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, 2023

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: 001-38959

BridgeBio Pharma, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**84-1850815**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
3160 Porter Drive, Suite 250, Palo Alto, CA	**94304**
(Address of principal executive offices)	**(Zip Code)**

(650) 391-9740
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.001 per share	BBIO	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 26, 2023, the registrant had 173,967,052 shares of common stock, $0.001 par value per share, outstanding.

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BRIDGEBIO PHARMA, INC.

Condensed Consolidated Balance Sheets
(in thousands, except shares and per share amounts)

	September 30, 2023 *(Unaudited)*	December 31, 2022 (1)
Assets		
Current assets:		
Cash and cash equivalents	$ 505,213	$ 376,689
Marketable securities	—	51,580
Investment in equity securities	38,052	43,653
Receivable from licensing and collaboration agreements	5,170	17,079
Restricted cash	16,652	37,930
Prepaid expenses and other current assets	22,583	21,922
Total current assets	587,670	548,853
Property and equipment, net	12,413	14,569
Operating lease right-of-use assets	9,332	10,678
Intangible assets, net	26,917	28,712
Other assets	18,676	20,224
Total assets	$ 655,008	$ 623,036
Liabilities, Redeemable Convertible Noncontrolling Interests and Stockholders' Deficit		
Current liabilities:		
Accounts payable	$ 4,472	$ 11,558
Accrued compensation and benefits	33,735	31,256
Accrued research and development liabilities	29,244	39,803
Operating lease liabilities, current portion	4,137	3,675
Deferred revenue, current portion	6,592	8,156
Accrued professional and other accrued liabilities	27,885	26,980
Total current liabilities	106,065	121,428
2029 Notes, net	736,422	734,988
2027 Notes, net	542,938	541,634
Term loan, net	441,721	430,993
Operating lease liabilities, net of current portion	9,812	12,274
Other long-term liabilities	11,785	26,643
Total liabilities	1,848,743	1,867,960
Commitments and contingencies (Note 8)		
Redeemable convertible noncontrolling interests	1,403	(1,589)
Stockholders' deficit:		
Undesignated preferred stock, $0.001 par value; 25,000,000 shares authorized; no shares issued and outstanding	—	—
Common stock, $0.001 par value; 500,000,000 shares authorized; 180,323,715 shares issued and 174,131,954 shares outstanding as of September 30, 2023, 156,817,333 shares issued and 150,625,572 shares outstanding as of December 31, 2022	180	157
Treasury stock, at cost; 6,191,761 shares as of September 30, 2023 and December 31, 2022	(275,000)	(275,000)
Additional paid-in capital	1,459,596	938,703
Accumulated other comprehensive income (loss)	34	(328)
Accumulated deficit	(2,392,353)	(1,918,149)
Total BridgeBio stockholders' deficit	(1,207,543)	(1,254,617)
Noncontrolling interests	12,405	11,282
Total stockholders' deficit	(1,195,138)	(1,243,335)
Total liabilities, redeemable convertible noncontrolling interests and stockholders' deficit	$ 655,008	$ 623,036

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

(1) The condensed consolidated balance sheet as of December 31, 2022 is derived from the audited consolidated financial statements as of that date.

BRIDGEBIO PHARMA, INC.

Condensed Consolidated Statements of Operations
(Unaudited)
(in thousands, except shares and per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	**2022**	**2023**	**2022**
Revenue	$ 4,091	$ 338	$ 7,558	$ 75,778
Operating costs and expenses:				
Cost of revenue	598	739	1,848	2,787
Research and development	125,136	92,511	325,485	308,560
Selling, general and administrative	35,777	31,188	103,007	111,327
Restructuring, impairment and related charges	272	5,016	7,172	36,074
Total operating costs and expenses	161,783	129,454	437,512	458,748
Loss from operations	(157,692)	(129,116)	(429,954)	(382,970)
Other income (expense), net:				
Interest income	3,793	2,417	12,460	3,450
Interest expense	(20,306)	(19,825)	(61,021)	(60,448)
Gain from sale of priority review voucher, net	—	—	—	107,946
Other income (expense), net	(5,283)	6,331	(4,408)	(12,060)
Total other income (expense), net	(21,796)	(11,077)	(52,969)	38,888
Net loss	(179,488)	(140,193)	(482,923)	(344,082)
Net loss attributable to redeemable convertible noncontrolling interests and noncontrolling interests	2,489	2,854	7,869	490
Net loss attributable to common stockholders of BridgeBio	$ (176,999)	$ (137,339)	$ (475,054)	$ (343,592)
Net loss per share attributable to common stockholders of BridgeBio, basic and diluted	$ (1.08)	$ (0.93)	$ (2.99)	$ (2.34)
Weighted-average shares used in computing net loss per share attributable to common stockholders of BridgeBio, basic and diluted	163,308,632	147,937,817	158,891,152	146,842,453

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

BRIDGEBIO PHARMA, INC.

Condensed Consolidated Statements of Comprehensive Loss
(Unaudited)
(in thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Net loss	$ (179,488)	$ (140,193)	$ (482,923)	$ (344,082)
Other comprehensive income (loss):				
Unrealized gains (losses) on available-for-sale securities	(29)	79	362	(216)
Comprehensive loss	(179,517)	(140,114)	(482,561)	(344,298)
Comprehensive loss attributable to redeemable convertible noncontrolling interests and noncontrolling interests	2,489	2,854	7,869	490
Comprehensive loss attributable to common stockholders of BridgeBio	$ (177,028)	$ (137,260)	$ (474,692)	$ (343,808)

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

BRIDGEBIO PHARMA, INC.

Condensed Consolidated Statements of Redeemable Convertible Noncontrolling Interests and Stockholders' Deficit
(*Unaudited*)
(in thousands, except shares and per share amounts)

	Nine Months Ended September 30. 2023										
	Redeemable Convertible Noncontrolling Interests	Common Stock		Treasury Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total BridgeBio Stockholders' Deficit	Non-controlling Interests	Total Stockholders' Deficit
		Shares	Amount	Shares	Amount						
Balances as of December 31, 2022 [2]	$ (1,589)	150,625,572	$ 157	6,191,761	$ (275,000)	$ 938,703	$ (328)	$ (1,918,149)	$ (1,254,617)	$ 11,282	$ (1,243,335)
Issuance of shares under equity compensation plans	—	834,427	1	—	—	192	—	—	193	—	193
Issuance of common stock under ESPP	—	192,200	—	—	—	1,809	—	—	1,809	—	1,809
Repurchase of shares to satisfy tax withholding	—	(40,491)	—	—	—	(512)	—	—	(512)	—	(512)
Stock-based compensation	—	—	—	—	—	24,330	—	—	24,330	—	24,330
Issuance of common stock under Follow-on offering, net	—	8,823,530	9	—	—	143,007	—	—	143,016	—	143,016
Issuance of noncontrolling interests	—	—	—	—	—	—	—	—	—	42	42
Transfers from (to) noncontrolling interests	1,633	—	—	—	—	(2,843)	—	—	(2,843)	1,210	(1,633)
Deconsolidation of PellePharm	899	—	—	—	—	1,949	—	850	2,799	1,151	3,950
Unrealized gain on available-for-sale securities	—	—	—	—	—	—	316	—	316	—	316
Net loss	(1,147)	—	—	—	—	—	—	(140,156)	(140,156)	(1,429)	(141,585)
Balances as of March 31, 2023	(204)	160,435,238	167	6,191,761	(275,000)	1,106,635	(12)	(2,057,455)	(1,225,665)	12,256	(1,213,409)
Issuance of shares under equity compensation plans	—	1,006,597	1	—	—	118	—	—	119	—	119
Repurchase of shares to satisfy tax withholding	—	(85,374)	—	—	—	(1,203)	—	—	(1,203)	—	(1,203)
Stock-based compensation	—	—	—	—	—	24,614	—	—	24,614	—	24,614
Issuance of common stock under Follow-on offering, net	—	63,470	—	—	—	1,033	—	—	1,033	—	1,033
Issuance of noncontrolling interests	—	—	—	—	—	—	—	—	—	40	40
Transfers from (to) noncontrolling interests	1,918	—	—	—	—	(3,097)	—	—	(3,097)	1,179	(1,918)
Unrealized gain on available-for-sale securities	—	—	—	—	—	—	75	—	75	—	75
Net loss	(1,381)	—	—	—	—	—	—	(157,899)	(157,899)	(1,423)	(159,322)
Balances as of June 30, 2023	333	161,419,931	168	6,191,761	(275,000)	1,128,100	63	(2,215,354)	(1,362,023)	12,052	(1,349,971)
Issuance of shares under equity compensation plans	—	1,312,888	1	—	—	4,909	—	—	4,910	—	4,910
Issuance of common stock under ESPP	—	147,779	—	—	—	1,588	—	—	1,588	—	1,588
Repurchase of shares to satisfy tax withholding	—	(87,584)	—	—	—	(2,610)	—	—	(2,610)	—	(2,610)
Stock-based compensation	—	—	—	—	—	24,232	—	—	24,232	—	24,232
Issuance of common stock under ATM offering, net	—	2,171,217	2	—	—	64,963	—	—	64,965	—	64,965
Issuance of common stock under Private Placement offering, net	—	9,167,723	9	—	—	240,787	—	—	240,796	—	240,796
Issuance of noncontrolling interests	1,500	—	—	—	—	—	—	—	—	41	41
Transfers from (to) noncontrolling interests	1,146	—	—	—	—	(2,373)	—	—	(2,373)	1,225	(1,148)
Unrealized losses on available-for-sale securities	—	—	—	—	—	—	(29)	—	(29)	—	(29)
Net loss	(1,576)	—	—	—	—	—	—	(176,999)	(176,999)	(913)	(177,912)
Balances as of September 30, 2023	$ 1,403	174,131,954	$ 180	6,191,761	$ (275,000)	$ 1,459,596	$ 34	$ (2,392,353)	$ (1,207,543)	$ 12,405	$ (1,195,138)

	Nine Months Ended September 30, 2022										
	Redeemable Convertible Noncontrolling Interests	Common Stock		Treasury Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total BridgeBio Stockholders' Deficit	Non-controlling Interests	Total Stockholders' Deficit
		Shares	Amount	Shares	Amount						
Balances as of December 31, 2021 [2]	$ 1,423	147,343,323	$ 154	6,191,761	$ (275,000)	$ 841,530	$ (132)	$ (1,436,966)	$ (870,414)	$ 3,412	$ (867,002)
Issuance of shares under equity compensation plans	—	229,926	—	—	—	104	—	—	104	—	104
Issuance of common stock under ESPP	—	127,635	—	—	—	966	—	—	966	—	966
Repurchase of shares to satisfy tax withholding	—	(12,491)	—	—	—	(110)	—	—	(110)	—	(110)
Stock-based compensation	—	—	—	—	—	25,423	—	—	25,423	—	25,423
Issuance of noncontrolling interests	—	—	—	—	—	—	—	—	—	89	89
Transfers from (to) noncontrolling interests	(47)	—	—	—	—	(317)	—	—	(317)	365	48
Unrealized losses on available-for-sale securities	—	—	—	—	—	—	(251)	—	(251)	—	(251)
Net loss	(1,040)	—	—	—	—	—	—	(196,397)	(196,397)	(3,893)	(200,290)
Balances as of March 31, 2022	336	147,688,393	154	6,191,761	(275,000)	867,596	(383)	(1,633,363)	(1,040,996)	(27)	(1,041,023)
Issuance of shares under equity compensation plans	—	609,058	—	—	—	56	—	—	56	—	56
Repurchase of shares to satisfy tax withholding	—	(54,254)	—	—	—	(366)	—	—	(366)	—	(366)
Stock-based compensation	—	—	—	—	—	23,901	—	—	23,901	—	23,901
Issuance of noncontrolling interests	—	—	—	—	—	—	—	—	—	4,686	4,686
Transfers from (to) noncontrolling interests	144	—	—	—	—	1,773	—	—	1,773	(1,917)	(144)
Unrealized losses on available-for-sale securities	—	—	—	—	—	—	(44)	—	(44)	—	(44)
Net income (loss)	(1,979)	—	—	—	—	—	—	(9,856)	(9,856)	9,276	(580)
Balances as of June 30, 2022	(1,499)	148,243,197	154	6,191,761	(275,000)	892,960	(427)	(1,643,219)	(1,025,532)	12,018	(1,013,514)
Issuance of shares under equity compensation plans	—	965,764	2	—	—	449	—	—	451	—	451
Issuance of common stock under ESPP	—	211,914	—	—	—	1,592	—	—	1,592	—	1,592
Repurchase of shares to satisfy tax withholding	—	(53,788)	—	—	—	(596)	—	—	(596)	—	(596)
Stock-based compensation	—	—	—	—	—	23,231	—	—	23,231	—	23,231
Issuance of noncontrolling interests	—	—	—	—	—	—	—	—	—	77	77
Transfers from (to) noncontrolling interests	64	—	—	—	—	(303)	—	—	(303)	238	(65)
Unrealized losses on available-for-sale securities	—	—	—	—	—	—	79	—	79	—	79
Net loss	(953)	—	—	—	—	—	—	(137,339)	(137,339)	(1,901)	(139,240)
Balances as of September 30, 2022	$ (2,388)	149,367,087	$ 156	6,191,761	$ (275,000)	$ 917,333	$ (348)	$ (1,780,558)	$ (1,138,417)	$ 10,432	$ (1,127,985)

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

(2) The consolidated balances as of December 31, 2022 and 2021 are derived from the audited consolidated financial statements as of those dates.

BRIDGEBIO PHARMA, INC.

Condensed Consolidated Statements of Cash Flows
(Unaudited)
(in thousands)

	Nine Months Ended September 30,	
	2023	**2022**
Operating activities:		
Net loss	$ (482,923)	$ (344,082)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation	71,685	69,770
Depreciation and amortization	4,909	5,111
Noncash lease expense	3,024	4,017
Accrual of payment-in-kind interest on term loan	6,742	—
Loss on deconsolidation of PellePharm	1,241	—
Loss from investment in equity securities, net	2,951	12,969
Fair value of shares issued under a license agreement	—	4,567
Accretion of debt	6,724	6,469
Fair value adjustment of warrants	52	1,446
Loss on sale of certain assets	—	6,261
Impairment of long-lived assets	—	12,720
Gain from sale of priority review voucher, excluding transaction costs	—	(110,000)
Gain from recognition of receivable from licensing and collaboration agreement	—	(12,500)
Other noncash adjustments	(384)	670
Changes in operating assets and liabilities:		
Receivable from licensing and collaboration agreements	11,909	(832)
Prepaid expenses and other current assets	(980)	4,072
Other assets	1,443	10,095
Accounts payable	(3,404)	(1,725)
Accrued compensation and benefits	(4,156)	(9,122)
Accrued research and development liabilities	(10,544)	452
Operating lease liabilities	(3,671)	(4,819)
Deferred revenue	(4,464)	16,969
Accrued professional and other liabilities	(3,055)	1,241
Net cash used in operating activities	(402,901)	(326,251)
Investing activities:		
Purchases of marketable securities	(29,726)	(134,635)
Maturities of marketable securities	82,550	452,819
Purchases of investment in equity securities	(78,314)	(26,312)
Sales of investment in equity securities	80,963	28,830
Decrease in cash and cash equivalents resulting from deconsolidation of PellePharm	(503)	—
Payment for an intangible asset	—	(1,500)
Proceeds from sale of priority review voucher	—	110,000
Proceeds from sale of certain assets	—	10,000
Purchases of property and equipment	(871)	(4,020)
Net cash provided by investing activities	54,099	435,182
Financing activities:		
Proceeds from issuance of common stock through Private Placement offering, net	241,250	—
Proceeds from issuance of common stock through Follow-on offering, net	144,049	—
Proceeds from issuance of common stock through ATM offering, net	64,965	—
Transactions with noncontrolling interests	1,500	—
Repayment of term loan	—	(20,486)
Proceeds from BridgeBio common stock issuances under ESPP	3,397	2,558
Repurchase of shares to satisfy tax withholding	(4,325)	(1,072)
Issuance costs associated with term loan	—	(1,120)
Proceeds from stock option exercises, net of repurchases	5,222	609
Net cash provided by (used in) financing activities	456,058	(19,511)
Net increase in cash, cash equivalents and restricted cash	107,256	89,420
Cash, cash equivalents and restricted cash at beginning of period	416,884	396,365
Cash, cash equivalents and restricted cash at end of period	$ 524,140	$ 485,785

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

BRIDGEBIO PHARMA, INC.

Condensed Consolidated Statements of Cash Flows
(Continued)
(Unaudited)
(in thousands)

	Nine Months Ended September 30,	
	2023	**2022**
Supplemental Disclosure of Cash Flow Information:		
Cash paid for interest	$ 50,826	$ 47,575
Supplemental Disclosures of Noncash Investing and Financing Information:		
Unpaid issuance cost on Private Placement offering	$ 455	$ —
Payment-in-kind interest added to principal of term loan	$ —	$ 8,503
Unpaid property and equipment	$ 192	$ 60
Transfers (to) from noncontrolling interests (Note 5)	$ (8,313)	$ 1,153
Reconciliation of Cash, Cash Equivalents and Restricted Cash:		
Cash and cash equivalents	$ 505,213	$ 483,235
Restricted cash	16,652	—
Restricted cash — Included in “Prepaid expenses and other current assets”	—	140
Restricted cash — Included in “Other assets”	2,275	2,410
Total cash, cash equivalents and restricted cash at end of periods shown in the condensed consolidated statements of cash flows	$ 524,140	$ 485,785

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

1. Organization and Description of Business

BridgeBio Pharma, Inc. ("BridgeBio" or the "Company") is a commercial-stage biopharmaceutical company founded to discover, create, test and deliver transformative medicines to treat patients who suffer from genetic diseases and cancers with clear genetic drivers. BridgeBio's pipeline of development programs ranges from early science to advanced clinical trials. BridgeBio was founded in 2015 and its team of experienced drug discoverers, developers and innovators are committed to applying advances in genetic medicine to help patients as quickly as possible.

Since inception, BridgeBio has either created wholly-owned subsidiaries or has made investments in certain controlled entities, including partially-owned subsidiaries for which BridgeBio has a majority voting interest, and variable interest entities ("VIEs") for which BridgeBio is the primary beneficiary (collectively, "we", "our", "us"). BridgeBio is headquartered in Palo Alto, California.

2. Summary of Significant Accounting Policies

Basis of Presentation and Principles of Consolidation

The condensed consolidated financial statements include the accounts of BridgeBio Pharma, Inc. and its wholly-owned subsidiaries and controlled entities, substantially all of which are denominated in U.S. dollars. All intercompany balances and transactions have been eliminated in consolidation. For consolidated entities where we own or are exposed to less than 100% of the economics, we record "Net loss attributable to redeemable convertible noncontrolling interests and noncontrolling interests" in our condensed consolidated statements of operations equal to the percentage of the economic or ownership interest retained in such entities by the respective noncontrolling parties.

In determining whether an entity is considered a controlled entity, we applied the VIE and Voting Interest Entity ("VOE") models. We assess whether we are the primary beneficiary of a VIE based on our power to direct the activities of the VIE that most significantly impact the VIE's economic performance and our obligation to absorb losses or the right to receive benefits from the VIE that could potentially be significant to the VIE. Entities that do not qualify as a VIE are assessed for consolidation under the VOE model. Under the VOE model, BridgeBio consolidates the entity if it determines that it has a controlling financial interest in the entity through its ownership of greater than 50% of the outstanding voting shares of the entity and that other equity holders do not have substantive voting, participating or liquidation rights. We assess whether we are the primary beneficiary of a VIE or whether we have a majority voting interest for entities consolidated under the VOE model at the inception of the arrangement and at each reporting date.

The accompanying condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP") in the United States and applicable rules and regulations of the U.S. Securities and Exchange Commission (the "SEC") regarding interim financial reporting. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. The accompanying unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2022, filed with the SEC.

The condensed consolidated financial statements have been prepared on the same basis as the annual financial statements and, in the opinion of management, reflect all adjustments, which include only normal recurring adjustments, necessary for a fair statement of our financial position, our results of operations and comprehensive loss, stockholders' deficit and our cash flows for the periods presented. The results of operations for the three and nine months ended September 30, 2023 are not necessarily indicative of the results to be expected for the year ending December 31, 2023 or for any other future annual or interim periods.

Cash, Cash Equivalents and Marketable Securities

We consider all highly liquid investments purchased with original maturities of 90 days or less from the purchase date to be cash equivalents. Cash equivalents consist primarily of amounts invested in money market instruments, such as money market funds and repurchase agreements collateralized with securities issued by the U.S. government or its agencies.

Our marketable securities consist of high investment grade fixed income securities that are primarily invested in commercial paper and U.S. government securities. We classify our marketable securities as available-for-sale securities and report them at fair value in cash equivalents or marketable securities on the condensed consolidated balance sheets with related unrealized gains and losses included as a component of stockholders' deficit. We classify our marketable securities as either short-term or long-term based on each instrument's underlying contractual maturity date. The amortized cost of debt securities is adjusted for amortization of premiums and accretion of discounts to maturity which is included in interest income on the condensed consolidated statements of operations. Realized gains and losses and declines in value judged to be other-than-temporary, if any, on available-for-sale securities are included in "Other income (expense), net." The cost of securities sold is based on the specific identification method. Interest and dividends on securities classified as available-for-sale are included in interest income.

Our cash, cash equivalents and marketable securities are exposed to credit risk in the event of default by the third parties that hold or issue such assets. Our cash, cash equivalents and marketable securities are held by financial institutions that management believes are of high credit quality. Our investment policy limits investments to fixed income securities denominated and payable in U.S. dollars such as commercial paper, U.S. government obligations, treasury bills, and money market funds, and places restrictions on maturities and concentrations by type and issuer.

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the condensed consolidated balance sheets to the total amounts shown on the condensed consolidated statements of cash flows:

	September 30, 2023	December 31, 2022
	(in thousands)	
Cash and cash equivalents	$ 505,213	$ 376,689
Restricted cash	16,652	37,930
Restricted cash, non-current — included in "Other assets"	2,275	2,265
Total cash, cash equivalents and restricted cash shown on the condensed consolidated statements of cash flows	$ 524,140	$ 416,884

Restricted Cash

Restricted cash primarily represents funds in a controlled account that was established in connection with the Second Amendment of the Company's Loan and Security Agreement that is described in Note 9. The use of such non-interest-bearing cash is restricted per the terms of the underlying amended loan agreement and is to be used solely for certain research and development expenses directly attributable to the performance of obligations associated with the Navire-BMS License Agreement, which is further described in Note 10. As of September 30, 2023 and December 31, 2022, restricted cash related to this agreement was $16.5 million and $37.8 million, respectively, which is presented as part of "Restricted cash" on the condensed consolidated balance sheets.

Additionally, under certain lease agreements and letters of credit, we have pledged cash and cash equivalents as collateral. As of September 30, 2023, restricted cash related to such agreements was $0.1 million and $2.2 million, which is presented as part of "Restricted cash" and "Other assets", respectively, on the condensed consolidated balance sheets. As of December 31, 2022, restricted cash related to such agreements was $0.1 million and $2.3 million, which is presented as part of "Restricted cash" and "Other assets", respectively, on the condensed consolidated balance sheets.

