applicable to our financial statements.

## ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to certain market risks arising from transactions in the normal course of business, principally risk associated with interest rate and foreign currency exchange rate fluctuations.

***Interest Rate Risk***

*Cash, Cash Equivalents restricted cash and Investments*—We are exposed to the risk of interest rate fluctuations on the interest income earned on our cash, cash equivalents, restricted cash and investments. A hypothetical one-percentage point increase or decrease in interest rates applicable to our cash, cash equivalents, restricted cash and investments outstanding at September 30, 2024 would increase or decrease interest income by approximately $0.7 million on an annual basis.

*Long-term Debt*—Our interest rate risk relates primarily to the United States dollar SOFR-indexed borrowings. Based on our outstanding borrowings pursuant to the Amended and Restated Credit Agreement, interest is incurred at a floating per annum rate in an amount equal to the sum of (i) 6.95% (or 5.95% if the replacement rate is in effect) plus (ii) the greater of (x) the forward-looking term rate based on SOFR for a three month tenor (or the replacement rate, if applicable), and (y) 2.00% per annum. The remaining balance of unamortized debt issuance costs have been reflected as a direct reduction to the loan balance. Interest on the 2025 Convertible Notes is assessed at a fixed rate of 5.0% annually and interest on the 2028 Convertible Notes is assessed at a fixed rate of 8.0% annually and therefore do not subject us to interest rate risk.

***Foreign Exchange Risk***

We contract with research organizations outside the United States at times. We may be subject to fluctuations in foreign currency exchange rates in connection with certain of these agreements. Transactions denominated in currencies other than the functional currency are recorded based on exchange rates at the time such transactions arise. Net foreign currency gains and losses did not have a material effect on our results of operations for the three and nine months ended September 30, 2024.

## ITEM 4. CONTROLS AND PROCEDURES

**Evaluation of Disclosure Controls and Procedures**

Our management, with the participation of our chief executive officer (principal executive officer) and chief financial officer (principal financial officer), evaluated the effectiveness of our disclosure controls and procedures, as such term is defined under Rule 13a-15(e) promulgated under the Securities Exchange Act of 1934, as amended ("Exchange Act"). Based on such evaluation, our chief executive officer and chief financial officer have concluded that the disclosure controls and procedures were effective as of September 30, 2024 to ensure that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time period specified in the U.S. Securities and Exchange Commission's ("SEC") rules and forms, and to ensure that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its chief executive and chief financial officers, as appropriate, to allow timely decisions regarding required disclosure.

**Changes in Internal Control Over Financial Reporting**

There were no changes in our internal control over financial reporting identified in connection with the evaluation required by Rule 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the three months ended September 30, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## PART II. OTHER INFORMATION

## ITEM 1. LEGAL PROCEEDINGS

We are not currently subject to any material legal proceedings. From time to time, we may be subject to various legal proceedings and claims that arise in the ordinary course of our business activities. Although the results of litigation and claims cannot be predicted with certainty, as of the date of this report, we do not believe we are party to any claim or litigation the outcome of which, if determined adversely to us, would individually or in the aggregate be reasonably expected to have a material adverse effect on our business. Regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

**ITEM 1A. RISK FACTORS**

In addition to the information set forth in this report, you should carefully consider the risks discussed under the heading "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2023 and subsequent filings with the U.S. Securities and Exchange Commission, which could have a material adverse effect on our business or consolidated financial statements, results of operations, and cash flows. Additional risks not currently known, or risks that are currently believed to be not material, may also impair business operations. The material changes to our risk factors since the filing of our Annual Report on Form 10-K for the year ended December 31, 2023 and subsequent Quarterly Reports on Form 10-Q, are presented below.

Risks Related to Third-Parties Actions and Market Acceptance

***Our reliance on third-party suppliers, including single-source suppliers, together with a limited number of possible suppliers and long development lead times to establish alternative sources for our products, product candidates, components and other key materials has in the past and may in the future impact our ability to develop our product candidates or to continue to commercialize Gvoke, Recorlev, Keveyis, or any product candidates that are approved.***

We do not currently own or operate any manufacturing facilities for the production of Gvoke, Recorlev, or Keveyis for commercial supply or our product candidates for use in clinical trials. We rely on third-party suppliers to manufacture and supply our products and our product candidates. For Gvoke, we currently rely on a number of single-source suppliers, such as Bachem Americas, Inc. and certain of its affiliates ("Bachem") for active pharmaceutical ingredient ("API"), Pyramid Laboratories Inc. ("Pyramid") for drug product, and SHL Pharma, LLC ("SHL Pharma") for auto-injector and final product assembly, and we have entered into several supply agreements including with Bachem, Pyramid and SHL Pharma.

Taro produces all of our requirements for Keveyis pursuant to a supply agreement. If the agreement were to be terminated by Taro prior to the next renewal in March of 2027, we will need to find a new third party to manufacture Keveyis or manufacture the product ourselves. Similarly, for Recorlev, we rely on a number of single-source suppliers, such as Regis Technologies, Inc. for API and Xcelience, LLC ("Lonza") for finished drug product. In addition, we rely on other third parties to manufacture our product candidates for use in clinical trials. If any of these vendors are unable or unwilling to meet our future requirements, we may not be able to manufacture and/or supply our products in a timely manner.

Although we often have contracts with our third-party suppliers, our current arrangements with these manufacturers are terminable by such manufacturers, subject to certain notice provisions. In addition, Taro maintains certain reversion rights in the purchased assets, including the regulatory approval for Keveyis, enabling Taro to elect to have the purchased assets returned to it and to terminate its agreement with us should we be materially in non-compliance with any reversion condition such as breaching certain of the assignment restrictions or failing to meet our marketing commitments after receiving notice thereof and failing to cure such material non-compliance. In the event one of our third-party suppliers breaches, terminates or refuses to renew their agreement with us or otherwise refuses to supply us with product, product candidates, components or other key materials, we may be unable to find an adequate alternative vendor, or an affordable alternative or other acceptable solution in time and our product development and commercial activities could be harmed.

