UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2023

OR

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

Commission File Number: 001-41477

Biohaven Ltd.

(Exact Name of Registrant as Specified in its Charter)

British Virgin Islands	**Not applicable**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
c/o Biohaven Pharmaceuticals, Inc. **215 Church Street , New Haven , Connecticut**	**06510**
(Address of principal executive offices)	(Zip Code)

(203) 404-0410

(Registrant's telephone number, including area code)

N/A

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

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Shares, no par value	BHVN	New York Stock Exchange

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	☒	Small reporting company	☒
		Emerging growth company	☒

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

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

As of July 27, 2023, the registrant had 68,317,078 common shares, without par value per share, outstanding.

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BIOHAVEN LTD.

CONDENSED CONSOLIDATED BALANCE SHEETS

(Amounts in thousands)

	June 30, 2023 (Unaudited)	December 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	$ 147,612	$ 204,877
Marketable securities	187,503	260,464
Prepaid expenses	27,654	20,945
Income tax receivable	8,656	46,139
Restricted cash held on behalf of Former Parent	40,415	35,212
Other current assets	22,278	19,331
Total current assets	434,118	586,968
Property and equipment, net	17,277	17,512
Intangible assets	18,400	18,400
Goodwill	1,390	1,390
Other non-current assets	35,551	37,513
Total assets	$ 506,736	$ 661,783
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	$ 12,039	$ 10,703
Due to Former Parent	40,415	35,212
Accrued expenses and other current liabilities	35,393	44,106
Total current liabilities	87,847	90,021
Long-term operating lease liability	29,115	30,581
Other non-current liabilities	2,519	2,410
Total liabilities	119,481	123,012
Commitments and contingencies (Note 11)		
Shareholders' Equity:		
Preferred shares, no par value; 10,000,000 shares authorized, no shares issued and outstanding as of June 30, 2023 and December 31, 2022	—	—
Common shares, no par value; 200,000,000 shares authorized as of June 30, 2023 and December 31, 2022; 68,316,953 and 68,190,479 shares issued and outstanding as of June 30, 2023 and December 31, 2022, respectively	617,510	615,742
Additional paid-in capital	21,687	13,869
Accumulated deficit	(251,962)	(91,124)
Accumulated other comprehensive income	20	284
Total shareholders' equity	387,255	538,771
Total liabilities and shareholders' equity	$ 506,736	$ 661,783

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

BIOHAVEN LTD.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(Amounts in thousands, except share and per share amounts)

(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Operating expenses:				
Research and development	$ 79,490	$ 177,087	$ 142,951	$ 247,183
General and administrative	14,521	20,023	28,842	39,700
Total operating expenses	94,011	197,110	171,793	286,883
Loss from operations	(94,011)	(197,110)	(171,793)	(286,883)
Other income (expense):				
Other income (expense), net	5,842	(67)	14,071	(71)
Total other income (expense), net	5,842	(67)	14,071	(71)
Loss before provision for income taxes	(88,169)	(197,177)	(157,722)	(286,954)
Provision for income taxes	2,177	6,110	3,116	13,365
Net loss	$ (90,346)	$ (203,287)	$ (160,838)	$ (300,319)
Net loss per share — basic and diluted	$ (1.32)	$ (5.16)	$ (2.36)	$ (7.63)
Weighted average common shares outstanding—basic and diluted	68,248,023	39,375,944	68,227,564	39,375,944
Comprehensive loss:				
Net loss	$ (90,346)	$ (203,287)	$ (160,838)	$ (300,319)
Other comprehensive loss, net of tax	(146)	—	(264)	—
Comprehensive loss	$ (90,492)	$ (203,287)	$ (161,102)	$ (300,319)

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

BIOHAVEN LTD.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Amounts in thousands)

(Unaudited)

	Six Months Ended June 30,	
	2023	2022
Cash flows from operating activities:		
Net loss	$ (160,838)	$ (300,319)
Adjustments to reconcile net loss to net cash used in operating activities:		
Non-cash share-based compensation expense	8,460	60,930
Acquisition of IPR&D asset	—	93,747
Depreciation and amortization	3,480	665
Issuance of Former Parent common shares as payment for license and consulting agreements	—	1,779
Other non-cash items	(3,682)	—
Changes in operating assets and liabilities:		
Prepaid expenses and other assets	39,283	(9,376)
Accounts payable	1,336	1,602
Accrued expenses and other liabilities	(10,070)	24,250
Net cash used in operating activities	(122,031)	(126,722)
Cash flows from investing activities:		
Proceeds from sales and maturities of marketable securities	129,897	—
Purchases of marketable securities	(53,372)	—
Purchases of property and equipment	(1,330)	(1,250)
Payment for IPR&D asset acquisition	—	(35,000)
Net cash provided by (used in) investing activities	75,195	(36,250)
Cash flows from financing activities:		
Net transfers from Former Parent	—	109,874
Change in restricted cash due to Former Parent	5,203	—
Other	1,126	—
Net cash provided by financing activities	6,329	109,874
Effects of exchange rates on cash, cash equivalents, and restricted cash	(147)	—
Net decrease in cash, cash equivalents, and restricted cash	(40,654)	(53,098)
Cash, cash equivalents, and restricted cash at beginning of period	242,604	77,057
Cash, cash equivalents, and restricted cash at end of period	$ 201,950	$ 23,959

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

BIOHAVEN LTD.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in thousands, except share and per share amounts)

(Unaudited)

1. Nature of the Business and Basis of Presentation

Biohaven Ltd. (“we,” “us," "our," "Biohaven" or the “Company”) was incorporated in Tortola, British Virgin Islands in May 2022. Biohaven is a global clinical-stage biopharmaceutical company focused on the discovery, development and commercialization of life-changing therapies to treat a broad range of rare and common diseases. The Company is advancing a pipeline of therapies for diseases, many of which have little or no treatment options, leveraging its proven drug development capabilities and proprietary platforms, including Kv7 ion channel modulation for epilepsy and neuronal hyperexcitability, glutamate modulation for Obsessive-Compulsive Disorder ("OCD") and spinocerebellar ataxia ("SCA"), myostatin inhibition for neuromuscular diseases and metabolic disorders, and brain-penetrant Tyrosine Kinase 2/Janus Kinase 1 ("TYK2/JAK1") inhibition for neuroinflammatory disorders. Biohaven's portfolio of early- and late-stage product candidates also includes discovery research programs focused on TRPM3 channel activation for neuropathic pain, CD-38 antibody recruiting, bispecific molecules for multiple myeloma, antibody drug conjugates ("ADCs"), and targeted extracellular protein degradation platform technology ("MoDE") with potential application in neurological disorders, cancer, and autoimmune diseases.

The Company is subject to risks and uncertainties common to early-stage companies in the biotechnology industry, including, but not limited to, development by competitors of new technological innovations, dependence on key personnel, protection of proprietary technology, compliance with government regulations and the ability to secure additional capital to fund operations. Product candidates currently under development will require significant additional research and development efforts, including preclinical and clinical testing and regulatory approval, prior to commercialization. These efforts may require additional capital, additional personnel and infrastructure, and further regulatory and other capabilities. Even if the Company’s product development efforts are successful, it is uncertain when, if ever, the Company will realize significant revenue from product sales.

Separation from Biohaven Pharmaceutical Holding Company Ltd.

On May 9, 2022, Biohaven Pharmaceutical Holding Company Ltd. (the "Former Parent"), Pfizer Inc. (“Pfizer”) and Bulldog (BVI) Ltd., a wholly owned subsidiary of Pfizer (“Merger Sub”), entered into an Agreement and Plan of Merger (the “Merger Agreement”), which provided for the acquisition by Pfizer of the Former Parent through the merger of Merger Sub with and into the Former Parent (the “Merger”). In connection with the Merger Agreement, the Former Parent and Biohaven entered into a Separation and Distribution Agreement, dated as of May 9, 2022 (the “Distribution Agreement”). In connection with the Distribution Agreement, the Board of Directors of the Former Parent approved and directed the Former Parent’s management to effect the Spin-Off (as defined below) of the business, operations, and activities that are not the CGRP Business (as defined below), including the Kv7 ion channel activators, glutamate modulation, MPO inhibition and myostatin inhibition platforms, preclinical product candidates, and certain corporate infrastructure currently owned by the Former Parent.

To implement the Spin-Off, the Former Parent transferred the related license agreements, intellectual property and corporate infrastructure, including certain non-commercial employee agreements, share based awards and other corporate agreements (the "Business") to Biohaven, through a series of internal restructuring transactions. Descriptions of historical business activities in these Notes to Condensed Consolidated Financial Statements are presented as if these transfers had already occurred, and the Former Parent’s activities related to such assets and liabilities had been performed by the Company.

On October 3, 2022, the Former Parent completed the distribution (the “Distribution”) to holders of its common shares of all of the outstanding common shares of Biohaven and the spin-off of Biohaven from the Former Parent (the “Spin-Off”) described in Biohaven’s Information Statement (the “Information Statement”) attached as Exhibit 99.1 to Biohaven’s Registration Statement on Form 10, as amended (Reg. No. 001-41477), which was declared effective by the Securities and Exchange Commission ("SEC") on September 22, 2022. Each holder of Former Parent common shares received one common share of Biohaven for every two Former Parent common shares held of record as of the close of business on September 26, 2022. In the Distribution, an aggregate of 35,840,459 Biohaven common shares were issued. The aggregate number of common shares issued in connection with the Distribution did not include 2,611,392 common shares to be issued in connection with Former Parent stock options that were exercised on October 3, 2022 and

924,093 common shares to be issued in connection with Former Parent restricted stock units that vested on October 3, 2022. As a result of the Distribution, Biohaven became an independent, publicly traded company. Collectively, we refer to the Distribution and Spin-Off throughout this Quarterly Report on Form 10-Q as the "Separation."

The Separation generally resulted in (a) the Company directly or indirectly owning, assuming, or retaining certain assets and liabilities of the Former Parent and its subsidiaries related to the Former Parent's pipeline assets and businesses and (b) the Former Parent directly or indirectly owning, assuming, or retaining all other assets and liabilities, including those associated with the Former Parent's platform for the research, development, manufacture and commercialization of calcitonin gene-related receptor antagonists, including rimegepant, zavegepant and the Heptares Therapeutics Limited preclinical CGRP portfolio and related assets (the "CGRP Business").

In connection with the Separation, the Company entered into various agreements relating to transition services, licenses and certain other matters with the Former Parent. For additional information regarding these agreements, see Note 13, "Related Party Transactions."

Basis of Presentation

On October 3, 2022, the Company became a standalone publicly traded company, and its financial statements are now presented on a condensed consolidated basis. Prior to the Separation on October 3, 2022, the Company's historical combined financial statements were prepared on a standalone basis and were derived from the Former Parent's consolidated financial statements and accounting records. The financial statements for all periods presented, including the historical results of the Company prior to October 3, 2022, are now referred to as "Condensed Consolidated Financial Statements," and have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and pursuant to the rules and regulations of the U.S. Securities and Exchange Commission ("SEC").

Periods Prior to the Separation

For periods prior to the Separation, the condensed consolidated financial statements present, on a historical basis, the combined assets, liabilities, expenses and cash flows directly attributable to the Business, which have been prepared from the Former Parent's consolidated financial statements and accounting records, and are presented on a stand-alone basis as if the operations had been conducted independently from the Former Parent. The condensed consolidated financial statements of operations and comprehensive loss for periods prior to the Separation include all costs directly related to the Business, including costs for facilities, functions and services utilized by the Company. The condensed consolidated statements of operations and comprehensive loss for periods prior to the Separation also include allocations for various expenses related to the Former Parent's corporate functions, including research and development, human resources, information technology, facilities, tax, shared services, accounting, finance and legal. These expenses were allocated on the basis of direct usage or benefit when specifically identifiable, with the remainder allocated on a proportional cost allocation method primarily based on employee labor hours or direct expenses. Management believes the assumptions underlying the condensed consolidated financial statements, including the expense methodology and resulting allocation, are reasonable for all periods presented. However, the allocations may not include all of the actual expenses that would have been incurred by the Company and may not reflect its consolidated results of operations, financial position and cash flows had it been a standalone company during the periods presented. It is not practicable to estimate actual costs that would have been incurred had the Company been a standalone company and operated as an unaffiliated entity during the periods presented. Actual costs that might have been incurred had the Company been a standalone company would depend on a number of factors, including the chosen organizational structure, what corporate functions the Company might have performed directly or outsourced and strategic decisions the Company might have made in areas such as executive management, legal and other professional services, and certain corporate overhead functions.

The income tax amounts in the condensed consolidated financial statements for periods prior to the separation were calculated on a separate return method and presented as if the Company's operations were separate taxpayers in the respective jurisdiction. Therefore, tax expense, cash tax payments, and items of current and deferred taxes may not be reflective of the Company's actual tax balances prior to or subsequent to the Distribution.

For periods prior to the Separation, the Company's equity balance in these condensed consolidated financial statements represents the excess of total assets over liabilities. Net investment from Former Parent is primarily impacted by contributions from Former

BIOHAVEN LTD.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in thousands, except share and per share amounts)

(Unaudited)

1. Nature of the Business and Basis of Presentation (Continued)

Parent, which are the result of net funding provided by or distributed to Former Parent. As a result of the Separation, the Company's Net investment from Former Parent balance was reclassified to common shares. The Net investment from Former Parent balance reclassified to common shares during the fourth quarter of 2022 included Separation-related adjustments of $ 27,811 . The adjustments related primarily to differences in the amount of assets and liabilities transferred to the Company upon the Separation and the amount of the transferred assets and liabilities reported in the company's combined balance sheet as of September 30, 2022. Additional Separation-related adjustments could be recorded in future periods.

Going Concern

In accordance with Accounting Standards Codification ("ASC") 205-40, Going Concern, the Company has evaluated whether there are conditions and events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the condensed consolidated financial statements are issued.

Through July 31, 2023, the Company has funded its operations primarily with proceeds from its Former Parent, proceeds from the public offering of its common shares in October 2022, and the cash contribution received from the Former Parent at the Separation as discussed below. The Company has incurred recurring losses since its inception and expects to continue to generate operating losses for the foreseeable future.

As of the date of issuance of these condensed consolidated financial statements, the Company expects its existing cash, cash equivalents and marketable securities will be sufficient to fund operating expenses, financial commitments and other cash requirements for at least one year after the issuance date of these financial statements.

To execute its business plans, the Company will require funding to support its continuing operations and pursue its growth strategy. Until such time as the Company can generate significant revenue from product sales or royalties, if ever, it expects to finance its operations through the sale of public or private equity, debt financings or other capital sources, including collaborations with other companies or other strategic transactions. The Company may not be able to obtain financing on acceptable terms, or at all. The terms of any financing may adversely affect the holdings or the rights of the Company's shareholders. If the Company is unable to obtain funding, the Company could be forced to delay, reduce or eliminate some or all of its research and development programs, product portfolio expansion or commercialization efforts, which could adversely affect its business prospects, or the Company may be unable to continue operations.

2. Summary of Significant Accounting Policies

Our significant accounting policies are described in Note 2 of the notes to the consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2022 (the "2022 Form 10-K"). Updates to our accounting policies are discussed below in this Note 2.

Unaudited Interim Condensed Consolidated Financial Information

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with GAAP for interim financial information. The accompanying unaudited condensed consolidated financial statements do not include all of the information and footnotes required by GAAP for complete consolidated financial statements. The accompanying year-end condensed consolidated balance sheet was derived from audited financial statements, but does not include all disclosures required by accounting principles generally accepted in the United States of America. The unaudited interim condensed consolidated financial statements have been prepared on the same basis as the audited annual consolidated financial statements and, in the opinion of management, reflect all adjustments, which include only normal recurring adjustments, necessary for the fair statement of the Company's financial position as of June 30, 2023, the results of its operations for the three and six months ended June 30, 2023 and 2022, and its cash flows for the six months ended June 30, 2023 and 2022. The results for the three and six months ended June 30, 2023 are not necessarily indicative of results to be expected for the year ending December 31, 2023, any other interim periods or any future year or period. The financial information included herein should be read in conjunction with the financial statements and notes in the Company's Annual Report on Form 10-K for the year ended December 31, 2022 .

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 and liabilities, the disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and

(Amounts in thousands, except share and per share amounts)

2. Summary of Significant Accounting Policies (Continued)

the reported amounts of income and expenses during the reporting periods. Significant estimates and assumptions reflected in these condensed consolidated financial statements include, but are not limited to, the valuation of intangible assets, determining the allocations of costs and expenses from the Former Parent and the accrual for research and development expenses. In addition, management's assessment of the Company's ability to continue as a going concern involves the estimation of the amount and timing of future cash inflows and outflows. Estimates are periodically reviewed in light of changes in circumstances, facts and experience. Changes in estimates are recorded in the period in which they become known. Actual results could differ from those estimates.

Restricted Cash

Restricted cash held on behalf of the Former Parent on the consolidated balance sheet as of June 30, 2023 represents cash held by the Company on behalf of the Former Parent related to the execution of the United States Distribution Services Agreement (the "Distribution Services Agreement"). Pursuant to the terms of the Distribution Services Agreement, which was entered into by the Company and the Former Parent in connection with the Separation, the Company is continuing to serve as the Former Parent's distributor and agent for the distribution of the pharmaceutical product Nurtec ODT in the United States. As of June 30, 2023, the Company recorded a related payable of $ 40,415 as Due to Former Parent on the consolidated balance sheet as the balance was legally payable to the Former Parent. Refer to Note 13, "Related Party Transactions" for further information on the agreements entered into by the Company and the Former Parent in connection with the Separation.

Restricted cash included in other current assets as of June 30, 2023 consists primarily of restricted cash held in escrow for the cash portion of consideration to be paid in connection with our license agreement with Hangzhou Highlightll Pharmaceutical Co. Ltd. ("Highlightll") upon the completion of certain post-closing activities, which were not completed as of June 30, 2023. Restricted cash included in other current assets also includes employee contributions to the Company's employee share purchase plan held for future purchases of the Company's outstanding shares. The Company did not have an employee share purchase plan as of June 30, 2022.