Concentration of Credit Risk and Other Risks and Uncertainties

Financial instruments that subject us to significant concentrations of credit risk consist primarily of cash, cash equivalents, marketable securities and restricted cash. Substantially all of our cash, cash equivalents, marketable securities and restricted cash are held in financial institutions in the United States. Amounts on deposit may at times exceed federally insured limits. Although management currently believes that the financial institutions with whom it does business will be able to fulfill their commitments to the Company, there is no assurance that those institutions will be able to continue to do so. The Company has not experienced any credit losses associated with its balances in such accounts as of September 30, 2023 and December 31, 2022, and for the three and nine months ended September 30, 2023 and 2022.

We are subject to certain risks and uncertainties and we believe that changes in any of the following areas could have a material adverse effect on future financial position or results of operations: ability to obtain future financing, regulatory approval and market

acceptance of, and reimbursement for, product candidates, performance of third-party contract research organizations and manufacturers upon which we rely, development of sales channels, protection of our intellectual property, litigation or claims against us based on intellectual property, patent, product, regulatory, clinical or other factors, and our ability to attract and retain employees necessary to support our growth.

We are dependent on third-party manufacturers to supply products for research and development activities in our programs. In particular, we rely and expect to continue to rely on a small number of manufacturers to supply us with our requirements for the active pharmaceutical ingredients and formulated drugs related to these programs. These programs could be adversely affected by a significant interruption in the supply of active pharmaceutical ingredients and formulated drugs.

Due to the COVID-19 pandemic we have experienced delays in or temporary suspensions of the enrollment of patients in our subsidiaries' clinical trials in the past. While we have not had any recent concerns, we may continue to experience delays in certain ongoing key program activities, including commencement of planned clinical trials, as well as non-clinical experiments and Investigational New Drug Application-enabling good laboratory practice toxicology studies. In response to the COVID-19 pandemic, we implemented safety measures to protect our patient community, employees, partners, suppliers and stockholders. In May 2023, the World Health Organization declared that COVID-19 is no longer a global health emergency. However, we cannot predict the impact COVID-19 or any future public health emergency or pandemic may have on global business operations and economic conditions, or on our business or strategy, including the effects on our ongoing and planned clinical development activities and prospects or on our financial and operating results.

Use of Estimates

The preparation of condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent liabilities at the date of the condensed consolidated financial statements, and the reported amounts of expenses during the reporting periods. Significant estimates and assumptions made in the accompanying condensed consolidated financial statements include, but are not limited to:

- accruals for research and development activities, such as clinical, development, regulatory, and sales-based milestone payments in our in-licensing agreements and asset acquisitions,
- accruals for performance-based milestone compensation arrangements,
- determining and allocating the transaction price to performance obligations for transactions accounted for under ASC 606, *Revenue from Contracts with Customers*,
- the expected recoverability and estimated useful lives of our long-lived assets, and
- additional charges as a result of, or that are associated with, any restructuring initiative as well as impairment and related charges.

We base our estimates on historical experience and on various other assumptions that we believe are reasonable. Actual results may differ from those estimates or assumptions.

3. Fair Value Measurements

The following table presents information about our financial assets and liabilities that are measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation:

	September 30, 2023			
	Total	Level 1	Level 2	Level 3
	(in thousands)			
Assets				
Cash equivalents:				
Money market funds	$ 205,485	$ 205,485	$ —	$ —
Treasury bills	189,338	—	189,338	—
Agency discount notes	69,597	—	69,597	—
Total cash equivalents	464,420	205,485	258,935	—
Investment in equity securities	38,052	38,052	—	—
LianBio Warrant	518	518	—	—
Total financial assets	$ 502,990	$ 244,055	$ 258,935	$ —
Liability				
Embedded derivative	$ 1,665	$ —	$ —	$ 1,665

	December 31, 2022			
	Total	Level 1	Level 2	Level 3
	(in thousands)			
Assets				
Cash equivalents:				
Money market funds	$ 202,250	$ 202,250	$ —	$ —
Commercial paper	159,758	—	159,758	—
Total cash equivalents	362,008	202,250	159,758	—
Marketable securities:				
Commercial Paper	51,580	—	51,580	—
Total marketable securities	51,580	—	51,580	—
Investment in equity securities	43,653	43,653	—	—
LianBio Warrant	570	570	—	—
Total financial assets	$ 457,811	$ 246,473	$ 211,338	$ —
Liability				
Embedded derivative	$ 1,201	$ —	$ —	$ 1,201

There were no transfers between Level 1, Level 2 or Level 3 during the periods presented.

There are uncertainties on the fair value measurement of the instrument classified under Level 3 due to the use of unobservable inputs and interrelationships between these unobservable inputs, which could result in higher or lower fair value measurements.

Marketable Securities

The fair value of our marketable securities classified within Level 2 is based upon observable inputs that may include benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications.

Investments in Equity Securities

We have investments in equity securities of publicly held companies and we do not have restrictions on our ability to sell these securities. We have classified our investments in equity securities within Level 1, as the fair value of these equity securities are derived from observable inputs such as quoted prices in active markets. Our investments in equity securities had an aggregate fair value of $30.6 million and $35.5 million as of September 30, 2023 and December 31, 2022, respectively.

As of September 30, 2023 and December 31, 2022, we also had an investment in LianBio whose fair value amounted to $7.5 million and $8.2 million, respectively.

Total realized and unrealized gains and losses associated with investment in equity securities during the periods presented consisted of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
	(in thousands)			
Net realized gains recognized on investment in equity securities sold	$ 253	$ 1,745	$ 9,049	$ 360
Net unrealized gains (losses) recognized on investment in equity securities held as of the end of the period	(5,603)	8,514	(12,000)	(13,329)
Total net gains (losses) included in "Other income (expense), net"	$ (5,350)	$ 10,259	$ (2,951)	$ (12,969)

LianBio Warrant

As of September 30, 2023 and December 31, 2022 our subsidiary, QED Therapeutics, Inc. ("QED"), held a warrant which entitles QED to purchase shares of LianBio (the "LianBio Warrant", see Note 6). We classify the LianBio Warrant, which pertains to an equity security of a publicly held company, within Level 1 as the fair value of this equity security is derived from observable inputs such as quoted prices in an active market.

Notes

The fair values of our 2.25% convertible senior notes due 2029 (the "2029 Notes") and our 2.50% convertible senior notes due 2027 (the "2027 Notes") (collectively, the "Notes", see Note 9), which differ from their respective carrying values, are determined by prices for the Notes observed in market trading. The market for trading of the Notes is not considered to be an active market and therefore the estimate of fair value is based on Level 2 inputs. As of September 30, 2023, the estimated fair value of our 2029 Notes and 2027 Notes, which have aggregate face values of $747.5 million and $550.0 million, respectively, were $556.9 million and $529.4 million, respectively, based on their market prices on the last trading day for the period. As of December 31, 2022, the estimated fair value of our 2029 Notes and 2027 Notes was $314.0 million and $218.6 million, respectively, based on the market price on the last trading day for the period.

Term Loan

The fair value of our outstanding term loan (see Note 9) is estimated using the net present value of the payments, discounted at an interest rate that is consistent with a market interest rate, which is a Level 2 input. The estimated fair value of our outstanding term loan as of September 30, 2023 and December 31, 2022 was $385.9 million and $377.2 million, respectively.

4. Cash Equivalents and Marketable Securities

Cash equivalents consist primarily of amounts invested in money market instruments, such as money market funds, treasury bills and securities issued by the U.S. government or its agencies. Our marketable securities consist of high investment grade fixed income securities that are invested in commercial paper.

Cash equivalents and marketable securities classified as available-for-sale consisted of the following:

	September 30, 2023			
	Amortized Cost Basis	Unrealized Gains	Unrealized Losses	Estimated Fair Value
	(in thousands)			
Cash equivalents:				
Money market funds	$ 205,485	$ —	$ —	$ 205,485
Treasury bills	189,312	26	—	189,338
Agency discount notes	69,589	8	—	69,597
Total cash equivalents	$ 464,386	$ 34	$ —	$ 464,420

	December 31, 2022			
	Amortized Cost Basis	Unrealized Gains	Unrealized Losses	Estimated Fair Value
	(in thousands)			
Cash equivalents:				
Money market funds	$ 202,250	$ —	$ —	$ 202,250
Commercial paper	159,812	—	(54)	159,758
Total cash equivalents	362,062	—	(54)	362,008
Marketable securities:				
Commercial paper	51,854	—	(274)	51,580
Total marketable securities	51,854	—	(274)	51,580
Total cash equivalents and marketable securities	$ 413,916	$ —	$ (328)	$ 413,588

There have been no significant realized gains or losses on available-for-sale securities for the periods presented. There were no available-for-sale securities that have been in a continuous unrealized loss position for more than 12 months. As of December 31, 2022 our marketable securities had average contractual maturities of approximately 6 months. We believe that we have the ability to realize the full value of all of these investments upon their respective maturities.

5. Noncontrolling Interests

As of September 30, 2023 and December 31, 2022, we had both redeemable convertible noncontrolling interests and noncontrolling interests in consolidated partially-owned entities, for which BridgeBio is the primary beneficiary under the VIE model. These balances are reported as separate components outside stockholders' deficit in "Redeemable convertible noncontrolling interests" and as part of stockholders' deficit in "Noncontrolling interests" on the condensed consolidated balance sheets.

We adjust the carrying value of noncontrolling interests to reflect the book value attributable to noncontrolling stockholders of consolidated partially-owned entities when there is a change in the ownership during the respective reporting period and such adjustments are recorded to additional paid-in capital. For the three and nine months ended September 30, 2023, the adjustments in the aggregate amounted to $(2.4) million and $(8.3) million, respectively. For the three and nine months ended September 30, 2022, the adjustments in the aggregate amounted to $(0.3) million and $1.2 million, respectively. All such adjustments are disclosed within the "Transfers from (to) noncontrolling interests" line item on the condensed consolidated statements of redeemable convertible noncontrolling interests and stockholders' deficit.

6. Other Equity Investments

LianBio

In October 2019, our subsidiary, BridgeBio Pharma LLC ("BBP LLC"), entered into an exclusivity agreement with LianBio, pursuant to which BBP LLC received equity in LianBio. We account for BBP LLC's equity interest in LianBio under *ASC 321 Investments - Equity Securities* as an investment in equity securities. For the three and nine months ended September 30, 2023, we recorded an unrealized loss of $4.0 million and $0.8 million, respectively, for the ongoing mark-to-market adjustments of the investment, see Note 3. For the three and nine months ended September 30, 2022, we recorded an unrealized loss of $1.0 million and $21.0 million, respectively, for the ongoing mark-to-market adjustments of the investment. As of September 30, 2023 and December 31, 2022, we recorded $61.1 million and $60.3 million, respectively, in cumulative unrealized loss for the ongoing mark-to-market adjustments of the investment.

Pursuant to a License Agreement entered into in October 2019 between QED and LianBio, QED also received warrants which entitled QED to purchase 10% of the then-fully diluted shares of one of the subsidiaries of LianBio upon achievement of certain contingent development milestones. Changes in fair value of the warrants were not material for the three and nine months ended September 30, 2023 and 2022.

In October 2021, the warrants held by QED to purchase shares of one of the subsidiaries of LianBio were converted into the LianBio Warrant, which entitles QED to purchase 347,569 shares of LianBio. The LianBio Warrant is measured at fair value on a recurring basis, with changes in fair value recognized in our condensed consolidated statements of operations as part of "Other income (expense), net." The LianBio Warrant, which is presented as part of "Other assets" in our condensed consolidated balance sheets, had a fair value of $0.5 million and $0.6 million as of September 30, 2023 and December 31, 2022, respectively.

PellePharm

As of April 15, 2021, BridgeBio had been the primary beneficiary of PellePharm as it had power over key decisions that significantly impact PellePharm's economic performance. BridgeBio also had the obligation to absorb losses or the right to receive benefits from PellePharm that could potentially be significant to PellePharm through its common and preferred stock interest in PellePharm. Accordingly, BridgeBio had consolidated PellePharm during the period April 15, 2021 through December 31, 2022.

On January 16, 2023, PellePharm's board of directors authorized the assignment of all PellePharm's assets to PellePharm ABC, LLC for liquidation and distribution under the General Assignment for the Benefit of Creditors ("ABC").

As part of the ABC proceedings, PellePharm's board of directors resigned effective March 6, 2023. The date the board of directors resigned was determined to be a VIE reconsideration event. Based on the changes to PellePharm's governance structure and composition of the board of directors as a result of the ABC, BridgeBio was no longer the primary beneficiary, as it no longer had the power over key decisions that significantly impact PellePharm's economic performance. Accordingly, during the three months ended March 31, 2023, BridgeBio deconsolidated PellePharm and recognized a loss of $1.2 million which is presented as part of "Other income (expense), net" on the condensed consolidated statements of operations for the nine months ended September 30, 2023.

7. Intangible Assets, net

The following table summarizes our recognized intangible assets as a result of the arrangements described in the following sections:

	September 30, 2023		December 31, 2022	
	Weighted-average Estimated Useful Lives	Amount	Weighted-average Estimated Useful Lives	Amount
		(in thousands)		(in thousands)
Gross amount	11.2 years	$ 32,500	12.0 years	$ 32,500
Less: accumulated amortization		(5,583)		(3,788)
Total		$ 26,917		$ 28,712

Amortization expense recorded as part of cost of revenue for the three and nine months ended September 30, 2023 was $0.6 million and $1.8 million, respectively. Amortization expense recorded as part of cost of revenue for the three and nine months ended September 30, 2022 was $0.6 million and $1.8 million, respectively. Future amortization expense is $0.6 million for the remainder of 2023, $2.4 million for each of the years from 2024 to 2027 and $16.7 million thereafter.

Novartis License Agreement

In January 2018, QED entered into a License Agreement with Novartis International Pharmaceutical, Inc. or Novartis, pursuant to which QED acquired certain intellectual property rights, including patents and know-how, related to infigratinib for the treatment of patients with fibroblast growth factor receptor ("FGFR") driven diseases. QED accounted for the transaction as an asset acquisition as substantially all of the estimated fair value of the gross assets acquired was concentrated in a single identified asset, in-process research and development, or IPR&D, thus satisfying the requirements of the screen test in ASU 2017-01, *Business Combinations (Topic 805), Clarifying the Definition of a Business*. The assets acquired and liabilities assumed in the transaction were measured based on their fair values. The fair value of the IPR&D acquired was charged to research and development expense as it had no alternative future use at the time of the acquisition.

If certain substantial milestones are met, QED could be required to pay up to $60.0 million in regulatory milestone payments, $35.0 million in sales-based milestone payments, and pay royalties of up to low double-digit percentages on net sales. Following the U.S. Food and Drug Administration ("FDA") approval of TRUSELTIQ™ in May 2021, we paid a one-time regulatory milestone payment to Novartis of $20.0 million. We capitalized such payment as a finite-lived intangible asset and amortize the amount over its estimated useful life on a straight-line basis. While a request to withdraw the New Drug Application ("NDA") for TRUSELTIQ™ was submitted in May 2023, all clinical investigations under the associated Investigational New Drug application ("IND") were discontinued as of March 2023 due to difficulty enrolling study patients for the required confirmation trial. However, the intellectual property rights, patents and know-how related to infigratinib is being applied to other clinical investigations for FGFR-driven diseases.

Asset Purchase Agreement with Alexion

In June 2018, our subsidiary Origin Biosciences, Inc. ("Origin"), entered into an Asset Purchase Agreement with Alexion Pharma Holding Unlimited Company ("Alexion"), to acquire intellectual property rights, including patent rights, know-how, and contracts, related to the ALXN1101 molecule. Origin accounted for the transaction as an asset acquisition as substantially all of the estimated fair value of the gross assets acquired was concentrated in a single identified asset, or IPR&D, thus satisfying the requirements of the screen test in ASU 2017-01. The assets acquired and liabilities assumed in the transaction were measured based on their fair values. The fair value of the IPR&D acquired was charged to research and development expense as it had no alternative future use at the time of the acquisition.

Pursuant to the Asset Purchase Agreement, Origin was required to pay $15.0 million upon the satisfaction of a certain condition, which was met in 2021. We capitalized the amount as a finite-lived intangible asset and amortize it over its estimated useful life on a straight-line basis. In addition, under the Asset Purchase Agreement, Origin could be required to pay up to $17.0 million in sales-based milestone payments and royalties of up to low double-digit percentages on net sales.

In connection with the Asset Purchase Agreement entered between Origin and Sentynl Therapeutics, Inc. ("Sentynl"), in March 2022, or the Origin-Sentynl APA (see Note 11), Sentynl assumed the obligation to pay sales-based milestone payments and royalties to Alexion that occur subsequent to the closing of the Origin-Sentynl APA when they become due. Origin will continue to be responsible for a regulatory-based milestone payment upon first pricing approval in a European Medicines Agency, or EMA, country of up to $1.0 million when it becomes due. As a result of the Origin-Sentynl APA, we also derecognized the associated intangible asset with a net book value of $13.5 million as this was part of the assets that were transferred to Sentynl.

Diagnostics Agreement with Foundation Medicine

In November 2018, QED and Foundation Medicine, Inc. ("FMI"), entered into a companion diagnostics agreement relating to QED's drug discovery and development initiatives. Pursuant to the agreement, QED could be required to pay $12.5 million in regulatory approval milestones over a period of four years subsequent to the FDA approval of a companion diagnostic for TRUSELTIQ™ in patients with cholangiocarcinoma. The FDA approved the companion diagnostic for TRUSELTIQ™ in May 2021, which resulted in the capitalization of $12.5 million as a finite-lived intangible asset to be amortized over its estimated useful life on a straight-line basis. While a request to withdraw the NDA for TRUSELTIQ™ was submitted in May 2023, and all clinical investigations under the associated IND were discontinued, the FMI companion diagnostics agreement drug discovery and development initiatives are being applied to other clinical investigations. As of September 30, 2023, the amount due to FMI is presented in our condensed consolidated balance sheets as $6.0 million in "Accrued professional and other accrued liabilities" and $5.0 million in "Other long-term liabilities," respectively. As of December 31, 2022, the amount due to FMI is presented in our condensed consolidated balance sheets as $2.5 million in "Accrued professional and other accrued liabilities" and $8.5 million in "Other long-term liabilities," respectively.

8. Commitments and Contingencies

Milestone Compensation Arrangements

We have performance-based milestone compensation arrangements with certain employees and consultants, whose vesting is contingent upon meeting various milestones, with fixed monetary amounts known at inception that can be settled in the form of cash or equity at our sole discretion. We also have performance-based milestone compensation arrangements with certain employees and consultants as part of the 2020 Stock and Equity Award Exchange Program (the "Exchange Program", see Note 15). The compensation arrangements under the Exchange Program are to be settled in the form of equity only. Performance-based milestone awards that are settled in the form of equity are satisfied in the form of fully-vested restricted stock awards ("RSAs"). We accrue for such contingent compensation when the related milestone is probable of achievement and is recorded in "Accrued compensation and benefits" for the current portion and in "Other long-term liabilities" for the noncurrent portion on the condensed consolidated balance sheets. There is no accrued compensation expense for performance-based milestone awards that are assessed to be not probable of achievement. The table below shows our commitment for the potential milestone amounts and the accruals for milestones deemed probable of achievement as of September 30, 2023.

Settlement Type	Potential Fixed Monetary Amount	Accrued Amount [1]
	(in thousands)	
Cash	$ 9,506	$ 637
Stock [2]	51,550	8,457
Cash or stock at our sole discretion	128,483	1,728
Total	$ 189,539	$ 10,822

(1) Amount recorded for performance-based milestone awards that are probable of achievement.

(2) Includes the performance-based milestone awards that were granted as part of the Exchange Program further discussed in Note 15.

Other Research and Development and Commercial Agreements

We may also enter into contracts in the normal course of business with contract research organizations for clinical trials, with contract manufacturing organizations for clinical supplies, and with other vendors for preclinical studies, supplies, and other services and products for commercial and operating purposes. These contracts generally provide for termination on notice with potential termination charges. As of September 30, 2023, there were no material amounts accrued related to termination charges. As of December 31, 2022, we had liabilities for certain fees that we have incurred related to reprioritization of our research and development projects of approximately $3.3 million (see Note 16).

Indemnification

In the ordinary course of business, we may provide indemnifications of varying scope and terms to vendors, lessors, business partners, board members, officers, and other parties with respect to certain matters, including, but not limited to, losses arising out of breach of such agreements, services to be provided by us, our negligence or willful misconduct, violations of law, or intellectual property infringement claims made by third parties. In addition, we have entered into indemnification agreements with directors and certain officers and employees that will require us, among other things, to indemnify them against certain liabilities that may arise by reason of their status or service as directors, officers, or employees. No material demands have been made upon us to provide indemnification under such agreements, and thus, there are no claims that we are aware of that could have a material effect on our condensed consolidated financial statements.

We also maintain director and officer insurance, which may cover certain liabilities arising from our obligation to indemnify our directors. To date, we have not incurred any material costs and have not accrued any material liabilities on the condensed consolidated financial statements as a result of these provisions.

Contingencies

From time to time, we may become involved in legal proceedings arising in the ordinary course of business. We are not currently a party to any material legal proceedings.

9. Debt

Notes

2029 Notes, net

On January 28, 2021, we issued an aggregate of $717.5 million principal amount of our 2029 Notes pursuant to an Indenture dated January 28, 2021 (the "2029 Notes Indenture"), between us and U.S. Bank National Association, as trustee (the "2029 Notes Trustee"), in a private offering to qualified institutional buyers (the "2021 Note Offering") pursuant to Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"). The 2029 Notes issued in the 2021 Note Offering include $67.5 million aggregate principal amount of 2029 Notes sold to the initial purchasers (the "2029 Notes Initial Purchasers") pursuant to the exercise in part of the 2029 Notes Initial Purchasers' option to purchase $97.5 million principal amount of additional 2029 Notes. On January 28, 2021, the 2029 Notes Initial Purchasers exercised the remaining portion of their option to purchase $30.0 million principal amount of additional 2029 Notes. The sale of those additional 2029 Notes closed on February 2, 2021, which resulted in the total aggregate principal amount of $747.5 million.

The 2029 Notes will accrue interest payable semiannually in arrears on February 1 and August 1 of each year, beginning on August 1, 2021, at a rate of 2.25% per year. The 2029 Notes will mature on February 1, 2029, unless earlier converted, redeemed or repurchased. The 2029 Notes are convertible into cash, shares of BridgeBio's common stock or a combination of cash and shares of BridgeBio's common stock, at our election.

We received net proceeds from the 2021 Note Offering of approximately $731.4 million, after deducting the 2029 Notes Initial Purchasers' discount (there were no direct offering expenses borne by us for the 2029 Notes). We used approximately $61.3 million of the net proceeds from the 2021 Note Offering to pay for the cost of the 2021 Capped Call Transactions described below and approximately $50.0 million to pay for the repurchase of shares of BridgeBio's common stock described below.

A holder of 2029 Notes may convert all or any portion of its 2029 Notes at its option at any time prior to the close of business on the business day immediately preceding November 1, 2028 in multiples of $1,000 only under the following circumstances:

- During any calendar quarter commencing after the calendar quarter ending on June 30, 2021 (and only during such calendar quarter), if the last reported sale price of BridgeBio's common stock for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price on each applicable trading day;
- During the five-business day period after any five consecutive trading day period (the "measurement period") in which the "trading price" (as defined in the 2029 Notes Indenture) per $1,000 principal amount of 2029 Notes for each trading day of the measurement period was less than 98% of the product of the last reported sale price of BridgeBio's common stock and the conversion rate on each such trading day;
- If we call such notes for redemption, at any time prior to the close of business on the second business day immediately preceding the redemption date; or
- Upon the occurrence of specified corporate events, as defined in the 2029 Notes Indenture.

