

### **Annual Spending Limit Pursuant to California Health & Safety Code § 119402(d)(1)**

For purposes of complying with the California Health & Safety Code § 119402(d)(1), Dermavant has established an annual limit for spending on promotional items and activities provided to a health care professional licensed in California. Such items generally are provided to physicians and certain other health care professionals in order to facilitate an educational or scientific discussion about the company's products, the company's research and development efforts, and other health care-related issues. Dermavant's limit also includes educational items provided to a physician (such as a medical textbook) that are intended to benefit patient care. Any promotional items provided to a physician must comply with Dermavant policies.

Dermavant has excluded from its spending limit all items of nominal value (\$5 or less). Additionally, pursuant to California Health & Safety Code § 119402(d)(2) and (3), drug samples given to healthcare professionals intended for free distribution to patients, Dermavant financial support for continuing medical education forums, financial support for health educational scholarships, and fair market value payments made for legitimate services provided by a healthcare professional to Dermavant, including but not limited to consulting, have also been excluded from the spending limit.

Dermavant has established an annual spending limit of no more than \$2,000 per health care professional. This figure is a maximum limit. It is neither a spending goal nor does it represent a typical amount spent on medical or health care professionals. Dermavant may change its annual spending limit from time to time.