Our third-party suppliers may not be required to provide us with any guaranteed minimum production levels or have dedicated capacity for our products. As a result, we may not obtain sufficient quantities of products, product candidates, components or other key materials in the future, which could have a material adverse effect on our business as a whole. In addition, even if we have agreed with our third-party suppliers to receive certain quantities of products, product candidates, components or other key materials, our third-party suppliers have in the past and may in the future not produce sufficient inventory to meet commercial demand in a timely manner, or at all. We continue to experience long lead times for certain components and materials used in the production of our products and product candidates. In addition, we have experienced in the past and may experience in the future delays or supply constraints due to manufacturing defects by our third-party suppliers, a lack of raw materials supply and other risks that we have limited ability to prevent. A supply shortage or longer lead times for delivery than expected in the supply of products, product candidates, components or other key materials supplied to us by our third-party suppliers has in the past and could in the future impair our ability to generate revenues from the sale of our products. Growth in the costs and expenses of raw materials may also impair our ability to cost effectively manufacture our products.

Any disruption to the facilities or operations of our third-party suppliers resulting from weather-related events, epidemics, global health concerns, fire, acts of terrorism, political instability, war, labor or geopolitical issues, or any other cause could materially impair our ability to manufacture our products and to distribute our products to customers. We have a global supply chain and manufacture some components of our products outside the United States, including without limitation, in Taiwan and Israel. The current war between Israel and Hamas has in the past and could in the future directly and indirectly affect our operations. For example, the Israel-Hamas war could result in damage, destruction or disruptions to the facilities or operations of our third-party suppliers, including, but not limited to, our supplier of Keveyis, longer lead times for our products or product candidates, export delays or restrictions or other adverse events which adverse events we cannot predict with any certainty. Any interruption or other delay in the production or delivery of our supplies could reduce sales of our products and increase our costs and any negative impact of such matters on our third-party suppliers and manufacturers may also have an adverse impact on our results of operations or financial condition. In addition, further attacks by Hamas, Hezbollah or other groups on Israel could further impact our third-party supplier's operations in

Israel. Furthermore, a widening of the conflict in the Middle East or further escalation could lead to broader geopolitical destabilization and macro-economic impacts.

Gvoke and some of our product candidates are drug-device combination products that are regulated under the drug regulations of the Federal Food, Drug, & Cosmetic Act ("FDCA") based on their primary mode of action as a drug. Third-party manufacturers may fail to comply with the current Good Manufacturing Practice ("CGMP") regulatory requirements applicable to drug-device combination products, including applicable provisions of the FDA's drug CGMP regulations, device CGMP requirements embodied in the Quality System Regulation (the "QSR") or similar regulatory requirements outside the United States. Our failure, or the failure of our third-party manufacturers, to comply with applicable regulations could result in sanctions being imposed on us, including clinical holds, fines, injunctions, civil penalties, delays, suspension or withdrawal of approvals, license revocation, seizures or recalls of our products and product candidates, re-labeling or re-packaging of our products, operating restrictions and criminal prosecutions, any of which could significantly affect the supply of our products and product candidates. The facilities used by our contract manufacturers to manufacture our products and product candidates must be registered with the FDA and are subject to inspections conducted by the FDA to ensure compliance with CGMPs. Other foreign regulatory authorities may also require manufacturers to register manufacturing facilities. We do not control the manufacturing process of, and are completely dependent on, our contract manufacturing partners for compliance with CGMPs and the QSR. Contract manufacturers have in the past and may in the future face manufacturing or quality control problems causing drug substance or device component production and shipment delays, supply shortages or circumstances where the contractor may not be able to maintain compliance with the applicable CGMP or the QSR. If our contract manufacturers cannot successfully manufacture material that conforms to our specifications, CGMP and/or the QSR and the strict regulatory requirements of the FDA or others, they will not be able to secure and/or maintain regulatory approval for their manufacturing facilities. In addition, we have no control over the ability of our contract manufacturers to maintain adequate quality control, quality assurance and qualified personnel. If the FDA or such foreign regulatory authorities do not approve these facilities for the manufacture of our products or product candidates or if they withdraw any such approval in the future, we may need to find alternative manufacturing facilities, which would significantly impact our ability to market our products or develop, obtain regulatory approval for or market our product candidates, if approved.

Further, as part of their manufacture of our products, product candidates, components and other key materials, our third-party suppliers are expected to comply with and respect the rights of others. From time to time, our third-party suppliers have in the past and may in the future not properly maintain or defend intellectual property rights that they license to us or act in such a way as to invite complaints and litigation that could jeopardize or invalidate our intellectual property or other rights or expose us to potential litigation. If a third-party supplier has failed or fails to maintain or acquire the proper licenses, otherwise infringes the proprietary rights of others or otherwise breaches an agreement with any of their partners in the course of providing services to us, we may have to find alternative third-party suppliers or defend against litigation claims, either of which would significantly impact our ability to develop, obtain or maintain regulatory approval for or commercialize our products and our product candidates, if approved. There are a limited number of third-party suppliers that are compliant with CGMP and/or the QSR, as required by the FDA, the EU, and other regulatory authorities, and that also have the necessary expertise and capacity to manufacture our materials and products. As a result, it may be difficult for us to locate third-party suppliers for our anticipated future needs, and our anticipated growth could strain the ability of our current third-party suppliers to deliver products, raw materials, and components to us. In addition, there is typically a transition period when a new third-party supplier commences work. Legislative proposals are pending that, if enacted, could negatively impact U.S. funding for certain biotechnology providers, including some of our vendors, that have relationships with certain foreign governments or which pose a threat to national security. The potential downstream adverse impacts on entities having only commercial relationships with any impacted biotechnology providers is unknown but may include supply chain disruptions or delays. If we are unable to arrange for third-party suppliers for our materials and products, or to do so on commercially reasonable terms, we may not be able to complete development of or market our products.