On or after November 1, 2028 until the close of business on the second scheduled trading day immediately preceding the maturity date, a holder may convert all or any portion of its 2029 Notes at any time, regardless of the foregoing.

The conversion rate will initially be 10.3050 shares of BridgeBio's common stock per $1,000 principal amount of 2029 Notes (equivalent to an initial conversion price of approximately $97.04 per share of BridgeBio's common stock, for a total of approximately 7,702,988 shares).

The conversion rate is subject to adjustment in some events but will not be adjusted for any accrued and unpaid interest. In addition, following certain corporate events that occur prior to the maturity date or if we deliver a notice of redemption, we will, in certain circumstances, increase the conversion rate for a holder who elects to convert its 2029 Notes in connection with such a corporate event. The maximum number of shares issuable should there be an increase in the conversion rate is 11,361,851 shares of BridgeBio's common stock.

We may not redeem the 2029 Notes prior to February 6, 2026. We may redeem for cash all or any portion of the 2029 Notes, at our option, on a redemption date occurring on or after February 6, 2026 and on or before the 41st scheduled trading day immediately before the maturity date, under certain circumstances. No sinking fund is provided for the Notes. If we undergo a fundamental change (as defined in the 2029 Notes Indenture), holders may require us to repurchase for cash all or any portion of their 2029 Notes at a fundamental change repurchase price equal to 100% of the principal amount of the 2029 Notes to be repurchased, plus any accrued and unpaid interest to, but excluding, the fundamental change repurchase date. The 2029 Notes Indenture contains customary terms and covenants, including that upon certain events of default occurring and continuing, either the 2029 Notes Trustee or the holders of not less than 25% in aggregate principal amount of the 2029 Notes then outstanding may declare the entire principal amount of all the Notes plus accrued special interest, if any, to be immediately due and payable. The 2029 Notes are our general unsecured obligations and rank senior in right of payment to all of our indebtedness that is expressly subordinated in right of payment to the 2029 Notes; equal in right of payment with all of our liabilities that are not so subordinated, including our 2027 Notes; effectively junior to any of our secured indebtedness to the extent of the value of the assets securing such indebtedness; and structurally junior to all indebtedness and other liabilities (including trade payables) of our subsidiaries.

In connection with the issuance of the 2029 Notes, we incurred approximately $16.1 million of debt issuance costs, which consisted of initial purchasers' discounts. This was recorded as a reduction in the carrying value of the debt on the condensed consolidated balance sheets and is amortized to interest expense using the effective interest method over the expected life of the 2029 Notes or approximately their eight-year term.

2027 Notes, net

On March 9, 2020, we issued an aggregate principal amount of $550.0 million of our 2027 Notes, pursuant to an Indenture dated March 9, 2020 (the "2027 Notes Indenture"), between us and U.S. Bank National Association, as trustee (the "2027 Notes Trustee"), in a private offering to qualified institutional buyers (the "2020 Note Offering") pursuant to Rule 144A under the Securities Act. The 2027 Notes issued in the 2020 Note Offering include $75.0 million in aggregate principal amount of 2027 Notes sold to the initial purchasers (the "2027 Notes Initial Purchasers") resulting from the exercise in full of their option to purchase additional 2027 Notes.

The 2027 Notes will accrue interest payable semiannually in arrears on March 15 and September 15 of each year, beginning on September 15, 2020, at a rate of 2.50% per year. The 2027 Notes will mature on March 15, 2027, unless earlier converted or repurchased. The 2027 Notes are convertible into cash, shares of BridgeBio's common stock or a combination of cash and shares of BridgeBio's common stock, at our election.

We received net proceeds from the 2020 Note Offering of approximately $537.0 million, after deducting the 2027 Notes Initial Purchasers' discount and offering expenses. We used approximately $49.3 million of the net proceeds from the 2020 Note Offering to pay for the cost of the 2020 Capped Call Transactions described below, and approximately $75.0 million to pay for the repurchase of shares of BridgeBio's common stock described below.

A holder of 2027 Notes may convert all or any portion of its 2027 Notes at its option at any time prior to the close of business on the business day immediately preceding December 15, 2026 in multiples of $1,000 only under the following circumstances:

- During any calendar quarter commencing after the calendar quarter ending on June 30, 2020 (and only during such calendar quarter), if the last reported sale price of BridgeBio's common stock for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price on each applicable trading day;
- During the five-business day period after any five consecutive trading day period (the "measurement period") in which the "trading price" (as defined in the 2027 Notes Indenture) per $1,000 principal amount of 2027 Notes for each trading day of the measurement period was less than 98% of the product of the last reported sale price of BridgeBio's common stock and the conversion rate on each such trading day; or
- Upon the occurrence of specified corporate events, as defined in the 2027 Notes Indenture.

On or after December 15, 2026 until the close of business on the second scheduled trading day immediately preceding the maturity date, a holder may convert all or any portion of its 2027 Notes at any time, regardless of the foregoing.

The conversion rate will initially be 23.4151 shares of BridgeBio's common stock per $1,000 principal amount of 2027 Notes (equivalent to an initial conversion price of approximately $42.71 per share of BridgeBio's common stock, for a total of approximately 12,878,305 shares). Based on the closing price of our common stock on September 30, 2023, the if-converted value of the 2027 Notes did not exceed its principal amount.

The conversion rate is subject to adjustment in some events but will not be adjusted for any accrued and unpaid interest. In addition, following certain corporate events that occur prior to the maturity date, we will, in certain circumstances, increase the conversion rate for a holder who elects to convert its 2027 Notes in connection with such a corporate event. The maximum number of shares issuable should there be an increase in the conversion rate is 17,707,635 shares of BridgeBio's common stock.

We may not redeem the 2027 Notes prior to the maturity date, and no sinking fund is provided for the 2027 Notes. If we undergo a fundamental change (as defined in the 2027 Notes Indenture), holders may require us to repurchase for cash all or any portion of their 2027 Notes at a fundamental change repurchase price equal to 100% of the principal amount of the 2027 Notes to be repurchased, plus any accrued and unpaid interest to, but excluding, the fundamental change repurchase date. The 2027 Notes Indenture contains customary terms and covenants, including that upon certain events of default occurring and continuing, either the 2027 Notes Trustee or the holders of not less than 25% in aggregate principal amount of the 2027 Notes then outstanding may declare the entire principal amount of all the 2027 Notes plus accrued special interest, if any, to be immediately due and payable. The 2027 Notes are our general unsecured obligations and rank senior in right of payment to all of our indebtedness that is expressly subordinated in right of payment to the 2027 Notes; equal in right of payment with all of BridgeBio's liabilities that are not so subordinated, including our 2029 Notes; effectively junior to any of BridgeBio's secured indebtedness to the extent of the value of the assets securing such indebtedness; and structurally junior to all indebtedness and other liabilities (including trade payables) of our subsidiaries.

In accounting for the issuance of the 2027 Notes in 2020 under ASC 470-20, *Debt: Debt with Conversion and Other Options*, we separately accounted for the liability and equity components of the 2027 Notes by allocating the proceeds between the liability component and the embedded conversion options, or equity component, due to our ability to settle the 2027 Notes in cash, BridgeBio's common stock, or a combination of cash and BridgeBio's common stock at our option. Effective January 1, 2021, we early adopted Accounting Standards Update ("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* ("ASU 2020-06"), and, as a result, we no longer separately account for the liability and equity components of the 2027 Notes, and, instead, account for our 2027 Notes wholly as debt.

In connection with the issuance of the 2027 Notes, we incurred approximately $13.0 million of debt issuance costs, which primarily consisted of initial purchasers' discounts and legal and other professional fees. We allocated these costs to the liability and equity components based on the allocation of the proceeds. The portion of these costs allocated to the equity component totaling approximately $4.1 million was recorded as a reduction to additional paid-in capital in 2020. The portion of these costs allocated to the liability component totaling approximately $8.9 million was recorded as a reduction in the carrying value of the debt on the condensed consolidated balance sheet and was amortized to interest expense using the effective interest method over the expected life of the 2027 Notes or approximately their seven-year term.

Additional Information Related to the Notes

The outstanding Notes' balances consisted of the following:

	September 30, 2023		December 31, 2022	
	2029 Notes	2027 Notes	2029 Notes	2027 Notes
	(in thousands)		(in thousands)	
Principal	$ 747,500	$ 550,000	$ 747,500	$ 550,000
Unamortized debt discount and issuance costs	(11,078)	(7,062)	(12,512)	(8,366)
Net carrying amount	$ 736,422	$ 542,938	$ 734,988	$ 541,634

The following table sets forth the total interest expense recognized and effective interest rates related to the Notes for the periods presented:

	Three Months Ended September 30, 2023			Nine Months Ended September 30, 2023		
	2029 Notes	2027 Notes	Total	2029 Notes	2027 Notes	Total
	(in thousands)			(in thousands)		
Contractual interest expense	$ 4,205	$ 3,438	$ 7,643	$ 12,614	$ 10,313	$ 22,927
Amortization of debt discount and issuance costs	482	438	920	1,434	1,304	2,738
Total interest and amortization expense	$ 4,687	$ 3,876	$ 8,563	$ 14,048	$ 11,617	$ 25,665
Effective interest rate	2.6%	2.8%		2.6%	2.8%	

	Three Months Ended September 30, 2022			Nine Months Ended September 30, 2022		
	2029 Notes	2027 Notes	Total	2029 Notes	2027 Notes	Total
	(in thousands)			(in thousands)		
Contractual interest expense	$ 4,205	$ 3,438	$ 7,643	$ 12,614	$ 10,313	$ 22,927
Amortization of debt discount and issuance costs	469	426	895	1,398	1,270	2,668
Total interest and amortization expense	$ 4,674	$ 3,864	$ 8,538	$ 14,012	$ 11,583	$ 25,595
Effective interest rate	2.5%	2.8%		2.5%	2.8%	

As of September 30, 2023, interest payable on the 2029 and 2027 Notes amounted to $2.8 million and $0.6 million, respectively. As of December 31, 2022, interest payable on the 2029 and 2027 Notes amounted to $7.0 million and $4.0 million, respectively.

Future minimum payments under the Notes as of September 30, 2023 are as follows:

	2029 Notes	2027 Notes	Total
		(in thousands)	
Remainder of 2023	$ —	$ —	$ —
Year ending December 31:			
2024	16,819	13,750	30,569
2025	16,819	13,750	30,569
2026	16,819	13,750	30,569
2027	16,819	556,875	573,694
Thereafter	772,727	—	772,727
Total future payments	840,003	598,125	1,438,128
Less amounts representing interest	(92,503)	(48,125)	(140,628)
Total principal amount	$ 747,500	$ 550,000	$ 1,297,500

Capped Call and Share Repurchase Transactions with Respect to the Notes

On each of January 25, 2021 and March 4, 2020, concurrently with the pricing of the 2029 Notes and 2027 Notes, respectively, we entered into separate privately negotiated capped call transactions (the "2021 Capped Call Transactions" and the "2020 Capped Call Transactions", respectively), or, together, the Capped Call Transactions, with certain financial institutions, or the Capped Call Counterparties. We used approximately $61.3 million and $49.3 million of the net proceeds from the 2021 Note Offering and 2020 Note Offering, respectively, to pay for the cost of the respective Capped Call Transactions. The Capped Call Transactions are expected generally to reduce the potential dilution to BridgeBio's common stock upon any conversion of Notes and/or offset any cash payments we are required to make in excess of the principal amount of converted Notes, as the case may be, with such reduction and/or offset subject to a cap initially equal to $131.58 for the 2021 Capped Call Transactions and $62.12 for the 2020 Capped Call Transactions (both of which represented a premium of 100% over the last reported sale price of BridgeBio's common stock on the date of the Capped Call Transactions) and are subject to certain adjustments under the terms of the Capped Call Transactions. The 2021 Capped Calls and 2020 Capped Calls cover 7,702,988 shares and 12,878,305 shares, respectively, of our common stock (subject to anti-dilution and certain other adjustments), which are the same number of shares of common stock that initially underlie the Notes. The 2021 Capped Calls have an initial strike price of approximately $97.04 per share, which corresponds to the initial conversion price of the 2029 Notes. The 2020 Capped Calls have an initial strike price of approximately $42.71 per share, which corresponds to the initial conversion price of the 2027 Notes. The Capped Call Transactions are separate transactions, entered into by us with the Capped Call Counterparties, and are not part of the terms of the Notes.

These Capped Call instruments meet the conditions outlined in ASC 815-40, *Derivatives and Hedging*, to be classified in stockholders' equity and are not subsequently remeasured as long as the conditions for equity classification continue to be met. We recorded a reduction to additional paid-in capital of approximately $61.3 million and $49.3 million for the years ended December 31, 2021 and 2020, respectively, related to the premium payments for the Capped Call Transactions.

Additionally, we used approximately $50.0 million and $75.0 million of the net proceeds from the 2021 Note Offering and 2020 Note Offering to repurchase 759,993 shares and 2,414,681 shares, respectively, of our common stock concurrently with the closing of the Note Offerings from certain of the Notes' Initial Purchasers in privately negotiated transactions. The agreed purchase price per share of common stock in the repurchases were $65.79 and $31.06, which were the last reported sale prices per share of our common stock on The Nasdaq Global Select Market, or Nasdaq, on January 25, 2021 and March 4, 2020, respectively. The shares repurchased were recorded as treasury stock.

Term Loan, net

Loan and Security Agreement

In November 2021, we entered into a Loan and Security Agreement (the "Loan Agreement," and as amended by the First Amendment (as defined below) and the Second Amendment (as defined below), the "Amended Loan Agreement"), by and among (i) U.S. Bank National Association, in its capacity as administrative agent (in such capacity, the "Administrative Agent") and collateral agent (in such capacity, the "Collateral Agent"), (ii) certain lenders (the "Lenders"), (iii) BridgeBio, as a borrower, and (iv) certain subsidiaries of BridgeBio, as guarantors (the "Guarantors"). In May 2022, we entered into the First Amendment to the Loan Agreement (the "First Amendment") and in November 2022, we entered into the Second Amendment to the Loan Agreement (the "Second Amendment"), as further described below.

Pursuant to the original terms and conditions of the Loan Agreement, the Lenders agreed to extend term loans to us in an aggregate principal amount of up to $750.0 million, comprised of (i) a tranche 1 advance of $450.0 million (the "Tranche 1 Advance"), and (ii) a tranche 2 advance of $300.0 million (the "Tranche 2 Advance") (collectively, the "Term Loan Advances"). The Tranche 1 Advance under the Loan Agreement was funded on November 17, 2021. The Tranche 2 Advance remained available for funding until December 31, 2022, which was available at our election after the occurrence of certain milestone events relating to data from our clinical trials. The terms related to the Tranche 2 Advance were modified in the First Amendment and Second Amendment as further discussed below. The First Amendment's term included the reduction of the aggregate amount of the Tranche 2 Advance from $300.0 million to $100.0 million. The Second Amendment eliminated the $100.0 million Tranche 2 Advance. As a result of the Second Amendment, the total aggregate principal amount of the loan is $450.0 million before any mandatory prepayment.

As security for our obligations under the Loan Agreement, each of BridgeBio and the Guarantors granted the Collateral Agent, for the benefit of the Lenders, a continuing security interest in substantially all of the assets of BridgeBio and the Guarantors (including all equity interests owned or hereafter acquired by BridgeBio and the Guarantors), subject to certain customary exceptions. Upon exceeding certain investment and disposition thresholds, additional subsidiaries of BridgeBio will be required to join as guarantors.

Any outstanding principal on the Term Loan Advances will accrue interest at a fixed rate equal to 9.0% per annum. 3.0% of which can be a payment-in-kind ("PIK") until January 1, 2025. Interest payments are payable quarterly following the funding of a Term Loan Advance. We would be required to make principal payments on the outstanding balance of the Term Loan Advances commencing on January 2, 2025 (the "Term Loan Amortization Date") in nine quarterly installments, plus interest. If we have achieved certain milestone events relating to data from the clinical trial of acoramidis (the "Acoramidis Milestone") on or prior to January 1, 2025, then the Term Loan Amortization Date would be automatically extended to January 2, 2026. Any amounts outstanding under the Term Loan Advances are due and payable on November 17, 2026 (the "Maturity Date").

We may prepay the outstanding principal amount of the Term Loan Advances at any time (in whole, but not in part), plus accrued and unpaid interest and a prepayment premium ranging from 1.0% to 3.0% of the principal amount outstanding depending on the timing of payment (plus a customary make-whole amount if prepaid on or prior to November 17, 2022).

At the Lenders' election, we are also required to make mandatory prepayments upon the occurrence of certain prepayment events related to the repurchase or redemption of pledged collateral, entry into certain royalty transactions, disposition of other assets or subsidiaries, and entry into licensing and other monetization transactions (all such events are referred to as prepayment events), which could be 50% or 75% of net cash proceeds from such transaction depending on achievement of the Acoramidis Milestone.

Subject to the mandatory prepayment requirements for certain prepayment events, the Loan Agreement contains customary affirmative and limited negative covenants which, among other things, limit our ability to (i) incur additional indebtedness, (ii) pay dividends or make certain distributions, (iii) dispose of our assets, grant liens, license or encumber our assets or (iv) fundamentally alter the nature of our business. BridgeBio and the Guarantors have broad ability to license our intellectual property, dispose of other assets and enter into monetization and royalty transactions, subject in each case to the requirement to make a mandatory prepayment described above. The Loan Agreement provides that BridgeBio and the Guarantors may, subject to certain limitations, (x) repurchase BridgeBio's equity interest and the equity interest of any of its subsidiaries, (y) enter into any joint ventures or similar investments, and (z) make other investments and acquisitions. Subject to the mandatory prepayment requirement described above, portfolio companies owned by BridgeBio that are not parties to the Loan Agreement are, subject to certain exceptions, not subject to any covenants or limitations under the Loan Agreement.

The Loan Agreement also contains customary events of default, including among other things, our failure to make any principal or interest payments when due, the occurrence of certain bankruptcy or insolvency events or the breach of the covenants under the Loan Agreement. Upon the occurrence of an event of default, the Lenders may, among other things, accelerate our obligations under the Loan Agreement.

We received net proceeds from the Tranche 1 Advance of $431.3 million, after deducting debt discount and issuance costs of $18.7 million, of which approximately $1.1 million of debt issuance costs were incurred for professional services provided by KKR Capital Markets LLC. KKR Capital Markets LLC is an affiliate of KKR Genetic Disorder L.P., a related party being a principal stockholder of BridgeBio.

In May 2022, we entered into the First Amendment, which, among other things:

- permitted the sale of our priority review voucher ("PRV", see Note 12) and, generally, future dispositions of other PRVs;
- reduced the aggregate amount of the Tranche 2 Advance from $300.0 million to $100.0 million and modified certain conditions to the availability thereof, as mentioned above;
- amended the principal payments such that the entire outstanding principal balance of the Term Loan Advances is due and payable at the Maturity Date or upon early termination; and
- modified the terms and conditions governing when certain entities into which we have made investments will be required to become guarantors under the Amended Loan Agreement.

In June 2022, the receipt of an upfront payment under the license development and commercialization agreement that our subsidiary, Navire Pharma, Inc. ("Navire"), entered into with Bristol-Myers Squibb Company ("BMS"), which is further described in Note 10, triggered certain mandatory prepayment provisions of the Amended Loan Agreement. As a result, we paid $20.5 million to the Lenders in June 2022, of which $20.1 million and $0.4 million were applied to principal and exit fee, respectively.

Pursuant to the terms of the Loan Agreement, we exercised our option to convert $3.4 million and $10.1 million of accrued interest into principal via PIK for the three and nine months ended September 30, 2023, respectively. Pursuant to the terms of the Loan Agreement, we exercised our option to convert $3.4 million and $8.5 million of accrued interest into principal via PIK for the three and nine months ended September 30, 2022, respectively.

In November 2022, we entered into the Second Amendment, which, among other things:

- acknowledged that our prior prepayment made with certain cash proceeds received in connection the receipt of an upfront payment under the Navire-BMS License Agreement, which is further described in Note 10, satisfied the mandatory prepayment requirement under the Amended Loan Agreement, on the terms and conditions specified in the Amended Loan Agreement;
- permitted certain budgeted expenses to be excluded from the definition of cash proceeds subject to the Company's mandatory prepayment obligations, on the terms and conditions specified in the Amended Loan Agreement, refer to Note 2 under Restricted Cash section for further discussion;
- removed certain threshold amounts applicable to certain prepayment events; and
- terminated the Lenders' $100.0 million Tranche 2 Advance.

The balances of our borrowing under the Amended Loan Agreement consisted of the following:

	September 30, 2023	December 31, 2022
	(in thousands)	
Principal value of term loan	$ 429,916	$ 429,916
PIK added to principal	22,066	15,324
Debt discount, issuance costs and exit fee accretion	(10,261)	(14,247)
Term loan, net	$ 441,721	$ 430,993

For the three and nine months ended September 30, 2023, we recognized interest expense related to the Amended Loan Agreement of $11.6 million and $34.6 million, respectively, of which $1.2 million and $4.0 million, respectively, relate to amortization of debt discount and issuance costs. For the three and nine months ended September 30, 2022, we recognized interest expense related to the Amended Loan Agreement of $11.2 million and $34.7 million, respectively, of which $1.2 million and $3.8 million, respectively, relate to amortization of debt discount and issuance costs. As of September 30, 2023 and December 31, 2022, interest payable under the Amended Loan Agreement included in "Accrued professional and other accrued liabilities" in our condensed consolidated balance sheet amounted to $10.1 million and $6.4 million, respectively.

Future minimum payments under the Amended Loan Agreement as of September 30, 2023 are as follows:

	Amount (in thousands)
Remainder of 2023	$ 10,283
Year Ending December 31:	
2024	41,243
2025	41,243
2026	507,134
Total future payments	599,903
Less amounts representing interest	(139,323)
Less exit fee	(8,598)
Total principal amount of term loan payments	$ 451,982

The amounts in the table above do not take into account our option to exercise future interest payments via PIK. Total future interest payments throughout the term of the Amended Loan Agreement could increase should we decide to exercise such option.

10. License and Collaboration Agreements

License Development and Commercialization Agreement with BMS

On May 12, 2022, BridgeBio and our subsidiary, Navire, entered into an exclusive license development and commercialization agreement with BMS (the "Navire-BMS License Agreement"), pursuant to which Navire granted BMS exclusive rights to develop and commercialize Navire's product candidate, BBP-398, in all indications worldwide, except for the People's Republic of China, Macau, Hong Kong, Taiwan, Thailand, Singapore, and South Korea (the "Asia Region"). The development and commercialization of BBP-398 within the Asia Region is governed under the Navire-LianBio License Agreement (as discussed below). The Navire-BMS License Agreement expands an earlier agreement between Navire and BMS that was executed in July 2021 to study BBP-398 in a combination therapy trial to treat advanced solid tumors with KRAS mutations (the "2021 Navire-BMS Agreement"). The Navire-BMS License Agreement does not alter the terms of the 2021 Navire-BMS Agreement.