Restricted cash included in other non-current assets in the consolidated balance sheets represents collateral held by banks for a letter of credit ("LOC") issued in connection with the leased office space in Yardley, Pennsylvania and a LOC issued in connection with the leased office space in Cambridge, Massachusetts. See Note 11, ‘‘Commitments and Contingencies'' for additional information on the real estate leases.

The following represents a reconciliation of cash and cash equivalents in the condensed consolidated balance sheets to total cash, cash equivalents and restricted cash as of June 30, 2023 and June 30, 2022, respectively, in the condensed consolidated statements of cash flows:

	As of June 30, 2023	As of June 30, 2022
Cash and cash equivalents	$ 147,612	$ 23,209
Restricted cash held on behalf of Former Parent	40,415	—
Restricted cash (included in other current assets)	11,574	—
Restricted cash (included in other non-current assets)	2,349	750
Total cash, cash equivalents and restricted cash at the end of the period in the condensed consolidated statement of cash flows	$ 201,950	$ 23,959

Recently Issued Accounting Pronouncements

In June 2022, the FASB issued ASU No. 2022-03, Fair Value Measurement (Topic 820): Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions, to clarify the guidance in Topic 820 when measuring the fair value of an equity security subject to contractual restrictions that prohibit the sale of an equity security. The ASU also introduced new disclosure requirements for equity securities subject to contractual sale restrictions that are measured at fair value in accordance with Topic 820. The amendments in ASU 2022-03 are effective for fiscal years beginning after December 15, 2023. The Company does not expect ASU No. 2022-03 to have a material effect on its consolidated financial statements.

BIOHAVEN LTD.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in thousands, except share and per share amounts)

(Unaudited)

3. Marketable Securities

The amortized cost, gross unrealized holding gains, gross unrealized holding losses and fair value of debt securities available-for-sale by type of security at June 30, 2023 and December 31, 2022 were as follows:

	Amortized Cost	Allowance for Credit Losses	Net Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
June 30, 2023						
Debt securities						
U.S. corporate bonds	$ 97,143	$ —	$ 97,143	$ —	$ (194)	$ 96,949
Foreign corporate bonds	34,446	—	34,446	—	(41)	34,405
U.S. treasury bills	28,842	—	28,842	2	(5)	28,839
U.S. agency bonds	27,334	—	27,334	—	(24)	27,310
Total	$ 187,765	$ —	$ 187,765	$ 2	$ (264)	$ 187,503
December 31, 2022						
Debt securities						
U.S. corporate bonds	$ 142,697	$ —	$ 142,697	$ 25	$ (135)	$ 142,587
Foreign corporate bonds	36,766	—	36,766	9	(32)	36,743
U.S. treasury bills	89,308	—	89,308	17	(5)	89,320
U.S. agency bonds	41,734	—	41,734	—	(24)	41,710
Total	$ 310,505	$ —	$ 310,505	$ 51	$ (196)	$ 310,360

The fair value of debt securities available-for-sale by classification in the condensed consolidated balance sheets was as follows:

	June 30, 2023	December 31, 2022
Cash and cash equivalents	$ —	$ 49,896
Marketable securities	187,503	260,464
Total	$ 187,503	$ 310,360

The net amortized cost and fair value of debt securities available-for-sale at June 30, 2023 and December 31, 2022 are shown below by contractual maturity. Actual maturities may differ from contractual maturities because securities may be restructured, called or prepaid, or the Company intends to sell a security prior to maturity.

	June 30, 2023		December 31, 2022	
	Net Amortized Cost	Fair Value	Net Amortized Cost	Fair Value
Due to mature:				
Less than one year	$ 187,765	$ 187,503	$ 310,505	$ 310,360

BIOHAVEN LTD.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in thousands, except share and per share amounts)

(Unaudited)

3. Marketable Securities (Continued)

Summarized below are the debt securities available-for-sale the Company held at June 30, 2023 and December 31, 2022 that were in an unrealized loss position, aggregated by the length of time the investments have been in that position:

	Less than 12 months		
	Number of Securities	Fair Value	Unrealized Losses
June 30, 2023			
Debt securities			
U.S. corporate bonds	17	$ 96,949	$ (194)
Foreign corporate bonds	5	34,405	(41)
U.S. treasury bills	2	11,877	(5)
U.S. agency bonds	3	27,310	(24)
Total	27	$ 170,541	$ (264)
December 31, 2022			
Debt securities			
U.S. corporate bonds	16	$ 104,508	$ (135)
Foreign corporate bonds	3	31,886	(32)
U.S. treasury bills	1	9,762	(5)
U.S. agency bonds	4	41,710	(24)
Total	24	$ 187,866	$ (196)

The Company did no t have any investments in a continuous unrealized loss position for more than twelve months as of June 30, 2023 and December 31, 2022.

The Company reviewed the securities in the table above and concluded that they are performing assets, considering factors such as the credit quality of the investment security based on research performed by external rating agencies and the prospects of realizing the carrying value of the security based on the investment's current prospects for recovery. As of June 30, 2023, the Company did not intend to sell these securities and did not believe it was more likely than not that it would be required to sell these securities prior to the anticipated recovery of their amortized cost basis.

Net Investment Income

Gross investment income includes income from debt securities available-for-sale, money-market funds, cash and restricted cash. Sources of net investment income included in other income (expense), net in the condensed consolidated statements of operations and comprehensive loss for the three and six months ended June 30, 2023 were as follows:

	Three Months Ended June 30, 2023	Six Months Ended June 30, 2023
Gross investment income	$ 4,183	$ 8,400
Investment expenses	(68)	(138)
Net investment income (excluding net realized capital losses)	4,115	8,262
Net realized capital losses	(17)	(39)
Net investment income	$ 4,098	$ 8,223

The Company had no investment income during the three and six months ended June 30, 2022.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in thousands, except share and per share amounts)

(Unaudited)

3. Marketable Securities (Continued)

We utilize the specific identification method in computing realized gains and losses. The proceeds from the sale of available-for-sale debt securities and the related gross realized capital losses for the three and six months ended June 30, 2023 were as follows:

	Three Months Ended June 30, 2023	Six Months Ended June 30, 2023
Proceeds from sales	$ 2,464	$ 4,920
Gross realized capital losses	17	$ 39

The Company had no proceeds from the sale of available-for-sale debt securities and the related gross realized capital gains and losses for the three and six months ended June 30, 2022.

4. Fair Value of Financial Assets and Liabilities

The preparation of the Company's condensed consolidated financial statements in accordance with GAAP requires certain assets and liabilities to be reflected at their fair value and others to be reflected on another basis, such as an adjusted historical cost basis. In this note, the Company provides details on the fair value of financial assets and liabilities and how it determines those fair values.

Financial Instruments Measured at Fair Value on the Condensed Consolidated Balance Sheets

Certain assets of the Company are carried at fair value under GAAP. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. Financial assets and liabilities carried at fair value are to be classified and disclosed in one of the following three levels of the fair value hierarchy, of which the first two are considered observable and the last is considered unobservable:

- Level 1 — Quoted prices in active markets for identical assets or liabilities.
- Level 2 — Observable inputs (other than Level 1 quoted prices), such as quoted prices in active markets for similar assets or liabilities, quoted prices in markets that are not active for identical or similar assets or liabilities, or other inputs that are observable or can be corroborated by observable market data.
- Level 3 — Unobservable inputs that are supported by little or no market activity that are significant to determining the fair value of the assets or liabilities, including pricing models, discounted cash flow methodologies and similar techniques.

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(Amounts in thousands, except share and per share amounts)

(Unaudited)

4. Fair Value of Financial Assets and Liabilities (Continued)

Financial assets measured at fair value on a recurring basis on the condensed consolidated balance sheets at June 30, 2023 and December 31, 2022 were as follows:

		Fair Value Measurement Using:			
Balance Sheet Classification	Type of Instrument	Level 1	Level 2	Level 3	Total
June 30, 2023					
Assets:					
Cash and cash equivalents	Money market funds	$ 44,443	$ —	$ —	$ 44,443
Marketable securities	U.S. treasury bills	6,950	21,889	—	28,839
Marketable securities	U.S. corporate bonds	—	96,949	—	96,949
Marketable securities	U.S. agency bonds	—	27,310	—	27,310
Marketable securities	Foreign corporate bonds	—	34,405	—	34,405
Other non-current assets	Money market funds	1,851	—	—	1,851
Total assets		$ 53,244	$ 180,553	$ —	$ 233,797
December 31, 2022					
Assets:					
Cash and cash equivalents	Money market funds	$ 72,866	$ —	$ —	$ 72,866
Cash and cash equivalents	U.S. treasury bills	—	39,948	—	39,948
Cash and cash equivalents	U.S. corporate bonds	—	9,948	—	9,948
Marketable securities	U.S. treasury bills	—	49,372	—	49,372
Marketable securities	U.S. corporate bonds	—	132,639	—	132,639
Marketable securities	U.S. agency bonds	—	41,710	—	41,710
Marketable securities	Foreign corporate bonds	—	36,743	—	36,743
Total assets		$ 72,866	$ 310,360	$ —	$ 383,226

The Company had no financial liabilities measured at fair value on a recurring basis on the condensed consolidated balance sheets at June 30, 2023 and December 31, 2022.

There were no securities transferred into or out of Level 3 during the three and six months ended June 30, 2023 or 2022.

The following is a description, including valuation methodology, of the financial assets and liabilities measured at fair value on a recurring basis:

Cash Equivalents

Cash equivalents at June 30, 2023 consisted of cash invested in short-term money market funds and debt securities with an original maturity of 90 days or less at the date of purchase. The carrying value of cash equivalents approximates fair value as maturities are less than three months. When quoted prices are available in an active market, cash equivalents are classified in Level 1 of the fair value hierarchy. Fair values of cash equivalent instruments that do not trade on a regular basis in active markets are classified as Level 2.

Marketable Securities

Quoted prices for identical assets in active markets are considered Level 1 and consist of on-the-run U.S. Treasuries and money market funds. The fair values of the Company's Level 2 debt securities are obtained from quoted market prices of debt securities with similar characteristics, quoted prices from identical assets in inactive markets, or discounted cash flows to estimate fair value. On a quarterly basis, the Company compares the prices of its Level 2 debt

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4. Fair Value of Financial Assets and Liabilities (Continued)

securities to prices provided by a secondary source. Variances over a specified threshold are identified and reviewed to confirm the price provided by the primary source represents an appropriate estimate of fair value. The Company did not adjust any of the prices at June 30, 2023.

5. Balance Sheet Components

Property and Equipment, Net

Property and equipment, net consisted of the following:

	As of June 30, 2023	As of December 31, 2022
Building and land	$ 12,399	$ 12,297
Computer hardware and software	780	780
Office and lab equipment	8,580	5,501
Furniture and fixtures	1,202	1,202
	$ 22,961	$ 19,780
Accumulated depreciation	(6,478)	(4,914)
	16,483	14,866
Equipment not yet in service	794	2,646
Property and equipment, net	$ 17,277	$ 17,512

Depreciation expense was $ 800 and $ 1,564 for the three and six months ended June 30, 2023 and $ 279 and $ 488 for the three and six months ended June 30, 2022, respectively.

As of June 30, 2023 and December 31, 2022, computer software costs included in property and equipment were $ 760 and $ 760 , net of accumulated amortization of $ 591 and $ 464 , respectively. Depreciation and amortization expense for capitalized computer software costs were not material for the three and six months ended June 30, 2023 or 2022.

Equipment not yet in service primarily consisted of lab equipment that had not been placed into service as of June 30, 2023 and December 31, 2022.

Other Non-current Assets

Other non-current assets consisted of the following:

	As of June 30, 2023	As of December 31, 2022
Operating lease right-of-use assets	$ 33,200	$ 34,928
Other	2,351	2,585
Other non-current assets	$ 35,551	$ 37,513

Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consisted of the following:

	As of June 30, 2023	As of December 31, 2022
Accrued employee compensation and benefits	$ 9,227	$ 14,603
Accrued clinical trial costs	18,539	17,788
Other accrued expenses and other current liabilities	7,627	11,715
Accrued expenses and other current liabilities	$ 35,393	$ 44,106

6. Acquisitions

Kv7 Platform Acquisition

In April 2022, the Company closed the acquisition from Knopp Biosciences LLC (“Knopp”) of Channel Biosciences, LLC (“Channel”), a wholly owned subsidiary of Knopp owning the assets of Knopp’s Kv7 channel targeting platform (the “Kv7 Platform Acquisition”), pursuant to a Membership Interest Purchase Agreement (the “Purchase Agreement”), dated February 24, 2022.

In consideration for the Kv7 Platform Acquisition, on April 4, 2022, the Company made an upfront payment comprised of $ 35,000 in cash and 493,254 common shares, valued at approximately $ 58,747 , issued through a private placement. The Company has also agreed to pay additional success-based payments comprised of (i) up to $ 325,000 based on developmental and regulatory milestones through approvals in the United States, EMEA and Japan for the lead asset, BHV-7000 (formerly known as KB-3061), (ii) up to an additional $ 250,000 based on developmental and regulatory milestones for the Kv7 pipeline development in other indications and additional country approvals, and (iii) up to $ 562,500 for commercial sales-based milestones of BHV-7000. Additionally, the Company has agreed to make scaled royalty payments in cash for BHV-7000 and the pipeline programs, starting at high single digits and peaking at low teens for BHV-7000 and starting at mid-single digits and peaking at low tens digits for the pipeline programs.

The Company accounted for this purchase as an asset acquisition as substantially all of the fair value of the gross assets acquired was concentrated in a single

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6. Acquisitions (Continued)

identifiable asset, IPR&D. The IPR&D asset has no alternative future use and relates to intellectual property rights related to the Kv7 platform lead, now BHV-7000. There was no material value assigned to any other assets or liabilities acquired in the acquisition. As such, during the second quarter of 2022, the Company recorded a charge to research and development ("R&D") expense in the accompanying condensed consolidated statements of operations and comprehensive loss of $ 93,747 .

During the second quarter of 2022, the Company recorded $ 25,000 to R&D expense in the condensed consolidated statements of operations and comprehensive loss for a regulatory milestone payment made to Knopp.

Excluding the milestone payment noted above, the Company has not recorded any of the possible contingent consideration payments to Knopp as a liability in the accompanying condensed consolidated balance sheet as none of the future events which would trigger a milestone payment were considered probable of occurring at June 30, 2023.

7. Shareholders' Equity

Changes in shareholders' equity for the three and six months ended June 30, 2023 and June 30, 2022 were as follows:

	Common Shares		Net Investment from Former Parent	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Total Shareholders' Equity
	Shares	Amount					
Balances as of December 31, 2022	68,190,479	$ 615,742	$ —	$ 13,869	$ (91,124)	$ 284	$ 538,771
Issuance of common shares under equity incentive plan	22,000	504	—	(172)	—	—	332
Non-cash share-based compensation expense	—	—	—	3,765	—	—	3,765
Net loss	—	—	—	—	(70,492)	—	(70,492)
Other comprehensive loss	—	—	—	—	—	(118)	(118)
Balances as of March 31, 2023	68,212,479	616,246	—	17,462	(161,616)	166	472,258
Issuance of common shares under equity incentive plan and employee share purchase plan	104,474	1,264	—	(470)	—	—	794
Non-cash share-based compensation expense	—	—	—	4,695	—	—	4,695
Net loss	—	—	—	—	(90,346)	—	(90,346)
Other comprehensive loss	—	—	—	—	—	(146)	(146)
Balances as of June 30, 2023	68,316,953	$ 617,510	$ —	$ 21,687	$ (251,962)	$ 20	$ 387,255

	Common Shares		Net Investment from Former Parent	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Total Shareholders' Equity
	Shares	Amount					
Balance as of December 31, 2021	—	$ —	$ 34,691	$ —	$ —	$ —	$ 34,691
Net loss	—	—	(97,032)	—	—	—	(97,032)
Net transfers from Former Parent	—	—	108,440	—	—	—	108,440
Balance as of March 31, 2022	—	—	46,099	—	—	—	46,099
Net loss	—	—	(203,287)	—	—	—	(203,287)
Net transfers from Former Parent	—	—	182,186	—	—	—	182,186
Balance as of June 30, 2022	—	$ —	$ 24,998	$ —	$ —	$ —	$ 24,998

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8. Accumulated Other Comprehensive Income

Shareholders' equity included the following activity in accumulated other comprehensive income (loss) for the three and six months ended June 30, 2023:

	Three Months Ended June 30, 2023	Six Months Ended June 30, 2023
Net unrealized investment gains (losses):		
Beginning of period balance	$ (278)	$ (145)
Other comprehensive loss before reclassifications[1]	(1)	(156)
Amounts reclassified from accumulated other comprehensive loss[1][2]	17	39
Other comprehensive income (loss)[1]	16	(117)
End of period balance	(262)	(262)
Foreign currency translation adjustments:		
Beginning of period balance	444	429
Other comprehensive loss[1]	(162)	(147)
End of period balance	282	282
Total beginning of period accumulated other comprehensive income	166	284
Total other comprehensive loss	(146)	(264)
Total end of period accumulated other comprehensive income	$ 20	$ 20

[1] There was no tax on other comprehensive income (loss) and immaterial tax on amounts reclassified from accumulated other comprehensive income (loss) during the period.

[2] Amounts reclassified from accumulated other comprehensive income (loss) for specifically identified debt securities are included in other income (expense), net on the condensed consolidated statement of operations.

The Company had no accumulated other comprehensive income (loss) included in shareholder's equity as of June 30, 2022 and no amounts reclassified from accumulated other comprehensive income (loss) during the three and six months ended June 30, 2022.