The introduction of new CGMP or QSR regulations or product specific requirements by a regulatory body may require that we source alternative materials, modify existing manufacturing processes, or implement design changes to our products that are subject to prior approval by the FDA or other regulatory authorities. We may also be required to reassess a third-party supplier's compliance with all applicable new regulations and guidelines, which could further impede our ability to manufacture and supply products in a timely manner. As a result, we could incur increased production costs, experience supply interruptions, suffer damage to our reputation and experience an adverse effect on our business and financial results. For example, on January 31, 2024, the FDA issued a final rule which will be effective in 2026 to amend its Quality System Regulation ("QSR") requirements to align more closely with the international consensus standards for medical devices. Specifically, the FDA amended the requirements primarily by incorporating by reference the 2016 edition of the International Organization of Standardization ("ISO"), ISO 13485 standard. While the ISO 13485 standard and the FDA's QSR requirements are similar in certain aspects, we are evaluating whether we need to revise our compliance system and processes to be in line with the final rule. In addition, our reliance on third-party suppliers involves a number of additional risks, including, among other things:

- our suppliers may fail to comply with regulatory requirements or make errors in manufacturing raw materials, components or products that could negatively affect the efficacy or safety of our products or cause delays in shipments of our products;

- we may be subject to price fluctuations due to terms within long-term supply arrangements with suppliers or lack of long-term supply arrangements for key materials and products;
- given the long lead times to change suppliers, existing suppliers may utilize that as leverage in negotiations with us in a manner that is adverse to our business;
- our suppliers may lose access to critical services or sustain damage to a facility, including losses due to natural disasters, accidents, terrorism, geo-political events, or epidemics that may result in a sustained interruption in the manufacture and supply of our products;
- fluctuations in demand for our products or a supplier's demand from other customers may affect their ability or willingness to deliver materials or products in a timely manner or may lead to long-term capacity constraints at the supplier;
- we may not be able to find new or alternative sources or reconfigure our products and manufacturing processes in a timely manner if necessary raw materials or components become unavailable;
- our suppliers may encounter financial or other hardships unrelated to our demand for materials, products and services, which could inhibit their ability to fulfill our orders and meet our requirements; and
- the possibility of breach or termination of a manufacturing agreement or purchase order by the third party.

In addition, we could be forced to secure new materials or develop alternative third-party suppliers, which can be difficult given our product complexity, long development lead-times and global regulatory review processes.

If any CMO with whom we contract fails to perform its obligations, we may be forced to enter into an agreement with a different CMO, which we may not be able to do on reasonable terms, if at all. In either scenario, our clinical trials or commercial distribution could be delayed significantly as we establish alternative supply sources. In some cases, the technical skills required to manufacture our products or product candidates may be unique or proprietary to the original CMO and we may have difficulty, or there may be contractual restrictions prohibiting us from, transferring such skills to a back-up or alternate supplier, or we may be unable to transfer such skills at all. In addition, if we are required to change CMOs for any reason, we will be required to verify that the new CMO maintains facilities and procedures that comply with quality standards and with all applicable regulations. We will also need to verify, such as through a manufacturing comparability study, that any new manufacturing process will produce our product according to the specifications previously submitted to or approved by the FDA or another regulatory authority. The delays associated with the verification of a new CMO could negatively affect our ability to develop product candidates or commercialize our products in a timely manner or within budget. Furthermore, a CMO may possess technology related to the manufacture of our product candidate that such CMO owns independently. This would increase our reliance on such CMO or require us to obtain a license from such CMO in order to have another CMO manufacture our products or product candidates which license we may not be able to obtain on favorable terms or at all. In addition, in the case of the CMOs that supply our products or product candidates, changes in manufacturers often involve changes in manufacturing procedures and processes, which could require that we conduct bridging studies between our prior clinical supply used in our clinical trials and that of any new manufacturer. We may be unsuccessful in demonstrating the comparability of clinical supplies which could require the conduct of additional clinical trials. Additionally, under the CARES Act, we must have in place a risk management plan that identifies and evaluates the risks to the supply of approved drugs for certain serious diseases or conditions for each establishment where the drug or API is manufactured. The risk management plan is subject to FDA review during an inspection. If we experience significant shortages in the supply of our marketed products, our results could be materially impacted.

***We are party to a number of material agreements which contain complex commercial terms that could result in litigation or liability that could adversely affect our business, results of operations and financial condition.***

We are currently party to various material agreements, including (i) collaboration and license agreements for the use of certain of our intellectual property by third parties, (ii) supply agreements for the supply of materials and components used in our products and product candidates, (iii) distribution agreements for the commercialization of our existing or future products by third parties, and (iv) transaction agreements. These agreements contain complex commercial terms, including:

- clinical development and commercialization obligations that are based on certain commercial reasonableness performance standards that can often be difficult to enforce if disputes arise as to the adequacy of performance;
- clinical and commercial manufacturing agreements, some of which are priced on an actual cost basis for products supplied by us to our partners with complicated cost allocation formulas and methodologies;
- intellectual property ownership allocation between us and our partners for improvements and new inventions developed during the course of the partnership;
- royalties on sales based on a number of complex variables, including net sales calculations, geography, patent life, generic competitors, and other factors; and
- indemnity obligations for third-party intellectual property infringement, product liability and certain other claims.

From time to time, we have had and may in the future have informal dispute resolution discussions with third parties regarding the appropriate interpretation of the complex commercial terms contained in our agreements. One or more of these informal dispute resolution discussions may ultimately result in costly litigation, require us to make payments or incur liabilities, result in the

unfavorable interpretation of contract terms and/or result in the inability for us to commercialize one or more of our products or manufacture one or more of our product candidates, which would have a material adverse impact on our business, results of operations or financial condition. In addition, many of the rights we have received related to our products or product candidates were received from parties who in turn received those rights from other parties to which we are not in privity of contract. Our counterparties have in the past and may in the future be subject to disputes that they have breached the terms of the agreements from which our rights are derived but to which we are not a party or act in such a way as to invite complaints and litigation that could jeopardize or invalidate our intellectual property or other rights or expose us to potential litigation. If one of our partners breached an agreement with any of their partners in the course of providing services or rights to us, we may have to defend against litigation claims, which would significantly impact our ability to develop, obtain or maintain regulatory approval for or commercialize our products and our product candidates, if approved.

**ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**

**(a) Recent Sales of Unregistered Securities**

None.

**(b) Use of Proceeds from Initial Public Offering**

Not applicable.

**(c) Issuer Purchases of Equity Securities**

None.

**ITEM 3. DEFAULTS UPON SENIOR SECURITIES**

Not applicable.

**ITEM 4. MINE SAFETY DISCLOSURES**

Not applicable.

**ITEM 5. OTHER INFORMATION**

*Rule 10b5-1 Trading Plan*

During the three months ended September 30, 2024, none of the Company's directors or officers adopted, materially modified, or terminated any contract, instruction, or written plan for the purchase or sale of Company securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any non-Rule 10b5-1 trading arrangement.

**ITEM 6. EXHIBITS**

The exhibits filed as part of this Quarterly Report on Form 10-Q are set forth on the Index to Exhibits, which is incorporated herein by reference.