Under the terms of the Navire-BMS License Agreement, Navire was entitled to receive a non-refundable, upfront payment of $90.0 million, which Navire received in full in June 2022. Additionally, Navire is eligible to receive additional payments totaling up to approximately $815.0 million in the aggregate, subject to the achievement of development, regulatory and commercial milestones, as well as tiered royalties in the low-to-mid teens as a percentage of adjusted net sales by BMS of the licensed products sold worldwide, outside of the Asia Region. Navire will retain the option to acquire higher royalties in the United States in connection with funding a portion of development costs upon the initiation of registrational studies. Based on the terms of the Navire-BMS License Agreement, Navire will continue to lead its ongoing Phase 1 monotherapy and combination therapy trials (collectively, the "Phase 1 Trials"), and BMS will lead and fund all other development and commercialization activities. Navire is fully funding the Phase 1 trials with the exception of the combination therapy governed under the 2021 Navire-BMS Agreement. In accordance with the 2021 Navire-BMS Agreement, both parties are sharing all research and development costs equally for this trial. We have recorded all research and development costs for the Phase 1 Trials, as well as the reimbursement for the costs associated with the trial governed by the 2021 Navire-BMS Agreement within research and development in our condensed consolidated statement of operations.

We determined that the Navire-BMS License Agreement falls within the scope of ASC 606 as BMS is a customer in this arrangement, and we identified the following performance obligations in the agreement:

- an exclusive license to develop and commercialize BBP-398 and the related know-how; and
- research and development services to complete the Phase 1 Trials for BBP-398 (expected to be completed in 2025).

We determined that the performance obligations outlined above are capable of being distinct and distinct with the context of the contract given such rights and activities are independent of each other. The license can be used by BMS without the research and development services. Similarly, those services provide a distinct benefit to BMS within the context of the contract, separate from the license, as the services could be provided by BMS or another third party without our assistance. We may enter into clinical and commercial supply agreements for the licensed territory. We determined that the optional right to future products under these supply agreements does not represent a material right. In March 2023, Navire and BMS entered into a clinical supply agreement for the supply of clinical quantities of the licensed product. Navire has provided $1.7 million of clinical supplies to BMS during the three and nine months ended September 30, 2023.

We determined the initial transaction price at inception of the Navire-BMS License Agreement to be $90.0 million, which is comprised of the fixed and non-refundable upfront payment. No additional development, regulatory, or sales milestone payments are included in the transaction price, as all such payments are variable consideration that are fully constrained as of September 30, 2023. We include variable consideration in our transaction price to the extent that it is probable that it will not result in a significant revenue reversal when the uncertainty associated with the variable consideration is subsequently resolved. As part of management's evaluation of the variable consideration, we considered numerous factors, including the fact that achievement of the milestones is outside of our control, contingent upon the success of our existing and future clinical trials, BMS' efforts, and receipt of regulatory approval that is subject to scientific risks of success. Royalty arrangements and commercial-based milestones will be recognized when the sales occur or the milestones are achieved pursuant to the sales-based royalty exception under ASC 606 because the license is the predominant item to which the royalties or commercial-based milestones relate. We will re-evaluate the transaction price at each reporting period and as uncertain events are resolved or other changes in circumstances occur.

We allocated the transaction price of $90.0 million based on the stand-alone selling prices ("SSP") of each of the performance obligations as follows:

- $70.2 million for the upfront transfer of the license; and
- $19.8 million for ongoing research and development services.

The SSP for the license was determined using an approach that considered discounted, probability-weighted cash flows related to the license transferred. The SSP for the ongoing research and development services were based on estimates of the associated effort and cost of these services, adjusted for a reasonable gross profit margin that would be expected to be realized under similar contracts.

We recognized revenue for each of the two performance obligations as follows:

- We recognized revenue related to the license at a point in time upon transfer of the rights and control of the license to BMS. The transfer of the rights and control of the license occurred in June 2022, thus we recognized the full amount allocated to the license and related know-how during the three months ended June 30, 2022.
- The research and development services performance obligation consists of our completion of the Phase 1 Trials. We are recognizing revenue related to the research and development services over time using an input method to measure progress by utilizing costs incurred to-date relative to total expected costs. We expect to complete the Phase 1 Trials in 2025. Revenue recognized related to this performance obligation for the three and nine months ended September 30, 2023 was $1.3 million and $4.5 million, respectively. Revenue recognized related to this performance obligation for the nine months ended September 30, 2022 was $3.1 million.

Our condensed consolidated balance sheet as of September 30, 2023 includes a deferred revenue balance of $10.8 million ($6.6 million presented as "Deferred revenue, current portion" and $4.2 million included in "Other long-term liabilities") related to our research and development services obligation. Our condensed consolidated balance sheet as of December 31, 2022 includes a deferred revenue balance of $15.3 million ($8.2 million presented as "Deferred revenue, current portion" and $7.1 million included in "Other long-term liabilities") related to our research and development services obligation.

License and Collaboration Agreement with Helsinn

On March 29, 2021, QED entered into a license and collaboration agreement with Helsinn Healthcare S.A. ("HHC") and Helsinn Therapeutics (U.S.), Inc. ("HTU", and collectively with HHC, "Helsinn") (the "QED-Helsinn License and Collaboration Agreement"), pursuant to which QED granted to HHC exclusive licenses to develop, manufacture and commercialize QED's product candidate, infigratinib, in oncology and all other indications except achondroplasia or any other skeletal dysplasias, worldwide, except for the People's Republic of China, Hong Kong and Macau ("Greater China"), and under which QED received a co-exclusive license to co-commercialize infigratinib in the United States in the licensed indications. The QED-Helsinn License and Collaboration Agreement became effective on April 16, 2021. Upon approval by the FDA in May 2021, QED and HTU co-commercialized infigratinib in the licensed indications in the United States and shared profits and losses on a 50:50 basis. Additionally, QED and Helsinn shared global, excluding Greater China, research and development costs for infigratinib in the licensed indications at a rate of 40% for QED and 60% for Helsinn.

On February 28, 2022, QED and Helsinn amended the QED-Helsinn License and Collaboration Agreement (the "Amended QED-Helsinn License and Collaboration Agreement") effective on March 1, 2022. Under the terms of the Amended QED-Helsinn License and Collaboration Agreement, Helsinn had an exclusive license to commercialize infigratinib in the United States and was responsible for solely developing, manufacturing and commercializing infigratinib in oncology indications except for achondroplasia or any other skeletal dysplasias worldwide, outside of Greater China. QED retains all rights to develop, manufacture and commercialize infigratinib in skeletal dysplasia, including achondroplasia.

Pursuant to the Amended QED-Helsinn License and Collaboration Agreement, QED was eligible to receive regulatory and sales-based milestone payments of up to $66.0 million, as well as tiered royalties in the low to mid-teens as a percentage of adjusted net sales by Helsinn of the licensed products sold worldwide, outside of Greater China.

The Amended QED-Helsinn License and Collaboration Agreement also provided for a transitional period, which extended from the effective date through August 31, 2022, for which QED was contracted to assist in research and development and commercialization activities. The costs related to QED's contracted activities incurred during the transitional period were fully reimbursable by Helsinn and were due to QED subsequent to the transitional period. Helsinn also agreed to reimburse QED's obligation to FMI described in Note 7 as part of the Amended QED-Helsinn License and Collaboration Agreement. In recording this transaction, we recognized a corresponding gain as part of "Other income (expense), net" for the nine months ended September 30, 2022.

Effective December 21, 2022, QED and Helsinn (the "Helsinn Parties"), entered into a Mutual Termination Agreement ("MTA"), which terminates the Amended QED-Helsinn License and Collaboration Agreement and all rights and obligations thereunder. The Helsinn Parties agreed to perform certain close-out services to enable QED to pursue the development, manufacture and commercialization of infigratinib as a potential treatment of non-oncology indications, such as in achondroplasia worldwide, excluding China, Hong Kong, and Macau. As a result of the termination, QED is no longer entitled to any future regulatory or sales-based milestone payments. QED was subject to royalties on net sales of TRUSELTIQ™ through March 31, 2023, at which date Helsinn no longer sold the licensed product. Helsinn permanently discontinued the distribution of TRUSELTIQ™ and requested a withdrawal of the NDA in May 2023, additionally, all clinical investigations under the associated IND are discontinued. Helsinn completed sales of the licensed product during the three months ended March 31, 2023, and the associated revenue recognized was immaterial. The Helsinn Parties developed a Close-Out Plan, as defined within the MTA. Activities within the Close-Out Plan are to be shared equally subsequent to the first $11.0 million of costs, which are the responsibility of QED. QED reached the threshold of $11.0 million in January 2023. The activities within the Close-Out Plan are expected to be completed by the end of 2023.

In accordance with the MTA, all outstanding obligations under the Amended QED-Helsinn License and Collaboration agreement related to the contracted services during the transitional period became due. As of the date of the MTA, outstanding obligations were $31.3 million, consisting of reimbursable contracted research and development and commercial activities of $18.8 million and the reimbursement of QED's obligation to FMI of $12.5 million described in Note 7. In accordance with the payment terms of the MTA, we received $15.0 million from Helsinn in December 2022 and $5.3 million in January 2023. The remaining $11.0 million related to the remaining reimbursement of QED's obligation to FMI and is due in eleven equal monthly installments of $1.0 million commencing in February 2023, of which we have received $8.0 million as of September 30, 2023. All costs incurred subsequent to the transitional period are considered close-out costs and the responsibilities between the Helsinn Parties and are outlined within the Close-Out Plan. For the three and nine months ended September 30, 2023, QED has incurred $0.2 million and $5.9 million of close-out costs, respectively, of which $0.2 million and $4.7 million, respectively, is subject to 50% reimbursement from Helsinn. As of September 30, 2023, the outstanding receivable due from Helsinn was $3.0 million, which relates to the reimbursement of QED's obligation to FMI. As of December 31, 2022, the outstanding receivable due from Helsinn was $16.3 million. The outstanding receivables are presented in "Receivables from licensing and collaboration agreements" within our condensed

consolidated balance sheets. All close-out costs incurred, including Helsinn's reimbursements, are recorded in "Restructuring, impairment and related charges" within our condensed consolidated statement of operations (See Note 16).

The QED-Helsinn License and Collaboration Agreement, the Amended QED-Helsinn License Collaboration Agreement, and the MTA are considered to be within the scope of ASC 808 as the parties are active participants and are exposed to the significant risks and rewards of the collaborative activity. The QED-Helsinn License and Collaboration Agreement and the Amended QED-Helsinn License and Collaboration Agreement are also partially within the scope of ASC 606 for the units of account where Helsinn is identified as a customer. For the units of account in the collaboration arrangement that do not represent a vendor-customer relationship, including the performance of collaborative research and development and commercialization services, we determined that ASC 606 is not appropriate to apply by analogy and applied a reasonable and rational accounting policy election that faithfully depicts the transfer of services to the collaboration partner over the estimated performance period. Reimbursement payments from Helsinn associated with the collaborative research and development and commercialization services are recognized as the related expense is incurred and classified as an offset to the underlying expense and excluded from the transaction price.

We evaluated the terms of the QED-Helsinn License and Collaboration Agreement and identified Helsinn as a customer with the following two distinct performance obligations: (1) exclusive licenses to develop, manufacture, and commercialize the underlying product, and (2) transfer of inventory within the transitional supply period. The Amended QED-Helsinn License and Collaboration Agreement did not give rise to any additional performance obligations. All of the license revenue relating to these units of account accounted for under ASC 606 were recognized in the year ended December 31, 2021.

For the unit of account that is within the scope of ASC 808 relating to collaborative research and development services, pursuant to the QED-Helsinn License and Collaboration Agreement, the Amended QED-Helsinn License Collaboration Agreement, and the MTA, we have recognized Helsinn's share of research and development expenses of $0.1 million and $2.3 million for the three and nine months ended September 30, 2023, respectively, as a reduction to restructuring, impairment and related charges. We have recognized Helsinn's share of research and development expenses of $5.7 million and $21.4 million for the three and nine months ended September 30, 2022, respectively, as a reduction of research and development expenses.

For the unit of account that is within the scope of ASC 808 relating to commercial activities, pursuant to the QED-Helsinn License and Collaboration Agreement, the Amended QED-Helsinn License Collaboration Agreement, and the MTA, we accounted for Helsinn's share of the co-commercialization activities as reduction to selling, general and administrative expenses. We did not incur any costs relating to commercialization activities subject to reimbursement from Helsinn for the three and nine months ended September 30, 2023. We recognized Helsinn's share of the co-commercialization activities of $0.1 million and $1.8 million for the three and nine months ended September 30, 2022, respectively.

License Agreement with LianBio

Navire

In August 2020, Navire entered into an exclusive license agreement with LianBio, or the Navire-LianBio License Agreement. Pursuant to the Navire-LianBio License Agreement, Navire granted to LianBio an exclusive, sublicensable license under the licensed patent rights and know-how to develop, manufacture and commercialize SHP2 inhibitor BBP-398, or BBP-398, for tumors driven by RAS and receptor tyrosine kinase mutations. Under the terms of the Navire-LianBio License Agreement, LianBio will receive commercial rights in China and selected Asian markets and participate in clinical development activities for BBP-398. In consideration for the rights granted to LianBio, we received a nonrefundable $8.0 million upfront payment, which we recognized as license revenue in 2020. We will also have the right to receive future development and sales milestone payments of up to $382.1 million, and tiered royalty payments from single-digit to low-teens on net sales of the product in licensed territories. We recognized $8.5 million in license revenue, representing a regulatory milestone payment in 2021.

We accounted for the Navire-LianBio License Agreement under ASC 606 and identified the exclusive license as a distinct performance obligation since LianBio can benefit from the license on its own by developing and commercializing the underlying product using its own resources. In addition, we will enter into clinical and commercial supply agreements for the licensed territory. We determined that the optional right to future products under these supply agreements does not represent a material right. In July 2022, Navire and LianBio entered into a clinical supply agreement for the manufacture and supply of clinical quantities of the licensed product. During the three and nine months ended September 30, 2023, we have provided $1.1 million of clinical supply to LianBio. During the three and nine months ended September 30, 2022, we provided $0.3 million of clinical supply to LianBio. Amounts have been recognized within revenue in our condensed consolidated statements of operations.

QED

In October 2019, QED entered into an exclusive license agreement with LianBio (the "QED-LianBio License Agreement"). Pursuant to the QED-LianBio License Agreement, QED granted to LianBio an exclusive, sublicensable license under the licensed patent rights and know-how to develop, manufacture and commercialize infigratinib for any and all human prophylactic and therapeutic uses in all cancer indications (including in combination with other therapies) in certain territories outside the United States. Under the QED-LianBio License Agreement, QED received a nonrefundable upfront payment of $10.0 million and is entitled to receive development and sales milestones payments of up to $132.5 million and tiered royalties on net sales ranging from the low to mid-teens. In addition, QED also received warrants which entitled QED to purchase 10% of the then-fully diluted shares of one of the subsidiaries of LianBio upon achievement of certain contingent development milestones (see Note 7).

We accounted for the QED-LianBio License Agreement and the LianBio Exclusivity Agreement as a single transaction under ASC 606 and identified the exclusive license as a distinct performance obligation since LianBio can benefit from the license on its own by developing and commercializing the underlying product using its own resources. In addition, we will enter into clinical and commercial supply agreements for the licensed territory. We determined that LianBio's optional right to future products under these supply agreements is not considered to represent a material right. A clinical supply agreement was entered into in November 2021. QED has provided immaterial amounts of clinical supplies to LianBio during the three and nine months ended September 30, 2023, and we have recorded such amounts within revenue in our condensed consolidated statements of operations. No clinical supply was provided during the three and nine months ended September 30, 2022.

License Agreement with Alexion

In September 2019, Eidos Therapeutics, Inc. ("Eidos"), entered into an exclusive license agreement with Alexion Pharma International Operations Unlimited Company, a subsidiary of Alexion Pharmaceuticals, Inc., or together Alexion, to develop, manufacture, and commercialize in Japan the compound known as acoramidis (previously known as AG10) and any of its various chemical forms and any pharmaceutical products containing acoramidis, or the Eidos-Alexion License Agreement. Under the agreement, Eidos received an upfront nonrefundable payment of $25.0 million.

Eidos also entered into a stock purchase agreement with Alexion, under which Eidos sold to Alexion 556,173 shares of Eidos common stock at a price per share of $44.95, for an aggregate purchase price of approximately $25.0 million. The excess of the purchase price over the value of the Eidos shares, determined based on the closing price of a share of Eidos' common stock of $41.91 as reported on Nasdaq as of the date of execution, was $1.7 million and recognized in revenue as part of the upfront payment as discussed below.

Eidos is also eligible to receive $30.0 million in regulatory milestone payments subject to the achievement of regulatory milestones. Eidos will also receive royalty payments in the low-teens based on net sales of acoramidis in Japan. The royalty rate is subject to reduction if Alexion is required to obtain intellectual property rights from third parties to develop, manufacture or commercialize acoramidis in Japan, or upon the introduction of generic competition into market.

Eidos accounted for the license agreement under ASC 606 and identified the exclusive license as a distinct performance obligation since Alexion can benefit from the license on its own by developing and commercializing the underlying product using its own resources. Eidos recognized the $25.0 million upfront fee and $1.7 million premium paid for Eidos' stock for a total upfront payment of $26.7 million in license revenue upon the effective date of the license agreement in September 2019. Eidos determined that the license was a right to use its intellectual property and as of the effective date, it had provided all necessary information to Alexion to benefit from the license and the license term had begun. In addition, Eidos entered into a clinical supply agreement in July 2020 and may enter into a commercial supply agreement for the licensed territory. Eidos determined that the optional right to future products under these supply agreements is not considered to represent a material right. Eidos has provided immaterial amounts to Alexion as part of the clinical supply agreement during the three and nine months ended September 30, 2023 and 2022, respectively, and has recorded such amounts within revenue in our condensed consolidated statements of operations.

Receivables from Licensing and Collaboration Agreements

Receivables from licensing and collaboration agreements represent valid claims against our partners, customers, biopharmaceutical companies including unbilled receivables and royalty payments due from third parties for licensing the Company's technologies. Unbilled receivables include balances due from our biopharmaceutical customers related to development services and transition-related receivables that are recognized upon incurrence of the costs for the partnered programs but prior to the achievement of contractual billing rights. As of September 30, 2023 and December 31, 2022, the Company had unbilled receivables of $3.4 million and $16.8 million, respectively, of which 88.1% and 97.5%, respectively, of total unbilled receivables related to one partner. Total receivables from licensing and collaboration agreements as of September 30, 2023 and December 31, 2022 is $5.2 million and $17.1 million, respectively, and is presented as "Receivable from licensing and collaboration agreements" within our condensed consolidated balance sheets.

The Company evaluates the collectability of its receivable from licensing and collaboration agreements based on historical collection trends, the financial condition of payment partners, and external market factors and provides for an allowance for potential credit losses based on management's best estimate of the amount of probable credit losses. As of September 30, 2023 and December 31, 2022, the Company did not have an allowance for credit losses.

11. In-licensing and Other Research and Development Agreements

Stanford License Agreement

In April 2016, Eidos entered into a license agreement with the Board of Trustees of the Leland Stanford Junior University Stanford University, or Stanford University, relating to Eidos' drug discovery and development initiatives. Under this agreement, Eidos has been granted certain worldwide exclusive licenses to make, use, and sell products that are covered by licensed patent rights. In March 2017, Eidos paid a license fee of $10,000, which was recorded as research and development expense during the year ended December 31, 2017, as the acquired assets did not have any alternative future use. Eidos may also be required to make future payments of up to approximately $1.0 million to Stanford University upon achievement of specific intellectual property, clinical and regulatory milestone events, and pay royalties of up to low single-digit percentages on future net sales, if any. In addition, Eidos is obligated to pay Stanford University a percentage of non-royalty revenue received by Eidos from its sublicensees, with the amount owed decreasing annually for three years based on when the applicable sublicense agreement is executed.

Additionally, under the license agreement with Stanford University, we will pay Stanford University a portion of all nonroyalty sublicensing consideration attributable to the sublicense of the licensed compounds. The license agreement states that if this event occurred in the third year, 10% is payable to Stanford University. For the three and nine months ended September 30, 2023 and 2022, the cost of license revenue was not material.

Leidos Biomedical Research License and Cooperative Research and Development Agreements

In March 2017, TheRas, Inc. ("TheRas") entered into a cooperative research and development agreement, or Leidos CRADA, with Leidos Biomedical Research, Inc., or Leidos. In December 2018, TheRas and Leidos entered into a license agreement, or Initial Leidos License, under which TheRas was granted certain worldwide exclusive licenses to use the licensed compounds. The Leidos Agreements are related to TheRas' drug discovery and development initiatives. The Initial Leidos License was terminated in 2021. TheRas and Leidos entered into two subsequent license agreements, or Additional Leidos Licenses, in August 2022; the two Additional Leidos Licenses related to (i) KRAS G12C inhibitor and (ii) P13Kα breaker compounds. The Leidos CRADA, Initial Leidos License, and Additional Leidos Licenses are also referred to herein as the Leidos Agreements. For the three and nine months ended September 30, 2023, the research and development expenses were $1.2 million and $2.4 million, respectively, in connection with the Leidos Agreements. For the three and nine months ended September 30, 2022, the research and development expenses were nil and $1.7 million, respectively, in connection with the Leidos Agreements.

Diagnostics Agreement with Foundation Medicine

As discussed in Note 7, QED and FMI entered into a diagnostics agreement relating to QED's drug discovery and development initiatives. For the three and nine months ended September 30, 2023, QED recognized research and development expenses of nil, in connection with this agreement. For the three and nine months ended September 30, 2022, QED recognized research and development expenses of $0.9 million and $1.9 million, respectively, in connection with this agreement.

Resilience Development and Manufacturing Service Agreements

In September 2023, Aspa Therapeutics, Inc. ("Aspa") and Adrenas Therapeutics Inc. ("Adrenas"), each entered into a Development and Manufacturing Services Agreement (collectively the "Resilience DMSAs") and a Project Agreement (collectively the "Resilience PAs"), (collectively the "Resilience Agreements") with Resilience US, Inc. ("Resilience"), for Resilience to provide

contract development, manufacturing, testing and related services with respect to therapeutic and pharmaceutical products for the clinical development applications of BBP-812 and BBP-631, respectively. BBP-812 is an intravenous AAV9 investigational drug product intended for the treatment of children with Canavan Disease, under the age of five years. BBP-631 is an intravenous AAV5 investigational drug product intended for the treatment of adults and children with congenital adrenal hyperplasia. The Resilience DMSAs have ten-year terms and may each be extended for additional two-year periods. Under the Resilience PAs, Resilience will provide Aspa with a cost sharing credit of the lesser of a fixed percentage of certain agreed upon service costs or $15.5 million. Under the Resilience PAs, Resilience will provide Adrenas with a cost sharing credit of the lesser of a fixed percentage of certain agreed upon service costs or $29.3 million. In addition to the payments for their share of services performed by Resilience, Aspa and Adrenas may each be required to make future payments of up to $10.0 million upon achievement of certain development and approval milestone events, and royalty payments (mid-single digits for BBP-812 and low-single digits for BBP-631) based on achievement of certain net sales metrics.

For the three and nine months ended September 30, 2023, there were no research and development expenses incurred or cost sharing credits received in connection with the Resilience Agreements.

Other License and Collaboration Agreements

In addition to the agreements described above, we have also entered into other license and collaboration agreements with various institutions and business entities on terms similar to those described above, none of which are material individually or in the aggregate.

12. Sale of Nonfinancial Assets

Sale of Priority Review Voucher

In May 2022, we announced that we entered into a definitive agreement to sell our PRV for $110.0 million. We received the PRV in February 2021 under an FDA program intended to encourage the development of treatments for rare pediatric diseases. We were awarded the PRV when our subsidiary, Origin, received approval of NULIBRY™. The PRV sale was subject to customary closing conditions and was completed in June 2022 following the expiration of applicable U.S. antitrust clearance requirements. We accounted for this transaction under ASC 610-20, Gains and Losses from the Derecognition of Nonfinancial Assets. We received the gross proceeds of $110.0 million in June 2022 and recognized a gain of $107.9 million, net of transaction costs, for the nine months ended September 30, 2022.