9. Net Loss Per Share

Basic and diluted net loss per share attributable to common shareholders of Biohaven was calculated as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Numerator:				
Net loss	$ (90,346)	$ (203,287)	$ (160,838)	$ (300,319)
Denominator:				
Weighted average common shares outstanding—basic and diluted[1]	68,248,023	39,375,944	68,227,564	39,375,944
Net loss per share — basic and diluted	$ (1.32)	$ (5.16)	$ (2.36)	$ (7.63)

(1) Prior to the Spin-Off from the Former Parent on October 3, 2022, Biohaven did not operate as an independent company. At the time of the Distribution, 39,375,944 shares of the Company's common stock were distributed to the Former Parent's shareholders, including common shares issued in connection with Former Parent share options that were exercised on October 3, 2022 and common shares issued in connection with Former Parent restricted share units that vested on October 3, 2022. This number of shares is being utilized for the calculation of basic and diluted earnings per share for all periods presented prior to the Spin-Off.

The Company's potential dilutive securities include share options which have been excluded from the computation of diluted net loss per share as the effect would be to reduce the net loss per share. Therefore, the weighted average number of common shares outstanding used to calculate both basic and diluted net loss per share attributable to common shareholders of the Company is the same. The Company excluded the following potential common shares, presented based on amounts outstanding at each period end, from the computation of diluted net loss per share attributable to common shareholders for the periods indicated because including them would have had an anti-dilutive effect:

	As of June 30, 2023
Options to purchase common shares	9,639,557

10. License Agreements

The following is a summary of all license agreements that the Company has entered into. As of June 30, 2023, the Company has potential future developmental, regulatory and commercial milestone

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10. License Agreements (Continued)

payments under these agreements of up to approximately $ 125,050 , $ 547,350 , and $ 1,270,450 , respectively. As of June 30, 2023 the Company has not made any material developmental, regulatory or commercial milestone payments under these agreements.

Yale Agreements

In September 2013, the Company entered into an exclusive license agreement (the "Yale Agreement") with Yale University to obtain a license to certain patent rights for the commercial development, manufacture, distribution, use and sale of products and processes resulting from the development of those patent rights, related to the use of riluzole in treating various neurological conditions, such as general anxiety disorder, post-traumatic stress disorder and depression.

The Yale Agreement was amended and restated in May 2019. As amended, the Company agreed to pay Yale University up to $ 2,000 upon the achievement of specified regulatory milestones and annual royalty payments of a low single-digit percentage based on net sales of riluzole-based products from the licensed patents or from products based on troriluzole. Under the amended and restated agreement, the royalty rates are reduced as compared to the original agreement. In addition, under the amended and restated agreement, the Company may develop products based on riluzole or troriluzole. The amended and restated agreement retains a minimum annual royalty of up to $ 1,000 per year, beginning after the first sale of product under the agreement. If the Company grants any sublicense rights under the Yale Agreement, it must pay Yale University a low single-digit percentage of sublicense income that it receives.

For the three and six months ended June 30, 2023 and 2022, the Company did no t record any material milestone or royalty payments under the Yale Agreement.

In January 2021, the Company entered into a worldwide, exclusive license agreement with Yale University for the development and commercialization of a novel Molecular Degrader of Extracellular Protein ("MoDE") platform (the "Yale MoDE Agreement"). Under the Yale MoDE Agreement, the Company acquired exclusive, worldwide rights to Yale University's intellectual property directed to its MoDE platform. The platform pertains to the clearance of disease-causing protein and other biomolecules by targeting them for lysosomal degradation using multi-functional molecules. As part of consideration for this license, the Company paid Yale University an upfront cash payment of $ 1,000 and 11,668 common shares of the Former Parent valued at approximately $ 1,000 . Under the Yale MoDE Agreement, the Company may develop products based on the MoDE platform. The Yale MoDE Agreement includes an obligation to pay a minimum annual royalty of up to $ 1,000 per year, and low single digit royalties on the net sales of licensed products. If the Company grants any sublicense rights under the Yale MoDE Agreement, it must pay Yale University a low single-digit percentage of sublicense income that it receives. In addition, Yale University will be eligible to receive additional development milestone payments of up to $ 800 and commercial milestone payments of up to $ 2,950 . The Yale MoDE Agreement terminates on the later of twenty years from the effective date, twenty years from the filing date of the first investigational new drug application for a licensed product or the last to expire of a licensed patent.

Under the Yale MoDE Agreement, the Company entered into a sponsored research agreement (the “Yale MoDE SRA”), which includes funding of up to $ 4,000 over the life of the agreement.

The Company recorded research and development expense related to the Yale MoDE SRA of $ 333 and $ 666 for the three and six months ended June 30, 2023. For the three and six months ended June 30, 2022, the Company recorded research and development expense related to the Yale MoDE SRA of $ 334 and $ 2,000 , respectively. For the three and six months ended June 30, 2023 and 2022, the Company did not record any material milestone or royalty payments under the Yale MoDE SRA.

In May 2023, the Company entered into an additional sponsored research agreement with Yale University (the "2023 Yale SRA"), which included funding of up to $ 612 over the life of the agreement. For the three and six months ended June 30, 2023, the Company recorded $ 153 in research and development expense related to the 2023 Yale SRA.

ALS Biopharma Agreement

In August 2015, the Company entered into an agreement (the "ALS Biopharma Agreement") with ALS Biopharma and Fox Chase Chemical Diversity Center Inc. ("FCCDC"), pursuant to which ALS Biopharma and FCCDC assigned the Company their worldwide patent rights to a family of over 300 prodrugs of glutamate modulating agents, including troriluzole, as well as other innovative technologies. Under the ALS Biopharma Agreement, the Company is obligated to use commercially reasonable efforts to commercialize and

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(Unaudited)

10. License Agreements (Continued)

develop markets for the patent products. The Company is obligated to pay $ 3,000 upon the achievement of specified regulatory milestones with respect to the first licensed product and $ 1,000 upon the achievement of specified regulatory milestones with respect to subsequently developed products, as well as royalty payments of a low single-digit percentage based on net sales of products licensed under the ALS Biopharma Agreement, payable on a quarterly basis.

The ALS Biopharma Agreement terminates on a country-by-country basis as the last patent rights expire in each such country. If the Company abandons its development, research, licensing or sale of all products covered by one or more claims of any patent or patent application assigned under the ALS Biopharma Agreement, or if the Company ceases operations, it has agreed to reassign the applicable patent rights back to ALS Biopharma.

For the three and six months ended June 30, 2023 and 2022, the Company did no t record any material milestone or royalty payments under the ALS Biopharma Agreement.

2016 AstraZeneca Agreement

In October 2016, the Company entered into an exclusive license agreement (the "2016 AstraZeneca Agreement") with AstraZeneca, pursuant to which AstraZeneca granted the Company a license to certain patent rights for the commercial development, manufacture, distribution and use of any products or processes resulting from development of those patent rights, including BHV-5000 and BHV-5500. In exchange for these rights, the Company agreed to pay AstraZeneca an upfront payment, milestone payments and royalties on net sales of licensed products under the agreement. The regulatory milestones due under the 2016 AstraZeneca Agreement depend on the indication of the licensed product being developed as well as the territory where regulatory approval is obtained.

Regulatory milestones due under the 2016 AstraZeneca Agreement with respect to Rett syndrome total up to $ 30,000 , and, for any indication other than Rett syndrome, total up to $ 60,000 . Commercial milestones are based on net sales of all products licensed under the 2016 AstraZeneca Agreement and total up to $ 120,000 . The Company has also agreed to pay royalties in two tiers, with each tiered royalty in the range from 0 - 10 % of net sales of products licensed under the 2016 AstraZeneca Agreement. If the Company receives revenue from sublicensing any of its rights under the 2016 AstraZeneca Agreement, the Company is also obligated to pay a portion of that revenue to AstraZeneca. The Company is also required to reimburse AstraZeneca for any fees that AstraZeneca incurs related to the filing, prosecution, defending, and maintenance of patent rights licensed under the 2016 AstraZeneca Agreement.

The 2016 AstraZeneca Agreement expires upon the expiration of the patent rights under the agreement or on a country-by-country basis ten years after the first commercial sale and can also be terminated if certain events occur, e.g., material breach or insolvency.

For the three and six months ended June 30, 2023 and 2022, the Company did no t record any material milestone or royalty payments under the 2016 AstraZeneca Agreement.

2018 AstraZeneca License Agreement

In September 2018, the Company entered into an exclusive license agreement (the "2018 AstraZeneca Agreement") with AstraZeneca, pursuant to which AstraZeneca granted the Company a license to certain patent rights for the commercial development, manufacture, distribution and use of any products or processes resulting from development of those patent rights, including BHV-3241 (verdiperstat). Under the 2018 AstraZeneca Agreement, the Company paid AstraZeneca an upfront cash payment of $ 3,000 and 109,523 shares valued at $ 4,080 on the date of settlement and is obligated to pay milestone payments to AstraZeneca totaling up to $ 55,000 upon the achievement of specified regulatory and commercial milestones and up to $ 50,000 upon the achievement of specified sales-based milestones. In addition, the Company will pay AstraZeneca royalties in three tiers, with each tiered royalty in the range from 0 - 10 % of net sales of specified approved products, subject to specified reductions.

In November 2021, the Company completed enrollment in a Phase 3 clinical trial of this product candidate, which is now referred to as verdiperstat, for the treatment of Amyotrophic Lateral Sclerosis ("ALS").In September 2022, the Company announced negative topline results from the Phase 3 clinical trial of verdiperstat for ALS. ALS is a progressive, life-threatening, and rare neuromuscular disease for which there are currently limited treatment options and no cure. The Company is solely responsible, and has agreed to use commercially reasonable efforts, for all development, regulatory and commercial activities related to verdiperstat. The Company may sublicense its rights under the agreement and, if it does so, will be obligated to pay a portion of any milestone payments received from the sublicense to AstraZeneca in addition

10. License Agreements (Continued)

to any milestone payments it would otherwise be obligated to pay.

The 2018 AstraZeneca Agreement terminates on a country-by-country basis and product-by-product basis upon the expiration of the royalty term for such product in such country and can also be terminated if certain events occur, e.g., material breach or insolvency.

For the three and six months ended June 30, 2023 and 2022, the Company did no t record any material milestone or royalty payments under the 2018 AstraZeneca Agreement.

Fox Chase Chemical Diversity Center Inc. Agreement

In May 2019, the Company entered into an agreement with FCCDC (the "FCCDC Agreement") pursuant to which the Company purchased certain intellectual property relating to the TDP-43 protein from FCCDC. The FCCDC Agreement provides the Company with a plan and goal to identify one or more new chemical entity candidates for preclinical development for eventual clinical evaluation for the treatment of one or more TDP-43 proteinopathies. As consideration, the Company issued 100,000 of the Former Parent's common shares to FCCDC valued at $ 5,646 .

In addition, the Company is obligated to pay FCCDC milestone payments totaling up to $ 3,000 with $ 1,000 for each additional NDA filing. The Company also issued a warrant to FCCDC, granting FCCDC the option to purchase up to 100,000 of the Former Parent’s common shares, at a strike price of $ 56.46 per share, subject to vesting upon achievement of certain milestones in development of TDP-43. In connection with the Separation, the warrants issued to FCCDC were vested and settled, resulting in $ 4,245 being recorded as research and development expense in the fourth quarter of 2022.

In connection with the FCCDC Agreement, the Company and FCCDC have established a TDP-43 Research Plan, which was amended in November 2020, under which the Company will pay FCCDC an earned royalty equal to 0 % to 10 % of net sales of any TD-43 patent products with a valid claim as defined in the FCCDC Agreement. The Company may also license the rights developed under the FCCDC Agreement and, if it does so, will be obligated to pay a portion of any payments received from such licensee to FCCDC in addition to any milestones it would otherwise be obligated to pay. The Company is also responsible for the prosecution and maintenance of the patents related to the TDP-43 assets.

The FCCDC Agreement terminates on a country-by-country basis and product-by-product basis upon expiration of the royalty term for such product in such country and can also be terminated if certain events occur, e.g., material breach or insolvency.

For the three and six months ended June 30, 2023 and 2022, the Company did no t record any material milestone or royalty payments related to the FCCDC Agreement.

UConn

In October 2018, the Company announced it had signed an exclusive, worldwide option and license agreement (the “UConn Agreement”) with the University of Connecticut (“UConn”) for the development and commercialization rights to UC1MT, a therapeutic antibody targeting extracellular metallothionein. Under the UConn Agreement, the Company had the option to acquire an exclusive, worldwide license to UC1MT and its underlying patents to develop and commercialize throughout the world in all human indications (the "UConn Option"). In September 2022, the Company exercised the UConn Option in exchange for a payment of $ 400 . Under the UConn Agreement, UConn is entitled to milestone payments upon the achievement of specified developmental and regulatory milestones of up to $ 30,100 and commercial milestones of up to $ 50,000 , and royalties of a low single-digit percentage of net sales of licensed products.

For the three and six months ended June 30, 2023 and 2022, the Company did no t record any material milestone or royalty payments related to the UConn Agreement.

Artizan Agreement

In December 2020, the Company entered into an Option and License Agreement (the "2020 Artizan Agreement") with Artizan Biosciences Inc. ("Artizan"). Pursuant to the 2020 Artizan Agreement, the Company acquired an option (“Biohaven Option”) to obtain a royalty-based license from Artizan to manufacture, use and commercialize certain products in the United States for the treatment of diseases, including, for example, inflammatory bowel disease and other gastrointestinal inflammatory disorders, e.g., Crohn’s disease. The Biohaven Option is exercisable throughout the development phase of the products at an exercise price of approximately $ 4,000 to $ 8,000 , which varies based on the market potential of the products. In June 2023, the Company agreed to terminate the 2020 Artizan Agreement and relinquished its option rights under

10. License Agreements (Continued)

certain conditions associated with the winding down of Artizan's business.

In December 2020, simultaneously with the 2020 Artizan Agreement, the Company entered into a Series A-2 Preferred Stock Purchase Agreement with Artizan. Under the agreement, the Company paid Artizan 61,494 of the Former Parent's common shares valued at $ 6,000 , which were issued in January 2021. In exchange, the Company acquired 34,472,031 shares of series A-2 preferred stock of Artizan.

In June 2021, the Company entered into a Development and License Agreement with Artizan Biosciences Inc (the "2021 Artizan Agreement"). Pursuant to the 2021 Artizan Agreement, the Company acquired an exclusive, worldwide license under Artizan's IgA-SEQ patented technology and know-how to develop, manufacture and commercialize certain of Artizan's compounds for use in Parkinson's Disease. Under the 2021 Artizan Agreement, the Company is responsible for funding the development of the compounds, obtaining regulatory approvals, manufacturing the compounds and commercializing the compounds. The Company is also responsible for the prosecution, maintenance and enforcement of Artizan's patents. The Company agreed to pay Artizan development milestones of $ 20,000 for the first licensed compound to achieve U.S. marketing authorization and $ 10,000 for each subsequent U.S. approval. In addition, the Company agreed to pay Artizan commercialization milestones totaling up to $ 150,000 and royalties in the low- to mid-single digits. The 2021 Artizan Agreement terminates on a country-by-country basis on the later of 10 years from the first commercial sale of licensed product in such country or the expiration of Artizan's patents in such country and can also be terminated if certain events occur, e.g., material breach or insolvency. In June 2023, the 2021 Artizan Agreement was terminated.

In June 2022, the Company entered into an amendment (the "Amendment") to the Series A-2 Preferred Stock Purchase Agreement with Artizan. Under the Amendment, the Company made a cash payment of $ 4,000 in exchange for 22,975,301 shares of series A-2 preferred stock of Artizan out of a total of 45,950,601 shares of series A-2 preferred stock of Artizan for a total raise of $ 8,000 (the "A2 Extension Raise"). Along with the Amendment, the Company and Artizan executed a non-binding indication of interest ("Artizan Side Letter"), which describes terms under which the Company and Artizan would amend the 2020 Artizan Agreement to eliminate certain milestone payments required by us in exchange for limiting our option to the selection of the first licensed product. The Artizan Side Letter required Artizan to commit at least 80 % of the funds raised in the A-2 Extension Raise to a certain program and to raise $ 35,000 of additional capital within a certain time.

As of December 31, 2022, due to concerns related to Artizan's inability to fund its future operations, the Company determined its investment in Artizan to be fully impaired. Accordingly, during the fourth quarter of 2022, the Company recognized an impairment loss of $ 10,000 in other income (expense) on the consolidated statements of operations.

For the three and six months ended June 30, 2023 and 2022, the Company did no t record any material milestone or royalty payments related to the 2020 Artizan Agreement and the 2021 Artizan Agreement.

Moda Agreement

On January 1, 2021, the Company entered into a consulting services agreement (the "Moda Agreement") with Moda Pharmaceuticals LLC ("Moda") to further the scientific advancement of technology, drug discovery platforms (including the technology licensed under the Yale MoDE Agreement), product candidates and related intellectual property owned or controlled by the Company.

Under the Moda Agreement, the Company paid Moda an upfront cash payment of $ 2,700 and 37,836 shares of the Former Parent valued at approximately $ 3,243 . In addition, Moda will be eligible to receive additional development milestone payments of up to $ 81,612 and commercial milestone payments of up to $ 30,171 . The Moda Agreement has a term of four years and may be terminated earlier by the Company or Moda under certain circumstances including, for example, the Company's discontinuation of research on the MoDE platform or default.

For the three and six months ended June 30, 2023 and 2022, the Company did no t record any material milestone payments related to the Moda Agreement.