**XERIS BIOPHARMA HOLDINGS, INC.**

**FORM 10-Q**

**INDEX TO EXHIBITS**

| Exhibit No. | Description |
|---|---|
| 3.1 | Amended and Restated Certificate of Incorporation of the Registrant (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K12B (File No. 001-40880) filed with the Securities and Exchange Commission on October 5, 2021) |
| 3.2 | Amended and Restated By-laws of the Registrant (incorporated by reference to Exhibit 3.2 to the Registrant's Current Report on Form 8-K12B (File No. 001-40880) filed with the Securities and Exchange Commission on October 5, 2021) |
| 10.1*# | Xeris Biopharma Holdings, Inc. Non-Employee Director Compensation Policy |
| 10.2*† | First Amendment to Amended and Restated Product Supply Agreement, dated as of September 20, 2024, between Xeris Pharmaceuticals, Inc. and SHL Pharma LLC |
| 10.3*† | First Amendment to Statement of Work No. 1 - Device, dated as of September 20, 2024, between Xeris Pharmaceuticals, Inc. and SHL Pharma LLC |
| 10.4*† | Second Amendment to Statement of Work No. 2 - Product, dated as of September 20, 2024, between Xeris Pharmaceuticals, Inc. and SHL Pharma LLC |
| 10.5*† | Third Amendment to API Supply Agreement, dated as of October 15, 2024, between Xeris Pharmaceuticals, Inc. and Bachem Americas, Inc. |
| 31.1* | Certification of Principal Executive Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended |
| 31.2* | Certification of Principal Financial Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended |
| 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 |
| 101.INS* | XBRL Instance Document |
| 101.SCH* | Inline XBRL Taxonomy Extension Schema Document |
| 101.CAL* | Inline XBRL Taxonomy Extension Calculation Linkbase Document |
| 101.DEF* | Inline XBRL Taxonomy Extension Definition Linkbase Document |
| 101.LAB* | Inline XBRL Taxonomy Extension Label Linkbase Document |
| 101.PRE* | Inline XBRL Taxonomy Extension Presentation Linkbase Document |
| 104* | Cover Page Interactive Data File (embedded within the Inline XBRL document) |

* Filed herewith.

# Represents a management contract or compensatory plan or arrangement

+ The certifications furnished in Exhibit 32.1 hereto are deemed to accompany this report and will not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended. Such certifications will not be deemed to be incorporated by reference into any filings under the Securities Act of 1933, as amended, or the Securities Act of 1934, as amended, except to the extent that the Registrant specifically incorporates it by reference.

† Portions of this exhibit have been omitted because they are both (i) not material and (ii) would likely cause competitive harm to the registrant if publicly disclosed.

**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.

**Xeris Biopharma Holdings, Inc.**

Date: November 8, 2024

By /s/ John Shannon
John Shannon
Chief Executive Officer and Director
(Principal Executive Officer)

Date: November 8, 2024

By /s/ Steven M. Pieper
Steven M. Pieper
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

**Exhibit 10.1**

**XERIS BIOPHARMA HOLDINGS, INC.**

**NON-EMPLOYEE DIRECTOR COMPENSATIONPOLICY**

The purpose of this Non-Employee Director Compensation Policy of Xeris Biopharma Holdings, Inc. (the "Company"), is to provide a total compensation package that enables the Company to attract and retain, on a long- term basis, high-caliber directors who are not employees or officers of the Company or its subsidiaries. In furtherance of the purpose stated above, all non- employee directors shall be paid compensation for services provided to the Company as set forthbelow:

**Cash Retainers**

Annual Retainer for Board Membership: $50,000 for general availability and participation in meetings and conference calls of our Board of Directors, to be paid quarterly in arrears, pro- rated based on the number of actual days served by the director during such calendar quarter.

Additional Annual Retainer for Non-Executive Chair of the Board: $40,000

Additional Retainers for Committee Membership:

| | |
|---|---|
| Audit Committee Chair: | $20,000 |
| Audit Committee member: | $10,000 |
| Compensation Committee Chair: | $15,000 |
| Compensation Committee member: | $7,500 |
| Nominating and Corporate Governance Committee Chair: | $10,000 |
| Nominating and Corporate Governance Committee member: | $5,000 |

Note: Chair and committee member retainers are in addition to retainers for membersof the Board of Directors.

**Equity Retainers**

Initial Award: An initial, one-time equity award (the "Initial Award") of 100,000 restricted stock units (RSUs) to each new non-employee director upon his or her election to the Board of Directors, which shall vest over three years, provided, however, that all vesting shall cease if the director resigns from the Board of Directors or otherwise ceases to serve as a director of the Company. This Initial Award applies only to non-employee directors who are first elected to the Board of Directors subsequent to the Company's initial public offering.

Annual Award: On each date of the Company's Annual Meeting of Stockholders following the completion of the Company's initial public offering (the "Annual Meeting"), each continuing non-employee member of the Board of Directors, other than a director receiving anInitial Award, will receive an annual equity award (the "Annual Award") of 50,000 RSUs, which shall vest upon the earlier to occur of the first anniversary of the date of the grant or the date of the next Annual Meeting; provided, however, that all vesting shall cease if the director resigns from the Board of Directors or otherwise ceases to serve as a director, unless the Board of Directors determines that the circumstances warrant continuation of vesting.

Sale Event Acceleration: All outstanding equity awards held by non-employee directors shall become fully vested and exercisable or nonforfeitable upon a Sale Event (as defined in the Company's 2018 Stock Option and Incentive Plan or any other equity incentive plan under which the award is granted).

**Expenses**

The Company will reimburse all reasonable out-of-pocket expenses incurred by non-employee directors in attending meetings of the Board or any Committee.

Adopted April 25, 2018 and amended effective January 1, 2022, August 9, 2022, January 1, 2023, January 1, 2024 and August 1, 2024.

**CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED**

# FIRST AMENDMENT TO AMENDED AND RESTATED PRODUCT SUPPLY AGREEMENT

This First Amendment to Amended and Restated Product Supply Agreement (this "Amendment") dated as of September 20, 2024 (the "Amendment Effective Date") is entered into by and between **Xeris Pharmaceuticals, Inc.,** a company existing under the laws of Delaware, with an office at 1375 West Fulton Street, Suite 1300, Chicago, IL 60607, United States (hereinafter "Customer"), and **SHL Pharma LLC,** a company existing under the laws of Florida, with an office at 588 Jim Moran Boulevard, Deerfield Beach, FL 33442, United States (hereinafter "SHL"). Customer and SHL are referred to herein individually as a "Party" and collectively as the "Parties".