Asset Purchase Agreement with Sentynl

On March 4, 2022, Origin and Sentynl entered into the Origin-Sentynl APA, pursuant to which Sentynl acquired global rights to NULIBRY™, as well as certain specified assets of Origin, and will be responsible for the ongoing development and commercialization of NULIBRY™ in the United States and developing, manufacturing and commercializing fosdenopterin globally. The transaction closed on March 31, 2022, or the Closing Date. Under terms of the Origin-Sentynl APA, Origin received an upfront payment of $10.0 million upon the Closing Date and is eligible to receive sales milestone payments, as well as tiered royalties in the low single-digits as a percentage of adjusted net sales of products related to the acquired assets. Origin will continue to be responsible for the payment of up to $4.5 million in aggregate payments upon achievement of regulatory-based milestones under the Origin-Alexion APA (see Note 7). In October 2022, we paid $3.5 million of the regulatory-based milestone payment as the initial milestone criteria was met. As of September 30, 2023, Origin will continue to be responsible for a regulatory-based milestone payment upon first pricing approval in a European Medicines Agency, or EMA, country of up to $1.0 million when it becomes due.

We accounted for this transaction under ASC 610-20. Upon the Closing Date, we recognized a loss on sale of $6.3 million within “Other income (expense), net” in our condensed consolidated statement of operations for the three months ended March 31, 2022. The loss on sale was determined as the difference in the aforementioned upfront payment and the carrying value of the assets purchased by Sentynl of approximately $16.3 million, which comprised mainly of intellectual property rights and related intangible assets and existing inventories as of the Closing Date.

Origin’s sale of the assets covered in the Origin-Sentynl APA was not subject to the limitation on our ability to dispose of assets under the terms of the Amended Loan Agreement (see Note 9).

13. Leases

We have operating leases for our corporate headquarters, office spaces and laboratory facilities. One of our office space leases has a finance lease component representing lessor provided furniture and office equipment. Our finance lease, which is presented as part of "Property and equipment, net" in our condensed consolidated balance sheets, is not material.

Certain leases include renewal options at our election and we include the renewal options when we are reasonably certain that the renewal option will be exercised. The lease liabilities were measured using a weighted-average discount rate based on the most recent borrowing rate as of the calculation of the respective lease liability, adjusted for the remaining lease term and aggregate amount of the lease.

The components of lease cost are as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
	(in thousands)		(in thousands)	
Straight line operating lease costs	$ 1,000	$ 1,128	$ 3,024	$ 4,017
Finance lease costs	104	110	317	334
Variable lease costs	1,768	1,567	5,186	4,632
Total lease cost	$ 2,872	$ 2,805	$ 8,527	$ 8,983

Supplemental cash flow information related to leases are as follows:

	Nine Months Ended September 30,	
	2023	2022
	(in thousands)	
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows for operating leases	$ 3,671	$ 4,819
Operating cash flows for finance lease	325	317
Operating lease right-of-use assets obtained in exchange for operating lease obligations	1,179	240

Supplemental information related to the remaining lease term and discount rate are as follows:

	September 30,	
	2023	2022
Weighted-average remaining lease term (in years)		
Operating leases	4.4	5.4
Finance lease	2.3	3.3
Weighted-average discount rate		
Operating leases	5.99%	5.76%
Finance lease	6.62%	6.62%

As of September 30, 2023, future minimum lease payments for our noncancelable operating leases are as follows. Future minimum lease payments under our finance lease are not material.

	Amount (in thousands)
Remainder of 2023	$ 960
Year ending December 31:	
2024	4,921
2025	3,937
2026	1,868
2027	849
Thereafter	3,361
Total future minimum lease payments	15,896
Imputed interest	(1,947)
Total	$ 13,949
Reported as of September 30, 2023	
Operating lease liabilities, current portion	$ 4,137
Operating lease liabilities, net of current portion	9,812
Total operating lease liabilities	$ 13,949

No impairment loss was recognized during the three and nine months ended September 30, 2023. We recognized an immaterial amount of impairment loss during the three and nine months ended September 30, 2022.

Manufacturing Agreement

In December 2019, we entered into a manufacturing agreement with a vendor to secure clinical and commercial scale manufacturing capacity for the manufacture of batches of active pharmaceutical ingredients for product candidates of certain subsidiaries of BridgeBio. Unless terminated as allowed within the manufacturing agreement, the agreement would have expired five years from when qualified operations begin. Under the terms of the agreement, we were assigned a dedicated manufacturing suite for certain months in each calendar year for a one-time fee of $10.0 million, which would be applied to the buildout, commissioning, qualification, validation, equipping and exclusive use of the dedicated manufacturing suite.

We recorded a construction-in-progress asset of $10.0 million for the payments directly associated with the dedicated manufacturing suite as these payments are deemed to represent a non-lease component. In 2020, we entered into a supplemental agreement with the vendor for certain upgrades on the dedicated manufacturing suite and for additional equipment of approximately $0.2 million. As of December 31, 2021, the readiness determination phase of the dedicated manufacturing suite was expected to be completed in 2022.

In March 2022, we mutually agreed with the vendor to terminate the manufacturing agreement. The termination agreement was formalized effective May 2022. In accordance with the termination agreement, we paid the $2.0 million remaining payable related to the dedicated manufacturing suite and a termination fee of $1.8 million. During the nine months ended September 30, 2022, we recorded a pre-tax impairment loss of $10.2 million for the carrying value of the construction-in-progress asset that was no longer recoverable as our rights to the dedicated manufacturing suite will cease pursuant to the proposed termination agreement. The aforementioned impairment loss and the termination fee are included as part of “Restructuring, impairment and related charges” in our condensed consolidated statement of operations for the nine months ended September 30, 2022 (see Note 16).

14. Public Offerings, Share Repurchase Program and Securities Purchase Agreement

2020 Shelf Registration

In July 2020, we filed a shelf registration statement on Form S-3 (the "2020 Shelf") with the SEC in relation to the registration of common stock, preferred stock, debt securities, warrants and units or any combination thereof. We also simultaneously entered into an Open Market Sale Agreement[SM] with Jefferies LLC and SVB Leerink LLC (collectively, the "Sales Agents"), to provide for the offering, issuance and sale by us of up to an aggregate of $350.0 million of our common stock from time to time in "at-the-market" offerings under the 2020 Shelf and subject to the limitations thereof (the "2020 Sales Agreement"). We will pay to the applicable Sales Agents cash commissions of up to 3.0% of the gross proceeds of sales of common stock under the 2020 Sales Agreement. We did not issue any shares or receive any proceeds from this offering during the three and nine months ended September 30, 2023 and 2022. During the three months ended December 31, 2022, the Company sold 455,800 shares through this offering at an average price of $10.90 per share, resulting in net proceeds of $4.9 million. In May 2023, we terminated the Open Market Sale Agreement[SM].

2021 Share Repurchase Program

In May 2021, our Board of Directors authorized and approved a stock repurchase program pursuant to which we may purchase up to $150.0 million of BridgeBio's outstanding common stock. Stock repurchases under the program may be made from time to time, in the open market, in privately negotiated transactions and otherwise, at the discretion of our management and in accordance with applicable federal securities laws, including Rule 10b-18 of the Securities Exchange Act, of 1934, as amended, and other applicable legal requirements. The timing, pricing and amounts of these repurchases depended on a number of factors, including the market price of our common stock and general market and economic conditions. The stock repurchase program did not obligate us to repurchase any dollar amount or number of shares, and the program may be suspended or discontinued at any time. We repurchased 3,017,087 shares in the open market at an average price of $49.72 per share for a total of approximately $150.0 million in 2021. The repurchased shares are held in treasury as treasury stock as of September 30, 2023 and December 31, 2022.

2023 Follow-on Offering

In March 2023, we entered into an Underwriting Agreement (the "Follow-on Agreement") with Goldman Sachs & Co. LLC, Evercore Group L.L.C., Morgan Stanley & Co. LLC and KKR Capital Markets LLC ("KCM"), as representatives of several underwriters (collectively, the "Underwriters"), relating to an underwritten public offering (the "Follow-on offering") of 8,823,530 shares of the Company's common stock, $0.001 par value per share (the "Common Stock"), at a public offering price of $17.00 per share. The Company also granted the Underwriters a 30-day option to purchase, at the public offering price less underwriting discounts and commissions, up to an additional 1,323,529 shares of Common Stock. The Company paid the Underwriters a commission of 4.3% of the aggregate gross proceeds received from all sales of the common stock under the Follow-on Agreement. The Underwriters included KCM, which is an affiliate of KKR Genetic Disorder L.P., a related party being a stockholder who beneficially owns greater than 5% of our outstanding securities. KCM received a commission of 0.315% of the aggregate gross proceeds received from all sales of the common stock under the Follow-on Agreement. On March 10, 2023, 8,823,530 shares were issued under the Follow-on Agreement, for net proceeds of $143.0 million, after deducting underwriting fees and commissions of $6.5 million (of which $0.5 million related to commissions paid to KCM) and offering costs of $0.5 million. On April 3, 2023, the Underwriters partially exercised their 30-day option to purchase additional shares, for which 63,470 shares were issued for net proceeds of $1.0 million, after deducting underwriting fees and commissions of less than $0.1 million.

2023 Shelf Registration Statement and ATM Agreement

In May 2023, we filed a shelf registration statement on Form S-3 (the "2023 Shelf") with the SEC in relation to the registration of common stock, preferred stock, debt securities, warrants and units or any combination thereof. We also concurrently entered into an Equity Distribution Agreement (the "ATM Agreement") with Goldman Sachs & Co. LLC and SVB Securities LLC (collectively, the "ATM Sales Agents"), with respect to an "at-the-market" offering program under which we may issue and sell, from time to time at our sole discretion and pursuant to a prospectus supplement, shares of our common stock, par value $0.001 per share, having an aggregate offering price of up to $450.0 million through the ATM Sales Agents. We will pay the ATM Sales Agents a commission of up to 3.0% of the aggregate gross proceeds received from all sales of the common stock under the ATM Agreement. During the three and nine months ended September 30, 2023, 2,171,217 shares were issued under the ATM Agreement, for net proceeds of $65.0 million, after deducting sales agent fees and commissions of $1.0 million. As of September 30, 2023, we are still eligible to sell up to $384.0 million of our common stock pursuant to the ATM Agreement under the 2023 Shelf.

Securities Purchase Agreement and Private Placement

In September 2023, we and certain accredited investors (each an "Investor" and collectively, the "Investors") entered into a securities purchase agreement pursuant to which we sold and issued to the Investors in a private placement (the "Private Placement") an aggregate of 9,167,723 shares of our common stock, par value $0.001 per share, at a purchase price of $27.27 per share. We paid certain placement agents a commission based on the aggregate gross proceeds received from all sales of the common stock under the

Private Placement. One of the placement agents in the Private Placement was KCM, which is an affiliate of KKR Genetic Disorder L.P., a related party being a stockholder who beneficially owns greater than 5% of our outstanding securities. KCM received a commission of $1.8 million of the aggregate gross proceeds received from all sales of the common stock in the Private Placement. In September 2023, we received net proceeds of $241.3 million under the Private Placement offering, after deducting placement agent commissions of $8.7 million. Additionally, unpaid issuance costs as of September 30, 2023 are $0.5 million, and once paid will further reduce the net proceeds from the Private Placement offering to $240.8 million.

15. Stock-Based Compensation

Under each of the legal entity's equity plans, we recorded stock-based compensation in the following expense categories in our condensed consolidated statements of operations for employees and non-employees:

	Three Months Ended September 30, 2023			Nine Months Ended September 30, 2023		
	BridgeBio Equity Plan	Other Subsidiaries Equity Plan	Total	BridgeBio Equity Plan	Other Subsidiaries Equity Plan	Total
	(in thousands)					
Research and development	$ 14,103	$ 41	$ 14,144	$ 39,028	$ 124	$ 39,152
Selling, general and administrative	13,086	—	13,086	38,731	—	38,731
Restructuring, impairment and related charges	—	—	—	—	—	—
Total stock-based compensation	$ 27,189	$ 41	$ 27,230	$ 77,759	$ 124	$ 77,883

	Three Months Ended September 30, 2022			Nine Months Ended September 30, 2022		
	BridgeBio Equity Plan	Other Subsidiaries Equity Plan	Total	BridgeBio Equity Plan	Other Subsidiaries Equity Plan	Total
	(in thousands)					
Research and development	$ 6,025	$ 112	$ 6,137	$ 28,705	$ 341	$ 29,046
Selling, general and administrative	12,521	—	12,521	40,995	31	41,026
Restructuring, impairment and related charges	—	—	—	1,172	—	1,172
Total stock-based compensation	$ 18,546	$ 112	$ 18,658	$ 70,872	$ 372	$ 71,244

We recorded $4.6 million and $6.2 million of stock-based compensation expense for the three and nine months ended September 30, 2023, respectively, for performance-based milestone awards that were achieved during the periods and were settled in cash. We recorded $1.2 million and $1.4 million of stock-based compensation expense for the three and nine months ended September 30, 2022, respectively, for performance-based milestone awards that were achieved during the periods and were settled in cash.

Equity-Based Awards of BridgeBio

In February 2023, the 2019 Inducement Equity Plan was amended and restated to increase the total number of shares authorized for issuance from 1,000,000 shares to 2,000,000 shares. As of September 30, 2023, 7,029,584 shares and 689,905 shares were reserved for future issuances under our 2021 Amended and Restated Stock Option and Incentive Plan (the "2021 A&R Plan") and the Amended and Restated 2019 Inducement Equity Plan (the "A&R 2019 Inducement Plan"), respectively. Pursuant to the Merger Transactions, we also reserved 2,802,644 shares in 2021 specifically under the Eidos Award Exchange (the "Eidos Award Exchange Plan"), all of which were issued upon execution of the Eidos Award Exchange as discussed below. The 2021 A&R Plan, the A&R 2019 Inducement Plan and the Eidos Award Exchange Plan are collectively referred herein as the "Plans".

2020 Stock and Equity Award Exchange Program (Exchange Program)

On April 22, 2020, we completed our 2020 Stock and Equity Award Exchange Program (the "Exchange Program") for certain subsidiaries, which was an opportunity for eligible controlled entities' employees and consultants to exchange their subsidiary equity (including common stock, vested and unvested stock options and RSAs) for BridgeBio equity (including common stock, vested and unvested stock options and RSAs) and/or performance-based milestone awards tied to the achievement of certain development and regulatory milestones. The Exchange Program aligns our incentive compensation structure for employees and consultants across the BridgeBio group of companies to be consistent with the achievement of our overall corporate goals. In connection with the Exchange Program, we issued awards of BridgeBio equity under the then 2019 Amended and Restated Stock Option and Incentive Plan (the "2019 A&R Plan"), which was amended and restated into the 2021 A&R Plan mentioned above, to 149 grantees covering 554,064 shares of common stock, 1,268,110 stock options to purchase common stock, 50,145 shares of RSAs and 22,611 shares of performance-based RSAs. The exchange also included performance-based milestone awards of up to $183.4 million to be settled in fully-vested RSAs in the future upon achievement of the milestones. In consideration for all the subsidiaries' shares tendered, BridgeBio increased its ownership in controlled entities included in the Exchange Program and the corresponding noncontrolling interest decreased.

On November 18, 2020, we completed a stock and equity award under our Exchange Program for a subsidiary. We issued awards of BridgeBio equity under the then 2019 A&R Plan to 16 grantees covering 24,924 shares of common stock, 70,436 stock options to purchase common stock, and 10,772 shares of performance-based stock options to purchase common stock. The exchange also included performance-based milestone awards of up to $11.7 million to be settled in fully-vested RSAs in the future upon achievement of the milestones.

We evaluated the exchange of the controlled entities' outstanding common stock and equity awards for BridgeBio awards as a modification under ASC 718, *Share Based Payments*. Under ASC 718, a modification is a change in the terms or conditions of a stock-based compensation award. In assessing the accounting treatment, we consider the fair value, vesting conditions and classification as an equity or liability award of the controlled entity equity before the exchange, compared to the BridgeBio equity received as part of the exchange to determine whether modification accounting must be applied. When applying modification accounting, we considered the type of modification to determine the appropriate stock-based compensation cost to be recognized on April 22 and November 18, 2020, (each the "Modification Date"), and subsequent to the Modification Date.

We considered the total shares of common stock and equity awards, whether vested or unvested, held by each participant in each controlled entity as the unit of account. The controlled entity's common stock and equity awards in each unit of account was exchanged for a combination of BridgeBio's common stock, time-based vesting equity awards and/or performance-based milestone awards. Other than the exchange of the controlled entity equity awards for performance-based milestone awards, all other exchanged BridgeBio equity awards retained the original vesting conditions. As a result, there was no incremental stock-based compensation expense resulting from the exchange of time-based equity awards.

At the completion of the Exchange Program, we determined $17.4 million of the performance-based milestone awards were probable of achievement and represented the incremental stock-based compensation cost resulting from the modification of time-based equity awards to performance-based milestone awards. These performance-based milestone awards were to be recognized over a period ranging from 0.7 year to 1.7 years. There was no incremental stock-based compensation cost arising from the completion of the Exchange Program on November 18, 2020. Under ASC 718, we account for such performance-based milestone awards as a liability in "Accrued compensation and benefits" and in "Other long-term liabilities" on the condensed consolidated balance sheets due to the fixed milestone amount that will be converted into a variable number of shares of BridgeBio's common stock to be granted upon the achievement date.

For the three and nine months ended September 30, 2023 we recognized $0.6 million and $2.8 million, respectively, of stock-based compensation cost associated with performance-based milestone awards whereby the milestones were determined to be probable of achievement as of September 30, 2023. For the three and nine months ended September 30, 2022, we recognized $(2.4) million and $0.1 million (net of reversals), respectively, of stock-based compensation cost associated with performance-based milestone awards whereby the milestones were determined to be probable of achievement as of September 30, 2022. Refer to Note 8 for contingent compensation accrued associated with performance-based milestones that are determined to be probable as of September 30, 2023.

Performance-based Milestone Awards

Apart from the Exchange Program discussed above, we have performance-based milestone compensation arrangements with certain employees and consultants whose vesting is contingent upon meeting various regulatory and development milestones, with fixed monetary amounts known at inception that can be settled in the form of cash or equity at our sole discretion, upon achievement of each contingent milestone. Upon achievement of a contingent milestone and if such performance-based milestone awards are settled in the form of equity, these are satisfied in the form of fully-vested RSAs. We recognize such contingent stock-based compensation expense when the milestone is probable of achievement. For the three and nine months ended September 30, 2023, we recognized $2.8 million and $5.8 million, respectively, of stock-based compensation cost associated with performance-based milestone awards whereby the milestones were determined to be probable of achievement as of the reporting date. Refer to Note 8 for contingent compensation accrued associated with performance-based milestone awards that are determined to be probable as of September 30, 2023. For the three and nine months ended September 30, 2022, we recognized $0.9 million and $1.4 million, respectively, of stock-based compensation cost associated with performance-based milestone awards whereby the milestones were determined to be probable of achievement as of September 30, 2022.

Stock Option Grants of BridgeBio

The following table summarizes BridgeBio's stock option activity under the Plans for the nine months ended September 30, 2023:

	Options Outstanding		Weighted-Average Exercise Price per Option	Weighted-Average Remaining Contractual Life (years)	Aggregate Intrinsic Value (in thousands)
Outstanding as of December 31, 2022		11,637,861			
Regular equity program	9,811,936		$ 28.00	7.7	$ —
Eidos Awards Exchange	1,445,885		$ 14.96	5.9	$ 1,427
Exchange Program	380,040		$ 2.35	6.2	$ 2,246
Granted		1,724,909			
Regular equity program	1,724,909		$ 13.37		
Exercised		(313,302)			
Regular equity program	(116,133)		$ 24.74		
Eidos Awards Exchange	(145,234)		$ 15.13		
Exchange Program	(51,935)		$ 2.89		
Cancelled		(639,238)			
Regular equity program	(612,412)		$ 28.34		
Eidos Awards Exchange	(24,445)		$ 20.95		
Exchange Program	(2,381)		$ 11.18		
Outstanding as of September 30, 2023		12,410,230			
Regular equity program	10,808,300		$ 25.68	7.4	$ 72,536
Eidos Awards Exchange	1,276,206		$ 14.82	4.9	$ 15,301
Exchange Program	325,724		$ 2.20	5.5	$ 7,974
Exercisable as of September 30, 2023		8,580,542			
Regular equity program	7,050,028		$ 27.11	6.6	$ 37,133
Eidos Awards Exchange	1,207,210		$ 14.18	4.8	$ 15,194
Exchange Program	323,304		$ 2.19	5.5	$ 7,917

The options granted to employees and non-employees are exercisable at the price of BridgeBio's common stock at the respective grant dates. The options granted have a service condition and generally vest over a period of three to four years.

The weighted-average grant date fair value of options granted during the nine months ended September 30, 2023 was $8.48.

The aggregate intrinsic value of options outstanding and exercisable as of September 30, 2023 in the table above are calculated based on the difference between the exercise price and the current fair value of BridgeBio's common stock. The total intrinsic value of options exercised for the nine months ended September 30, 2023 was $4.4 million.

For the three and nine months ended September 30, 2023, we recognized stock-based compensation expense of $6.7 million and $21.7 million, respectively, related to stock options under the Plans. For the three and nine months ended September 30, 2022, we recognized stock-based compensation expense of $9.3 million and $29.5 million, respectively, related to stock options under the Plans. As of September 30, 2023, there was $42.6 million of total unrecognized compensation cost related to stock options under the Plans that is expected to be recognized over a weighted-average period of 2.2 years.

Restricted Stock Units (RSUs) of BridgeBio

The following table summarizes BridgeBio's RSU activity under the Plans for the nine months ended September 30, 2023:

	Unvested Shares of RSUs Outstanding	Weighted-Average Grant Date Fair Value
Balance as of December 31, 2022	4,108,642	$ 21.60
Granted	8,409,485	$ 12.56
Vested	(2,628,750)	$ 15.64
Cancelled	(474,005)	$ 17.39
Balance as of September 30, 2023	9,415,372	$ 15.40

For the three and nine months ended September 30, 2023 we recognized stock-based compensation expense of $15.5 million and $42.9 million, respectively, related to RSUs under the Plans. For the three and nine months ended September 30, 2022 we recognized stock-based compensation expense of $9.0 million and $33.0 million, respectively, related to RSUs under the Plans. As of September 30, 2023, there was $136.8 million of total unrecognized compensation cost related to RSUs under the Plans that is expected to be recognized over a weighted-average period of 3.0 years.

Restricted Stock Awards (RSAs) of BridgeBio

The following table summarizes our RSA activity under the Plans for the nine months ended September 30, 2023:

	Unvested Shares of RSAs Outstanding	Weighted-Average Grant Date Fair Value
Balance as of December 31, 2022	652,058	$ 7.29
Granted — Exchange Program	211,860	$ 19.14
Vested — Exchange Program	(211,860)	$ 19.14
Vested — Regular equity program	(433,124)	$ 7.18
Balance as of September 30, 2023	218,934	$ 7.51

For the three and nine months ended September 30, 2023 and 2022, we recognized stock-based compensation expense related to RSAs under the Plans as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
	(in thousands)			
Exchange Program	$ 451	$ 3,238	$ 4,056	$ 3,238
Other RSAs	1,022	1,330	3,071	4,298
Total stock-based compensation expense	$ 1,473	$ 4,568	$ 7,127	$ 7,536

As of September 30, 2023, there was $1.6 million of total unrecognized compensation cost related to RSAs under the Plans that is expected to be recognized over a weighted-average period of 0.4 years. The respective balances of unvested RSAs as of September 30, 2023 and December 31, 2022 are included as outstanding shares disclosed on the condensed consolidated balance sheets as the shares were issued but are subject to forfeiture per the terms of the awards.