Reliant Agreement

In July 2021, the Company entered into a development and licensing agreement (the "Reliant Agreement") with Reliant Glycosciences LLC ("Reliant"), pursuant to which the Company and Reliant have agreed to collaborate on a program with Biohaven Labs' multifunctional molecules to develop and commercialize conjugated antibodies for therapeutic uses relating to IgA nephropathy and treatment of other diseases and conditions. Under the Reliant Agreement, the Company paid Reliant an upfront payment in the form of issuance

10. License Agreements (Continued)

of common shares of the Former Parent valued at approximately $ 3,686 , which the Company recorded as research and development expense on its condensed consolidated statement of operations and comprehensive loss. In addition, Reliant will be eligible to receive development and regulatory milestone payments of up to $ 36,500 , and royalties of a low single-digit percentage of net sales of licensed products.

For the three and six months ended June 30, 2023 and 2022, the Company did no t record any material milestone or royalty payments related to the Reliant Agreement.

KU Leuven Agreement

In January 2022, the Company and Katholieke Universiteit Leuven ("KU Leuven") entered into an Exclusive License and Research Collaboration Agreement (the "KU Leuven Agreement") to develop and commercialize TRPM3 antagonists to address the growing proportion of people worldwide living with chronic pain disorders. The TRPM3 antagonist platform was discovered at the Centre for Drug Design and Discovery and the Laboratory of Ion Channel Research at KU Leuven. Under the KU Leuven Agreement, the Company receives exclusive global rights to develop, manufacture and commercialize KU Leuven's portfolio of small-molecule TRPM3 antagonists. The portfolio includes the lead candidate, henceforth known as BHV-2100, which is being evaluated in preclinical pain models and will be the first to advance towards Phase 1 studies. The Company will support further basic and translational research at KU Leuven on the role of TRPM3 in pain and other disorders. As consideration, KU Leuven received an upfront cash payment of $ 3,000 and 15,340 shares of the Former Parent valued at $ 1,779 , and is eligible to receive additional development, regulatory, and commercialization milestones payments of up to $ 327,750 . In addition, KU Leuven will be eligible to receive mid-single digit royalties on net sales of products resulting from the collaboration.

Excluding the upfront payments discussed above, for the three and six months ended June 30, 2023 and 2022, the Company did no t record any material milestone or royalty payments related to the KU Leuven Agreement.

Taldefgrobep Alfa License Agreement

In February 2022, following the transfer of intellectual property, the Company announced that it entered into a worldwide license agreement with BMS for the development and commercialization rights to taldefgrobep alfa (also known as BMS-986089), a novel, Phase 3-ready anti-myostatin adnectin (the "Taldefgrobep Alfa License Agreement"). Under the terms of the Taldefgrobep Alfa License Agreement, the Company received worldwide rights to taldefgrobep alfa and BMS will be eligible for regulatory approval milestone payments of up to $ 200,000 , as well as tiered, sales-based royalty percentages from the high teens to the low twenties. There were no upfront or contingent payments to BMS related to the Taldefgrobep Alfa License Agreement.

For the three and six months ended June 30, 2023 and 2022, the Company did no t record any material milestone or royalty payments under the Taldefgrobep Alfa License Agreement.

Agreement with Hangzhou Highlightll Pharmaceutical Co. Ltd.

In March 2023, the Company and Hangzhou Highlightll Pharmaceutical Co. Ltd. ("Highlightll") entered into an exclusive, worldwide (excluding People’s Republic of China and its territories and possessions) license agreement (the "Highlightll Agreement") pursuant to which Biohaven obtained the right to research, develop, manufacture and commercialize Highlightll’s brain penetrant dual TYK2/JAK1 inhibitor program. As partial consideration for the Highlightll Agreement, the Company is obligated to pay Highlightll a cash payment of $ 10,000 and 721,136 common shares valued at approximately $ 10,000 as of the date the Highlightll Agreement was executed, upon the completion of certain post-closing activities, which were not completed as of June 30, 2023.

Under the Highlightll Agreement, the Company is obligated to make milestone payments to Highlightll totaling up to $ 200,000 upon the achievement of specified developmental, regulatory and commercial milestones for a first indication, up to $ 100,000 upon the achievement of pre-specified developmental, regulatory and commercial milestones for a second indication, and up to $ 650,000 upon the achievement of specified sales-based milestones. Additionally, the Company has agreed to make tiered royalty payments as a percentage of net sales starting at mid single digits and peaking at low teens digits. During the royalty term, if the Company offers to include China clinical sites in its Phase 3 study sufficient for submission to Chinese National Medical Products Administration and Highlightll, at its sole discretion, agrees, then Highlightll will pay royalties in the low tens digits to the Company on China sales upon approval.

The Highlightll Agreement terminates on a country-by-country basis upon expiration of the royalty

(Amounts in thousands, except share and per share amounts)

10. License Agreements (Continued)

term and can also be terminated if certain events occur, e.g., material breach or insolvency.

For the three and six months ended June 30, 2023 and 2022, the Company did no t record any material milestone or royalty payments related to the Highlightll Agreement.

11. Commitments and Contingencies

Lease Agreements

The Company leases certain office and laboratory space. There have been no material changes to the lease obligations from those disclosed in Note 12, "Commitments and Contingencies" to the consolidated financial statements included in the Company's 2022 Form 10-K.

Research Commitments

The Company has agreements with several contract manufacturing organizations ("CMOs") and contract research organizations ("CROs") to provide products and services in connection with the Company's preclinical studies and clinical trials. As of June 30, 2023, the Company had remaining maximum research commitments in excess of one year of approximately $ 13,900 , which are variable based on the number of trial participants, and contingent upon the achievement of certain milestones of the clinical trials covered under the agreements. If all related milestones are achieved, the Company expects these amounts to be paid over the next two years .

Indemnification Agreements

In the ordinary course of business, the Company may provide indemnification of varying scope and terms to vendors, lessors, business partners and other parties with respect to certain matters including, but not limited to, losses arising out of breach of such agreements or from intellectual property infringement claims made by third parties. In addition, the Company has entered into indemnification agreements with members of its board of directors and executive officers that will require the Company, among other things, to indemnify them against certain liabilities that may arise by reason of their status or service. The maximum potential amount of future payments the Company could be required to make under these indemnification agreements is, in many cases, unlimited. The Company's amended and restated memorandum and articles of association also provide for indemnification of directors and officers in specific circumstances. To date, the Company has not incurred any material costs as a result of such indemnification provisions. The Company does not believe that the outcome of any claims under indemnification arrangements will have a material effect on its financial position, results of operations or cash flows, and it has not accrued any liabilities related to such obligations in its condensed consolidated financial statements as of June 30, 2023 or December 31, 2022.

License Agreements

The Company entered into license agreements with various parties under which it is obligated to make contingent and non-contingent payments (see Note 10).

Legal Proceedings

From time to time, in the ordinary course of business, the Company is subject to litigation and regulatory examinations as well as information gathering requests, inquiries and investigations. As of June 30, 2023, there were no matters which would have a material impact on the Company's financial results.

12. Income Taxes

The following table provides a comparative summary of the Company's income tax provision and effective income tax rate for the three and six months ended June 30, 2023 and 2022:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Income tax provision	$ 2,177	$ 6,110	$ 3,116	$ 13,365
Effective income tax rate	2.5 %	3.1 %	2.0 %	4.7 %

The decrease in income tax expense for the three and six months ended June 30, 2023 as compared to 2022 was primarily attributable to amortization of capitalized R&D expenses effective January 1, 2022 under the Tax Cuts and Jobs Act, utilization of R&D tax credits and an increase of the Company's foreign derived intangible income deduction.

13. Related Party Transactions

Relationship with the Former Parent

Upon the effectiveness of the Separation on October 3, 2022, the Former Parent ceased to be a related party to the Company.

BIOHAVEN LTD.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in thousands, except share and per share amounts)

(Unaudited)

13. Related Party Transactions (continued)

On October 3, 2022, the Company entered into agreements with the Former Parent in connection with the Separation, including the following:

Transition Services Agreement. The Company entered into a Transition Services Agreement with the Former Parent (the "Transition Services Agreement") under which the Company or one of its affiliates will provide the Former Parent, and the Former Parent or one of its affiliates will provide the Company, with certain transition services for a limited time to ensure an orderly transition following the Spin-Off. The services that the Company and the Former Parent agreed to provide to each other under the Transition Services Agreement include certain finance, information technology, clinical study support, human resources and compensation, facilities, financial reporting and accounting and other services. The Company will pay the Former Parent, and the Former Parent will pay the Company, for any such services received by the Former Parent or the Company, as applicable, at agreed amounts as set forth in the Transition Services Agreement.

Amounts received in connection with the Transition Services Agreement are recorded as other income on the condensed consolidated statement of operations and comprehensive loss, as they are outside of the normal operating business of the Company. For the three and six months ended June 30, 2023, the Company recorded $ 1,674 and $ 5,559 in other income reflecting transition services provided to the Former Parent. As of June 30, 2023, the Company had a receivable of $ 2,605 included in other current assets on the condensed consolidated balance sheet as of June 30, 2023 relating to transition services provided to the Former Parent.

United States Distribution Services Agreement. The Company entered into a United States Distribution Services Agreement with the Former Parent, pursuant to which the Company continued to serve as the Former Parent's distributor and agent for the distribution of the pharmaceutical product Nurtec ODT in the United States for a limited period of time following the Spin-Off, which has concluded. Under the Distribution Services Agreement, the Former Parent and Pfizer Inc. have agreed to indemnify the Company for, among other things, losses resulting from the conduct of the distribution business or actions taken at the direction of the Former Parent.

As the Company was acting as an agent of the Former Parent for services performed under the Distribution Services Agreement, no amounts for revenues or expenses relating to the services performed thereunder are included on the Company's condensed consolidated financial statements. As of June 30, 2023, the Company recorded restricted cash held on behalf of Former Parent of $ 40,415 and Due to Former Parent of $ 40,415 on the condensed consolidated balance sheet primarily relating to cash held in connection with the execution of the Distribution Services Agreement which is legally payable to the Former Parent.

Outsourcing & Employee Transfer Agreements. The Company entered into Outsourcing & Employee Transfer Agreements, one with Pfizer Inc., Merger Sub, the Former Parent and Biohaven Pharmaceuticals, Inc. ("U.S. Employer"), and the other with Pfizer, Merger Sub, the Former Parent, and BioShin (Shanghai) Consulting Services Co., Ltd. ("Chinese Employer"), pursuant to which the Chinese Employer and the U.S. Employer will, among other things, provide Pfizer with the services of, and remain the employers of, certain of their employees for the period of time immediately following the Spin-Off through December 31, 2022. During such period, Pfizer or one of its affiliates paid the U.S. Employer for employee-related expenses for its employees (including the cost of salary and wages) and will pay the Chinese Employer a service fee based on employee-related expenses for its employees (including the cost of salary and wages).

Amounts received in connection with the Outsourcing & Employee Transfer Agreements are recorded against their related operating expenses as they represent reimbursements for operating expenses incurred by the Company on behalf of the Former Parent.

Relationship with the Former Parent prior to the Separation

Pursuant to the Distribution Agreement, immediately prior to the Separation the Former Parent made a cash contribution to the Company which resulted in a cash balance of approximately $ 257,799 as of October 3, 2022.

Prior to the Separation, the Company did not historically operate as a standalone business and the condensed consolidated financial statements were derived from the consolidated financial statements and accounting records of the Former Parent. The following disclosure summarizes activity between the Company and the Former Parent prior to the Separation, including the affiliates of the Former Parent that were not part of the Spin-Off.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in thousands, except share and per share amounts)

(Unaudited)

13. Related Party Transactions (continued)

Cost Allocations

The condensed consolidated financial statements for periods prior to the Separation reflect allocations of certain expenses from the financial statements of the Former Parent, including research and development expenses and general and administrative expenses. These allocations include, but are not limited to, executive management, employee compensation and benefits, facilities and operations, information technology, business development, financial services (such as accounting, audit, and tax), legal, insurance, and non-cash share-based compensation.

For periods prior to the Separation, these allocations to the Company are reflected in the condensed consolidated statement of operations and comprehensive loss as follows:

	Three Months Ended June 30, 2022	Six Months Ended June 30, 2022
Research and development	$ 26,332	$ 61,724
General and administrative	15,587	33,377
Total	$ 41,919	$ 95,101

Management believes these cost allocations are a reasonable reflection of services provided to, or the benefit derived by, the Company during the period presented. The allocations may not, however, be indicative of the actual expenses that would have been incurred had the Company operated as a standalone public company. Actual costs that may have been incurred if the Company had been a standalone public company would depend on a number of factors, including the chosen organizational structure, what corporate functions the Company might have performed directly or outsourced and strategic decisions the Company might have made in areas such as executive management, legal and other professional services, and certain corporate overhead functions.

Non-Cash Share-Based Compensation

Prior to the Separation, Biohaven employees participated in the Former Parent's non-cash share-based compensation plans, the costs of which have been allocated to the Company and recorded in research and development and general and administrative expenses in the condensed consolidated statements of operations and comprehensive loss.

Net Transfers From Former Parent

Net transfers from Former Parent represent the net effect of transactions between the Company and the Former Parent prior to the Separation. The components of net transfers from Former Parent are as follows:

	Three Months Ended June 30, 2022	Six Months Ended June 30, 2022
General financing activities	$ 65,732	$ 75,703
Corporate cost allocations, excluding share-based compensation	21,109	34,171
Net transfers from Former Parent as reflected in the Condensed Consolidated Statement of Cash Flows	86,841	109,874
Share-based compensation	20,810	60,930
Issuance of Former Parent common shares to repurchase non-controlling interest in a subsidiary	—	60,000
Issuance of Former Parent common shares as payment for IPR&D asset acquisition	58,747	58,747
Issuance of Former Parent common shares as payment for license and consulting agreements	—	1,779
Other non-cash adjustments[1]	15,788	(704)
Net transfers from Former Parent as reflected in Note 7, "Shareholders' Equity"	$ 182,186	$ 290,626

[1] Other non-cash adjustments in the second quarter of 2022 primarily relate to a reduction in income taxes payable attributed to the Company from the Former Parent.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in thousands, except share and per share amounts)

(Unaudited)

13. Related Party Transactions (continued)

Related Party Agreements

License Agreement with Yale University

On September 30, 2013, the Company entered into the Yale Agreement with Yale University (see Note 10). The Company's Chief Executive Officer is one of the inventors of the patents that the Company has licensed from Yale University and, as such, is entitled to a specified share of the glutamate product-related royalty revenues that may be received by Yale University under the Yale Agreement.

In January 2021, the Company entered into the Yale MoDE Agreement with Yale University (see Note 10 for details). Under the license agreement, the Company acquired exclusive, worldwide rights to Yale University's intellectual property directed to its MoDE platform. As part of consideration for this license, the Company paid Yale University an upfront cash payment of $ 1,000 and 11,668 common shares of the Former Parent valued at approximately $ 1,000 . Under the Yale MoDE Agreement, the Company entered into the Yale MoDE SRA (see Note 10 for detail), which included funding of up to $ 4,000 over the life of the agreement. In May 2023, the Company entered into an additional sponsored research agreement with Yale University (the "2023 Yale SRA"), which includes funding of up to $ 612 over the life of the agreement.

For the three and six months ended June 30, 2023, the Company recorded $ 947 and $ 1,699 , respectively, in research and development expense, including certain administrative expenses, related to the Yale MoDE Agreement and the Yale MoDE SRA, the Yale Agreement, and the 2023 Yale SRA (the "Yale Agreements"). For the three and six months ended June 30, 2022, the Company recorded $ 488 and $ 2,288 , respectively, in research and development expense, including certain administrative expenses, related to the Yale Agreements. As of June 30, 2023, the Company did not owe any amounts to Yale University.

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

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our condensed consolidated financial statements and related notes appearing elsewhere in this Quarterly Report on Form 10-Q and our Annual Report on Form 10-K for the year ended December 31, 2022 (the "2022 Form 10-K") filed with the Securities and Exchange Commission ("SEC"). Some of the statements contained in this discussion and analysis or set forth elsewhere in this Quarterly Report on Form 10-Q, including information with respect to our plans and strategy for our business, constitute forward looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). We have based these forward-looking statements on our current expectations and projections about future events. The following information and any forward-looking statements should be considered in light of factors discussed elsewhere in this Quarterly Report on Form 10-Q and our other filings with the SEC.

Our actual results and timing of certain events may differ materially from the results discussed, projected, anticipated, or indicated in any forward-looking statements. We caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and the development of the industry in which we operate, among other things, may differ materially from the forward-looking statements contained in this Quarterly Report on Form 10-Q. Statements made herein are as of the date of the filing of this Form 10-Q with the SEC and should not be relied upon as of any subsequent date. Even if our results of operations, financial condition and liquidity, and the development of the industry in which we operate are consistent with the forward-looking statements contained in this Quarterly Report on Form 10-Q, they may not be predictive of results or developments in future periods. We disclaim any obligation, except as specifically required by law and the rules of the SEC, to publicly update or revise any such statements to reflect any change in our expectations or in events, conditions or circumstances on which any such statements may be based, or that may affect the likelihood that actual results will differ from those set forth in the forward-looking statements.

We caution readers not to place undue reliance on any forward-looking statements made by us, which speak only as of the date they are made.

Overview

We are a global clinical-stage biopharmaceutical company focused on the discovery, development and commercialization of life-changing therapies to treat a broad range of rare and common diseases. Our experienced management team brings with it a proven track record of delivering new drug approvals for products for diseases such as migraine, depression, bipolar disorder and schizophrenia. We are advancing a pipeline of therapies for diseases, many of which have limited or no treatment options, leveraging our proven drug development capabilities and proprietary platforms including Kv7 ion channel modulation for epilepsy and neuronal hyperexcitability, glutamate modulation for Obsessive-Compulsive Disorder ("OCD") and Spinocerebellar Ataxia ("SCA"), myostatin inhibition for neuromuscular diseases and metabolic disorders, and brain-penetrant Tyrosine Kinase 2/Janus Kinase 1 ("TYK2/JAK1") inhibition for neuroinflammatory disorders. Our portfolio of early- and late-stage product candidates also includes discovery research programs focused on TRPM3 channel activation for neuropathic pain, CD-38 antibody recruiting, bispecific molecules for multiple myeloma, antibody drug conjugates ("ADCs"), and targeted extracellular protein degradation platform technology ("MoDE") with potential application in neurological disorders, cancer, and autoimmune diseases.