## RECITALS

**WHEREAS,** SHL and Customer are Parties to an Amended and Restated Product Supply Agreement effective as of January 30, 2023 (collectively with SOW 1 (as defined below) and SOW 2 (as defined below), the "Agreement"), Statement of Work No. 1 – Device (the "SOW 1"), and Statement of Work No. 2 – Product (as amended, the "SOW 2") of the same date; and

**WHEREAS,** the Parties desire to amend the Agreement, in particular its Section 1.9, 1.44, 3.1, 5.3, 6.1, and 11 to, among other things, update certain references to the Facility located in Deerfield Beach, Florida to the Facility located in Pompano Beach, Florida.

**NOW THEREFORE**, in consideration of the mutual covenants and conditions herein, the Parties agree to amend the Agreement as follows:

## TERMS AND CONDITIONS

1. Capitalized terms used but not defined in this Amendment shall have the respective meanings ascribed to such terms in the Agreement.

2. Section 1.9 of the Agreement is deleted in its entirety and replaced by the following:

""Customer Materials" means Primary Packaging and any other materials that Customer provides to SHL in order for SHL to carry out the Services and to produce the Product and Deliverables. Solely when such term is used in connection with Services for assembly of the Products, "Customer Materials" shall include Devices for purposes of Section 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.8, and 3.9 and only after Devices have been (i) supplied by SHL Taiwan as a qualified supplier of SHL and (ii) received by SHL at the Facility located in Pompano Beach, Florida. For the avoidance of doubt, the term "Customer Materials" shall not include the Devices for purposes of the intellectual property provisions set forth in Article 12 or the indemnification provisions set forth in Article 15."

3. Section 1.44 of the Agreement is deleted in its entirety and replaced by the following:

""Services" means (i) the manufacturing and supply of Devices by SHL's Affiliate, SHL Taiwan, at the Facility located in Taoyuan, Taiwan; (ii) the applicable testing and quality release of the Devices by SHL's Affiliate, SHL Taiwan, at the Facility located in Taoyuan, Taiwan; (iii) the transportation of the Devices from the Facility located in Taoyuan, Taiwan to the Facility located in Pompano Beach, Florida; (iv) incoming inspection and release of Devices by SHL at the Facility located in Pompano Beach, Florida; (v) the transportation of the Devices from the Facility located in Pompano Beach, Florida to the Facility located in Deerfield Beach, Florida; (vi) assembly of the Devices and the Primary Packaging into Products by SHL at the Facility located in Deerfield Beach, Florida; (vii) the labeling and secondary bulk packaging of Products by SHL at the Facility located in Deerfield Beach, Florida; (viii) the applicable testing, handling, and storage of the Devices, Primary Packaging and Products by SHL at the Facilities located in Deerfield Beach and Pompano Beach, Florida; and (ix) other services to be provided by SHL to Customer as specified in this Agreement or the applicable Statement of Work. The Services identified in (i)-(viii) above are further described in the applicable SOW."

4. Section 3.1 of the Agreement is deleted in its entirety and replaced by the following:

"Customer agrees to provide SHL and its Affiliates with quantities of

Customer Materials and related quality documentation, as necessary or useful for SHL and its Affiliates and in sufficient quantities necessary to conduct the Services, as needed by SHL and its Affiliates for: (i) the release tests of the Devices, (ii) the assembly of the Products, and (iii) the testing and release of the Products. Unless otherwise agreed to in writing by the Parties, deliveries of Customer Materials to be used in the Devices shall be made at least [***]prior to the delivery date of such Devices and deliveries of Customer Materials to be used in the Products shall be made at least [***]prior to the delivery date of such Products. Customer shall deliver such Customer Materials to SHL [***] Facility (Incoterms 2020), either to the Facility located at Pompano Beach, Florida, or at the Facility located at Taoyuan, Taiwan, as indicated in writing by SHL. Customer Materials will be stored free of charge for up to [***] after delivery to SHL and thereafter shall be subject to the storage fee set forth in the applicable SOW; provided, however, that the storage fee shall be waived with respect to any Customer Materials which must be stored for more than [***]due to SHL's delay for the duration of the delay. SHL and its Affiliates shall use Customer Materials solely for the performance of this Agreement within the Facility and may not use the Customer Materials for any other purpose. By way of example, SHL and its Affiliates shall not produce any modified or unmodified derivatives of the Customer Materials and shall not attempt to analyze the Customer Materials for its chemical composition or microbiological aspect. Customer acknowledges that sufficient and timely supply of Customer Materials is crucial for completion of the Services in a timely fashion."

5. Section 5.3 of the Agreement is deleted in its entirety and replaced by the following:

"Within [***]after the end of each month, SHL shall provide Customer with an inventory report showing quantities and batch numbers for Devices, Customer Materials, SHL Materials, and Product at the Facility in Deerfield Beach and Pompano Beach, Florida, in a format Parties have agreed upon."

6. Section 6.1 of the Agreement is deleted in its entirety and replaced by the following:

"Title and risk of loss shall pass to Customer at time of delivery of Device or Products per the delivery term set forth in the applicable SOW. For the avoidance of doubt, SHL shall hold title and risk of loss for the Device until

the Device has been delivered to SHL at its Facility located in Pompano Beach, Florida as further described in the applicable SOW; provided, however, that SHL shall bear the risk of loss to the Devices while such Devices are in transit between its Facilities in Pompano Beach in Deerfield Beach. SHL shall be responsible for selecting the carrier to transport Devices from SHL Taiwan's Facility in Taoyuan, Taiwan to SHL's Facility in Pompano Beach, Florida and from SHL's Facility in Pompano Beach, Florida to any other SHL Facility, in each case, which such carrier shall be a qualified supplier of SHL. Customer shall be responsible for selecting the carrier to transport the Products from the Facility to Customer's facilities or contractors. SHL shall cooperate in a Commercially Reasonable manner with Customer and its selected carrier to arrange pick up for shipments as necessary to accommodate Customer's Purchase Orders and business needs. SHL will notify Customer at least [***]prior to the date when SHL intends to deliver the Devices and Products. SHL shall not release Products to the Customer arranged carrier without written confirmation from Customer that the Product has been accepted for release and SHL is authorized to ship the Products, and such written confirmation from Customer shall not be unreasonably withheld."