2019 Employee Stock Purchase Plan (ESPP) of BridgeBio

On June 22, 2019, we adopted the 2019 ESPP, which became effective on June 25, 2019 and was amended and restated effective as of December 12, 2019. The ESPP initially reserves and authorizes the issuance of up to a total of 2,000,000 shares of common stock to participating employees. The ESPP provides that the number of shares reserved and available for issuance will automatically increase each January 1, beginning on January 1, 2020, by the lower of: (i) 1% of the outstanding number of shares of common stock on the immediately preceding December 31, (ii) 2,000,000 shares or (iii) such lesser number of shares as determined by the Compensation Committee.

Under the ESPP, eligible employees may purchase shares of BridgeBio's common stock through payroll deductions at a price equal to 85% of the lower of the fair market values of the stock as of the beginning or the end of six-month offering periods. An employee's payroll deductions under the ESPP are limited to 15% of the employee's compensation and employees may not purchase more than 3,500 of shares of BridgeBio's common stock during any offering period.

For the three and nine months ended September 30, 2023, stock-based compensation expense related to our ESPP was $0.6 million and $1.5 million. For the three and nine months ended September 30, 2022, stock-based compensation expense related to the ESPP was $0.6 million and $2.0 million, respectively. As of September 30, 2023, 3,555,912 shares were reserved for future issuance under the ESPP.

Valuation Assumptions

We used the Black-Scholes model to estimate the fair value of stock options and stock purchase rights under the ESPP. For the nine months ended September 30, 2023, we used the following weighted-average assumptions in the Black-Scholes calculations:

	Stock Options	ESPP
Expected term (in years)	6.00 - 6.02	0.50
Expected volatility	66.23% - 67.51%	86.12% - 122.13%
Risk-free interest rate	3.90% - 4.12%	3.12% - 5.54%
Dividend yield	—	—
Weighted-average fair value of stock-based awards granted	$ 8.48	$ 8.22

Equity Awards of Eidos

Prior to the Eidos Merger Transactions in 2021, Eidos issued its own equity-based awards under the Eidos 2016 Equity Incentive Plan and the Eidos 2018 Stock Option and Incentive Plan (collectively, the "Eidos Plans"). Upon closing of the Eidos Merger Transactions, we issued 2,776,672 stock options to purchase common stock of BridgeBio and 25,972 shares of BridgeBio RSUs to 88 employees of Eidos under the Eidos Award Exchange in exchange for their then outstanding common stock options and RSUs under the Eidos Plans (the "Replaced Awards"). The awards issued in the Eidos Award Exchange have the same vesting terms and conditions as the Replaced Awards. We evaluated the exchange of the awards as a modification under ASC 718 and recognized no incremental compensation cost from such modification.

16. Restructuring, Impairment and Related Charges

In January 2022, we committed to a restructuring initiative designed to drive operational changes in our business processes, efficiencies and cost savings to advance our corporate strategy and development programs. The restructuring initiative included, among other components, consolidation and rationalization of our facilities, reprioritization of development programs and the reduction in our workforce. We expect that the remaining restructuring, impairment and related charges will be immaterial through the end of 2023. Our estimate of the costs is subject to certain assumptions and actual results may differ from those estimates or assumptions. We may also incur additional costs that are not currently foreseeable as we continue to evaluate our restructuring alternatives to drive operational changes in business processes, efficiencies and cost savings.

Restructuring, impairment and related charges included in our condensed consolidated statements of operations for the three and nine months ended September 30, 2023 and 2022 consisted of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
	(in thousands)			
Long-lived assets impairments and write-offs	$ —	$ 67	$ —	$ 12,720
Severance and employee-related costs	—	997	715	10,409
Winding down, exit and other related costs	272	3,952	6,457	12,945
Total	$ 272	$ 5,016	$ 7,172	$ 36,074

The following table summarizes the activity related to the restructuring liabilities associated with our restructuring initiatives for the nine months ended September 30, 2023 and 2022:

	Nine Months Ended September 30,	
	2023	2022
	(in thousands)	
Beginning balance	$ 6,826	$ —
Reclassification of final payment obligation related to a manufacturing agreement that was recognized in the prior period (see Note 13)	—	2,185
Restructuring, impairment and related charges	7,172	36,074
Cash payments	(13,851)	(17,616)
Noncash activities	—	(13,892)
Ending balance	$ 147	$ 6,751

Restructuring liabilities are presented in our condensed consolidated balance sheets as follows:

	September 30, 2023	December 31, 2022
	(in thousands)	
Accounts payable	$ 9	$ 896
Accrued compensation and benefits	—	41
Accrued research and development liabilities	138	5,889
Total	$ 147	$ 6,826

17. Income Taxes

BridgeBio is subject to U.S. federal, state and foreign income taxes as a corporation. BridgeBio's tax provision and the resulting effective tax rate for interim periods is determined based upon its estimated annual effective tax rate adjusted for the effect of discrete items arising in that quarter. There was no provision for income tax for the three and nine months ended September 30, 2023 and 2022.

Deferred tax assets and deferred tax liabilities are recognized based on temporary differences between the financial reporting and tax basis of assets and liabilities using statutory rates. A valuation allowance is recorded against deferred tax assets if it is more likely than not that some or all of the deferred tax assets will not be realized. Due to the uncertainty surrounding the realization of the favorable tax attributes in future tax returns, we have recorded a full valuation allowance against our otherwise recognizable net deferred tax assets.

Our policy is to recognize interest and penalties associated with uncertain tax benefits as part of the income tax provision and include accrued interest and penalties with the related income tax liability on the condensed consolidated balance sheets. To date, we have not recognized any interest and penalties in our condensed consolidated statements of operations, nor have we accrued for or made payments for interest and penalties. Our unrecognized gross tax benefits would not reduce the estimated annual effective tax rate if recognized because we have recorded a full valuation allowance on its deferred tax assets.

On August 16, 2022, President Biden signed the Inflation Reduction Act of 2022 (the "Inflation Act") into law. The Inflation Act contains certain tax measures, including a corporate alternative minimum tax of 15% on some large corporations and an excise tax of 1% on corporate stock buy-backs. The various provisions of the Inflation Act do not have a material impact on the Company's financial statements.

18. Net Loss Per Share

Basic net loss per share attributable to common stockholders of BridgeBio is computed by dividing net loss attributable to common stockholders of BridgeBio by the weighted-average number of shares of common stock outstanding. Diluted net loss per share attributable to common stockholders of BridgeBio is computed by dividing net loss by the weighted-average number of shares of common stock outstanding, plus all additional common shares that would have been outstanding, assuming dilutive potential common shares had been issued for other dilutive securities. For the three and nine months ended September 30, 2023 and 2022, diluted and basic net loss per share attributable to common stockholders of BridgeBio was identical since potential common shares were excluded from the calculation, as their effect was anti-dilutive.

The following common stock equivalents were excluded from the computation of diluted net loss per share, because including them would have been anti-dilutive:

	As of September 30,	
	2023	2022
Unvested RSAs	218,934	798,399
Unvested RSUs	9,415,372	4,923,284
Unvested performance-based RSUs	7,875	80,746
Common stock options issued and outstanding	12,410,230	12,049,990
Estimated shares issuable under performance-based milestone compensation arrangements	6,339,874	17,296,328
Estimated shares issuable under the ESPP	28,912	59,441
Assumed conversion of 2027 Notes	12,878,305	12,878,305
Assumed conversion of 2029 Notes	7,702,988	7,702,988
	49,002,490	55,789,481

Our 2029 Notes and 2027 Notes are convertible, based on the applicable conversion rate, into cash, shares of our common stock or a combination thereof, at our election.

As discussed in Notes 8 and 15, we have performance-based milestone compensation arrangements, whose vesting is contingent upon meeting various regulatory and development milestones, with fixed monetary amounts known at inception that can be settled in the form of cash or equity at our sole election, upon achievement of each contingent milestone. The common stock equivalents of such arrangements were estimated as if the contingent milestones were achieved as of the reporting date and the arrangements were all settled in equity.

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

You should read the following discussion and analysis of our financial condition and results of operations together with our unaudited condensed financial statements and related notes included in this Quarterly Report on Form 10-Q and our audited consolidated financial statements and related notes thereto for the year ended December 31, 2022 included in our Annual Report on Form 10-K for the year ended December 31, 2022, as filed with the U.S. Securities and Exchange Commission (the "SEC") on February 23, 2023.

This Quarterly Report on Form 10-Q contains "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). In some cases, you can identify these statements by forward-looking words such as "may," "will," "expect," "believe," "anticipate," "intend," "could," "should," "estimate," or "continue," and similar expressions or variations. Such forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results and the timing of certain events to differ materially from future results expressed or implied by such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those identified below, and those discussed in Part I, Item 1A, "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2022, as updated by the information, if any, in Part II, Item 1A, "Risk Factors" included in this Quarterly Report on Form 10-Q. The forward-looking statements in this Quarterly Report on Form 10-Q represent our views as of the date of this Quarterly Report on Form 10-Q. Except as may be required by law, we assume no obligation to update these forward-looking statements or the reasons that results could differ from these forward-looking statements. You should, therefore, not rely on these forward-looking statements as representing our views as of any date subsequent to the date of this Quarterly Report on Form 10-Q.

Overview

BridgeBio Pharma, Inc. ("we" or the "Company") is a commercial-stage biopharmaceutical company founded to discover, create, test and deliver transformative medicines to treat patients who suffer from genetic diseases and cancers with clear genetic drivers. BridgeBio's pipeline of development programs ranges from early science to advanced clinical trials. BridgeBio was founded in 2015 and its team of experienced drug discoverers, developers and innovators are committed to applying advances in genetic medicine to help patients as quickly as possible. Since inception, BridgeBio has created 15 Investigational New Drug applications, or INDs, and had two products approved by the U.S. Food and Drug Administration. We work across over 20 disease states and have over 15 ongoing clinical trials at various stages of development. Several of our programs target indications that we believe present the potential for our product candidates, if approved, to target portions of market opportunities of at least $1.0 billion in annual sales.

We focus on genetic diseases because they exist at the intersection of high unmet patient need and tractable biology. Our approach is to translate research pioneered at academic laboratories and leading medical institutions into products that we hope will ultimately reach patients. We are able to realize this opportunity through a confluence of scientific advances: (i) identification of the genetic underpinnings of disease as more cost-efficient genome and exome sequencing becomes available; (ii) progress in molecular biology; and (iii) the development and maturation of longitudinal data and retrospective studies that enable the linkage of genes to diseases. We believe that this early-stage innovation represents one of the greatest practical sources for new drug creation.

Since our inception in 2015, we have focused substantially all of our efforts and financial resources on acquiring and developing product and technology rights, building our intellectual property portfolio and conducting research and development activities for our product candidates within our wholly-owned subsidiaries and controlled entities, including partially-owned subsidiaries and subsidiaries we consolidate based on our deemed majority control of such entities as determined using either the variable interest entity, or VIE model, or the voting interest entity, or VOE model. To support these activities, we and our wholly-owned subsidiary, BridgeBio Services, Inc., (i) identify and secure new programs, (ii) set up new wholly-owned subsidiaries or controlled entities, (iii) recruit key management team members, (iv) raise and allocate capital across the portfolio and (v) provide certain shared services, including accounting, legal, information technology and human resources, as well as workspaces. We have not generated any significant revenue from product sales. To date, we have funded our operations with proceeds from the sale of our equity securities, issuance of convertible notes, debt borrowings and, to a lesser extent, revenues from certain licensing arrangements and sale of certain assets.

Since our inception, we have incurred significant operating losses. For the nine months ended September 30, 2023 and 2022, we incurred net losses of $482.9 million and $344.1 million, respectively. Our ability to generate product revenue sufficient to achieve profitability will depend heavily on the successful development and eventual commercialization of our product candidates at our wholly-owned subsidiaries and controlled entities. We expect to continue to incur operating and net losses for at least the next several years.

Due to the inherently unpredictable nature of preclinical and clinical development, and given our novel therapeutic approaches and the stage of development of our product candidates, we cannot determine and are unable to estimate with certainty the timelines we will require and the costs we will incur for the development of our product candidates. Clinical and preclinical development timelines and costs, and the potential of development success, can differ materially from expectations due to a variety of factors. For example, in light of the COVID-19 pandemic, we have experienced delays in or temporary suspensions of the enrollment of patients in our subsidiaries' clinical trials in the past. While we have not had any recent concerns, we may continue to experience delays in certain ongoing activities, including commencement of planned clinical trials, non-clinical experiments and IND-enabling good laboratory practice toxicology studies. In response to the COVID-19 pandemic, we implemented safety measures to protect our patient community, employees, partners, suppliers and stockholders. In May 2023, the World Health Organization declared that COVID-19 is no longer a global health emergency. However, we cannot predict the impact COVID-19 or any future public health emergency or pandemic may have on our business or strategy, including the effects on our ongoing and planned clinical development activities and prospects, or on our financial and operating results.

In January 2022, we committed to a restructuring initiative designed to drive operational changes in our business processes, efficiencies and cost savings to advance our corporate strategy and development programs. The restructuring initiative included, among other components, consolidation and rationalization of our facilities, reprioritization of development programs and the reduction in our workforce. During the nine months ended September 30, 2023 and 2022, our restructuring, impairment and related charges amounted to $7.2 million and $36.1 million, respectively, which consisted primarily of winding down costs, exit and other related costs, impairments and write-offs of long-lived assets, and severance and employee-related costs. We expect that the remaining restructuring, impairment and related charges will be immaterial through the end of 2023. Our estimate of the costs is subject to certain assumptions and actual results may differ from those estimates or assumptions. We may also incur additional costs that are not currently foreseeable as we continue to evaluate our restructuring alternatives to drive operational changes in business processes, efficiencies and cost savings.

Effective December 21, 2022, our subsidiary, QED Therapeutics, Inc, or QED, and Helsinn, or the Helsinn Parties, entered into a Mutual Termination Agreement or MTA, which terminates the Amended QED-Helsinn License and Collaboration Agreement and all rights and obligations thereunder. The Helsinn Parties agreed to perform certain close-out services to enable QED to pursue the development, manufacture and commercialization of infigratinib as a potential treatment of non-oncology indications, such as in achondroplasia worldwide, excluding China, Hong Kong, and Macau. As a result of the termination, QED is no longer entitled to any future regulatory or sales-based milestone payments. QED was subject to royalties on net sales of TRUSELTIQ™ through March 31, 2023, at which date Helsinn no longer sold the licensed product. Helsinn permanently discontinued TRUSELTIQ™ and requested a withdrawal of the NDA in May 2023, additionally, all clinical investigations under the associated IND are discontinued. Helsinn completed sales of the licensed product during the three months ended March 31, 2023, and the associated revenue recognized was immaterial. The Helsinn Parties have developed a Close-Out Plan, as defined within the MTA. Activities within the Close-Out Plan are to be shared equally subsequent to the first $11.0 million of costs, which are the responsibility of QED. The activities within the Close-Out Plan are expected to be completed by the end of 2023.

Results of Operations

The following table summarizes the results of our operations for the periods indicated:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
	(in thousands)			
Revenue	$ 4,091	$ 338	$ 7,558	$ 75,778
Cost of revenue	598	739	1,848	2,787
Research and development	125,136	92,511	325,485	308,560
Selling, general and administrative	35,777	31,188	103,007	111,327
Restructuring, impairment and related charges	272	5,016	7,172	36,074
Loss from operations	(157,692)	(129,116)	(429,954)	(382,970)
Interest income	3,793	2,417	12,460	3,450
Interest expense	(20,306)	(19,825)	(61,021)	(60,448)
Gain from sale of priority review voucher, net	—	—	—	107,946
Other income (expense), net	(5,283)	6,331	(4,408)	(12,060)
Net loss	(179,488)	(140,193)	(482,923)	(344,082)
Net loss attributable to redeemable convertible noncontrolling interests and noncontrolling interests	2,489	2,854	7,869	490
Net loss attributable to common stockholders of BridgeBio	(176,999)	(137,339)	(475,054)	(343,592)

	September 30, 2023	December 31, 2022
	(in thousands)	
Cash, cash equivalents and marketable securities	$ 505,213	$ 428,269
Restricted Cash	16,652	37,930
Investment in equity securities	38,052	43,653

Cash, Cash Equivalents, Marketable Securities, Restricted Cash and Investment in Equity Securities

As of September 30, 2023, we had cash and cash equivalents of $505.2 million, restricted cash of $16.7 million and investments in equity securities of $38.1 million, compared to cash, cash equivalents and marketable securities of $428.3 million, restricted cash of $37.9 million and investment in equity securities of $43.7 million as of December 31, 2022. Restricted cash primarily represents funds in a controlled account that was established in connection with the Second Amendment of the Loan and Security Agreement that is described in Note 9. The use of such non-interest-bearing cash is restricted per the terms of the underlying amended loan agreement and is to be used solely for certain research and development expenses directly attributable to the performance of obligations associated with the Navire-BMS License Agreement, which is further described in Note 10.

We consider our investment in equity securities as a source of our liquidity as we may liquidate these shares to fund current operations, should the need arise. The increase in investment in equity securities is primarily due to reinvestment of funds and increase in fair market value.

Revenue

The following table summarizes our revenue for the following periods:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	Change	2023	2022	Change
	(in thousands)					
Revenue	$ 4,091	$ 338	$ 3,753	$ 7,558	$ 75,778	$ (68,220)

Revenue for the three months ended September 30, 2023 consists mainly of $2.8 million of license revenue for the shipment of clinical supplies to our partners pursuant to our executed supply agreements and $1.3 million of services revenue under the Navire-BMS License Agreement. The net decrease in revenue of $68.2 million for the nine months ended September 30, 2023, compared to the same period in the prior year, was primarily attributable to the timing of revenue recognized from the Navire-BMS License Agreement.

The level of revenue, including license and service revenue, that we recognize depends in part upon the estimated recognition period of the upfront payments allocated to continuing performance obligations, the achievement of milestones and other contingent events, the level of effort incurred for research and development contracted services, and the impact of entering into new collaboration agreements, if any.

Operating Costs and Expenses

Research and Development Expenses

The following table summarizes our research and development expenses for the following periods:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	Change	2023	2022	Change
	(in thousands)					
Research and development	$ 125,136	$ 92,511	$ 32,625	$ 325,485	$ 308,560	$ 16,925

Research and development expenses increased by $32.6 million for the three months ended September 30, 2023, compared to the same period in 2022. This change was primarily due to an increase in licensing fees of $10.0 million, an increase in stock-based compensation expense of $8.0 million, an increase in personnel related expenses of $6.2 million, and an increase in other costs to support the advancement of research and development for our key programs of $8.4 million.

Research and development expenses increased by $16.9 million for the nine months ended September 30, 2023, compared to the same period in 2022. This change was primarily due to an increase in stock-based compensation of $10.1 million, an increase in licensing fees of $5.5 million, and an increase in other costs to support the advancement of research and development for our key programs of $1.3 million.

Pursuant to the QED-Helsinn License and Collaboration Agreement, Helsinn shared 60% of our research and development costs for infigratinib for certain indications as stipulated under the agreement. Upon the effective date of the Amended QED-Helsinn License and Collaboration Agreement, March 1, 2022, Helsinn is solely responsible for development costs for infigratinib for certain indications and our incurred costs during the transitional period are fully reimbursable. As discussed in the *Overview* section in *Item 2. Management's Discussion and Analysis of Financial Condition*, effective December 21, 2022, QED and Helsinn, or the Helsinn Parties, entered into a MTA which terminated the Amended QED-Helsinn License and Collaboration Agreement and all rights and obligations thereunder. The Helsinn Parties agreed to perform certain close-out services to enable QED to pursue the development, manufacture and commercialization of infigratinib as a potential treatment of non-oncology indications, such as in achondroplasia worldwide, excluding China, Hong Kong, and Macau. All close-out costs are presented as part of "Restructuring, impairment and related charges" on our condensed consolidated statements of operations.

For the three and nine months ended September 30, 2023, we recognized Helsinn's share of research and development expenses of $0.1 million and $2.3 million, respectively, as a reduction to restructuring, impairment and related charges; whereas, Helsinn's share of research and development expenses of $5.7 million and $21.4 million, respectively, for the three and nine months ended September 30, 2022, were recognized as a reduction of research and development expenses.

Refer to Note 10 to our condensed consolidated financial statements for more information on the QED-Helsinn License and Collaboration Agreement, the Amended QED-Helsinn License and Collaboration Agreement and the termination of the Amended QED-Helsinn License and Collaboration Agreement.

Research and development costs consist primarily of external costs, such as fees paid to consultants, contractors, contract manufacturing organizations, or CMOs, and contract research organizations, or CROs, in connection with our preclinical, contract manufacturing and clinical development activities and are tracked on a program-by-program basis. License fees and other costs incurred after a product candidate has been designated and that are directly related to the product candidate are included in the specific program expense. License fees and other costs incurred prior to designating a product candidate are included in early-stage research programs.

The following table summarizes our research and development expenses by program incurred for the following periods:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
	(in thousands)			
Acoramidis (Previously known as AG10)	$ 26,684	$ 25,995	$ 74,233	$ 66,756
Low-dose infigratinib for achondroplasia	23,816	6,312	47,269	23,475
BBP-418 for Limb-Girdle Muscular Dystrophy type 2I, or LGMD2I	10,712	3,815	26,089	16,156
Encaleret	12,666	6,878	33,728	20,335
BBP-631	9,314	7,112	27,064	25,679
KRAS inhibitor portfolio	12,661	9,260	32,082	23,353
Other development programs	10,537	16,772	34,532	77,491
Other research programs	18,746	16,367	50,488	55,315
Total	$ 125,136	$ 92,511	$ 325,485	$ 308,560

Selling, General and Administrative Expenses

The following table summarizes our selling, general and administrative expenses for the following periods:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	Change	2023	2022	Change
	(in thousands)					
Selling, general and administrative	$ 35,777	$ 31,188	$ 4,589	$ 103,007	$ 111,327	$ (8,320)

Selling, general and administrative expenses increased by $4.6 million for the three months ended September 30, 2023, compared to the same period in 2022, mainly due to an increase in costs related to commercialization readiness efforts of $2.4 million, an increase in personnel related expenses of $1.7 million, and an increase in stock based compensation expense of $0.5 million.

Selling, general and administrative expenses decreased by $8.3 million for the nine months ended September 30, 2023, compared to the same period in 2022, mainly due to the streamlining of costs as a result of our restructuring initiative, which included a decrease in personnel related expenses of $5.1 million, a decrease in legal costs of $3.4 million, and a decrease in stock based compensation expense of $2.2 million, which were partially offset by an increase in costs related to commercialization readiness efforts of $2.4 million.