We are advancing our broad and diverse pipeline, across early and late stage development, including three Phase 3 clinical programs. We have built a highly experienced team of senior leaders and neuroscience drug developers who combine a nimble, results-driven biotech mindset with capabilities in drug discovery and development. In addition, we have several preclinical assets in our early discovery program, targeting indications in neuroscience and immunology.

Separation from Biohaven Pharmaceutical Holding Company Ltd.

On May 9, 2022, the Board of Directors of Biohaven Pharmaceutical Holding Company Ltd. (the "Former Parent") approved and directed Former Parent's management to effect the spin-off of the Kv7 ion channel activators, glutamate modulation and myostatin inhibition platforms, preclinical product candidates, and certain corporate infrastructure then owned by Former Parent (collectively, the "Biohaven Business").

On October 3, 2022, the Former Parent completed the distribution (the "Distribution") to holders of its common shares of all of the outstanding common shares of Biohaven Ltd. (the "Company" or "Biohaven") and the spin-off of Biohaven Ltd. from the Former Parent (the "Spin-Off") described in Biohaven's Information Statement attached as Exhibit 99.1 to Biohaven's Registration Statement on Form 10, as amended (Reg. No. 001-41477), which was declared effective by the SEC on September 22, 2022. Each holder of Former Parent common shares received one common share of Biohaven for every two of the Former Parent common shares held of record as of the close of business on September 26, 2022. To implement the Spin-Off, the Former Parent transferred certain license agreements, intellectual property and the Former Parent's corporate infrastructure, including certain non-commercial employee agreements, share-based awards

and other corporate agreements to Biohaven. Collectively, we refer to the Distribution and Spin-Off throughout this Quarterly Report on Form 10-Q as the "Separation."

In the Distribution, an aggregate of 35,840,459 common shares of the Company were issued. The aggregate number of common shares issued in connection with the Distribution did not include 2,611,392 common shares issued in connection with Former Parent stock options that were exercised on October 3, 2022 and 924,093 common shares issued in connection with Former Parent restricted stock units that vested on October 3, 2022.

Biohaven is a British Virgin Islands ("BVI") corporation and was a wholly owned subsidiary of the Former Parent prior to the Separation.

Prior to the Separation, the historical combined financial statements of the Company had been prepared on a stand-alone basis and were derived from the consolidated financial statements and accounting records of the Former Parent and are presented in conformity with U.S. GAAP.

The financial position, results of operations and cash flows of the Company historically operated as part of the Former Parent's financial position, results of operations and cash flows up until the Distribution. These historical combined financial statements may not be indicative of the future performance of the Company and do not necessarily reflect what our combined results of operations, financial condition and cash flows would have been had we operated as a separate, publicly traded company during the periods presented.

Where we describe historical business activities in this Quarterly Report on Form 10-Q, we do so as if these transfers had already occurred and the Former Parent's activities related to such assets and liabilities had been performed by Biohaven.

Refer to Note 1, "Nature of the Business and Basis of Presentation," of the Notes to the Condensed Consolidated Financial Statements appearing elsewhere in this Quarterly Report on Form 10-Q for further discussion of the underlying basis used to prepare the condensed consolidated financial statements.

Transition from the Former Parent and Costs to Operate as an Independent Company

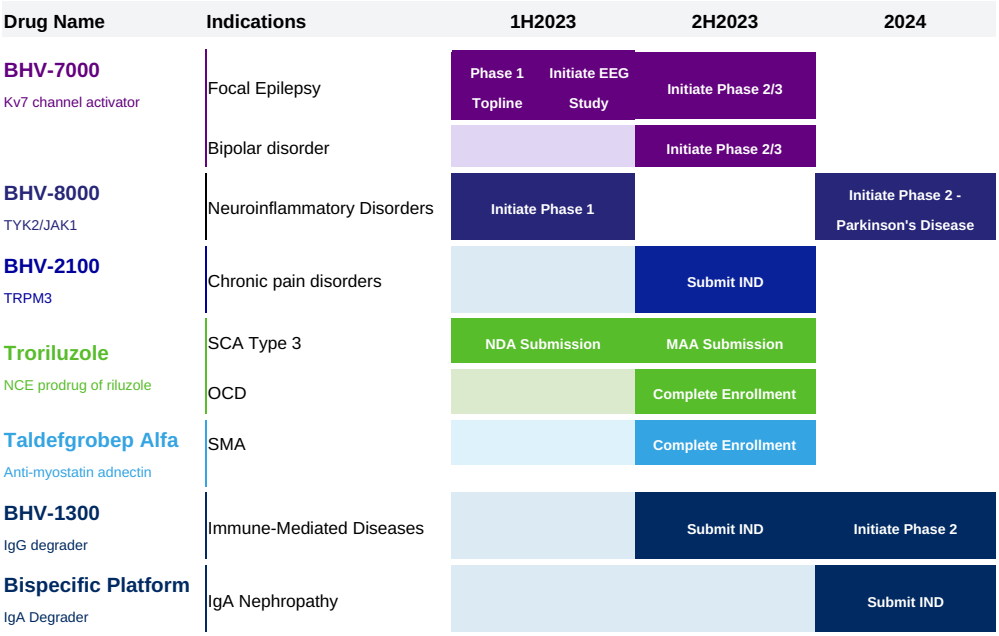
The condensed consolidated financial statements for periods prior to the Separation reflect the operating results and financial position of the Company as it was operated by the Former Parent prior to the Separation, rather than as an independent company. We have incurred and will continue to incur ongoing operating expenses to operate as an independent company. These costs include the cost of various corporate headquarters functions, information technology-related costs and costs to operate stand-alone accounting, legal and other administrative functions. We will also incur non-recurring expenses and non-recurring capital expenditures. As an independent company, our information technology operating costs may be higher than the costs allocated in the historical combined financial statements. It is not practicable to estimate the costs that would have been incurred in each of the periods presented in the historical combined financial statements for the functions described above. Actual costs that would have been incurred if we operated as a stand-alone company during these periods would have depended on various factors, including the chosen organizational structure, what corporate functions the Company might have performed directly or outsourced and strategic decisions the Company might have made in areas such as executive management, legal and other professional services, and certain corporate overhead functions. During the transition from the Former Parent, we may incur non-recurring expenses to expand our infrastructure.

Agreements with the Former Parent

We have entered into a Distribution Agreement and various agreements relating to transition services, licenses and certain other matters with the Former Parent. These agreements govern our relationship with the Former Parent and include the allocation of employee benefits, taxes and certain other liabilities and obligations attributable to periods prior to, at and after the Separation. For additional information regarding these agreements, see Note 13, "Related Party Transactions," of the Notes to the Condensed Consolidated Financial Statements appearing elsewhere in this Quarterly Report on Form 10-Q.

Clinical-Stage Milestones

Our clinical-stage milestones include the following:



Kv7

BHV-7000

In April 2022, we closed the acquisition from Knopp Biosciences LLC (“Knopp”) of Channel Biosciences, LLC, a wholly owned subsidiary of Knopp owning the assets of Knopp’s Kv7 channel targeting platform, pursuant to a Membership Interest Purchase Agreement, dated February 24, 2022. The acquisition of the Kv7 channel targeting platform adds the latest advances in ion-channel modulation to our growing neuroscience portfolio. BHV-7000 (formerly known as KB-3061), the lead asset from the Kv7 platform is an activator of Kv7.2/Kv7.3, a key ion channel involved in neuronal signaling and in regulating the hyperexcitable state in epilepsy.

In the first quarter of 2023, we completed a first-in-human single ascending dose ("SAD")/ multiple ascending dose ("MAD) study with BHV-7000. In the SAD and MAD cohorts, 61 subjects received BHV-7000 (N=46) or placebo (N= 15). Thirty-nine SAD subjects were randomized to BHV-7000 or placebo. Twenty-two MAD subjects were randomized to BHV-7000 or placebo for 15 days. The rates of Adverse Events ("AEs") by MedDRA System Organ Class across the pooled SAD and MAD cohorts among subjects treated with BHV-7000 and placebo are presented below in Table 1. Across the dosing groups in the SAD and MAD cohorts, there were low rates of central nervous system ("CNS")-related AEs (Table 2 below), and headache was the most common AE. No cases of somnolence were reported. The majority of the AEs were mild in severity and resolved spontaneously. There were no deaths, serious AEs, severe AEs, or dose-limiting toxicities observed. With respect to preliminary PK results, the Company exceeded target concentrations for efficacy based on the preclinical maximal electroshock ("MES") model, which is clinically validated and predictive of target concentration ranges in humans.

Table 1: Pooled SAD/MAD MedDRA System Organ Class Adverse Events

MedDRA System Organ Class	Placebo (N=15) n (%)	BHV-7000 (N=46) n (%)
Nervous system disorders	1 (6.7)	7 (15.2)
Gastrointestinal disorders	1 (6.7)	6 (13.0)
Musculoskeletal disorders	0	5 (10.9)
Infections	0	2 (4.3)
Investigations	1 (6.7)	2 (4.3)
Respiratory disorders	0	2 (4.3)
Skin disorders	0	2 (4.3)
Eye disorders	0	1 (2.2)
General disorders	0	1 (2.2)
Procedural complications	1 (6.7)	1 (2.2)
Psychiatric disorders	0	1 (2.2)
Renal disorders	1 (6.7)	1 (2.2)

Table 2: CNS Adverse Events by Dose and Cohort

Single Ascending Dose

CNS AEs[a]	Placebo N=10	4 mg N=6	10 mg N=6	25 mg (Fasted) N=6	25 mg (Fed) N=6	50 mg N=6	100 mg N=5	BHV-7000 Overall N=29
Headache	0	0	1 (16.7)	1 (16.7)	0	1 (16.7)	0	3 (10.3)
Dizziness	0	0	1 (16.7)	0	0	0	0	1 (3.4)
Myoclonus	0	0	0	1 (16.7)	0	0	0	1 (3.4)

[a]MedDRA® Preferred Term within the System Organ Class of "Nervous System Disorders"

Multiple Ascending Dose

CNS AEs[a]	Placebo N=5	10 mg N=5	25 mg N=6	40 mg N=6	BHV-7000 Overall N=17
Headache	1 (20.0)	0	0	3 (50.0)	3 (17.6)

[a]MedDRA® Preferred Term within the System Organ Class of "Nervous System Disorders"

Epilepsy

Epilepsy is the initial disease we are targeting with activators from our Kv7 platform. Epilepsy affects approximately 3.5 million Americans, or more than 1.2% of adults and 0.6% of children in the U.S., and more than 50 million patients worldwide, according to the World Health Organization (“WHO”). It is the fourth most common neurological disorder, and many patients struggle to achieve freedom from seizures, with more than one third of patients requiring two or more medications to manage their epilepsy. While the use of anti-seizure medications is often accompanied by dose-limiting side effects, our clinical candidate BHV-7000 is specifically designed to target subtypes of Kv7 potassium channels without engagement of $GABA_A$ receptors. The lack of $GABA_A$-R activity potentially gives BHV-7000 a wide therapeutic window which we expect to result in an improved side effect profile, limiting the somnolence and fatigue often seen in patients receiving anti-seizure medications. By adding BHV-7000 to our pipeline, we aim to bring this potassium channel modulator as a potential solution to patients with epilepsy who remain uncontrolled on their current regimens.

We also initiated an electroencephalogram ("EEG") study in the first half of 2023 and expect to initiate Phase 2/3 studies in focal epilepsy patients in the second half of 2023. The Phase 1 EEG study is an open-label study designed to evaluate the effects of BHV-7000 on EEG parameters in healthy adults. The study's objective is to demonstrate BHV-7000 target engagement in the cerebral cortex and to help refine dose selection for Phase 3 trials. Study measures include continuous EEG monitoring, time locked PK sampling, and changes in EEG spectral power post dose. The international 10-20 system for EEG collection will be used to capture resting data in the eyes open and closed states to be used for regional analyses of spectral power and coherence. For broadband power and absolute power for each EEG band, values from each electrode will be natural-log (ln) transformed.

In July 2023, we reported positive, interim data from the EEG biomarker study with the initial, low-dose of BHV-7000 studied in healthy volunteers. Preliminary Phase 1 data confirmed evidence of target engagement in the central nervous system for subjects with projected therapeutic concentrations of BHV-7000 (based on the EC50 from preclinical models), measured by changes from baseline in EEG spectral power that occurred after dosing. These pharmacodynamic ("PD") effects were similar to those reported in the literature for antiseizure medicines ("ASMs"), including Kv7 activators in development that are clinically effective in treating epilepsy. BHV-7000's PD effects were also differentiated from those reported for other Kv7 activators including, specifically, the absence of increases in EEG spectral power in frequency bands associated with drowsiness and somnolence. While additional, higher-dose groups of BHV-7000 are still being evaluated in the EEG analysis, the results from the low-dose group validate the preclinical hypothesis, confirm the Phase 1 SAD/MAD clinical data, and support our plans to initiate pivotal studies with BHV-7000 in focal epilepsy and bipolar disorder in the second half of 2023. The preliminary data highlight BHV-7000's differentiation and potentially favorable clinical profile compared to other ASMs. We expect to present the complete EEG results by the end of 2023. Additionally, new PK data from multiple clinical formulations being studied has now confirmed a once daily extended-release formulation that will be used in the Phase 2/3 clinical programs.

We are evaluating and have not yet finalized potential Phase 2/3 future clinical trial designs, including trial size, and primary and secondary endpoints. We anticipate that the Phase 3 program evaluating the efficacy of BHV-7000 in adolescents and adults with refractory focal epilepsy will be randomized, double-blind, placebo-controlled, 8- and 12-week trials with primary endpoints of median percent change (US) and ≥50% responder rate (EU) and secondary endpoints of the Quality of Life in Epilepsy Inventory ("QOLIE-31") and seizure freedom.

KCNQ2 Developmental Epileptic Encephalopathy

We are currently exploring BHV-7000 as a potential treatment for KCNQ2 developmental epileptic encephalopathy ("KCNQ2-DEE"), a rare pediatric epileptic encephalopathy first described in 2012 resulting from dominant-negative mutations in the KCNQ2 gene. BHV-7000 has been granted Rare Pediatric Disease Designation by the United States Food and Drug Administration (“FDA”) for the treatment of KCNQ2-DEE.

Mood Disorders

Approximately 1 in 5 adults in the US are living with neuropsychiatric illnesses that are, in turn, associated with inadequate treatment, poor quality of life, disability, and considerable direct and indirect costs. There is significant unmet need for novel and effective therapeutic options that are not limited by long latency periods to clinical effects, low response rates, and significant risks and side effects. Increasing evidence from animal models and clinical trials now suggests that Kv7.2/7.3 targeting drugs offer the potential to treat a spectrum of these neuropsychiatric

diseases including, but not limited to, mood disorders, such as major depressive disorder, bipolar disorder and anxiety. We plan to advance BHV-7000 as a potential treatment for patients with bipolar disorder and intend to start a Phase 2/3 clinical trial targeting this indication by the end of 2023. We are evaluating and have not yet finalized potential Phase 2/3 future clinical trial designs, including trial size, and primary and secondary endpoints.

Neuropathic Pain

Neuropathic pain, as defined by the International Association for the Study of Pain, is pain caused by a lesion or disease of the somatosensory nervous system and includes a collection of heterogeneous conditions that are often chronic and debilitating and for which long term therapy is difficult. In the United States, over 30 million adults are estimated to be living with neuropathic pain.

Previous studies have demonstrated the efficacy of Kv7 targeting drugs in clinical trials for pain indications and in animal models. Selective Kv7 potassium channel activators represent a promising new approach in the development of non-opioid therapeutic options for neuropathic pain. In addition to leveraging reduced abuse and addiction risk potential of potassium channel activators, our Kv7 potassium channel platform addresses the complexities of channel subtype physiology through targeted pharmacology to overcome the limitations inherent in unbiased Kv7 activators and is intended to deliver a well-tolerated, highly effective, non-opioid treatment for neuropathic pain. During the second quarter of 2023, we initiated a sponsored research agreement with Yale to evaluate the activity of BHV-7000 in an iPSC model of inherited erythromelalgia, a severe rare genetic neuropathy.

We are currently evaluating the activity of BHV-7000 and other compounds from our proprietary series of selective Kv7.2/7.3 activators in multiple preclinical models of neuropathic pain.

BHV-7010

BHV-7010 is being developed as a next generation Kv7.2/7.3 activator with improved selectivity over Kv7.4 and differentiated ADME properties that provide flexibility for the treatment of different neurological diseases.

TYK2/JAK1

Agreement with Hangzhou Highlightll Pharmaceutical Co. Ltd.

In March 2023, we entered into an exclusive, worldwide (excluding People’s Republic of China and its territories and possessions) license agreement with Hangzhou Highlightll Pharmaceutical Co. Ltd. ("Highlightll"), pursuant to which we obtained the right to research, develop, manufacture and commercialize Highlightll’s brain penetrant dual TYK2/JAK1 inhibitor program (the "Highlightll Agreement"). As partial consideration for the Highlightll Agreement, we are obligated to pay Highlightll a cash payment of $10.0 million and 721,136 common shares valued at approximately $10.0 million as of the agreement execution, upon the completion of certain post-closing activities, which were not completed as of June 30, 2023. See Note 10, "License Agreements," for further detail on the Highlightll Agreement.