7. Article 11 of the Agreement is deleted in its entirety and replaced by the following:

"Each Party shall maintain during the Term of the Agreement, at its own cost, general commercial insurance as well as any other insurance, excluding contractual liability insurance, which may be required by local regulations or by the scope and nature of Services being provided. SHL shall secure property insurance for the Facilities in Deerfield Beach and Pompano Beach, Florida with coverage for individual damage up to [***]."

8. All other terms of the Agreement shall remain in full force and effect. To the extent any provision of the Agreement conflicts with any provision of this Amendment, this Amendment shall control.

9. If a court or other tribunal of competent jurisdiction should hold any term or provision of this Amendment to be excessive, invalid, void, or unenforceable, the offending term or provision shall be deleted, and if possible, replaced by a term or provision which, so far as practicable

achieves the legitimate aims of the Parties. Any invalidity or unenforceability of any article or provision of this Amendment shall not affect the remainder of the Amendment.

10. The failure of either Party to require performance by the other Party of any of that other Party's obligations hereunder shall in no manner affect the right of such Party to enforce the same at a later time. No waiver by any Party hereto of any condition, or of the breach of any provision, term, representation or warranty contained in this Amendment shall be deemed to be or construed as a further or continuing waiver of any such condition or breach, or of any other condition or of the breach of any other provision, term, representation, or warranty hereof.

11. Sections 21, 22 and 24 of the Agreement shall apply to this Amendment directly as if incorporated herein, *mutatis mutandis*.

12. This Amendment sets forth all intentions, understandings, covenants, promises, warranties, representations, conditions, rights and obligations of the Parties and supersedes all previous and contemporaneous agreements, understandings, negotiations and proposals relating to the subject matter hereof. No subsequent modifications or amendments to this Amendment shall be binding upon the Parties unless reduced in writing and signed by the respective authorized officers of the Parties.

13. This Amendment may be executed in one or more counterparts, each of which when executed and delivered will be deemed an original and all of which together will constitute one and the same agreement. A signed copy of this Amendment delivered by facsimile, e-mail or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Amendment.

14. The Parties agree that this Amendment may be electronically signed and that the electronic signatures appearing on this Amendment are the same as handwritten signatures for the purposes of validity, enforceability, and admissibility.

(Signature page follows)

**IN WITNESS WHEREOF**, the undersigned has duly executed and delivered this Amendment as of the Amendment Effective Date.

| **SHL Pharma LLC** | **Xeris Pharmaceuticals, Inc.** |
|---|---|
| By: /s/ Kimberlee Steele | By: /s/ John P. Shannon |
| Name: Kimberlee Steele | Name: John P. Shannon |
| Title: Managing Director, North America | Title: CEO |

**CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED**

# FIRST AMENDMENT TO STATEMENT OF WORK NO. 1 - DEVICE

This First Amendment to Statement of Work No. 1 - Device (this "Amendment") dated as of September 20, 2024 (the "Amendment Effective Date") is entered into by and between **Xeris Pharmaceuticals, Inc.,** a company existing under the laws of Delaware, with an office at 1375 West Fulton Street, Suite 1300, Chicago, IL 60607, United States (hereinafter "Customer"), and **SHL Pharma LLC,** a company existing under the laws of Florida, with an office at 588 Jim Moran Boulevard, Deerfield Beach, FL 33442, United States (hereinafter "SHL"). Customer and SHL are referred to herein individually as a "Party" and collectively as the "Parties".

## RECITALS

**WHEREAS,** SHL and Customer are Parties to an Amended and Restated Product Supply Agreement effective as of January 30, 2023 (as amended, modified, or supplemented from time to time, the "Agreement") and to the Statement of Work No. 1 - Device dated January 30, 2023 (the "SOW 1"); and

**WHEREAS,** the Parties desire to amend SOW 1, in particular the second bullet of Section 7(a) and Section 7(e) to update certain references to the Facility located in Deerfield Beach, Florida to the Facility located in Pompano Beach, Florida.

**NOW THEREFORE**, in consideration of the mutual covenants and conditions herein, the Parties agree to amend SOW 1 as follows:

## TERMS AND CONDITIONS

1. Capitalized terms used but not defined in this Amendment shall have the respective meanings ascribed to such terms in the Agreement and SOW 1.

2. The second bullet of Section 7(a) of SOW 1 is deleted in its entirety and replaced by the following:

"For purposes of Section 6.1 of the Agreement and this SOW, "delivery" shall mean delivery of the Devices by SHL Taiwan to the Facility located in Pompano Beach, Florida [***] (Incoterms® 2020); provided, however, that SHL shall bear the risk of loss to the Devices while such Devices are in transit between its Facilities in Pompano Beach and Deerfield Beach. Pursuant to Section 9.2 of the Agreement, invoices for Devices will be issued upon the delivery of such Devices."

3. Section 7(e) of SOW 1 is deleted in its entirety and replaced by the following:

"Delivery of the Device
All Devices and samples are delivered by SHL [***] SHL Facility at Pompano Beach, Florida (Incoterms® 2020). Title and risk of loss and damages to the Devices shall transfer to Customer upon such delivery; provided, however, that SHL shall bear the risk of loss to the Devices while such Devices are in transit between its Facilities in Pompano Beach and Deerfield Beach. For the avoidance of doubt, Section 7.4 of the Agreement governs the incoming inspection, potential defect of the Devices, and the remedy therefor."

4. All references in SOW 1 to the "Agreement" or "SOW 2" shall mean the Agreement or SOW 2, each as amended, modified or supplemented from time to time.

5. All other terms of the Agreement and SOW 1 shall remain in full force and effect. To the extent any provision of the Agreement or SOW 1 conflicts with any provision of this Amendment, this Amendment shall control.

6. If a court or other tribunal of competent jurisdiction should hold any term or provision of this Amendment to be excessive, invalid, void, or unenforceable, the offending term or provision shall be deleted, and if possible, replaced by a term or provision which, so far as practicable achieves the legitimate aims of the Parties. Any invalidity or unenforceability of any article or provision of this Amendment shall not affect the remainder of the Amendment.

7. The failure of either Party to require performance by the other Party of any of that other Party's obligations hereunder shall in no manner affect the right of such Party to enforce the same at a later time. No waiver by any

Party hereto of any condition, or of the breach of any provision, term, representation or warranty contained in this Amendment shall be deemed to be or construed as a further or continuing waiver of any such condition or breach, or of any other condition or of the breach of any other provision, term, representation, or warranty hereof.