Restructuring, Impairment and Related Charges

The following table summarizes our restructuring, impairment and related charges during the periods indicated:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	Change	2023	2022	Change
	(in thousands)					
Restructuring, impairment and related charges	$ 272	$ 5,016	$ (4,744)	$ 7,172	$ 36,074	$ (28,902)

As discussed in Note 16 to our condensed consolidated financial statements, in January 2022, we committed to a restructuring initiative designed to drive operational changes in our business processes, efficiencies and cost savings to advance our corporate strategy and development programs. The restructuring initiative included, among other components, consolidation and rationalization of our facilities, reprioritization of development programs and the reduction in our workforce. We expect that the remaining restructuring, impairment and related charges will be immaterial through the end of 2023. Our estimate of the costs is subject to certain assumptions and actual results may differ from those estimates or assumptions. We may also incur additional costs that are not currently foreseeable as we continue to evaluate our restructuring alternatives to drive operational changes in business processes, efficiencies and cost savings.

Other Income (Expense), Net

Interest Income

The following table summarizes our interest income during the periods indicated:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	Change	2023	2022	Change
	(in thousands)					
Interest income	$ 3,793	$ 2,417	$ 1,376	$ 12,460	$ 3,450	$ 9,010

Interest income consists of interest income earned on our cash equivalents and marketable securities. The increase in interest income during the three and nine months ended September 30, 2023 as compared to the same periods in 2022 is primarily due to higher interest rates on our cash equivalents and marketable securities. Generally, increases and decreases in interest income are attributable to changes in the interest-bearing average balances of our cash equivalents and marketable securities and fluctuations in interest rates.

Interest Expense

The following table summarizes our interest expense during the periods indicated:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	Change	2023	2022	Change
	(in thousands)					
Interest expense	$ (20,306)	$ (19,825)	$ (481)	$ (61,021)	$ (60,448)	$ (573)

Interest expense consists primarily of interest expense incurred under our 2029 Notes issued in January 2021, our 2027 Notes issued in March 2020 and our term loan with various lenders under the Loan Agreement dated November 17, 2021, as amended. Generally, increases and decreases in interest expense are attributable to changes in the principal amounts of our debt as our debt-related interests are fixed.

Gain From Sale of Priority Review Voucher, Net

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	Change	2023	2022	Change
	(in thousands)					
Gain from sale of priority review voucher, net	$ —	$ —	$ —	$ —	$ 107,946	$ (107,946)

In May 2022, we announced that we entered into a definitive agreement to sell our PRV for $110.0 million. We received the PRV in February 2021 under a U.S. Food and Drug Administration program intended to encourage the development of treatments for rare pediatric diseases. We were awarded the PRV when our subsidiary Origin received approval of NULIBRY™. The PRV sale was subject to customary closing conditions and was completed in June 2022 following the expiration of applicable U.S. antitrust clearance requirements. We received the proceeds of $110.0 million in June 2022 and recognized a net gain of $107.9 million, net of transaction costs for the nine months ended September 30, 2022.

Other Income (Expense), Net

The following table summarizes our other income (expense), net during the periods indicated:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	Change	2023	2022	Change
	(in thousands)					
Other income (expense), net	$ (5,283)	$ 6,331	$ (11,614)	$ (4,408)	$ (12,060)	$ 7,652

Other income (expense), net for the three months ended September 30, 2023 consists mainly of the net realized and unrealized losses from changes in fair value of our investment in equity securities of $5.4 million. Other income (expense), net for the nine months ended September 30, 2023 consists mainly of the net realized and unrealized losses from changes in fair value of our investment in equity securities of $3.0 million and a $1.2 million loss from the deconsolidation of PellePharm.

Other income (expense), net for the three months ended September 30, 2022 consists mainly of net realized and unrealized losses from changes in fair value of our investment in equity securities of $10.3 million. Other income (expense), net for the nine months ended September 30, 2022 consists mainly of net realized and unrealized losses from changes in fair value of our investment in equity securities of $13.0 million and loss from disposal of Origin's assets of $6.3 million, partially offset by a gain from the recognition of a receivable of $12.5 million from Helsinn under the Amended QED-Helsinn License and Collaboration Agreement.

Net Loss Attributable to Redeemable Convertible Noncontrolling Interests and Noncontrolling Interests

The following table summarizes our net loss attributable to redeemable convertible noncontrolling interests and noncontrolling interests during the periods indicated:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	Change	2023	2022	Change
	(in thousands)					
Net loss attributable to redeemable convertible noncontrolling interests and noncontrolling interests	$ 2,489	$ 2,854	$ (365)	$ 7,869	$ 490	$ 7,379

Net loss attributable to redeemable convertible noncontrolling interests and noncontrolling interests in our condensed consolidated statements of operations consists of the portion of the net loss of those consolidated entities that is not allocated to us. Changes in the amount of net loss attributable to noncontrolling interests are directly impacted by changes in the net loss of our consolidated entities and are the result of ownership percentage changes. Refer to Note 5 to our condensed consolidated financial statements.

Liquidity and Capital Resources

We have historically financed our operations primarily through the sale of our equity securities, issuance of convertible notes, debt borrowings, and to a lesser extent, revenue from certain licensing arrangements and sales of certain assets. As of September 30, 2023, we had cash and cash equivalents of $505.2 million, restricted cash of $16.7 million and investments in equity securities of $38.1 million. We consider our investments in equity securities as a potential source of liquidity as we may liquidate these securities to fund current operations, if the need arises. Restricted cash related to the Navire-BMS License Agreement under the Loan agreement was $16.5 million, which is presented as part of "Restricted cash" on the condensed consolidated balance sheets. The funds held by our wholly-owned subsidiaries and controlled entities are available for specific entity usage. As of September 30, 2023, our outstanding debt was $1.7 billion, net of debt discounts and issuance costs and accretion.

Since inception, we have incurred significant operating losses. For the nine months ended September 30, 2023, we incurred net losses of $482.9 million. We had an accumulated deficit as of September 30, 2023 of $2.4 billion. While we have undertaken costs related to commercial launch readiness for our late-stage programs and a restructuring initiative to drive operational change in business processes, efficiencies and cost savings, we expect to continue to incur operating and net losses over the next several years as we continue to fund our drug development and discovery efforts. In particular, to the extent we advance our programs into and through later-stage clinical trials without a partner, we will incur substantial expenses. Our current business plan is also subject to significant uncertainties and risks as a result of, among other factors, our ability to generate product sales sufficient to achieve profitability, which will depend heavily on the successful development and eventual commercialization of product candidates at our consolidated entities as well as our ability to partner in the development of certain clinical programs, as well as the levels of our operating expenses.

Our short-term and long-term liquidity requirements include contractual payments related to our 2029 Notes, 2027 Notes and term loan (see Note 9 to our condensed consolidated financial statements), obligations under our real estate leases (see Note 13 to our condensed consolidated financial statements) and the remaining liabilities under our restructuring initiative (see Note 16 to our condensed consolidated financial statements).

We also have performance-based milestone compensation arrangements with certain employees and consultants, whose vesting is contingent upon meeting various regulatory and development milestones, with fixed monetary amounts known at inception that can be settled in the form of cash or equity at our sole election, upon achievement of each contingent milestone (see Note 8 to our condensed consolidated financial statements).

Additionally, we have certain contingent payment obligations under various license and collaboration agreements in which we are required to make milestone payments upon successful completion and achievement of certain intellectual property, clinical, regulatory and sales milestones. We also enter into agreements in the normal course of business with CROs and other vendors for clinical trials and with vendors for preclinical studies and other services and products for operating purposes, which are generally cancelable upon written notice with potential termination charges.

We expect our cash and cash equivalents, restricted cash, and investments in equity securities will fund our operations for at least the next 12 months from the date of filing of this Quarterly Report on Form 10-Q based on current operating plans and financial forecasts. If our current operating plans or financial forecasts change, including as a result of general market and economic conditions, inflationary pressures, supply chain issues and the effects of the COVID-19 pandemic or other public health emergencies on our research and development activities, we may require additional funding sooner in the form of public or private equity offerings, debt financings or additional collaborations and licensing arrangements. However, future financing may not be available in amounts or on terms acceptable to us, if at all.

In addition, we are closely monitoring macroeconomic events, including the COVID-19 pandemic, inflationary pressures and supply chain issues, which may negatively impact our financial and operating results. We will continue to assess our operating costs and expenses and our cash and cash equivalents and, if circumstances warrant, we will make appropriate adjustments to our operating plan.

Sources of Liquidity

Public and private placement offerings

In March 2023, we completed a Follow-on public offering of our common stock. Pursuant to the Follow-on public offering we issued and sold 8,823,530 shares of our common stock at a public offering price of $17.00 per share. We received net proceeds of $143.0 million from the Follow-on public offering, after deducting underwriters' discounts and commissions of $6.5 million and offering costs of $0.5 million. We currently expect to use the net proceeds from this offering to fund clinical and pre-clinical development of our current and future product candidates, conduct research activities, and for working capital and other general corporate purposes. We granted the underwriters a 30-day option to purchase, at the public offering price less underwriting discounts and commissions, up to an additional 1,323,529 shares of our common stock. In April 2023, the underwriters partially exercised their 30-day option to purchase additional shares, for which 63,470 shares were issued for net proceeds of $1.0 million, after deducting underwriting fees and commissions of less than $0.1 million.

In May 2023, we filed a shelf registration statement on Form S-3ASR, or the 2023 Shelf, with the SEC in relation to the registration of common stock, preferred stock, debt securities, warrants and units or any combination thereof. We also concurrently entered into the ATM Agreement, with Goldman Sachs & Co. LLC and SVB Securities LLC or collectively, the ATM Sales Agents, with respect to an "at-the-market" offering program under which we may issue and sell, from time to time at our sole discretion and pursuant to a prospectus supplement, shares of our common stock, par value $0.001 per share, having an aggregate offering price of up to $450.0 million through the ATM Sales Agents. We will pay the ATM Sales Agents a commission of up to 3.0% of the aggregate gross proceeds received from all sales of the common stock under the ATM Agreement. As of September 30, 2023, 2,171,217 shares were issued under the ATM Agreement, for net proceeds of $65.0 million, after deducting sales agent commissions of $1.0 million. As of September 30, 2023, we are still eligible to sell up to $384.0 million of our common stock pursuant to the ATM Agreement under the 2023 Shelf.

In September 2023, we and certain accredited investors (each an "Investor" and collectively, the "Investors") entered into a securities purchase agreement pursuant to which we sold and issued to the Investors in the Private Placement an aggregate of 9,167,723 shares of our common stock, par value $0.001 per share, at a purchase price of $27.27 per share. We paid certain placement agents a commission based on the aggregate gross proceeds received from all sales of the common stock under the Private Placement. In September 2023, we received net proceeds of $241.3 million under the Private Placement offering, after deducting placement agent commissions of $8.7 million. Additionally, unpaid issuance costs as of September 30, 2023 are $0.5 million, and once paid will further reduce the net proceeds from the Private Placement offering to $240.8 million.

Debt

As of September 30, 2023, we have borrowings under the 2029 Notes, the 2027 Notes and the Amended Loan Agreement, which are discussed below.

2029 Notes, net

In January 2021, we issued an aggregate principal amount of $747.5 million of our 2029 Notes, pursuant to an Indenture dated January 28, 2021, or the 2029 Notes Indenture, between us and U.S. Bank National Association, as trustee, or the 2029 Notes Trustee, in a private offering to qualified institutional buyers, or the 2021 Note Offering, pursuant to Rule 144A under the Securities Act.

The 2029 Notes accrue interest payable semiannually in arrears on February 1 and August 1 of each year, beginning on August 1, 2021, at a rate of 2.25% per year. The 2029 Notes will mature on February 1, 2029, unless earlier converted, redeemed or repurchased. The 2029 Notes are convertible into cash, shares of our common stock or a combination of cash and shares of our common stock, at our election.

We received net proceeds from the 2021 Note Offering of approximately $731.4 million, after deducting the 2029 Notes Initial Purchasers' discount. There were no direct offering expenses borne by us for the 2029 Notes. We used approximately $61.3 million of the net proceeds from the 2021 Note Offering to pay for the cost of the 2021 Capped Call Transactions and approximately $50.0 million to pay for the repurchase of shares of our common stock.

A holder of 2029 Notes may convert all or any portion of its 2029 Notes at its option at any time prior to the close of business on the business day immediately preceding November 1, 2028 only under certain circumstances.

On or after November 1, 2028 until the close of business on the second scheduled trading day immediately preceding the maturity date, a holder may convert all or any portion of its 2029 Notes at any time.

We may not redeem the 2029 Notes prior to February 6, 2026. We may redeem for cash all or any portion of the 2029 Notes, at our option, on a redemption date occurring on or after February 6, 2026 and on or before the 41st scheduled trading day immediately before the maturity date, under certain circumstances. No sinking fund is provided for the 2029 Notes. If we undergo a fundamental change (as defined in the 2029 Notes Indenture), holders may require us to repurchase for cash all or any portion of their 2029 Notes at a fundamental change repurchase price equal to 100% of the principal amount of the 2029 Notes to be repurchased, plus any accrued and unpaid interest to, but excluding, the fundamental change repurchase date. The 2029 Notes Indenture contains customary terms and covenants, including that upon certain events of default occurring and continuing, either the 2029 Notes Trustee or the holders of not less than 25% in aggregate principal amount of the 2029 Notes then outstanding may declare the entire principal amount of all the Notes plus accrued special interest, if any, to be immediately due and payable. The 2029 Notes are our general unsecured obligations and rank senior in right of payment to all of our indebtedness that is expressly subordinated in right of payment to the 2029 Notes; equal in right of payment with all of our liabilities that are not so subordinated, including our 2027 Notes; effectively junior to any of our secured indebtedness to the extent of the value of the assets securing such indebtedness; and structurally junior to all indebtedness and other liabilities (including trade payables) of our subsidiaries.

Refer to Note 9 in our condensed consolidated financial statements for other details, including our future minimum payments under the 2029 Notes.

2027 Notes, net

In March 2020, we issued an aggregate principal amount of $550.0 million of our 2027 Notes, pursuant to an Indenture dated March 9, 2020, or the Indenture, between BridgeBio and U.S. Bank National Association, as trustee, or the Trustee, in a private offering to qualified institutional buyers, or the 2020 Note Offering, pursuant to Rule 144A under the Securities Act.

The 2027 Notes are senior, unsecured obligations of BridgeBio and accrue interest payable semiannually in arrears on March 15 and September 15 of each year, beginning on September 15, 2020, at a rate of 2.50% per year. The 2027 Notes will mature on March 15, 2027, unless earlier converted or repurchased. Upon conversion, the 2027 Notes are convertible into cash, shares of our common stock or a combination of cash and shares of our common stock, at our election.

We received net proceeds from the 2020 Note Offering of approximately $537.0 million, after deducting the Initial Purchasers' discount and offering expenses. We used approximately $49.3 million of the net proceeds from the 2020 Note Offering to pay for the cost of the Capped Call Transactions, and approximately $75.0 million to pay for the repurchases of shares of our common stock in connection with the 2020 Note Offering.

A holder of 2027 Notes may convert all or any portion of its 2027 Notes at its option at any time prior to the close of business on the business day immediately preceding December 15, 2026 only under certain circumstances.

On or after December 15, 2026 until the close of business on the second scheduled trading day immediately preceding the maturity date, a holder may convert all or any portion of its 2027 Notes at any time.

We may not redeem the 2027 Notes prior to the maturity date, and no sinking fund is provided for the 2027 Notes. If we undergo a fundamental change (as defined in the Indenture), holders may require us to repurchase for cash all or any portion of their 2027 Notes at a fundamental change repurchase price equal to 100% of the principal amount of the 2027 Notes to be repurchased, plus any accrued and unpaid interest to, but excluding, the fundamental change repurchase date. The Indenture contains customary terms and covenants, including that upon certain events of default occurring and continuing, either the Trustee or the holders of not less than 25% in aggregate principal amount of the 2027 Notes then outstanding may declare the entire principal amount of all the Notes plus accrued special interest, if any, to be immediately due and payable. The 2027 Notes are our general unsecured obligations and rank senior in right of payment to all of our indebtedness that is expressly subordinated in right of payment to the 2027 Notes; equal in right of payment with all of our liabilities that are not so subordinated; effectively junior to any of our secured indebtedness to the extent of the value of the assets securing such indebtedness; and structurally junior to all indebtedness and other liabilities (including trade payables) of our subsidiaries.

Refer to Note 9 in our condensed consolidated financial statements for other details, including our future minimum payments under the 2027 Notes.

Term Loan, net

In November 2021, we entered into the Loan Agreement, by and among (i) U.S. Bank National Association, in its capacity as administrative agent (in such capacity, the Administrative Agent), and collateral agent (in such capacity, the Collateral Agent), (ii) certain lenders, or the Lenders, (iii) BridgeBio, as a borrower, and (iv) certain subsidiaries of BridgeBio, as guarantors, or the Guarantors. In May 2022, we entered into the First Amendment to the Loan Agreement, or the First Amendment, and in November 2022, we entered into the Second Amendment to the Loan Agreement, or the Second Amendment, as further described below.

Pursuant to the original terms and conditions of the Loan Agreement, the Lenders agreed to extend term loans to us in an aggregate principal amount of up to $750.0 million, comprised of (i) a tranche 1 advance of $450.0 million, or the Tranche 1 Advance, and (ii) a tranche 2 advance of $300.0 million, or the Tranche 2 Advance, or collectively, the Term Loan Advances. The Tranche 1 Advance under the Loan Agreement was funded on November 17, 2021. The Tranche 2 Advance remained available for funding until December 31, 2022, which was available at our election after the occurrence of certain milestone events relating to data from our clinical trials. The terms related to the Tranche 2 Advance were modified in the First Amendment and Second Amendment as further discussed below. The First Amendment included the reduction of the aggregate amount of the Tranche 2 Advance from $300.0 million to $100.0 million. The Second Amendment eliminated the $100.0 million Tranche 2 Advance. As a result of the Second Amendment, the total aggregate principal amount of the loan is $450.0 million before any mandatory prepayment.

As security for our obligations under the Loan Agreement, each of BridgeBio and the Guarantors granted the Collateral Agent, for the benefit of the Lenders, a continuing security interest in substantially all of the assets of BridgeBio and the Guarantors, (including all equity interests owned or hereafter acquired by BridgeBio and the Guarantors), subject to certain customary exceptions. Upon exceeding certain investment and disposition thresholds, additional subsidiaries of BridgeBio will be required to join as guarantors.

Any outstanding principal on the Term Loan Advances will accrue interest at a fixed rate equal to 9.0% per annum. 3.0% of which interest can be paid in kind, or PIK, until January 1, 2025. Interest payments are payable quarterly following the funding of a Term Loan Advance. We will be required to make principal payments on the outstanding balance of the Term Loan Advances commencing on January 2, 2025, or the Term Loan Amortization Date in nine quarterly installments, plus interest. If we have achieved certain milestone events relating to data from the clinical trial of acoramidis, or the Acoramidis Milestone, on or prior to January 1, 2025, then the Term Loan Amortization Date will be automatically extended to January 2, 2026. Any amounts outstanding under the Term Loan Advances are due and payable on November 17, 2026, or the Maturity Date.

We may prepay the outstanding principal amount of the Term Loan Advances at any time (in whole, but not in part), plus accrued and unpaid interest and a prepayment premium ranging from 1.0% to 3.0% of the principal amount outstanding depending on the timing of payment (plus a customary make-whole amount if prepaid on or prior to November 17, 2022).

At the Lenders' election, we are also required to make mandatory prepayments upon the occurrence of certain prepayment events related to the repurchase or redemption of pledged collateral, entry into certain royalty transactions, disposition of other assets or subsidiaries, and entry into licensing and other monetization transactions (all such events are referred to as prepayment events), which could be 50% or 75% of net cash proceeds from such transaction depending on achievement of the Acoramidis Milestone.

Subject to the mandatory prepayment requirements for certain prepayment events, the Loan Agreement contains customary affirmative and limited negative covenants which, among other things, limit our ability to (i) incur additional indebtedness, (ii) pay dividends or make certain distributions, (iii) dispose of our assets, grant liens, license or encumber our assets or (iv) fundamentally alter the nature of our business. BridgeBio and the Guarantors have broad ability to license our intellectual property, dispose of other assets and enter into monetization and royalty transactions, subject in each case to the requirement to make a mandatory prepayment described above. The Loan Agreement provides that BridgeBio and the Guarantors may, subject to certain limitations, (x) repurchase BridgeBio's equity interest and the equity interest of any of its subsidiaries, (y) enter into any joint ventures or similar investments, and (z) make other investments and acquisitions. Subject to the mandatory prepayment requirement described above, portfolio companies owned by BridgeBio that are not parties to the Loan Agreement are, subject to certain exceptions, not subject to any covenants or limitations under the Loan Agreement.

The Loan Agreement also contains customary events of default, including, among other things, our failure to make any principal or interest payments when due, the occurrence of certain bankruptcy or insolvency events or the breach of the covenants under the Loan Agreement. Upon the occurrence of an event of default, the Lenders may, among other things, accelerate our obligations under the Loan Agreement.

We received net proceeds from the Tranche 1 Advance of $431.3 million, after deducting debt discount and issuance costs of $18.7 million, of which approximately $1.1 million of debt issuance costs were incurred for professional services provided by KCM. KCM is an affiliate of KKR Genetic Disorder L.P., a related party being a principal stockholder of BridgeBio.

In May 2022, we entered into the First Amendment, which, among other things:

- permitted the sale of our priority review voucher, or PRV (see Note 12) and, generally, future dispositions of other PRVs;
- reduced the aggregate amount of the Tranche 2 Advance from $300.0 million to $100.0 million and modified certain conditions to the availability thereof, as mentioned above;
- amended the principal payments such that the entire outstanding principal balance of the Term Loan Advances is due and payable at the Maturity Date or upon early termination; and
- modified the terms and conditions governing when certain entities into which we have made investments will be required to become guarantors under the Amended Loan Agreement.

In June 2022, the receipt of an upfront payment under the Navire-BMS License Agreement, which is further described in Note 10, triggered certain mandatory prepayment provisions of the Amended Loan Agreement. As a result, we paid $20.5 million to the Lenders, of which $20.1 million and $0.4 million were applied to principal and exit fee, respectively.

Pursuant to the terms of the Loan Agreement, we exercised our option to convert $10.1 million and $8.5 million of accrued interest into principal via PIK for the nine months ended September 30, 2023 and 2022, respectively. As of September 30, 2023, we had cumulatively converted accrued interest into principal via PIK of $22.1 million.

In November 2022, we entered into the Second Amendment, which, among other things:

- acknowledged that our prior prepayment made with certain cash proceeds received in connection with the receipt of an upfront payment under the Navire-BMS License Agreement, which is further described in Note 10, satisfied the mandatory prepayment requirement under the Amended Loan Agreement, on the terms and conditions specified in the Amended Loan Agreement;
- permitted certain budgeted expenses to be excluded from the definition of cash proceeds subject to the Company's mandatory prepayment obligations, on the terms and conditions specified in the Amended Loan Agreement; refer to Note 2 under Restricted Cash section for further discussion;
- removed certain threshold amounts applicable to certain prepayment events; and
- terminated the Lenders' $100.0 million Tranche 2 Advance.

Refer to Note 9 in our condensed consolidated financial statements for other details, including our future minimum payments under the Loan Agreement.

Cash Flows

The following table summarizes our cash flows during the periods indicated:

	Nine Months Ended September 30,		
	2023	2022	Change
		(in thousands)	
Net cash used in operating activities	$ (402,901)	$ (326,251)	$ (76,650)
Net cash provided by investing activities	54,099	435,182	(381,083)
Net cash provided by (used in) financing activities	456,058	(19,511)	475,569
Net increase in cash, cash equivalents and restricted cash	$ 107,256	$ 89,420	$ 17,836

Net Cash Flows Used in Operating Activities

Net cash used in operating activities was $402.9 million for the nine months ended September 30, 2023, consisting primarily of our net loss of $482.9 million; adjusted for non-cash items totaling $96.9 million, which primarily includes $71.7 million in stock-based compensation expense, $6.7 million in accrued payment-in-kind interest, and $6.7 million in accretion of debt; and the remaining $16.9 million net cash outflow related to changes in operating assets and liabilities. The $16.9 million net cash outflow related to changes in operating assets and liabilities was attributed mainly to a decrease of $10.5 million in accrued research and development liabilities, a decrease of $4.2 million in accrued compensation and benefits, and a decrease of $3.4 million in accounts payable, which are collectively due to timing of payments; a decrease in deferred revenue of $4.5 million due to revenue recognized; a decrease in operating lease liabilities of $3.7 million; and partially offset by a decrease of $11.9 million from licensing and collaboration agreements receivables primarily due to collections.

Net cash used in operating activities was $326.3 million for the nine months ended September 30, 2022, consisting primarily of our net loss of $344.1 million, adjusted for non-cash items including a $110.0 million gain from sale of our PRV (excluding transaction costs), $69.8 million in stock-based compensation expense, $13.0 million in net loss from certain investments in equity securities, $12.7 million in impairment of long-lived assets, $12.5 million gain from recognition of a receivable from Helsinn under the Amended QED-Helsinn License and Collaboration Agreement and $6.3 million loss on the sale of assets in connection with the Origin-Sentynl APA, as well as $16.3 million net cash inflow related to changes in operating assets and liabilities. The $16.3 million net cash inflow related to changes in operating assets and liabilities was attributed mainly to an increase of $17.0 million in deferred revenue arising from the Navire-BMS License Agreement, and a decrease in other assets of $10.1 million, partially offset by a decrease of $9.1 million in accrued compensation and benefits mainly due to timing of payments.

Net Cash Flows Provided by Investing Activities

Net cash provided by investing activities was $54.1 million for the nine months ended September 30, 2023, attributable primarily to $82.6 million in maturities of marketable securities and $81.0 million in proceeds from the sale of equity securities, partially offset by purchases of investments in equity securities of $78.3 million and purchases of marketable securities of $29.7 million.

Net cash provided by investing activities was $435.2 million for the nine months ended September 30, 2022, consisting primarily of $452.8 million in maturities of marketable securities, $110.0 million in proceeds from the sale of our PRV, $10.0 million in proceeds under the Origin-Sentynl APA, and $28.8 million in proceeds from the sale of equity securities, partially offset by purchases of marketable securities of $134.6 million and purchases of investments in equity securities of $26.3 million.

Net Cash Flows Provided by (Used in) Financing Activities

Net cash provided by financing activities was $456.1 million for the nine months ended September 30, 2023, consisting primarily of $241.3 million in net proceeds from the issuance of common stock through the Private Placement offering, $144.0 million in net proceeds from the issuance of common stock through the Follow-on offering, $65.0 million in net proceeds from the issuance of common stock through the ATM offering, and $5.2 million in net proceeds from stock option exercises.

Net cash used in financing activities was $19.5 million for the nine months ended September 30, 2022, consisting primarily of $20.5 million in mandatory prepayment of our term loan.

Critical Accounting Policies

Our management's discussion and analysis of our financial condition and results of operations is based on our condensed consolidated financial statements, which have been prepared in accordance with United States generally accepted accounting principles. The preparation of these condensed consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, and the disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements, as well as revenues, if any, and expenses incurred during the reporting periods. Our estimates are based on our historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

There have been no significant changes in our critical accounting policies and estimates as compared to the critical accounting policies and estimates disclosed in the section titled "Management's Discussion and Analysis of Financial Condition and Operations" included in our Annual Report on Form 10-K for the year ended December 31, 2022, as filed with the SEC, except for certain updates to our accounting policy as discussed in Note 2 in our condensed consolidated financial statements as of and for the nine months ended September 30, 2023.

Recent Accounting Pronouncements

There have been no significant changes in recently adopted or issued accounting pronouncements from those disclosed in the section titled "Financial Statements and Supplementary Data" included in our Annual Report on Form 10-K for the year ended December 31, 2022, as filed with the SEC.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

As of September 30, 2023, we held cash, cash equivalents, and restricted cash (current) of $521.9 million. Our cash equivalents consist of amounts invested in money market funds; agency discount notes; and high investment grade fixed income securities that are primarily invested in commercial paper, U.S. government securities and treasury bills. We do not enter into investments for trading or speculative purposes and have not used any derivative financial instruments to manage our interest rate risk exposure. We have not been exposed nor do we anticipate being exposed to material risks due to changes in interest rates. We do not believe that our cash and cash equivalents have a significant risk of default or illiquidity.

As of September 30, 2023, we had no outstanding debt subject to variable interest rates. Our 2029 Notes, 2027 Notes and term loan had principal balances of $747.5 million, $550.0 million and $452.0 million, respectively, and bear fixed interest rates. Our cash flows on these debt obligations are not subject to variability as a result of changes in interest rates.

We are exposed to changes in the fair value of our investment in equity securities. As of September 30, 2023, our investment in equity securities, which consist of equity securities of publicly held companies, had a balance of $38.1 million. These shares are carried in our condensed consolidated balance sheets at fair value based on the closing price of the shares owned on the last trading day of the reporting period. Fluctuations in the underlying bid price of the shares could result in material gains or losses.

Inflation has increased during the period covered by this Quarterly Report on Form 10-Q, and is expected to continue to increase for the near future. Inflationary factors, such as increases in the cost of our raw materials, clinical supplies, interest rates and overhead costs may adversely affect our operating results. Although we do not believe that inflation has had a material impact on our financial position or results of operations to date, we may experience some effect in the near future if inflation rates continue to rise. Significant adverse changes in inflation and prices in the future could result in material losses.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our periodic and current reports that we file under the Securities Exchange Act of 1934, as amended, or the Exchange Act, with the U.S. Securities and Exchange Commission, or the SEC, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our chief executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Our management, with the participation of our Chief Executive Officer and our Chief Financial Officer (our principal executive officer and principal financial officer, respectively), evaluated the effectiveness of our disclosure controls and procedures as of September 30, 2023 and concluded that our disclosure controls and procedures were effective at the reasonable assurance level as of that date. The term "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company's management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Changes in Internal Control over Financial Reporting

There was no change 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 period covered by this Quarterly Report on Form 10-Q that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings

As of the date of this Quarterly Report on Form 10-Q, we were not party to any material legal proceedings. In the future, we may become party to legal proceedings and claims arising in the ordinary course of business. Although the results of litigation and claims cannot be predicted with certainty, 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 impact on our financial position, results of operations or cash flows. Regardless of the outcome, litigation can have an adverse effect on us because of defense and settlement costs, diversion of management resources and other factors.

Item 1A. Risk Factors

In addition to the other information set forth in this Form 10-Q, including under the heading "Special Note Regarding Forward-Looking Statements", the risks and uncertainties that we believe are most important for you to consider are discussed below and in "Part I, Item 1A—Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2022 filed with the SEC, which could adversely affect our business, financial condition, or results of operations. The risks described below and in our Annual Report on Form 10-K for the year ended December 31, 2022 are not the only risks facing our Company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may adversely affect our business, financial condition, or results of operations. Except as set forth below, there have been no material changes to the Risk Factors described in our Annual Report on Form 10-K for the year ended December 31, 2022.

Adverse developments affecting the financial services industry, such as actual events or concerns involving liquidity, defaults, or non-performance by financial institutions or transactional counterparties, could adversely affect our current and projected business operations, financial condition and results of operations.

Actual events involving limited liquidity, defaults, non-performance or other adverse developments that affect financial institutions, transactional counterparties or other companies in the financial services industry or the financial services industry generally, or concerns or rumors about any events of these kinds or other similar risks, have in the past and may in the future lead to market-wide liquidity problems. For example, on March 10, 2023, Silicon Valley Bank ("SVB") was closed by the California Department of Financial Protection and Innovation, which appointed the Federal Deposit Insurance Corporation ("FDIC") as receiver. Similarly, on March 12, 2023, Signature Bank and Silvergate Capital Corp. were each swept into receivership and thereafter, First Republic Bank on May 1, 2023. Recently, the Federal Reserve issued a self-assessment report acknowledging it did not fully appreciate the extent of risks involved and noting the need to evaluate how it supervises a bank's management of interest rate risk and liquidity risk, including the particular risks of banks similar to SVB with rapid growth and concentrated business models. Although a statement by the Department of the Treasury, the Federal Reserve and the FDIC indicated that all depositors of SVB would have access to all of their money after only one business day of closure, including funds held in uninsured deposit accounts, borrowers under credit agreements, letters of credit and certain other financial instruments with SVB, Signature Bank or any other financial institution that is placed into receivership by the FDIC may be unable to access undrawn amounts thereunder. If any of our lenders or counterparties to any such instruments were to be placed into receivership, we may be unable to access such funds. In addition, if any of our customers, suppliers or other parties with whom we conduct business are unable to access funds pursuant to such instruments or lending arrangements with such a financial institution, such parties' ability to pay their obligations to us or to enter into new commercial arrangements requiring additional payments to us could be adversely affected. In this regard, counterparties to SVB credit agreements and arrangements, and third parties such as beneficiaries of letters of credit (among others), may experience direct impacts from the closure of SVB and uncertainty remains over liquidity concerns in the broader financial services industry. Similar impacts have occurred in the past, such as during the 2008-2010 financial crisis. As of September 30, 2023 and December 31, 2022 and for the three and nine months ended September 30, 2023 and 2022, we have not experienced any credit losses associated with our cash, cash equivalents, marketable securities and restricted cash account balances held by financial institutions.

Inflation and rapid increases in interest rates have led to a decline in the trading value of previously issued government securities with interest rates below current market interest rates. Although the U.S. Department of Treasury, FDIC and Federal Reserve Board have announced a program to provide up to $25 billion of loans to financial institutions secured by certain of such government securities held by financial institutions to mitigate the risk of potential losses on the sale of such instruments, widespread demands for customer withdrawals or other liquidity needs of financial institutions for immediately liquidity may exceed the capacity of such program. Additionally, there is no guarantee that the U.S. Department of Treasury, FDIC and Federal Reserve Board will provide access to uninsured funds in the future in the event of the closure of other banks or financial institutions, or that they would do so in a timely fashion.

Although we assess our banking and customer relationships as we believe necessary or appropriate, our access to funding sources and other credit arrangements in amounts adequate to finance or capitalize our current and projected future business operations could be significantly impaired by factors that affect us, the financial institutions with which we have credit agreements or arrangements directly, or the financial services industry or economy in general. These factors could include, among others, events such as liquidity constraints or failures, the ability to perform obligations under various types of financial, credit or liquidity agreements or arrangements, disruptions or instability in the financial services industry or financial markets, or concerns or negative expectations about the prospects for companies in the financial services industry or the supervision thereof. These factors could involve financial institutions or financial services industry companies with which we have financial or business relationships, but could also include factors involving financial markets or the financial services industry generally.

The results of events or concerns that involve one or more of these factors could include a variety of material and adverse impacts on our current and projected business operations and our financial condition and results of operations. These could include, but may not be limited to, the following:

- Delayed access to deposits or other financial assets or the uninsured loss of deposits or other financial assets;
- Delayed or lost access to, or reductions in borrowings available under revolving existing credit facilities or other working capital sources and/or delays, inability or reductions in our ability to refund, roll over or extend the maturity of, or enter into new credit facilities or other working capital resources;
- Potential or actual breach of contractual obligations that require us to maintain letters of credit or other credit support arrangements;
- Potential or actual breach of financial covenants in our credit agreements or credit arrangements;
- Potential or actual cross-defaults in other credit agreements, credit arrangements or operating or financing agreements; or
- Termination of cash management arrangements and/or delays in accessing or actual loss of funds subject to cash management arrangements.

In addition, investor concerns regarding the U.S. or international financial systems could result in less favorable commercial financing terms, including higher interest rates or costs and tighter financial and operating covenants, or systemic limitations on access to credit and liquidity sources, thereby making it more difficult for us to acquire financing on acceptable terms or at all. Any decline in available funding or access to our cash and liquidity resources could, among other risks, adversely impact our ability to meet our operating expenses, financial obligations or fulfill our other obligations, result in breaches of our financial and/or contractual obligations or result in violations of federal or state wage and hour laws. Any of these impacts, or any other impacts resulting from the factors described above or other related or similar factors not described above, could have material adverse impacts on our liquidity and our current and/or projected business operations and financial condition and results of operations.

In addition, any further deterioration in the macroeconomic economy or financial services industry could lead to losses or defaults by our customers or suppliers, which in turn, could have a material adverse effect on our current and/or projected business operations and results of operations and financial condition. For example, a customer may fail to make payments when due, default under their agreements with us, become insolvent or declare bankruptcy, or a supplier may determine that it will no longer deal with us as a customer. In addition, a customer or supplier could be adversely affected by any of the liquidity or other risks that are described above as factors that could result in material adverse impacts on us, including but not limited to delayed access or loss of access to uninsured deposits or loss of the ability to draw on existing credit facilities involving a troubled or failed financial institution. Any customer or supplier bankruptcy or insolvency, or the failure of any customer to make payments when due, or any breach or default by a customer or supplier, or the loss of any significant supplier relationships, could result in material losses to us and may have a material adverse impact on our business.

The sale or issuance of our common stock to, or through, Goldman Sachs & Co. LLC, or Goldman Sachs, and SVB Securities LLC, or SVB, may cause significant dilution and the sale of the shares of common stock acquired by Goldman Sachs or SVB, or the perception that such sales may occur, could cause the price of our common stock to fall.

In May 2023, we entered into the ATM Agreement with Goldman Sachs and SVB, pursuant to which we may offer and sell our common stock, having aggregate sales proceeds of up to $450.0 million, to or through Goldman Sachs and SVB, from time to time, in an “at-the-market” offering program. Sales to, or through, Goldman Sachs and SVB by us could result in substantial dilution to the interests of other holders of our common stock. Additionally, the sale of a substantial number of shares of our common stock, or the anticipation of such sales, could make it more difficult for us to sell equity or equity-related securities in the future at a time and at a price that we might otherwise wish to effect sales.

As of September 30, 2023, 2,171,217 shares were issued under the ATM Agreement, for net proceeds of $65.0 million, after deducting sales agent commissions of $1.0 million.

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

(a) Sales of Unregistered Securities

During the quarter ended September 30, 2023, we did not have any sales of unregistered securities except as detailed on our Current Report on Form 8-K, filed September 25, 2023.

(b) Use of Proceeds from Public Offering of Common Stock

None.

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

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

a) Information Required to be Reported on Form 8-K

None.

(b) Material Changes to Nomination Procedures

None.

(c) ***Director and Officer Trading Plans and Arrangements***

On August 16, 2023, Hannah A. Valantine, a member of our Board of Directors, adopted a trading plan for the sale of a maximum of 34,980 shares of our common stock (the “Trading Plan”). The Trading Plan is intended to satisfy the affirmative defense conditions of Securities Exchange Act Rule 10b5-1(c) and is expected to remain in effect until the earlier of (1) November 30, 2024 and (2) the date on which an aggregate of 34,980 shares of our common stock have been sold under such plan.

Item 6. Exhibits

Exhibit Number	Exhibit Title	Form	File No.	Exhibit	Filing Date
2.1	Agreement and Plan of Merger, dated as of October 5, 2020, by and among BridgeBio Pharma, Inc., Eidos Therapeutics, Inc., Globe Merger Sub I, Inc. and Globe Merger Sub II, Inc. (incorporated by reference to Exhibit 2.1 to BridgeBio's Current Report on Form 8-K filed with the Securities Exchange Commission on October 6, 2020).	8-K	001-38959	2.01	January 26, 2021
3.1	Amended and Restated Certificate of Incorporation of the Registrant, as currently in effect.	8-K	001-38959	3.1	July 3, 2019
3.2	Amended and Restated Bylaws of the Registrant, as currently in effect.	S-4	333-249944	3.2	November 6, 2020
4.1	Specimen Common Stock Certificate.	S-1	333-231759	4.1	June 24, 2019
4.2	Form of Registration Rights Agreement, dated June 26, 2019, among the Registrant and certain of its stockholders.	S-1	333-231759	4.3	June 24, 2019
4.3	Indenture, dated as of March 9, 2020, by and between BridgeBio Pharma, Inc. and U.S. Bank National Association, as Trustee.	8-K	001-38959	4.1	March 10, 2020
4.4	Form of Global Note, representing BridgeBio Pharma, Inc.'s 2.50% Convertible Senior Notes due 2027 (included as Exhibit A to the Indenture filed as Exhibit 4.1).	8-K	001-38959	4.2	March 10, 2020
4.5	Indenture, dated as of January 28, 2021, by and between BridgeBio Pharma, Inc. and U.S. Bank National Association, as Trustee.	8-K	001-38959	4.1	January 29, 2021
4.6	Form of Global Note, representing BridgeBio Pharma, Inc.'s 2.25% Convertible Senior Notes due 2029 (included as Exhibit A to the Indenture filed as Exhibit 4.1)	8-K	001-38959	4.2	January 29, 2021
4.7	Securities Purchase Agreement, dated September 25, 2023, by and among BridgeBio Pharma, Inc., and the purchasers party thereto.	8-K	001-38959	10.1	September 25, 2023
4.8†	Registration Rights Agreement, dated September 25, 2023, by and among BridgeBio Pharma, Inc. and the purchasers party thereto.	8-K	001-38959	10.2	September 25, 2023
10.1†	Second Amendment, effective as of August 15, 2023, to the Exclusive (Equity) Agreement, by and between Eidos Therapeutics, Inc. and the Board of Trustees of the Leland Stanford Junior University, effective as of April 10, 2016, as amended by Amendment No. 1, effective September 25, 2017.	—	—	—	Filed herewith
31.1	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	—	—	—	Filed herewith
31.2	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	—	—	—	Filed herewith
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.	—	—	—	Filed herewith

32.2*	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	—	—	—	Filed herewith
101.INS	Inline XBRL Instance Document	—	—	—	Filed herewith
101.SCH	Inline XBRL Taxonomy Extension Schema Document	—	—	—	Filed herewith
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document	—	—	—	Filed herewith
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document	—	—	—	Filed herewith
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document	—	—	—	Filed herewith
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document	—	—	—	Filed herewith
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).	—	—	—	Filed herewith

***** This certification will not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that section. Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent specifically incorporated by reference into such filing.
† Certain confidential portions (indicated by brackets and asterisks) have been omitted from this exhibit in accordance with the rules of the Securities and Exchange Commission because such information (i) is not material and (ii) is the type that the registrant treats as private or confidential.

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.

BridgeBio Pharma, Inc.

Date: November 2, 2023

By: /s/ Neil Kumar

Neil Kumar, Ph.D.
Chief Executive Officer, Director
(Principal Executive Officer)

Date: November 2, 2023

By: /s/ Brian Stephenson

Brian Stephenson, Ph.D., CFA
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

[***] Certain information in this exhibit has been omitted because it is both (i) not material and (ii) is the type of information that the registrant treats as private or confidential.

Exhibit 10.1

S09-398. CKC	Amendment	08/15/2023

AMENDMENT № 2 TO THE
LICENSE AGREEMENT EFFECTIVE THE 10TH DAY OF APRIL 2016 BETWEEN
STANFORD UNIVERSITY AND
EIDOS THERAPEUTICS, INC.

Effective the 15th day of August 2023, THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY ("Stanford"), an institution of higher education having powers under the laws of the State of California, and EIDOS THERAPEUTICS, INC. ("Eidos"), a corporation having a principal place of business at 1800 Owens Street, Suite C-1200, San Francisco, CA 94158, agree as follows:

1. BACKGROUND

1.1 Stanford and Eidos are parties to a License Agreement effective the 10th day of April 2016 ("Original Agreement") covering "Novel transthyretin aggregation inhibitors" disclosed in Stanford docket S09-398, from the laboratory of Dr. Isabella Graef.

1.2 The Original Agreement was amended by an Amendment No. 1 effective 25th day of September, 2017 ("Amended Original Agreement").

1.3 Stanford and Eidos wish to amend the Amended Original Agreement to include additional milestones under Appendix A.

2. AMENDMENT

2.1 Appendix A ("Milestones") of the Amended Original Agreement is hereby deleted in its entirety and replaced with Appendix A to this Amendment.

3. OTHER TERMS

3.1 All other terms of the Amended Original Agreement remain in full force and effect.

3.2 The parties to this document agree that a copy of the original signature (including an electronic copy) may be used for any and all purposes for which the original signature may have been used.

The parties further waive any right to challenge the admissibility or authenticity of this document in a court of law based solely on the absence of an original signature.

The parties execute this Amendment № 2 by their duly authorized officers or representatives.

THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY

Signature:	/s/ Mona Wan
Name:	Mona Wan
Title:	Senior Associate Director, Licensing Life Sciences
Date:	Sep 25, 2023

EIDOS THERAPEUTICS, INC.

Signature:	/s/Christine Siu
Name:	Christine Siu
Title:	OOO
Date:	Sep 25, 2023

Appendix A – Milestones

Since the execution of the Exclusive License Agreement in April 2016, Eidos has achieved the following significant milestones and fulfilled each of the diligence milestones 1-7 set forth below:

1. Eidos has provided Stanford a preliminary development plan for AG10 for familial amyloid cardiomyopathy and wild-type TTR amyloidosis. The executive summary includes development path and costs, market estimates, and management team members.

2. Eidos has raised over $1,000,000 of available non-contingent, operating capital to proceed with the exploration and development of Licensed Product: BridgeBio has invested $4M between April 2016 and Jan 2017.

3. Eidos has commenced scale-up of AG-10 to undertake [***]. Also, Eidos has begun a [***].

4. Eidos has achieved:

   [***]

5. Eidos has initiated:

   [***]

6. Eidos has completed [***].

7. Eidos has [***].

Moving forward, Eidos, or a sublicensee, agrees to [***].

The parties will agree on additional milestones in writing [***]. The parties will revisit the milestones in good faith after every Progress Report is submitted pursuant to Section 6.2 in light of the development results to date. If there are changes to the milestones, they will be mutually agreed to in writing.

Exhibit 31.1

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

I, Neil Kumar, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of BridgeBio Pharma, Inc.;

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

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

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

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

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

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

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

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

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

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

Date: November 2, 2023

By: /s/ Neil Kumar

Neil Kumar, Ph.D.
Chief Executive Officer and Director
(Principal Executive Officer)

Exhibit 31.2

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

I, Brian Stephenson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of BridgeBio Pharma, Inc.;

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

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

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

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

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

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

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

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

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

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

Date: November 2, 2023

By: /s/ Brian Stephenson

Brian Stephenson, Ph.D., CFA
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

In connection with the Quarterly Report of BridgeBio Pharma, Inc. (the "Company") on Form 10-Q for the fiscal quarter ended September 30, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

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

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

Date: November 2, 2023

By: /s/ Neil Kumar

Neil Kumar, Ph.D.
Chief Executive Officer and Director
(Principal Executive Officer)

Exhibit 32.2

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

In connection with the Quarterly Report of BridgeBio Pharma, Inc. (the "Company") on Form 10-Q for the fiscal quarter ended September 30, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

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

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

Date: November 2, 2023

By: /s/ Brian Stephenson

Brian Stephenson, Ph.D., CFA
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)