BHV-8000

Dysregulation of the immune system has been implicated in several neurodegenerative and neuroinflammatory disorders including Parkinson's Disease, Multiple Sclerosis, Alzheimer's Disease, Amyotrophic Lateral Sclerosis and Autoimmune Encephalitis. Over-active immune cells and microglia driving chronic neuroinflammation results in release of cytokines with activation of leukocytes and is thought to contribute to neuronal injury, death, gliosis, and demyelination. The TYK2 and JAK1 signal transduction pathways mediate highly complementary immune and inflammatory signaling events. Targeted, small-molecule therapies that inhibit TYK2 or JAK kinases have separately demonstrated robust efficacy in autoimmune, dermatologic and gastrointestinal disorders. TYK2 is a validated immune target as evidenced by a recent peripheral program that gained FDA approval, and there are multiple additional peripheral non-CNS programs in clinical development. Brain penetrant inhibitors of TYK2/JAK1 have the potential to bring this validated immune target to brain disorders.

There are currently no brain penetrant, selective, dual TYK2/JAK1 inhibitors approved for brain disorders. In May 2023, we began dosing with BHV-8000 (previously TLL-041), in a Phase 1 study in normal healthy volunteers. The planned Phase 1 study is a randomized, double-blind, placebo-controlled, sequential parallel group, SAD/MAD study in healthy subjects to evaluate the safety, tolerability, pharmacokinetics and pharmacodynamics ("PD") of BHV-8000 following oral administration. In this study, single ascending dose cohorts are planned with 8 subjects in each dose cohort (6 subjects randomized to active drug and 2 subjects randomized to placebo) with up to 6 dose levels. Each dose cohort will be initiated with sentinel dosing, e.g., one active and placebo patient will be dosed simultaneously. Doses for subsequent cohorts are determined based on available PK, PD, safety and tolerability from previous cohort(s). Up to 40 subjects are planned to be evaluated with approximately 30 subjects randomized to receive active drug and approximately 10 subjects randomized to receive placebo in a double-blind fashion (8 subjects in each dose cohort, 6 subjects randomized to active drug and 2 subjects randomized to placebo.) In July 2023, we reported that we have successfully dosed three dose cohorts with single ascending doses of BHV-8000 in the ongoing Phase 1 study. Based on the preliminary data that are available, projected therapeutic concentrations

of BHV-8000 were achieved, and BHV-8000 was well tolerated with only mild adverse events reported.

We anticipate beginning a Phase 2 clinical trial with BHV-8000 in Parkinson's disease and potentially other neuroinflammatory diseases in 2024. The Company is evaluating and has not yet finalized potential clinical trial designs, including trial size and primary and secondary endpoints for the anticipated Phase 2 clinical trial.

We acquired the worldwide rights to BHV-8000 (excluding People's Republic of China and its territories and possessions) under an exclusive license agreement with HighlightII.

Glutamate

The most advanced product candidate from our glutamate receptor antagonist platform is troriluzole (previously referred to as trigriluzole and BHV-4157), which is currently in two Phase 3 trials in OCD and, for which, the Company submitted a new drug application ("NDA") in Spinocerebellar Ataxia Type 3 ("SCA3") to the U.S. FDA in the second quarter of 2023. Troriluzole is also being evaluated by the Global Coalition for Adaptive Research ("GCAR") as part of Glioblastoma Adaptive Global Innovative Learning Environment - NCT03970447 ("GBM AGILE"), a revolutionary patient-centered, adaptive platform trial for registration that tests multiple therapies for patients with newly-diagnosed and recurrent glioblastoma ("GBM"). Other product candidates include BHV-5500, which is an antagonist of the glutamate N-methyl-D-aspartate ("NMDA") receptor and its oral prodrug BHV-5000.

Troriluzole

Spinocerebellar Ataxia

SCAs are a group of ultra-rare, dominantly inherited neurodegenerative disorders predominantly characterized by atrophy of the cerebellum, brainstem, and spinal cord. The disease course of SCA is one of relentless progression over years and inevitably leads to clinical deterioration of motor function, gait imbalance with frequent falling, severe speech impairment, swallowing difficulties, and premature death. SCAs are thought to be pathogenetically related but disease course and brain region involvement are known to vary between the different genotypes. SCA3, also known as Machado-Joseph disease, is the most common genotype, with a prevalence of up to 6,000 patients in North America and up to 4,600 in the European Union ("EU") and Japan, and accounts for approximately 30% to 50% of SCAs worldwide. Currently, there are no approved symptomatic or neuroprotective treatments for SCA.

In May 2022, the Company announced top-line results from the Phase 3 clinical trial (Study BHV4157-206) evaluating the efficacy and safety of its investigational therapy, troriluzole, in patients with SCA. The primary endpoint, change from baseline to week 48 on the f-SARA, did not reach statistical significance in the overall SCA population as there was less than expected disease progression in the placebo arm over the course of the study. Preliminary post hoc analysis of efficacy measures by genotype suggested a treatment effect in patients with the SCA3 genotype. A risk reduction in falls was also observed in the SCA3 population, as well as across all SCA genotypes. Troriluzole was well tolerated with an adverse event profile similar to placebo.

In May 2023, the Company presented further analysis of Study BHV4157-206 by prespecified genotype strata that revealed consistent treatment effects of troriluzole in SCA3, the most common genotype worldwide, which represented 41% of study participants. In SCA3 subjects, troriluzole 200mg QD demonstrated benefit on the f-SARA compared with placebo at 48 weeks (LS mean treatment difference = -0.56; 95% CI = -1.11, -0.01; p = 0.0450). These results were further supported by consistent results across the range of secondary and exploratory endpoints assessed in the SCA3 subgroup.

Study BHV4157-206 is an adequate and well-controlled 48-week clinical trial that provides evidence of the efficacy of troriluzole 200 mg once daily in adult SCA3 subjects. Confirmatory evidence of efficacy is provided from several distinct sources, including the MAIC external control analysis of 3-year OLE data from BHV4157-206 demonstrating treatment benefit in f-SARA scores at 1, 2 and 3 years, the MAIC external control analysis of 3-year OLE data from the Phase 2 BHV4157-201 study showing treatment benefit in the f-SARA scores at 1, 2 and 3 years, and statistical analyses of a composite efficacy endpoint applied to the BHV4157-206 SCA3 study population.

Given these findings and the debilitating nature of SCA, in May 2023 we announced that we submitted a New Drug Application ("NDA") to the FDA for troriluzole for the treatment of SCA3. In July 2023, the FDA informed us that it would not review the recently submitted NDA application for troriluzole given that the study's primary endpoint was not met and thus, would not permit a substantive review. The communication from the FDA indicated that we may request a Type A meeting within 30 days. Biohaven plans to request a Type A meeting to comprehensively address the FDA's concerns cited in the refusal to file letter. We intend to submit a Marketing Authorization Application ("MAA") to the European Medicines Agency ("EMA") in the second half of 2023.

Obsessive Compulsive Disorder

We commenced a Phase 2/3 double-blind, randomized, controlled trial to assess the efficacy of troriluzole in adults with OCD in December 2017. The Phase 2/3 study results were announced in June 2020. Troriluzole 200 mg administered once daily as adjunctive therapy in OCD patients with inadequate response to standard of care treatment showed

consistent numerical improvement over placebo on the Yale-Brown Obsessive Compulsive Scale (Y-BOCS) at all study timepoints (weeks 4 to 12) but did not meet the primary outcome measure at week 12. Troriluzole treated subjects (n = 111) had a mean Y-BOCS improvement of -3.4 points from baseline versus -2.9 for placebo-treated (n = 115) subjects [difference -0.5 and p-value = 0.451] at week 4, -5.1 points (n = 96) versus -3.6 for placebo-treated (n = 108) subjects [difference -1.5 and p-value = 0.041] at week 8, and -5.9 points (n = 99) versus -4.9 for placebo-treated (n = 102) subjects [difference -1.0 and p-value = 0.220] at week 12. Troriluzole's safety profile was generally consistent with past clinical trial experience with its active metabolite, riluzole. Treatment emergent adverse events ("TEAE"s) were mostly reported to be mild in intensity. TEAEs that occurred in at least 5% of patients in the troriluzole group, and more frequently in the troriluzole group than in the placebo group, were headache, dizziness, fatigue, somnolence, nausea and nasopharyngitis.

Given the strong signal in the Phase 2/3 proof of concept study and after receiving feedback from the FDA in an End of Phase 2 meeting, in December 2020 we initiated enrollment in a Phase 3 program. The Phase 3 program will have an estimated total enrollment of up to 700 participants in each trial with a primary endpoint of change from baseline on the Y-BOCS total score at week 4, 8 and 10. The two Phase 3 randomized, double-blind, placebo-controlled trials that make-up our Phase 3 program for OCD are currently ongoing. Enrollment in a Phase 3 program for OCD is expected to be completed in 2023.

Glioblastoma

In December 2021, GCAR selected troriluzole for evaluation in GBM AGILE. GBM AGILE is a revolutionary patient-centered, adaptive platform trial for registration that tests multiple therapies for patients with newly-diagnosed and recurrent GBM, the most fatal form of brain cancer. Troriluzole will be evaluated in all patient subgroups of the trial which include newly-diagnosed methylated MGMT, newly-diagnosed unmethylated MGMT, and recurrent GBM. Troriluzole was selected for inclusion in GBM AGILE based on compelling evidence showing deregulation of glutamate in GBM. The therapeutic potential of troriluzole in GBM and other oncology indications is supported by several recent clinical and translational research studies conducted with troriluzole and its active moiety.

In July 2022, the Company and GCAR announced that enrollment has commenced in GBM AGILE for the evaluation of troriluzole. Enrollment in the study is ongoing.

Lanicemine (BHV-5500) and BHV-5000

We are developing lanicemine (BHV-5500), a low-trapping NMDA receptor antagonist, and BHV-5000, a prodrug of lanicemine. One potential target indication is neuropathic pain, potentially including Complex Regional Pain Syndrome ("CRPS"). CRPS is a rare, chronic pain condition typically affecting limbs and triggered by traumatic injury. Accompanying symptoms also include chronic inflammation and reduced mobility in the affected areas. Other potential indications include neuropsychiatric diseases, potentially in combination with other agents, including Kv7 activators. We acquired worldwide rights to lanicemine and its oral prodrug BHV-5000 under an exclusive license agreement with AstraZeneca AB in October 2016. Current work is focused on formulation development.

Myostatin Platform

Taldefgrobep Alfa (BHV-2000)

In February 2022, we announced that we entered into a worldwide license agreement with BMS for the development and commercialization rights to taldefgrobep alfa (also known as BMS-986089 and now referred to as BHV-2000), a novel, Phase 3-ready anti-myostatin adnectin. Myostatin is a natural protein that limits skeletal muscle growth, an important process in healthy muscular development that can lead to improvements of lean mass and loss of adipose tissue. In patients with neuromuscular diseases, active myostatin can critically limit the growth needed to achieve developmental and functional milestones. Myostatin inhibition is a promising therapeutic strategy for enhancing muscle mass and strength in a range of pediatric and adult neuromuscular conditions. In addition, preclinical and early clinical data suggest that blocking myostatin and downstream signaling through its receptors on skeletal muscle may produce physical and metabolic changes that are important to individuals living with overweight and obesity, including reducing body fat and improving insulin sensitivity while increasing lean muscle mass. Taldefgrobep's novel mode of action and unique impact on body composition suggest it could be used as monotherapy or in combination with other anti-obesity medications.

Spinal Muscular Atrophy

In July 2022, we commenced enrollment in a Phase 3 clinical trial of BHV-2000 assessing the efficacy and safety of taldefgrobep alfa in Spinal Muscular Atrophy ("SMA"). SMA is a rare, progressively debilitating motor neuron disease in which development and growth of muscle mass are compromised, resulting in progressive weakness and muscle atrophy, reduced motor function, impaired quality of life and often death. The Phase 3 placebo-controlled, double-blind trial is designed to evaluate the efficacy and safety of taldefgrobep as an adjunctive therapy for participants who are already taking a stable dose of nusinersen or risdiplam or have a history of treatment with onasemnogene abeparvovec-xioi, compared to placebo. The study is not restricted nor limited to patients based on ambulatory status or classification of SMA. We expect to randomize approximately 180 patients in this double-blind, placebo-controlled global trial. Enrollment is expected to be completed in the second half of 2023.

In February 2023, we received Fast Track designation from the FDA for taldefgrobep alfa for the treatment of SMA. In December 2022, we received orphan drug designation from the FDA for taldefgrobep in the treatment of SMA. In July 2023, we received orphan drug designation from the European Commission for taldefgrobep alfa in the treatment of SMA.

Metabolic Disorders

Obesity is a disease of excess and/or abnormal deposits of adipose tissue and a current global public health crisis. By 2030, it is expected that nearly one billion people will be living with obesity, including 50% of the adult and 25% of the adolescent US population. The primary driver of obesity-related morbidity and mortality is metabolically active visceral adipose tissue and associated deposits of adipose tissue in and around organs such as the heart, liver, kidneys, and muscle.

Preclinical and clinical data have demonstrated the potential for anti-myostatin therapies to produce physical and metabolic changes that are highly relevant to individuals living with overweight and obesity, including reducing total body fat and visceral adiposity, and improving insulin sensitivity and bone mineral density, while increasing lean muscle mass.

In May 2023, we announced plans to initiate a Phase 2 clinical trial of BHV-2000 for metabolic disorders. The Company is evaluating and has not yet finalized potential clinical trial designs, including timing, trial size and primary and secondary endpoints.

CD-38

BHV-1100

In the fourth quarter of 2021, we initiated a Phase 1a/1b trial in multiple myeloma patients using its antibody recruiting molecule BHV-1100 in combination with autologous cytokine induced memory-like natural killer cells and immune globulin to target and kill multiple myeloma cells expressing the cell surface protein CD38. BHV-1100 is the lead clinical asset from Biohaven's Antibody Recruiting Molecule ("ARM™") Platform developed from a strategic alliance with PeptiDream Inc. ("PeptiDream") (TYO: 4587). This open-label single center Phase 1a/1b study will assess the safety and tolerability as well as exploratory efficacy endpoints in newly diagnosed multiple myeloma patients who have tested positive for minimal residual disease ("MRD+") in first or second remission prior to autologous stem cell transplant ("ASCT"). We plan to enroll 30 newly diagnosed multiple myeloma patients. The primary outcome measures are dose limiting toxicities following combination product administration (time frame: 100 days post-combination product administration) and incidence and severity of side effects related to the combination product (time frame: 90 to 100 days post-combination product administration).

Discovery Research

Kleo Pharmaceuticals, Inc. and Biohaven Labs

In January 2021, we acquired the remaining approximately 58% of Kleo Pharmaceuticals, Inc. ("Kleo") that we did not previously own. We have assumed Kleo's laboratory facilities located in Science Park in New Haven, Connecticut. We are continuing several existing Kleo discovery partnerships, including one with PeptiDream for the development of immuno-oncology therapeutics.

TDP-43

Agreement with Fox Chase Chemical Diversity Center, Inc.

In May 2019, we entered into an agreement with Fox Chase Chemical Diversity Center Inc. ("FCCDC") for FCCDC's TDP-43 assets (the "FCCDC Agreement"). The FCCDC Agreement provides us with a plan and goal to identify one or more new chemical entity candidates for preclinical development for eventual clinical evaluation for the treatment of one or more TDP-43 proteinopathies. In connection with the FCCDC Agreement, Biohaven and FCCDC have established a TDP-43 Research Plan that provides for certain milestones to be achieved by FCCDC, and milestone payments to be made by us.

UC1MT

Agreement with University of Connecticut

In October 2018, we entered into an exclusive, worldwide option and license agreement (the "UConn Agreement") with the University of Connecticut ("UConn") for the development and commercialization rights to UC1MT, a therapeutic antibody targeting extracellular metallothionein. Under this agreement, we had the option to acquire an exclusive, worldwide license to UC1MT and its underlying patents to develop and commercialize throughout the world in all human indications (the "UConn Option"). In September 2022, the Company exercised the UConn Option in exchange for a payment of $0.4 million. Under the agreement, UConn will be entitled to milestone payments upon the achievement of specified regulatory and commercial milestones, and royalties of a low single-digit percentage of net sales of licensed products.

Artizan Biosciences, Inc.

In December 2020, we entered into an Option and License Agreement (the "2020 Artizan Agreement") with Artizan Biosciences Inc. ("Artizan"), a biotechnology company focused on addressing inflammatory diseases involving the human intestinal microbiota. Pursuant to the 2020 Artizan Agreement, we acquired an option to obtain a royalty-based license from Artizan to manufacture, use and commercialize certain products. Artizan will use the proceeds to continue advancing the preclinical research and development of its lead

program for inflammatory bowel disease as well as to explore additional disease targets. In June 2022, we and Artizan executed a non-binding indication of interest which described terms under which we and Artizan would amend the 2020 Artizan Agreement to eliminate certain milestone payments required by us in exchange for limiting our option to the selection of the first licensed product. In the fourth quarter of 2022, Artizan was unable to secure additional financing to support its ongoing operations, and, as a result, began reviewing strategic options for the sale of its assets, and secured a small bridge financing to fund operations during the strategic review.

During the fourth quarter of 2022, due to concerns related to Artizan's inability to fund its future operations, we determined our investment in Artizan to be fully impaired. In January 2023, Artizan severed all of its discovery employees and halted the Parkinson's Disease ("PD") program. Artizan plans to initiate the process of seeking a strategic partner to take over Artizan or its assets. In June 2023, we agreed to terminate the 2020 Artizan Agreement and relinquish our option rights under certain conditions associated with the winding down of Artizan’s business.

Reliant Glycosciences, LLC

In July 2021, we entered into a development and license agreement with Reliant Glycosciences, LLC ("Reliant") for collaboration on a program with Biohaven Labs’ multifunctional molecules to develop and commercialize conjugated antibodies for therapeutic uses relating to IgA nephropathy and treatment of other diseases and conditions. Under the Agreement, Reliant was entitled to an upfront share payment and will be eligible to receive development milestone payments and royalties of net sales of licensed products.