8. Sections 21, 22 and 24 of the Agreement shall apply to this Amendment directly as if incorporated herein, *mutatis mutandis*.

9. This Amendment sets forth all intentions, understandings, covenants, promises, warranties, representations, conditions, rights and obligations of the Parties and supersedes all previous and contemporaneous agreements, understandings, negotiations and proposals relating to the subject matter hereof. No subsequent modifications or amendments to this Amendment shall be binding upon the Parties unless reduced in writing and signed by the respective authorized officers of the Parties.

10. This Amendment may be executed in one or more counterparts, each of which when executed and delivered will be deemed an original and all of which together will constitute one and the same agreement. A signed copy of this Amendment delivered by facsimile, e-mail or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Amendment.

11. The Parties agree that this Amendment may be electronically signed and that the electronic signatures appearing on this Amendment are the same as handwritten signatures for the purposes of validity, enforceability, and admissibility.

(Signature page follows)

**IN WITNESS WHEREOF**, the undersigned has duly executed and delivered this Amendment as of the Amendment Effective Date.

| **SHL Pharma LLC** | **Xeris Pharmaceuticals, Inc.** |
|---|---|
| By: /s/ Kimberlee Steele | By: /s/ John P. Shannon |
| Name: Kimberlee Steele | Name: John P. Shannon |
| Title: Managing Director, North America | Title: CEO |

**CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED**

# SECOND AMENDMENT TO STATEMENT OF WORK NO. 2 - PRODUCT

This Second Amendment to the Statement of Work No. 2 - Product (this "Amendment") dated as of September 20, 2024 (the "Amendment Effective Date"), is entered into by and between **Xeris Pharmaceuticals, Inc.,** a company existing under the laws of Delaware, with an office at 1375 West Fulton Street, Suite 1300, Chicago, IL 60607, United States (hereinafter "Customer"), and **SHL Pharma LLC,** a company existing under the laws of Florida, with an office at 588 Jim Moran Boulevard, Deerfield Beach, FL 33442, United States (hereinafter "SHL"). Customer and SHL are referred to herein individually as a "Party" and collectively as the "Parties".

## RECITALS

**WHEREAS,** SHL and Customer are Parties to an Amended and Restated Product Supply Agreement effective as of January 30, 2023 (as amended, modified, or supplemented from time to time, the "Agreement") and to a Statement of Work No. 2 - Device dated January 30, 2023 as amended by the First Amendment to the Statement of Work No. 2 – Product dated as of October 19, 2023 (the "SOW 2"); and

**WHEREAS,** the Parties desire to amend SOW 2, in particular its Section 2, the first paragraph of Section 6, and Section 8(b) to update certain references to the Facility located in Deerfield Beach, Florida to the Facility located in Pompano Beach, Florida.

**NOW THEREFORE**, in consideration of the mutual covenants and conditions herein, the Parties agree to amend SOW 2 as follows:

## TERMS AND CONDITIONS

1. Capitalized terms used but not defined in this Amendment shall have the respective meanings ascribed to such terms in the Agreement and SOW 1.

2. Section 2 of SOW 2 is deleted in its entirety and replaced by the following:

"Customer will order and purchase the Product pursuant to the Agreement and this SOW. SHL will (i) inspect and release incoming Devices at the Facility located in Pompano Beach, Florida; (ii) transport (at no cost to Customer) the Devices from the Facility located in Pompano Beach, Florida to the Facility located in Deerfield Beach, Florida; (iii) assemble the Devices and the Primary Packaging into Products at the Facility located in Deerfield Beach, Florida; (iv) label the assembled Product and bulk package Products at the Facility located in Deerfield Beach, Florida; (v) perform the applicable testing, handling, and storage of the Devices, Primary Packaging, and Products at the Facilities located in Deerfield Beach and Pompano Beach, Florida; and (vi) perform the other Services described herein each in accordance to the Product specifications and the Quality Agreement."

3. The first paragraph of Section 6 of SOW 2 is deleted in its entirety and replaced by the following:

"In accordance with Section 3.1, 3.2, and 5.2.4 of the Agreement, Customer shall provide [***]. In addition, Customer shall order Devices such that they can be available to SHL at least [***]; provided, however, that the foregoing does not apply to delayed delivery of Customer Materials if such delay is due to SHL's delays in delivery of Devices. Customer shall provide such Customer Materials [***]to SHL [***] at SHL's Facility at Pompano Beach, FL (Incoterms® 2020) and order sufficient quantities of Devices which will be delivered as set forth in SOW 1. SHL will be the Importer of Record for shipments of Devices into the Facility at Pompano Beach, Florida (it being understood that such duties and taxes shall be charged to Customer as set forth in Section 7(c) of SOW 1). For the avoidance of doubt, Device shall be deemed Customer Material upon the transfer of title as set forth in Section 7 (e) of SOW 1. Upon SHL's receipt of the Devices, SHL shall promptly, but in no event later than [***]after receipt thereof, complete incoming release testing of such Devices and notify Customer of the results thereof."

4. Section 8(b) of SOW 2 is deleted in its entirety and replaced by the following:

"If a storage fee is applicable to Customer Material storage pursuant to Section 3.1 of the Agreement, the Customer Material storage Fee shall be [***].

Pursuant to Section 6.7 of the Agreement, Fees for storing the Products for a period of up to [***]after SHL provides Customer with the manufacturing or product batch records and testing and release documentation for the Products are included within the above pricing. Customer shall pay a Fee for storage of Products beyond said period in an amount of [***]per specified Product storage conditions.

For the avoidance of doubt, a segment of less than [***]shall be counted as [***]. Invoices for the storage Fees will be issued upon the completion of the storage services. SHL will store the Customer Material and Products at the Facility located in Pompano Beach or Deerfield Beach, Florida or otherwise approved third party in accordance with the Quality Agreement."

5. All references in SOW 2 to the "Agreement" or "SOW 1" shall mean the Agreement or SOW 1, each as amended, modified or supplemented from time to time.

6. All other terms of the SOW 2 and the Agreement shall remain in full force and effect. To the extent any provision of the SOW 2 or Agreement conflicts with any provision of this Amendment, this Amendment shall control.

7. If a court or other tribunal of competent jurisdiction should hold any term or provision of this Amendment to be excessive, invalid, void, or unenforceable, the offending term or provision shall be deleted, and if possible, replaced by a term or provision which, so far as practicable achieves the legitimate aims of the Parties. Any invalidity or unenforceability of any article or provision of this Amendment shall not affect the remainder of the Amendment.

8. The failure of either Party to require performance by the other Party of any of that other Party's obligations hereunder shall in no manner affect the right of such Party to enforce the same at a later time. No waiver by any Party hereto of any condition, or of the breach of any provision, term, representation or warranty contained in this Amendment shall be deemed to be or construed as a further or continuing waiver of any such condition

or breach, or of any other condition or of the breach of any other provision, term, representation, or warranty hereof.

9. Sections 21, 22 and 24 of the Agreement shall apply to this Amendment directly as if incorporated herein, *mutatis mutandis*.

10. This Amendment sets forth all intentions, understandings, covenants, promises, warranties, representations, conditions, rights and obligations of the Parties and supersedes all previous and contemporaneous agreements, understandings, negotiations and proposals relating to the subject matter hereof. No subsequent modifications or amendments to this Amendment shall be binding upon the Parties unless reduced in writing and signed by the respective authorized officers of the Parties.

11. This Amendment may be executed in one or more counterparts, each of which when executed and delivered will be deemed an original and all of which together will constitute one and the same agreement. A signed copy of this Amendment delivered by facsimile, e-mail or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Amendment.

12. The Parties agree that this Amendment may be electronically signed and that the electronic signatures appearing on this Amendment are the same as handwritten signatures for the purposes of validity, enforceability, and admissibility.

(Signature page follows)

**IN WITNESS WHEREOF**, the undersigned has duly executed and delivered this Amendment as of the Amendment Effective Date.

| **SHL Pharma LLC** | **Xeris Pharmaceuticals, Inc.** |
|---|---|
| By: /s/ Kimberlee Steele | By: /s/ John P. Shannon |
| Name: Kimberlee Steele | Name: John P. Shannon |
| Title: Managing Director, North America | Title: CEO |

**Exhibit 10.5**

**CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [***], HAS BEEN OMITTED BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED**

# THIRD AMENDMENT TO

# API SUPPLY AGREEMENT

This Third Amendment ("Third Amendment") is entered into as of October 15, 2024 (the "Third Amendment Effective Date"), by and between Xeris Pharmaceuticals, Inc. ("Xeris") and Bachem Americas, Inc. ("Bachem"). Xeris and Bachem may be referred to individually as a "Party" or collectively as the "Parties." Capitalized terms used in this Third Amendment without definition shall have the same meaning as set forth in the Agreement (defined below).

**WHEREAS** Xeris and Bachem entered into that certain API Supply Agreement for Glucagon, dated and effective January 1, 2018, that certain First Amendment to API Supply Agreement dated February 26, 2021, and that certain Second Amendment to API Supply Agreement dated May 2, 2022 (collectively "the Agreement"); and

**WHEREAS** the Parties have agreed to amend the Agreement to update Glucagon tiered pricing for Calendar Year [***] and [***].

**NOW THEREFORE** in consideration of the mutual promises contained herein, effective as of the Third Amendment Effective Date, the Parties affirm and agree as follows:

1. Exhibit 1, API Pricing, of the Agreement is hereby deleted and replaced with Exhibit 1 attached hereto, which contains [***] tiered pricing for Glucagon beginning Calendar Year [***].

This Third Amendment shall be governed by, and construed in accordance with, the laws of the State of New York, as if entered into by New York residents and executed and wholly performed within the State of New York. This Third Amendment may be executed in counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument. All other terms, conditions and obligations of the Agreement shall remain in force. To the extent any provision of the Agreement conflicts with any provision of this Third Amendment, this Third Amendment shall control.

[Signature page follows]

**IN WITNESS THEREOF**, each of Xeris and Bachem have caused this Third Amendment to be executed by their respective duly authorized representatives as of the Third Amendment Effective Date.

**Xeris Pharmaceuticals, Inc**.

By: /s/ Peter Valentinsson

Name: Peter Valentinsson

Title: SVP, Global Tech Operations

**Bachem Americas, Inc.**

By: /s/ Anne-Kathrin Stoller

Name: Anne-Kathrin Stoller

Title: President, COO

ACKNOWLEDGED BY:

**Bachem AG**

By: /s/ Andre Casagrande

Name: Andre Casagrande

Title: Vice President, Head of Global Sales

**EXHIBIT 1**

**API PRICING**

**[***] Pricing (Effective [***])**

| Glucagon | [***] | [***] |
|---|---|---|
| **[***]g** | USD **[***]** | USD **[***]**/g |
| **>[***]g** | USD **[***]** | USD **[***]**/g |
| **>[***]g** | USD **[***]** | USD **[***]**/g |
| **>[***]g** | USD **[***]** | USD **[***]**/g |
| **>[***]g** | USD **[***]** | USD **[***]**/g |
| **>[***]g** | USD **[***]** | USD **[***]**/g |

**Exhibit 31.1**

**CERTIFICATION PURSUANT TO RULE 13a-14(a) OR 15d-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, John Shannon, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Xeris Biopharma 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 and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

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

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

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

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

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

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

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

Date: November 8, 2024

By: /s/ John Shannon
John Shannon
Chief Executive Officer and Director
(Principal Executive Officer)

**Exhibit 31.2**

**CERTIFICATION PURSUANT TO RULE 13a-14(a) OR 15d-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Steven M. Pieper, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Xeris Biopharma 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 and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

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

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

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

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

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

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

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

Date: November 8, 2024

By: /s/ Steven M. Pieper
Steven M. Pieper
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

**Exhibit 32.1**

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,**
**AS ADOPTED PURSUANT TO**
**SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

We, John Shannon and Steven M. Pieper, of Xeris Biopharma Holdings, Inc., certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, to the best of our knowledge, that:

1. The quarterly report on Form 10-Q for the quarter ended September 30, 2024 (Periodic Report) to which this statement is an exhibit fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and

2. Information contained in the Periodic Report fairly presents, in all material aspects, the financial condition and results of operations of Xeris Biopharma Holdings, Inc.

Date: November 8, 2024

/s/ John Shannon
John Shannon
Chief Executive Officer and Director
(Principal Executive Officer)

/s/ Steven M. Pieper
Steven M. Pieper
Chief Financial Officer
(Principal Financial Officer)