TRPM3 Antagonists

In January 2022, we entered into an Exclusive License and Research Collaboration Agreement with Katholieke Universiteit Leuven ("KU Leuven") to develop and commercialize TRPM3 antagonists to address the growing proportion of people worldwide living with chronic pain disorders (the "KU Leuven Agreement"). The TRPM3 antagonist platform was discovered at the Centre for Drug Design and Discovery and the Laboratory of Ion Channel Research at KU Leuven. Under the KU Leuven Agreement, we receive exclusive global rights to develop, manufacture and commercialize KU Leuven's portfolio of small-molecule TRPM3 antagonists. The portfolio includes the lead candidate, henceforth known as BHV-2100, which is being evaluated in preclinical pain models and will be the first to advance towards Phase 1 studies. We expect to submit an IND application for BHV-2100 with the FDA in the second half of 2023. We will support further basic and translational research at KU Leuven on the role of TRPM3 in pain and other disorders. The Company is evaluating and has not yet finalized potential clinical trial designs, including size and primary and secondary endpoints.

MoDE Platform

In January 2021, we entered into a worldwide, exclusive license agreement with Yale University for the development and commercialization of a novel Molecular Degrader of Extracellular Protein ("MoDE") platform (the "Yale MoDE Agreement"). Under the license agreement, we acquired exclusive, worldwide rights to Yale University's intellectual property directed to its MoDE platform. The platform pertains to the clearance of disease-causing protein and other biomolecules by targeting them for lysosomal degradation using multi-functional molecules.

In October 2022, we announced advancements in the development of our MoDE extracellular target degrader platform technology licensed from Yale University for various disease indications, including, but not limited to, neurological disorders, cancer, infectious and autoimmune diseases. Biohaven made further innovations in this ground-breaking technology with new patent applications covering additional targets and functionality.

We evaluated the effect of single and multiple doses of our immunoglobulin gamma ("IgG") bispecific degrader, BHV-1300, in cynomolgus monkeys. In confirmatory studies, we reported 50% IgG lowering from baseline after one day, and 75% reduction of IgG levels after two days; the data in this pre-clinical study compares favorably to the standard of care therapy, efgartigimod, an FcRn inhibitor where reduction of IgG levels in cynomolgus reached approximately 50% in 5-7 days. The Company expects to submit an IND application for BHV-1300 with the FDA in the second half of 2023 and expects to initiate Phase 2 studies in 2024. The Company is evaluating and has not yet finalized potential clinical trial designs, including size and primary and secondary endpoints.

The Company presented preclinical data with a second MoDE targeting galactose deficient IgA ("Gd-IgA"), which is believed to play a pathogenic role in IgA Nephropathy. Specific removal of pathogenic Gd-IgA with preservation of normal IgA potentially permits disease remission without incurring an infection risk. The Company shared preliminary data demonstrating the chimeric antibody-ASGPR ligand conjugate specifically mediated endocytosis of Gd-IgA, as opposed to normal IgA, in an endocytosis assay with HepG2 cells. The Company expects to submit an IND application with the FDA in the first half of 2024.

Components of Our Results of Operations

Revenue

To date, we have not generated any revenue from product sales and we do not expect to generate any revenue from the sale of products in the near future. If our development efforts for our product candidates are

successful and result in regulatory approval or additional license agreements with third parties, then we may generate revenue in the future from product sales.

Operating Expenses

Research and Development Expenses

Research and development ("R&D") expenses consist primarily of costs incurred in connection with the development of our product candidates. We expense research and development costs as incurred. These expenses include:

- expenses incurred under agreements with CROs or contract manufacturing organizations (“CMOs”), as well as investigative sites and consultants that conduct our clinical trials, preclinical studies and other scientific development services;
- manufacturing scale-up expenses and the cost of acquiring and manufacturing preclinical and clinical trial materials and commercial materials, including manufacturing validation batches;
- employee-related expenses, including salaries, benefits, travel and non-cash share-based compensation expense for employees engaged in research and development functions;
- costs related to compliance with regulatory requirements;
- development milestone payments incurred prior to regulatory approval of the product candidate;
- rent and operating expenses incurred for leased lab facilities and equipment; and
- payments made in cash, equity securities or other forms of consideration under third-party licensing or other agreements prior to regulatory approval of the product candidate.

We recognize external development costs based on an evaluation of the progress to completion of specific tasks using estimates of our clinical personnel or information provided to us by our service providers.

Our external direct research and development expenses are tracked on a program-by-program basis for our product candidates and consist primarily of external costs, such as fees paid to outside consultants, CROs, CMOs, and central laboratories in connection with our preclinical development, process development, manufacturing and clinical development activities. Our direct research and development expenses by program also include fees and certain development milestones incurred under license agreements. We do not allocate employee costs, or other indirect costs, to specific programs because these costs are deployed across multiple programs and, as such, are not separately classified. We use internal resources primarily to oversee the research and development as well as for managing our preclinical development, process development, manufacturing and clinical development activities. Many employees work across multiple programs, and we do not track personnel costs by program.

Product candidates in later stages of clinical development generally have higher development costs than those in earlier stages of clinical development, primarily due to the increased size and duration of later-stage clinical trials. We expect that our research and development expenses will remain significant over the next several years as we increase personnel costs, conduct late-stage clinical trials, and prepare regulatory filings for our product candidates. We also expect to incur additional expenses related to milestone and royalty payments payable to third parties with whom we have entered into license agreements to acquire the rights to our product candidates.

The successful development and commercialization of our product candidates is highly uncertain. At this time, we cannot reasonably estimate or know the nature, timing and costs of the efforts that will be necessary to complete the preclinical and clinical development of any of our product candidates or when, if ever, material net cash inflows may commence from any of our product candidates. This uncertainty is due to the numerous risks and uncertainties associated with product development and commercialization, including the uncertainty of:

- the scope, progress, outcome and costs of our preclinical development activities, clinical trials and other research and development activities;
- establishment of an appropriate safety profile with IND-enabling studies;
- successful patient enrollment in, and the initiation and completion of, clinical trials;
- the timing, receipt and terms of any marketing approvals from applicable regulatory authorities;
- establishment of commercial manufacturing capabilities or making arrangements with third-party manufacturers;
- development and timely delivery of commercial-grade drug formulations that can be used in our clinical trials and for commercial launch;
- acquisition, maintenance, defense and enforcement of patent claims and other intellectual property rights;
- significant and changing government regulation;
- initiation of commercial sales of our product candidates, if and when approved, whether alone or in collaboration with others; and
- maintenance of a continued acceptable safety profile of the product candidates following approval.

General and Administrative Expenses

General and administrative expenses consist primarily of personnel costs, including salaries, benefits and travel expenses for our executive, finance, business, corporate development and other administrative functions; and non-cash share-based compensation expense. General and administrative expenses also include facilities and other related expenses, including rent, depreciation, maintenance of facilities, insurance and supplies; and for public relations, audit, tax and legal services, including legal expenses to pursue patent protection of our intellectual property.

We anticipate that our general and administrative expenses, including payroll and related expenses, will remain significant in the future as we continue to support our research and development activities and prepare for potential commercialization of our product candidates, if successfully developed and approved. We also anticipate increased expenses associated with general operations, including costs related to accounting and legal services, director and officer insurance premiums, facilities and other corporate infrastructure, office-related costs, such as information technology costs, and certain costs to establish ourself as a standalone public company, as well as ongoing additional costs associated with operating as an independent, publicly traded company.

Other Income (Expense)

Other Income, Net

Other income, net primarily consists of net investment income and service revenue from the Transition Service Agreement we entered into with the Former Parent. Net investment income is comprised of interest income and net accretion and amortization on investments. Refer to Note 13, "Related Party Transactions," for further discussion of agreements entered into with the Former Parent.

Provision for Income Taxes

The income tax expense in the condensed consolidated financial statements was calculated on a separate return method and presented as if the Company's operations were separate taxpayers in the respective jurisdictions up to and including the Separation. Cash tax payments, income taxes receivable and deferred taxes, net of valuation allowance, are reflective of our actual tax balances prior and subsequent to the Separation.

As a company incorporated in the BVI, we are principally subject to taxation in the BVI. Under the current laws of the BVI, the Company and all dividends, interest, rents, royalties, compensation and other amounts paid by the Company to persons who are not resident in the BVI and any capital gains realized with respect to any shares, debt obligations, or other securities of the Company by persons who are not resident in the BVI are exempt from all provisions of the Income Tax Ordinance in the BVI.

We have historically outsourced all of the research and clinical development for our programs under a master services agreement with Biohaven Pharmaceuticals, Inc. ("BPI"). As a result of providing services under this agreement, BPI was profitable during the three and six months ended June 30, 2023 and 2022, and BPI is subject to taxation in the United States. As such, in each reporting period, the tax provision includes the effects of the results of operations of BPI.

At June 30, 2023 and December 31, 2022, we continued to maintain a full valuation allowance against our net deferred tax assets, comprised primarily of capitalized research and development deductions, research and development tax credit carryforwards, and net operating loss carryforwards, based on management's assessment that it is more likely than not that the deferred tax assets will not be realized. We recorded an income tax provision during the three and six months ended June 30, 2023 of $2.2 million and $3.1 million, respectively, and a provision of $6.1 million and $13.4 million during the three and six months ended June 30, 2022, respectively, which primarily represents U.S. Federal and state taxes related to BPI's profitable operations in the United States.

Results of Operations

Comparison of the Three Months Ended June 30, 2023 and 2022

The following tables summarize our results of operations for the three months ended June 30, 2023 and 2022:

	Three Months Ended June 30,		
	2023	2022	Change
In thousands			
Operating expenses:			
Research and development	$ 79,490	$ 177,087	$ (97,597)
General and administrative	14,521	20,023	(5,502)
Total operating expenses	94,011	197,110	(103,099)
Loss from operations	(94,011)	(197,110)	103,099
Other income (expense):			
Other income (expense), net	5,842	(67)	5,909
Total other income (expense), net	5,842	(67)	5,909
Loss before provision for income taxes	(88,169)	(197,177)	109,008
Provision for income taxes	2,177	6,110	(3,933)
Net loss	$ (90,346)	$ (203,287)	$ 112,941

Research and Development Expenses

	Three Months Ended June 30,		
	2023	2022	Change
In thousands			
Direct research and development expenses by program:			
BHV-7000 & BHV-7010	$ 9,904	$ 119,249	$ (109,345)
BHV-8000	1,115	—	1,115
BHV-2100 (TRPM3)	1,311	632	679
Troriluzole	19,141	13,125	6,016
BHV-2000	11,078	4,116	6,962
BHV-1100	487	252	235
BHV-1200 (COVID-19)	—	2,655	(2,655)
Verdiperstat	2,454	3,935	(1,481)
Other programs	234	88	146
Unallocated research and development costs:			
Personnel related (including non-cash share-based compensation)	19,280	22,853	(3,573)
Preclinical research programs	10,734	6,532	4,202
Other	3,752	3,650	102
Total research and development expenses	$ 79,490	$ 177,087	$ (97,597)

R&D expenses, including non-cash share-based compensation costs, were $79.5 million for the three months ended June 30, 2023, compared to $177.1 million for the three months ended June 30, 2022. The decrease of $97.6 million was primarily due to a one-time $93.7 million expense during the three months ended June 30, 2022 for our Kv7 Platform Acquisition and a $25.0 million milestone relating to BHV-7000. The decrease was partially offset by increases in direct program spend for additional and advancing clinical trials in 2023, as compared to the same period in the prior year.

Non-cash share-based compensation expense was $2.5 million for the three months ended June 30, 2023, a decrease of $10.3 million as compared to the same period in 2022. Non-cash share-based compensation expense was higher in the second quarter of 2022 primarily because expense allocated from the Former Parent equity plan, prior to the spin-off, was based on equity awards with higher grant date fair values, which was partially offset by increased personnel costs related to an increase in headcount for our discovery operations.

General and Administrative Expenses

General and administrative expenses were $14.5 million for the three months ended June 30, 2023, compared to $20.0 million for the three months ended June 30, 2022. The decrease of $5.5 million was primarily due to decreased non-cash share-based compensation costs. Non-cash share-based compensation expense was $2.2 million for the three months ended June 30, 2023, a decrease of $5.8 million as compared to the same period in 2022. Non-cash share-based compensation expense was higher in the second quarter of 2022 primarily because expense allocated from the Former Parent equity plan, prior to the spin-off, was based on equity awards with higher grant date fair values.

Other Income (Expense), Net

Other income (expense), net was a net income of $5.8 million for the three months ended June 30, 2023, compared to net expense of $67 thousand for the three months ended June 30, 2022. The increase of $5.9 million in income was primarily due to an increase in net investment income of $4.1 million and an increase of $1.7 million in other income reflecting transition services provided to the Former Parent during the three months ended June 30, 2023.

Provision for Income Taxes

We recorded an income tax provision of $2.2 million for the three months ended June 30, 2023, compared to a provision for income taxes of $6.1 million for the three months ended June 30, 2022. The decrease in income tax expense was primarily attributable to the amortization of prior year capitalized R&D expenses, the utilization of R&D tax credits, and an increase in the Company's foreign derived intangible income deduction.

Comparison of the Six Months Ended June 30, 2023 and 2022

The following tables summarize our results of operations for the six months ended June 30, 2023 and 2022:

	Six Months Ended June 30,		
	2023	2022	Change
In thousands			
Operating expenses:			
Research and development	$ 142,951	$ 247,183	$ (104,232)
General and administrative	28,842	39,700	(10,858)
Total operating expenses	171,793	286,883	(115,090)
Loss from operations	(171,793)	(286,883)	115,090
Other income (expense):			
Other (expense) income	14,071	(71)	14,142
Total other (expense) income, net	14,071	(71)	14,142
Loss before provision (benefit) for income taxes	(157,722)	(286,954)	129,232
Provision (benefit) for income taxes	3,116	13,365	(10,249)
Net loss and comprehensive loss	$ (160,838)	$ (300,319)	$ 139,481

Research and Development Expenses

	Six Months Ended June 30,		
	2023	2022	Change
In thousands			
Direct research and development expenses by program:			
BHV-7000 & BHV-7010	$ 17,773	$ 119,438	$ (101,665)
BHV-8000	1,161	$ —	1,161
BHV- 2100 (TRPM3)	2,026	$ 6,509	(4,483)
Troriluzole	37,543	$ 26,642	10,901
BHV-2000	17,933	6,996	10,937
BHV-1100	1,144	499	645
BHV-1200 (COVID 19)	—	4,973	(4,973)
Verdiperstat	2,199	8,121	(5,922)
Other programs	437	193	244
Unallocated research and development costs:			
Personnel related (including non-cash share-based compensation)	36,959	55,240	(18,281)
Preclinical research programs	18,278	11,737	6,541
Other	7,498	6,835	663
Total research and development expenses	$ 142,951	$ 247,183	$ (104,232)

R&D expenses, including non-cash share-based compensation costs, were $143.0 million for the six months ended June 30, 2023, compared to $247.2 million for the six months ended June 30, 2022. The decrease of $104.2 million was primarily due to a one-time $93.7 million expense during the six months ended June 30, 2022 for our Kv7 Platform Acquisition, a $25.0 million milestone relating to BHV-7000, and a decrease of $18.3 million in personnel related costs. The decrease was partially offset by increases in direct program spend for additional and advancing clinical trials in 2023, as compared to the same period in the prior year. Non-cash share-based compensation expense was $4.7 million for the six months ended June 30, 2023, a decrease of $32.6 million as compared to the same period in 2022. Non-cash share-based compensation expense was higher in the six months ended June 30, 2022, primarily because expense allocated from the Former Parent equity plan, prior to the spin-off, was based on equity awards with higher grant date fair values, which was partially offset by increased personnel costs related to an increase in headcount for our discovery operations.

General and Administrative Expenses

G&A expenses, including non-cash share-based compensation costs, were $28.8 million for the six months ended June 30, 2023, compared to $39.7 million for the six months ended June 30, 2022. The decrease of $10.9 million was primarily due to decreased non-cash share-based compensation costs. This was partially offset by increased personnel costs in the six months ended June 30, 2023 compared to the same period in 2022, due to a majority of the personnel costs in the six months ended June 30, 2022 being allocated to the Former Parent. Non-cash share-based compensation expense was $3.8 million for the six months ended June 30, 2023, a decrease of $19.9 million as compared to the same period in 2022. Non-cash share-based compensation expense was higher in the six months ended June 30, 2022, primarily because expense allocated from the Former Parent equity plan, prior to the spin-off, was based on equity awards with higher grant date fair values.

Other Income (Expense), Net

Other income (expense), net was a net income of $14.1 million for the six months ended June 30, 2023, compared to a net expense of $71 thousand for the six months ended June 30, 2022. The increase of $14.1 million in net income was primarily due to net investment income of $8.2 million and service revenue from the Transition Service Agreement we entered into with the Former Parent of $5.6 million.

Provision (Benefit) for Income Taxes

We recorded a provision for income taxes of $3.1 million for the six months ended June 30, 2023, compared to an expense for income taxes of $13.4 million for the six months ended June 30, 2022. The decrease in income tax expense was primarily attributable to the amortization of prior year capitalized R&D expenses, the utilization of R&D tax credits, and an increase in the Company's foreign derived intangible income deduction.

Liquidity and Capital Resources

Since our inception as a business of the Former Parent, we have not generated any revenue and have incurred significant operating losses and negative cash flows from operations. We will not generate revenue

from product sales unless and until we successfully complete clinical development and obtain regulatory approval for our product candidates. We expect to continue to incur significant expenses for at least the next several years as we advance our product candidates from discovery through preclinical development and clinical trials and seek regulatory approval and pursue commercialization of any approved product candidate. In addition, if we obtain marketing approval for any of our product candidates, we expect to incur significant commercialization expenses related to product manufacturing, marketing, sales and distribution. In addition, we may incur expenses in connection with the in-license or acquisition of additional product candidates

Historically, for periods prior to the Separation, we have funded our operations primarily with proceeds allocated to our business from financing arrangements entered into by the Former Parent and through the one-time issuance of contingently redeemable non-controlling interests.

From the Separation through July 31, 2023, we have funded our operations primarily with the cash contribution received from the Former Parent at the Separation and proceeds from the public offering of our common shares in October 2022. We have incurred recurring losses since our inception and expect to continue to generate operating losses for the foreseeable future.

As of June 30, 2023, we had cash and cash equivalents of $147.6 million, excluding marketable securities of $187.5 million and restricted cash of $54.3 million, of which $40.4 million related to restricted cash held on behalf of Former Parent and $13.9 million related to collateral held by banks for letters of credit (“LOC”) issued in connection with leased office space in Yardley, Pennsylvania and Cambridge, Massachusetts. Cash in excess of immediate requirements is invested in marketable securities and money market funds with a view to liquidity and capital preservation. We continuously assess our working capital needs, capital expenditure requirements, and future investments or acquisitions.

Cash Flows

The following table summarizes our cash flows for each of the periods presented:

	Six Months Ended June 30,		
	2023	2022	Change
In thousands			
Net cash used in operating activities	$ (122,031)	$ (126,722)	$ 4,691
Net cash provided by (used in) investing activities	75,195	(36,250)	111,445
Net cash provided by financing activities	6,329	109,874	(103,545
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(147)	—	(147
Net (decrease) in cash, cash equivalents and restricted cash	$ (40,654)	$ (53,098)	$ 12,444

Operating Activities

Net cash used in operating activities was $122.0 million for the six months ended June 30, 2023 and $126.7 million for the six months ended June 30, 2022 The $4.7 million decrease in net cash used in operating activities for the six months ended June 30, 2023 was primarily driven by the collection of income tax refunds and receivables related to the transition services agreement with Pfizer, partially offset by an increase in R&D spending and personnel costs to support acquired and late-stage programs.

Investing Activities

Net cash provided by investing activities was $75.2 million for the six months ended June 30, 2023, compared to net cash used by investing activities of $36.3 million for the six months ended June 30, 2022. The $111.4 million increase in net cash provided by investing activities for the six months ended June 30, 2023 was primarily driven by an increase in sales and maturities of marketable securities, a decrease in cash payments for IPR&D asset acquisition, and purchases of equipment to support our discovery programs partially offset by an increase in purchases of marketable securities with cash in excess of immediate requirements (see Note 3 to the Condensed Consolidated Financial Statements).

Financing Activities

Net cash provided by financing activities was $6.3 million for the six months ended June 30, 2023 and $109.9 million for the six months ended June 30, 2022. The $103.5 million decrease in net cash provided by financing activities for the six months ended June 30, 2023 was primarily driven by a decrease in proceeds from net transfers from Parent due to the Company operating as a standalone entity for the six months ended June 30, 2023 partially offset by an increase in

restricted cash held in connection with the execution of the United States Distribution Services Agreement which is legally payable to the Former Parent (see Note 13 to the Condensed Consolidated Financial Statements).

Funding Requirements

We expect our expenses to increase in connection with our ongoing activities, particularly as we advance and expand preclinical activities, clinical trials and potential commercialization of our product candidates. Our costs will also increase as we:

- continue to advance and expand the development of our discovery programs and clinical-stage assets;
- continue to initiate and progress other supporting studies required for regulatory approval of our product candidates, including long-term safety studies, drug-drug interaction studies, preclinical toxicology and carcinogenicity studies;
- initiate preclinical studies and clinical trials for any additional indications for our current product candidates and any future product candidates that we may pursue;
- continue to build our portfolio of product candidates through the acquisition or in-license of additional product candidates or technologies;
- continue to develop, maintain, expand and protect our intellectual property portfolio;
- pursue regulatory approvals for our current and future product candidates that successfully complete clinical trials;
- support our sales, marketing and distribution infrastructure to commercialize any future product candidates for which we may obtain marketing approval;
- hire additional clinical, medical, commercial, and development personnel; and
- incur additional legal, accounting and other expenses in operating as a public company.

We expect that our cash, cash equivalents and marketable securities, as of the date of this Quarterly Report on Form 10-Q, will be sufficient to fund our current forecast for operating expenses, financial commitments and other cash requirements for more than one year. We expect we will need to raise additional capital until we are profitable. If no additional capital is raised through either public or private equity financings, debt financings, strategic relationships, alliances and licensing agreements, or a combination thereof, we may delay, limit or reduce discretionary spending in areas related to research and development activities and other general and administrative expenses in order to fund our operating costs and working capital needs.

We have based these estimates on assumptions that may prove to be wrong, and we could utilize our available capital resources sooner than we expect. We expect that we will require additional capital to pursue in-licenses or acquisitions of other product candidates. If we receive regulatory approval for troriluzole, or our other product candidates, we expect to incur commercialization expenses related to product manufacturing, sales, marketing and distribution, depending on where we choose to commercialize or whether we commercialize jointly or on our own.

Because of the numerous risks and uncertainties associated with research, development and commercialization of pharmaceutical product candidates, we are unable to estimate the exact amount of our working capital requirements. Our future funding requirements will depend on and could increase significantly as a result of many factors, including:

- the scope, progress, results and costs of researching and developing our product candidates, and conducting preclinical studies and clinical trials;
- the costs, timing and outcome of regulatory review of our product candidates;
- the costs and timing of hiring new employees to support our continued growth;
- the costs of preparing, filing, and prosecuting patent applications, maintaining and enforcing our intellectual property rights and defending intellectual property-related claims;
- the extent to which we acquire or in-license other product candidates and technologies;
- the timing, receipt and amount of sales of, or milestone payments related to or royalties on, our current or future product candidates, if any; and
- other capital expenditures, working capital requirements, and other general corporate activities.

Until such time, if ever, that we can generate product revenue sufficient to achieve profitability, we expect to finance our cash needs through a combination of public and private equity offerings, debt financings, other third-party funding, strategic alliances, licensing arrangements or marketing and distribution arrangements. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the ownership interest of our existing shareholders will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect the rights of our existing shareholders. Debt financing and preferred equity financing, if available, may involve agreements that

include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. If we raise additional funds through other third-party funding, strategic alliances, licensing arrangements or marketing and distribution arrangements, we may have to relinquish valuable rights to our technologies, future revenue streams, research programs or product candidates or grant licenses on terms that may not be favorable to us. If we are unable to raise additional funds through equity or debt financings when needed, we will be required to delay, limit, reduce or terminate our product development or future commercialization efforts or grant rights to develop and market products or product candidates that we would otherwise prefer to develop and market ourselves.

Contractual Obligations and Commitments

Except as discussed in Note 11, "Commitments and Contingencies" to our Condensed Consolidated Financial Statements included in Item 1, “Unaudited Condensed Consolidated Financial Statements,” of this Quarterly Report on Form 10-Q, there have been no material changes to our contractual obligations and commitments as included in our audited consolidated financial statements included in the 2022 Form 10-K.

Critical Accounting Policies and Significant Judgments and Estimates

We have prepared our condensed consolidated financial statements in accordance with accounting principles generally accepted in the United States ("GAAP"). Our preparation of our condensed consolidated financial statements requires us to make estimates, assumptions, and judgments that affect the reported amounts of assets, liabilities, expenses, and related disclosures at the date of the condensed consolidated financial statements. We evaluate our estimates and judgments on an ongoing basis. We base our estimates on 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 could therefore differ materially from these estimates under different assumptions or conditions.

During the six months ended June 30, 2023, there were no material changes to our critical accounting policies as reported in our annual consolidated financial statements included in the 2022 Form 10-K.

Recently Issued Accounting Pronouncements

A description of recently issued accounting pronouncements that may potentially impact our financial position and results of operations, if applicable, is disclosed in Note 2 to our condensed consolidated financial statements appearing at the beginning of this Quarterly Report on Form 10-Q.

Emerging Growth Company Status

We are an “emerging growth company,” as defined in the Jumpstart Our Business Startups (JOBS) Act (the "JOBS Act"), and we are eligible to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not “emerging growth companies.” These exemptions generally include, but are not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and shareholder approval of any golden parachute payments not previously approved.

We plan to take advantage of some or all of the reduced regulatory and reporting requirements that will be available to us as long as we qualify as an emerging growth company, except that we have irrevocably elected not to take advantage of the extension of time to comply with new or revised financial accounting standards available under Section 102(b) of the JOBS Act.

We will, in general, remain as an emerging growth company for up to five full fiscal years following the Distribution. We would cease to be an emerging growth company and, therefore, become ineligible to rely on the above exemptions, if we:

- have more than $1.235 billion in annual revenue in a fiscal year;
- issue more than $1 billion of non-convertible debt during the preceding three-year period; or
- become a “large accelerated filer” as defined in Exchange Act Rule 12b-2, which would occur after: (i) we have filed at least one annual report pursuant to the Exchange Act; (ii) we have been an SEC-reporting company for at least twelve months; and (iii) the market value of our common shares that is held by non-affiliates exceeds $700 million as of the last business day of our most recently completed second fiscal quarter.

We will cease to be an “emerging growth company” effective December 31, 2023, because the aggregate market value of our common shares held by non-affiliates exceeded $700 million as of June 30, 2023.

Smaller Reporting Company Status

A “smaller reporting company,” as defined in Rule 12b-2 under the Exchange Act, is eligible for exemptions from various reporting requirements applicable to other public companies that are not smaller reporting companies, including, but not limited to, reduced

disclosure obligations regarding executive compensation.

We are a smaller reporting company as long as either:

- (i) the market value of our common shares held by non-affiliates is less than $250 million as of the last business day of our most recently completed second fiscal quarter; or
- (ii) our annual revenue is less than $100 million during the most recently completed fiscal year and the market value of our common shares held by non-affiliates is less than $700 million as of the last business day of our most recently completed second fiscal quarter.

As of June 30, 2023, the aggregate market value of our common shares held by non-affiliates exceeded $700 million. We may continue to take advantage of certain reduced disclosures available to smaller reporting companies through the filing of our Annual Report on Form 10-K for the year ending December 31, 2023.

Item 3. Quantitative and Qualitative Disclosures about Market Risks

Foreign Currency Translation

Our operations include activities in countries outside the U.S. As a result, our financial results are impacted by factors such as changes in foreign currency exchange rates or weak economic conditions in the foreign markets where we operate. Our monetary exposures on our balance sheet are currently immaterial to our financial position as of June 30, 2023.

We do not engage in any hedging activities against changes in foreign currency exchange rates.

Interest Rate Risk

As of June 30, 2023, we invest our excess cash balances in marketable securities of highly rated financial institutions and investment-grade debt instruments. We seek to diversify our investments and limit the amount of investment concentrations for individual institutions, maturities and investment types. Most of our interest-bearing securities are subject to interest rate risk and could decline in value if interest rates fluctuate. Based on the type of securities we hold, we do not believe a change in interest rates would have a material impact on our financial statements. If interest rates were to increase or decrease by 1.00%, the fair value of our investment portfolio would (decrease) increase by approximately $(0.5) million and $0.5 million, respectively.

We do not engage in any hedging activities against changes in interest rates.

Credit Risk

Financial instruments that potentially expose the Company to concentrations of credit risk consist of cash, cash equivalents, and short-term debt securities. The Company maintains a portion of its cash deposits in government insured institutions in excess of government insured limits. The Company deposits its cash in financial institutions that it believes have high credit quality and has not experienced any losses on such accounts. The Company's cash management policy permits investments in U.S. federal government and federal agency securities, corporate bonds or commercial paper, supranational and sovereign obligations, certain qualifying money market mutual funds, certain repurchase agreements, and places restrictions on credit ratings, maturities, and concentration by type and issuer. The Company is exposed to credit risk in the event of a default by the financial institutions holding its cash in excess of government insured limits and in the event of default by corporations and governments in which it holds investments in cash equivalents and short-term debt securities, to the extent recorded on the condensed consolidated balance sheet.

We have not experienced any credit losses or recorded any allowance for credit losses related to our cash, cash equivalents, and short-term debt securities.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

The term “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, refers to controls and procedures 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 such information is accumulated and communicated to a company’s management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure.

In designing and evaluating our disclosure controls and procedures, management recognizes that disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the disclosure controls and procedures are met. Additionally, in designing disclosure controls and procedures, our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible disclosure controls and procedures. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its

stated goals under all potential future conditions; over time, controls may become inadequate because of changes in conditions, or the degree of compliance with policies or procedures may deteriorate. Because of the inherent limitations in a control system, misstatements due to error or fraud may occur and not be detected.

Based on the evaluation of our disclosure controls and procedures as of June 30, 2023, our Chief Executive Officer and Chief Financial Officer have concluded that, as of June 30, 2023, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Controls over Financial Reporting

There has been no change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the three months ended June 30, 2023 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

From time to time, we may be subject to litigation and claims arising in the ordinary course of business. We are not currently a party to any material legal proceedings, and we are not aware of any pending or threatened legal proceeding against us that we believe could have a material adverse effect on our business, operating results, cash flows or financial condition.

Item 1A. Risk Factors

Our business is subject to risks and events that, if they occur, could adversely affect our financial condition and results of operations and the trading price of our securities. Our risk factors have not changed materially from those described in "Part I, Item 1A. Risk Factors" of our Annual Report on Form 10-K for the fiscal year ended December 31, 2022, filed with the Securities and Exchange Commission on March 23, 2023, except for the risk factor noted below.

Effective December 31, 2023, we will be a large accelerated filer and no longer qualify as a smaller reporting company or emerging growth company, which will increase our costs and demands on management.

Based on the Company's public float as of June 30, 2023, the Company will become a “large accelerated filer” and lose “emerging growth company” status on December 31, 2023. Additionally, due to the Company’s public float as of June 30, 2023, we will no longer qualify as a “smaller reporting company.” However, we are not required to reflect the change in our “smaller reporting company” status, and comply with the associated increased disclosure obligations, until our quarterly report for the three-month period ending March 31, 2024. Due to this upcoming transition, we are devoting significant time and efforts to implement and comply with the additional standards, rules and regulations that will apply to us upon becoming a large accelerated filer and losing our smaller reporting company and emerging growth company status, diverting such time from the day-to-day conduct of our business operations. Compliance with the additional requirements of being a large accelerated filer will also increase our legal, accounting and financial compliance costs. These requirements include, but are not limited to:

- compliance with the auditor attestation requirements in the assessment of our internal control over financial reporting;
- compliance with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements;
- full disclosure obligations regarding executive compensation in our periodic reports and proxy statements; and
- compliance with the requirements of holding a non-binding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

Due to the complexity and logistical difficulty of implementing the standards, rules and regulations that apply to a large accelerated filer, there is an increased risk that we may be found to be in non-compliance with such standards, rules and regulations or to have significant deficiencies or material weaknesses in our internal controls over financial reporting. Any failure to maintain effective disclosure controls and internal control over financial reporting could materially and adversely affect our business, results of operations, and financial condition and could cause a decline in the trading price of our common shares.

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

None.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit No.	Description
31.1	Certification of Principal Executive Officer under Section 302 of the Sarbanes-Oxley Act.
31.2	Certification of Principal Financial Officer under Section 302 of the Sarbanes-Oxley Act.
32.1‡	Certifications of Principal Executive Officer and Principal Financial Officer under Section 906 of the Sarbanes-Oxley Act.
101	The following materials from the Registrant's Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2023 are formatted in iXBRL (Inline eXtensible Business Reporting Language): (i) the Condensed Consolidated Balance Sheets, (ii) the Condensed Consolidated Statements of Operations and Comprehensive Loss, (iii) the Condensed Consolidated Statements of Cash Flows and (iv) the Notes to Condensed Consolidated Financial Statements, tagged as blocks of text and including detailed tags.
104	Cover Page Interactive Data File (formatted in iXBRL in Exhibit 101).

‡ These certifications are being furnished solely to accompany this quarterly report pursuant to 18 U.S.C. Section 1350, and are not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and are not to be incorporated by reference into any filing of the registrant, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

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.

BIOHAVEN LTD.

Dated: July 31, 2023

By: /s/ Vlad Coric, M.D.

Vlad Coric, M.D.

Chief Executive Officer

(On behalf of the Registrant and as the Principal Executive Officer)

By: /s/ Matthew Buten

Matthew Buten

Chief Financial Officer

(Principal Financial Officer)

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Vlad Coric, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended June 30, 2023 of Biohaven Ltd. (the "registrant");

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)) 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. 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

    c. 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: July 31, 2023

/s/ VLAD CORIC, M.D.

Vlad Coric, M.D.

President and Chief Executive Officer

(principal executive officer)

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Matthew Buten, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended June 30, 2023 of Biohaven Ltd. (the "registrant");

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)) 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. 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

    c. 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: July 31, 2023

/s/ MATTHEW BUTEN

Matthew Buten

Chief Financial Officer

(principal financial officer)

Exhibit 32.1

CERTIFICATIONS OF
PRINCIPAL EXECUTIVE OFFICER AND PRINCIPAL FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended, (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), Vlad Coric, M.D., President and Chief Executive Officer of Biohaven Ltd. (the "Company"), and Matthew Buten, Chief Financial Officer of the Company, each hereby certifies that, to the best of his knowledge:

1. The Company's Quarterly Report on Form 10-Q for the period ended June 30, 2023, to which this Certification is attached as Exhibit 32.1 (the "Periodic Report"), fully complies with the requirements of Section 13(a) or Section 15(d) of the Exchange Act; and

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

IN WITNESS WHEREOF, the undersigned have set their hands hereto as of the 31 day of July 2023.

/s/ VLAD CORIC, M.D.	/s/ MATTHEW BUTEN
Vlad Coric, M.D.	Matthew Buten
President and Chief Executive Officer	*Chief Financial Officer*
(principal executive officer)	*(principal financial officer)*

* This certification accompanies the Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing.