UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16
under the Securities Exchange Act of 1934

July 12, 2023

Commission File Number 001-35203

THERATECHNOLOGIES INC.
(Translation of registrant's name into English)

2015 Peel Street, Suite 1100
Montréal, Québec, Canada
H3A 1T8
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F ☐ Form 40-F ☒

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes ☐ No ☒

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes ☐ No ☒

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's "home country"), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ☐ No ☒

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-_____.

THERATECHNOLOGIES INC.

Exhibit	Description
99.1	Consolidated Interim Financial Statements for the Three- and Six-Month Periods Ended May 31, 2023, and May 31, 2022
99.2	Management’s Discussion and Analysis for the Three- and Six-Month Periods Ended May 31, 2023
99.3	Certification of Interim Filings of the President and Chief Executive Officer
99.4	Certification of Interim Filings of the Senior Vice President and Chief Financial Officer

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.

THERATECHNOLOGIES INC.

By: /s/ Philippe Dubuc
Name: Philippe Dubuc
Title: Senior Vice President and Chief Financial Officer

Date: July 12, 2023

Interim Consolidated Financial Statements
(in thousands of United States dollars)

THERATECHNOLOGIES INC.

Three- and six-month periods ended
May 31, 2023 and 2022
(Unaudited)

THERATECHNOLOGIES INC.

Table of Contents
(in thousands of United States dollars)
(Unaudited)

THERATECHNOLOGIES INC.

Interim Consolidated Statements of Financial Position
(In thousands of United States dollars)

As at May 31, 2023 and November 30, 2022
(Unaudited)

	Note	May 31, 2023	November 30, 2022
Assets			
Current assets			
Cash		$ 16,957	$ 23,856
Bonds and money market funds		8,412	9,214
Trade and other receivables		13,119	12,045
Tax credits and grants receivable		425	299
Income taxes receivable		59	-
Inventories	5	9,162	19,688
Prepaid expenses and deposits		2,746	7,665
Derivative financial assets		249	603
Total current assets		51,129	73,370
Non-current assets			
Property and equipment		1,449	1,494
Right-of-use assets		952	1,595
Intangible assets		13,531	15,009
Deferred financing costs		1,672	1,792
Total non-current assets		17,604	19,890
Total assets		$ 68,733	$ 93,260
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		$ 33,605	$ 41,065
Provisions	6	7,553	7,517
Convertible unsecured senior notes	8	27,373	26,895
Term loan	7	-	37,894
Current portion of lease liabilities	9	397	476
Marathon Warrants	10(b)	2,350	-
Income taxes payable		-	394
Deferred revenue		38	38
Total current liabilities		71,316	114,279
Non-current liabilities			
Term loan	7	38,105	-
Lease liabilities	9	797	1,446
Other liabilities		46	106
Total non-current liabilities		38,948	1,552
Total liabilities		$ 110,264	$ 115,831
Equity			
Share capital and Public Offering Warrants	10	$ 338,751	$ 338,751
Equity component of convertible unsecured senior notes		2,132	2,132
Contributed surplus		20,148	18,810
Deficit		(403,105)	(382,649)
Accumulated other comprehensive income		543	385
Total equity		(41,531)	(22,571)
Subsequent events	15		-
Total liabilities and equity		$ 68,733	$ 93,260

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

THERATECHNOLOGIES INC.

Interim Consolidated Statements of Comprehensive Loss
(in thousands of United States dollars, except per share amounts)

For the three- and six-month periods ended May 31, 2023 and 2022
(Unaudited)

	Note	For the three-month periods ended May 31, 2023	For the three-month periods ended May 31, 2022	For the six-month periods ended May 31, 2023	For the six-month periods ended May 31, 2022
Revenue	**3**	$ 17,549	$ 19,268	$ 37,457	$ 37,825
Operating expenses					
Cost of sales					
Cost of goods sold		4,909	7,759	9,602	12,637
Amortization of other assets		-	1,220	-	2,441
Research and development expenses, net of tax credits of $48 and$120 (2022 – $66 and $153)		10,389	11,056	19,745	19,059
Selling expenses		6,479	15,371	13,293	23,178
General and administrative expenses		3,716	4,823	8,168	9,191
Total operating expenses		25,493	40,229	50,808	66,506
Loss from operating activities		(7,944)	(20,961)	(13,351)	(28,681)
Finance income	4	546	54	672	100
Finance costs	4	(2,489)	(1,698)	(7,555)	(3,029)
		(1,943)	(1,644)	(6,883)	(2,929)
Loss before income taxes		(9,887)	(22,605)	(20,234)	(31,610)
Income tax expense		(126)	(122)	(222)	(149)
Net loss for the period		(10,013)	(22,727)	(20,456)	(31,759)
Other comprehensive income (loss), net of tax					
Items that may be reclassified to net profit (loss) in the future					
Net change in fair value of financial assets at fair value through other comprehensive income (“FVOCI”) financial assets		81	(223)	158	(326)
Exchange differences on translation of foreign operations		-	390	-	487
		81	167	158	161
Total comprehensive loss for the period		$ (9,932)	$ (22,560)	$ (20,298)	$ (31,598)
Basic and diluted loss per share	10(d)	$ (0.10)	$ (0.24)	$ (0.21)	$ (0.33)

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

THERATECHNOLOGIES INC.

Interim Consolidated Statements of Changes in Equity
(in thousands of United States dollars, except for share amounts)

Six-month periods ended May 31, 2023 and 2022
(Unaudited)

								For the six-month period ended May 31, 2023
	Note	Share capital and Public Offering Warrants		Equity component of convertible notes	Contributed surplus	Deficit	Accumulated other comprehensive income	Total
		Number of shares	Amount					
Balance as at November 30, 2022		96,806,299	$ 338,751	$ 2,132	$ 18,810	$ (382,649)	$ 385	$ (22,571)
Total comprehensive loss for the period		-	-	-	-	(20,456)	-	(20,456)
Net loss for the period								
Other comprehensive income (loss):								
Net change in fair value of FVOCI financial assets, net of tax		-	-	-	-	-	158	158
Total comprehensive loss for the period		-	-	-		(20,456)	158	(20,298)
Transactions with owners, recorded directly in equity								
Share-based compensation for stock option plan	10(c)	-	-	-	1,338	-	-	1,338
Total contributions by owners		-	-	-	1,338	-	-	1,338
Balance as at May 31, 2023		96,806,299	$ 338,751	$ 2,132	$ 20,148	$ (403,105)	$ 543	$ (41,531)

								For the six-month period ended May 31, 2022
	Note	Share capital and Public Offering Warrants		Equity component of convertible notes	Contributed surplus	Deficit	Accumulated other comprehensive income (loss)	Total
		Number of shares	Amount					
Balance as at November 30, 2021		95,121,639	$ 335,752	$ 4,457	$ 12,843	$ (335,248)	$ (44)	$ 17,760
Total comprehensive loss for the period		-	-	-	-	(31,759)	-	(31,759)
Net loss for the period		-	-	-	-		-	
Other comprehensive income (loss):								
Net change in fair value of FVOCI financial assets, net of tax		-	-	-	-	-	(326)	(326)
Exchange differences on translation of foreign operation		-	-	-	-	-	487	487
Total comprehensive loss for the period		-	-	-	-	(31,759)	161	(31,598)
Transactions with owners, recorded directly in equity								
Share-based compensation for stock option plan		-	-	-	2,194	-	-	2,194
Total contributions by owners		-	-	-	2,194	-	-	2,194
Balance as at May 31, 2022		95,121,639	$ 335,752	$ 4,457	$ 15,037	$ (367,007)	$ 117	$ (11,644)

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

THERATECHNOLOGIES INC.

Interim Consolidated Statements of Cash Flows
(In thousands of United States dollars)

For the three- and six-month periods ended May 31, 2023 and 2022
(Unaudited)

	Note	For the three-month periods ended May 31, 2023	2022 (recast[1])	For the six-month periods ended May 31, 2023	2022 (recast[1])
Cash flows from (used in)					
Operating					
Net loss for the period		$ (10,013)	$ (22,727)	$ (20,456)	$ (31,759)
Adjustments for					
Depreciation of property and equipment		109	61	207	119
Amortization of intangible assets and other assets		739	8,322	1,478	10,338
Amortization of right-of-use assets		84	108	186	218
Share-based compensation for stock option plan and stock appreciation rights		702	766	1,278	2,208
Gain on lease termination		-	-	(121)	-
Change in fair value of derivative financial assets		18	33	349	151
Change in fair value of liability related to deferred stock unit plan		(9)	(31)	(164)	(146)
Interest on convertible unsecured senior notes and term loan	4	1,874	833	3,658	1,635
Interest paid on convertible unsecured notes and term loan		(1,429)	-	(3,617)	(1,653)
Interest income		(209)	(54)	(436)	(100)
Interest received		244	103	484	171
Income tax expense		126	122	222	149
Income taxes paid		(675)	(64)	(675)	(64)
Foreign exchange		(75)	239	210	195
Loss on debt modification – issuance of Marathon Warrants		-	-	2,650	-
Change in fair value of Marathon Warrants		(300)	-	(300)	-
Accretion expense and amortization of deferred financing costs	4	609	544	1,142	1,061
		(8,205)	(11,745)	(13,905)	(17,477)
Change in operating assets and liabilities					
Trade and other receivables		(3,093)	1,077	(1,008)	(2,085)
Tax credit and grants receivable		(49)	(66)	(121)	56
Inventories		2,653	930	7,231	3,878
Prepaid expenses and deposits		3,275	1,097	4,919	3,342
Accounts payable and accrued liabilities		2,592	7,095	(3,953)	3,837
Provisions		(735)	568	(64)	1,715
		4,643	10,701	7,004	10,743
Cash flows used in operating activities		(3,562)	(1,044)	(6,901)	(6,734)
Financing activities					
Share issue costs			-	(37)	-
Payments of lease liabilities		(96)	(154)	(221)	(310)
Deferred financing costs		(146)	(30)	(146)	(200)
Cash flows used in financing activities		(242)	(184)	(404)	(510)
Investing activities					
Proceeds from sale of bonds and money market funds		815	406	815	406
Acquisition of bonds and money market funds		-	(4)	-	(6)
Acquisition of derivative financial assets		-	-	(104)	-
Acquisition of property and equipment		(81)	(305)	(303)	(349)
Cash flows from investing activities		734	97	408	51
Net change in cash during the period		(3,070)	(1,131)	(6,897)	(7,193)
Cash, beginning of period		20,023	14,342	23,856	20,399
Effect of foreign exchange on cash		4	(11)	(2)	(6)
Cash, end of period		$ 16,957	$ 13,200	$ 16,957	$ 13,200

[1] The company voluntarily changed its accounting policy to classify interest paid and received as part of operating activities, see Note 2.

Refer to Note 11 for supplemental cash flow disclosures.

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

Theratechnologies Inc. is a biopharmaceutical company focused on the development and commercialization of innovative therapies addressing unmet medical needs.

The interim consolidated financial statements include the accounts of Theratechnologies Inc. and its wholly- owned subsidiaries (together referred to as the "Company" and individually as the "subsidiaries of the Company").

The Company has two wholly-owned subsidiaries that are material:

- Theratechnologies Europe Limited, a company governed by the *Companies Act 2014* (Ireland). Theratechnologies Europe Limited provides the services of personnel to Theratechnologies Inc. for its activities in the United States.

- Theratechnologies U.S., Inc., a company governed by the *Delaware General Corporation Law* (Delaware). Theratechnologies U.S., Inc. provides the services of personnel to Theratechnologies Inc. for its activities in the United States.

Theratechnologies Inc. is governed by the *Business Corporations Act* (Québec) and is domiciled in Québec, Canada. The Company is located at 2015 Peel Street, Suite 1100, Montréal, Québec, H3A 1T8, Canada.

1. Basis of preparation

(a) Accounting framework

These unaudited interim consolidated financial statements ("interim financial statements"), including comparative information, have been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting of International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Certain information, in particular the accompanying notes normally included in the annual consolidated financial statements prepared in accordance with IFRS, has been omitted or condensed. These interim financial statements do not include all disclosures required under IFRS and, accordingly, should be read in conjunction with the annual consolidated financial statements for the year ended November 30, 2022 and the notes thereto.

These interim consolidated financial statements have been authorized for issue by the Company's Audit Committee on July 11, 2023.

1. Basis of preparation (continued)

b) Going concern uncertainty

As part of the preparation of the interim financial statements, management is responsible for identifying any event or situation that may cast doubt on the Company's ability to continue as a going concern. Substantial doubt regarding the Company's ability to continue as a going concern exists if events or conditions, considered collectively, indicate that the Company may be unable to honor its obligations as they fall due during a period of at least, but not limited to, 12 months from May 31, 2023. If the Company concludes that events or conditions cast substantial doubt on its ability to continue as a going concern, it must assess whether the plans developed to mitigate these events or conditions will remove any possible substantial doubt.

For the six-month period ended May 31, 2023, the Company incurred a net loss of $20,456 (2022 – $31,759) and had negative operating cash flows of $6,901 (2022 - $6,734). The Company's total current liabilities exceeded total current assets at May 31, 2023.

The Company's Loan Facility is available in four tranches and contains various covenants, including minimum liquidity covenants whereby the Company needs to maintain significant cash, cash equivalent and eligible short-term investments balances in specified accounts, which restricts the management of the Company's liquidity (refer to notes 18 and 24 of the annual consolidated financial statements as at November 30, 2022). On July 3, 2023, the Company defaulted under the minimum liquidity covenant ("Liquidity Breach") resulting in the lender having the ability to demand immediate repayment of the debt and in making available to the lender the collateralized assets, which include substantially all cash, bonds and money market funds which are subject to control agreements. The Liquidity Breach also entitles the lender to halt the advance of additional tranches and may trigger an increase of 300 basis points of the interest rate on the outstanding loan balance. The Company obtained a temporary reduction in the minimum liquidity covenant amount until July 28, 2023, however the lender has not waived its rights related to the default at this time. The Company and the lender agreed to discuss an extension of the reduction of the minimum liquidity covenant amount and the conditions related thereto, if any. There can be no assurance that an agreement will be reached with the lender. As the Liquidity Breach occurred after May 31, 2023, it does not affect the long-term classification of the Loan Facility at May 31, 2023.

The Loan Facility also includes operational milestones and required revenue targets (which were amended during the quarter, refer to note 7) in order for the Company to comply with the conditions of the Loan Facility and to be able to borrow money forming part of the various tranches.

The Company's ability to continue as a going concern for period of at least, but not limited to, 12 months from May 31, 2023 involves significant judgement and is dependent on its ability to obtain the support of the lender including the waiver of the Liquidity Breach, increase revenues and manage expenses to generate sufficient positive cash flows from operations and/or find alternative source of funding to respect the various covenants of its Loan Facility, including obtaining the approval from the United States Food and Drug Administration for its F8 formulation of Tesamorelin on or before March 31, 2024.

1. Basis of preparation (continued)

(b) Going concern uncertainty (continued)

Should management's plans not materialize, the Company may be or remain in default of the Loan Facility, be forced to reduce or delay expenditures and capital additions and seek additional financing through the issuance of equity. Raising additional equity capital is subject to market conditions. If the Company is unable to secure additional financing, the Company could have to sell or liquidate its assets or resort to insolvency laws. As a result, there is material uncertainty related to events or conditions that cast substantial doubt about the Company's ability to continue as a going concern.

Furthermore, the Loan Facility includes a covenant prohibiting having a going concern explanatory paragraph in the annual report of the independent registered public accounting firm but the lender amended the Loan Facility on February 27, 2023 to exclude the fiscal year ended November 30, 2022. The term loan was reclassified from current at November 30, 2022 to long-term at May 31, 2023 as a result of the waiver received within the first quarter. There is no assurance that the lender will agree to amend or to waive potential future covenant breaches, if any.

These interim financial statements have been prepared assuming the Company will continue as a going concern, which assumes the Company will continue its operations in the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. These interim financial statements do not include any adjustments to the carrying values and classification of assets and liabilities and reported expenses that might result from the outcome of this uncertainty and that may be necessary if the going concern basis was not appropriate for these interim financial statements. If the Company was unable to continue as a going concern, material impairment of the carrying values of the Company's assets, including intangible assets, could be required.

(c) Basis of measurement

The Company's interim consolidated financial statements have been prepared on going concern and historical cost basis, except for bonds and money market funds, derivative financial assets, liabilities related to cash-settled share-based arrangements and Marathon Warrants, which are measured at fair value. Equity-classified shared-based payment arrangements are measured at fair value at grant date pursuant to IFRS 2, *Share-based Payment*.

The methods used to measure fair value are discussed further in Note 13.

1. Basis of preparation (continued)

d) Use of estimates and judgments

The preparation of the Company's interim financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the interim financial statements, and the reported amounts of revenues and expenses during the reporting periods.

Information about critical judgments in applying accounting policies and assumptions and estimation uncertainties that have the most significant effect on the amounts recognized in the interim financial statements are disclosed in Note 1 of the annual consolidated financial statements as at November 30, 2022.

e) Functional and presentation currency

The Company's functional currency is the United States dollar (USD).

All financial information presented in USD has been rounded to the nearest thousand.

2. Significant accounting policies

The significant accounting policies as disclosed in the Company's annual consolidated financial statements for the year ended November 30, 2022 have been applied consistently in the preparation of these interim financial statements.

Changes in accounting policies

In the fourth quarter of fiscal 2022, the Company voluntarily changed its accounting policy to classify interest paid and received as part of operating activities in the consolidated statement of cash flows. Previously, the Company elected to classify interest paid as cash flow from financing activities and interest received as cash flows from investing activities. Accordingly, the Company has recast the three-month period ended May 31, 2022, comparative financial information on the consolidated statement of cash flows resulting in previously reported cash flow used in operations decreasing by $103, and cash flow from investing activities decreased by $103.

The Company has recast the six-month period ended May 31, 2022 previously reported cash flow used in operations decreasing by $1,482, cash flow from financing activities increasing by $1,653 and cash flow used in investing activities decreasing by $171.

2. Significant accounting policies (continued)

Changes in accounting policies (continued)

Previously reported cash flows for the three-month period ended May 31, 2022, used in operating activities, used in financing activities and from investing activities were $1,147, $184 and $200, respectively and $5,252, $2,163 and $222 for the six-month period ended May 31, 2022.

New standard adopted

Onerous contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)

The amendments specify which costs an entity includes in determining the cost of fulfilling a contract for the purpose of assessing whether the contract is onerous. The amendments apply for the Company's annual reporting periods beginning on December 1, 2022, to contracts existing at the date when the amendments are first applied. At the date of initial application, the cumulative effect of applying the amendments is recognised as an opening balance adjustment to retained earnings or other components of equity, as appropriate. The comparatives are not restated. The adoption of the standard did not have an impact on the financial statements.

Standards issued but not yet effective

A number of new standards are effective for annual periods beginning after December 1, 2022 and earlier application is permitted; however, the Company has not early adopted the new or amended standards in preparing these consolidated interim financial statements. Refer to Note 1 of the annual consolidated financial statements as at November 30, 2022 for a description of those standards.

(In thousands of United States dollars except for share and per share amounts)

3. Revenue

Net sales by product were as follows:

	For the three-month periods ended May 31,	
	2023	**2022**
EGRIFTA SV®	$ 10,853	$ 11,416
Trogarzo®	6,696	7,852
	$ 17,549	$ 19,268

	For the six-month periods ended May 31,	
	2023	**2022**
EGRIFTA SV®	$ 23,564	$ 23,120
Trogarzo®	13,893	14,705
	$ 37,457	$ 37,825

Net sales by geography were as follows:

	For the three-month periods ended May 31,	
	2023	**2022**
United States	$ 17,468	$ 19,070
Europe	81	198
	$ 17,549	$ 19,268

	For the six-month periods ended May 31,	
	2023	**2022**
Canada	$ -	$ 145
United States	37,113	37,169
Europe	344	511
	$ 37,457	$ 37,825

(In thousands of United States dollars except for share and per share amounts)

4. Finance income and finance costs

	Note	For the three-month periods ended May 31,	
		2023	**2022**
Net gain on financial instruments carried at fair value		$ 291	$ -
Interest income		209	54
Net foreign currency gain		46	-
Finance income		546	54
Accretion expense and amortization of deferred financing costs	7, 8 and 9	(609)	(544)
Interest on convertible unsecured senior notes and term loan		(1,874)	(833)
Bank charges		(6)	(14)
Loss of financial instruments carried at fair value		-	(2)
Net foreign currency loss		-	(305)
Finance costs		(2,489)	(1,698)
Net finance costs recognized in net profit or loss		$ (1,943)	$ (1,644)

	Note	For the six-month periods ended May 31,	
		2023	**2022**
Net gain on financial instruments carried at fair value		$ 115	$ -
Gain on lease termination		121	
Interest income		436	100
Finance income		672	100
Accretion expense and amortization of deferred financing costs	7, 8 and 9	(1,142)	(1,061)
Interest on convertible unsecured senior notes and term loan		(3,658)	(1,635)
Bank charges		(26)	(36)
Loss of financial instruments carried at fair value		-	(5)
Net foreign currency loss		(79)	(292)
Loss on debt modification – Issuance of warrants		(2,650)	-
Finance costs		(7,555)	(3,029)
Net finance costs recognized in net profit or loss		$ (6,883)	$ (2,929)

(In thousands of United States dollars except for share and per share amounts)

5. Inventories

In 2023, an inventory provision of $170 (2022 – nil) was recognized pending marketing approval of the F8 formulation and recorded in cost of sales.

In 2023, inventories for an amount of $3,295 was returned to TaiMed Biologics Inc. and accounts payable was reduced in total amount of €3,179 ($3,399).

6. Provisions

	Chargebacks and rebates	Returns	Total
Balance as at November 30, 2021	$ 3,713	$ 410	$ 4,123
Provisions made	12,910	2,004	14,914
Provisions used	(10,358)	(929)	(11,287)
Effect of change in exchange rate	(233)	-	(233)
Balance as at November 30, 2022	$ 6,032	$ 1,485	$ 7,517
Provisions made	7,924	444	8,368
Provisions used	(8,268)	(164)	(8,432)
Effect of change in exchange rate	100	-	100
Balance as at May 31, 2023	$ 5,788	$ 1,765	$ 7,553

7. Term Loan

On July 20, 2022, the Company entered into a credit agreement providing for up to $100,000 (the “Loan Facility”) in loan. The disbursement of the loan is available in four various tranches.

The salient features of the Loan Facility are as follows:

- Senior secured term loan of up to $100,000 across four tranches;
- $40,000 funded on July 27, 2022 (“Tranche 1 Loan”);
- $20,000 (“Tranche 2 Loan”) to be made available no later than June 30, 2023 if the Company has had net revenues of at least $75,000 for the 12-month period immediately preceding the funding of the Tranche 2 Loan, conditional upon the submission to the FDA of the results from a human factors validation study the

7. Term Loan (continued)

Company is currently conducting (the "HFS Study") and subject to the Company not being in default of its obligations under the Loan Facility. In the first quarter of the year, the lender removed the condition to submit to the FDA the results from the HFS Study the Company is currently conducting. In the second quarter of the year, the Company amended the 12-month revenue target condition. Tranche 2 was funded on June 21, 2023. Refer to note 15;

- $15,000 ("Tranche 3 Loan") to be made available no later than March 2024 if the Tranche 2 Loan has been drawn and the Company has obtained approval from the FDA for its F8 formulation of tesamorelin, has had net revenues of at least $90,000 in the 12-month period preceding the funding of the Tranche 3 Loan and if the Company is not in default of its obligations under the Loan Facility;
- Up to an additional $25,000 ("Tranche 4 Loan") to be made available if the Tranche 3 Loan has been drawn and the Company has had at least $110,000 in net revenues in the 12-month period preceding the funding of the Tranche 4 Loan and at least $20,000 in EBITDA for the same period (as defined in the Loan Facility document until December 31, 2024);
- The Loan Facility has an initial term of five years (six years if Tranche 3 Loan is drawn), provides for an interest-only period of 24 months (36 months if Tranche 3 Loan is drawn), and bears interest at the Secured Overnight Financing Rate ("SOFR") plus 9.5%. The Tranche 1 Loan and Tranche 2 Loan are repayable in equal monthly installments on an amortization schedule of 36 months starting in July 2024 (July 2025 if the Tranche 3 Loan is funded on or prior to December 31, 2023);
- The Loan Facility provides quarterly revenue targets and minimum liquidity covenants. Until the F8 formulation is approved, the Company must maintain at all times cash, cash equivalents and eligible short-term investments in the amount of $20,000 in specified accounts which amount will be increased to $30,000 if the Company has not obtained approval from the FDA for its F8 formulation by March 31, 2024;
- The Loan Facility restricts the ability to incur additional debt, acquisitions, dispositions, in-licensing and out-licensing of products or assets, except in very limited circumstances. A breach of the terms and conditions of the Loan Facility will create an event of default resulting in an increase of 300 basis points on the outstanding loan and provide the lender with the ability to demand immediate repayment of the debt, and not advance any additional tranches. Refer to note 15 for details of a breach which occurred after period end;
- The term loan also includes a covenant prohibiting the inclusion of a going concern explanatory paragraph in the annual report of the independent registered public accounting firm, but the lender amended the Loan Facility on February 27, 2023 to exclude for the fiscal year ended November 30, 2022;
- Refer to note 10(b) for the Marathon Warrants issued in the first quarter related to the February 27, 2023 amendments to this term loan.

(In thousands of United States dollars except for share and per share amounts)

7. Term Loan (continued)

The movement in the carrying value of the term loan is as follows:

Proceeds from Loan Facility on July 27, 2022	$	40,000
Transaction costs		(2,285)
Accretion expense		179
Term loan as at November 30, 2022	$	37,894
Transaction costs		(78)
Accretion expense		289
Term loan as at May 31, 2023	$	38,105

The lender has a first ranking security interest on all of our assets, subject to certain credit card arrangements restrictions.

8. Convertible unsecured senior notes

The movement in the carrying value of the convertible unsecured senior notes is as follows:

Convertible unsecured senior notes as at November 30, 2021	$	54,227
Changes from financing cash flows:		
Cash paid on repurchase		(28,546)
Transaction costs incurred		(73)
Other changes:		
Gain on repurchase		(357)
Accretion expense		1,644
Convertible unsecured senior notes as at November 30, 2022	$	26,895
Accretion expense		478
Convertible unsecured senior notes as at May 31, 2023	$	27,373

The convertible unsecured senior notes were redeemed on June 30, 2023 (Refer to note 15).

(In thousands of United States dollars except for share and per share amounts)

9. Lease liabilities

		Carrying value
Balance as at November 30, 2021	$	2,518
Accretion expense		157
Lease payments		(605)
Effect of change in exchange rates		(148)
Balance as at November 30, 2022	$	1,922
Accretion expense		55
Lease payments		(221)
Effect of change in exchange rates		16
Termination (a)		(920)
New lease		342
Balance as at May 31, 2023	$	1,194
Current portion		(397)
Non-current portion	$	797

(a) On February 17, 2023, the Company terminated its lease in Ireland. Accordingly, the Company reduced its right-of-use assets by $799, the lease liabilities by $920 and recorded a gain on lease termination of $121. The gain is presented in finance costs (Note 4)

(b) On March 1, 2023, the Company signed a new lease in Ireland. Accordingly, the Company recorded a right-of-use asset and a lease liability of $342.

10. Share capital and warrants

a) Public offering

On January 19, 2021, the Company completed a public offering for the sale and issuance of 16,727,900 units at a price of $2.75 per unit for a gross cash consideration of $46,002, including the full exercise of the over-allotment option.

Each unit comprises one common share of the Company and one-half of one common share purchase warrant of the Company (each whole warrant, a Public Offering Warrant) and is classified in Share Capital and Public Offering Warrants within equity. During the six-month period ended May 31, 2023, no Warrants were exercised and there were 8,130,550 Warrants outstanding. Each Warrant entitles the holder thereof to purchase one common share at an exercise price of US$3.18 at any time until January 19, 2024.

b) Marathon Warrants

On February 27, 2023, the Company issued to affiliates of Marathon Asset Management (collectively, “Marathon”), prorata to their participation under the Loan Facility, an aggregate of 5,000,000 common share purchase warrants (the “Marathon Warrants”). Each Marathon Warrant entitles the holder thereof to subscribe for one common share of the Company at a price of $1.45 for a period of seven years. The Marathon Warrants are not traded on any stock exchange, are transferable only to affiliates of Marathon or to other potential lenders under the terms of the Loan Facility and their affiliates and may be exercised on a cashless basis. Accordingly, the Marathon Warrants are derivative financial liabilities measured at fair value through profit or loss.

The Marathon Warrants were issued as consideration for various amendments made to the Loan Facility, including:

- An amendment to remove the second tranche condition requiring the Company to have filed with the FDA the results of its HFS Study before June 30, 2023; and
- An amendment to allow for the inclusion of a going concern explanatory paragraph in the annual report of the independent registered public accounting firm for the fiscal year ended November 30, 2022.

(In thousands of United States dollars except for share and per share amounts)

10. Share capital and warrants (continued)

b) Marathon Warrants (continued)

The fair value of the Marathon Warrants was treated as a cash outflow in testing whether the debt modification was substantial modification and it was concluded that the modification was not substantial. For the six-month period ended May 31, 2023, $2,650 was recorded as loss on debt modification using the Black-Sholes model and the following assumptions. The derivative financial liability relating to the Marathon Warrants is recorded as a liability on the consolidated statement of financial position and resulted in a gain on fair value remeasurement of $300 for both the three and six month periods ended May 31, 2023.

		Measurement date as at May 31, 2023	Issuance date measurement
Risk-free interest rate		3.64%	3.92%
Expected volatility		56.9%	61.985%
Average option life in years		6.75 years	7 years
Share price	$	0.95	0.95
Warrant exercise price	$	1.45	1.45

With the issuance of the Marathon Warrants, the Company incurred transaction costs totalling $196 which $78 was allocated to the term loan and $118 recorded as deferred financing costs relating to the upcoming Loan Facility tranches.

c) Stock option plan

The Company has established a stock option plan (Plan) under which it can grant its directors, officers, employees, researchers and consultants non-transferable options for the purchase of common shares. The exercise date of an option may not be later than 10 years after the grant date. On March 3, 2022, the Company's Board of Directors amended the Plan to convert it from a “fixed plan” to a “rolling plan”, whereby the maximum number of Common Shares which may be issued under the Plan (and under any other security-based compensation arrangements of the Company) will be changed from a fixed number of Common Shares to a number of Common Shares equal to 10% of all Common Shares issued and outstanding from time to time, on a non-diluted basis, and including a “reloading” or “evergreen” feature, so that when options are exercised, the number of Common Shares issuable will be replenished and exercised options will be available to be regranted in the future. Shareholders ratified this amendment on May 10, 2022. On May 31, 2022, a maximum number of 9,512,163 options can be granted under the Plan. Generally, the options vest at the grant date or over a period of up to three

(In thousands of United States dollars except for share and per share amounts)

10. Share capital and warrants (continued)

c) Stock option plan (continued)

years. As at May 31, 2023, 7,764,232 options could still be granted by the Company (2022 – 3,852,964) under the Plan.

All options are to be settled by the physical delivery of common shares.

Changes in the number of options outstanding during the past two years were as follows:

		Weighted average exercise price per option	
	Number of options	CAD	USD
Options oustanding in CA$			
Options as at November 30, 2021 – CA$	3,190,284	$3.83	$3.00
Granted – CA$	2,144,389	4.20	3.28
Forfeited – CA$	(112,879)	4.06	3.17
Exercised (share price: CA$3.77 (US$3.27))	(400,000)	0.75	0.60
Options outstanding as at May 31, 2022 – CA$	5,221,794	$3.98	$3.15
Options as at November 30, 2022 – CA$	4,720,160	3.98	2.96
Granted – CA$	3,168,773	1.29	0.95
Forfeited – CA$	(37,891)	5.35	3.99
Options outstanding as at May 31, 2023 – CA$	7,851,042	$2.89	$2.13
Options exercisable as at May 31, 2023 – CA$	3,397,073	$3.78	$2.79
Options oustanding in US$			
Options as at November 30, 2021 – US$	80,733	-	3.09
Granted – US$	356,672	-	2.40
Options outstanding as at May 31, 2022 – US$	437,405	$-	$2.53
Options exercisable as at May 31, 2022 – US$	26,909	$-	$3.09
Options as at November 30, 2022 – US$	426,571	-	2.50
Granted – US$	815,739	-	0.95
Forfeited – US$	(10,000)		1.58
Options outstanding as at May 31, 2023 – US$	1,232,310	$-	$1.48
Options exercisable as at May 31, 2023 – US$	179,446	$-	$2.42

(In thousands of United States dollars except for share and per share amounts)

10. Share capital and warrants (continued)

c) Stock option plan (continued)

During the six month period ended May 31, 2023, $1,338 (2022 – $2,194) were recorded as share based compensation expense for the Plan. The fair value of options granted during the period was estimated at the grant date using the Black Scholes model and the following weighted average assumptions:

	2023	2022
Options granted in CA$		
Risk-free interest rate	3.33%	2.99%
Expected volatility	64.3%	58.4%
Average option life in years	9.5 years	8.5 years
Grant-date share price	$0.95 (CA$1.29)	$2.67 (CA$3.38)
Option exercise price	$0.95 (CA$1.29)	$2.67 (CA$3.38)

	2023	2022
Options granted in US$		
Risk-free interest rate	3.92%	2.9%
Expected volatility	62%	58%
Average option life in years	9.5 years	8.5 years
Grant-date share price	$0.95	$2.59
Option exercise price	$0.95	$2.59

The risk-free interest rate is based on the implied yield on a Canadian government or U.S. zero-coupon issue, with a remaining term equal to the expected term of the option. The volatility is based on weighted average historical volatility adjusted for a period equal to the expected life. The life of the options is estimated taking into consideration the vesting period at the grant date, the life of the option and the average length of time similar grants have remained outstanding in the past. The dividend yield was excluded from the calculation, since it is the present policy of the Company to retain all earnings to finance operations and future growth.

(In thousands of United States dollars except for share and per share amounts)

10. Share capital and warrants (continued)

c) Stock option plan (continued)

The following table summarizes the measurement date weighted average fair value of stock options granted during the following periods:

	Number of options	Weighted average grant date fair value
Options granted in CA$		
For the three and six-month periods ended May 31, 2023	3,168,773	$0.69 (CA$0.94)
For the three and six-month periods ended May 31, 2022	2,144,389	$3.32 (CA$4.20)

	Number of options	Weighted average grant date fair value
Options granted in US$		
For the three and six-month periods ended May 31, 2023	815,739	$0.68
For the three and six-month periods ended May 31, 2022	356,672	$2.03

The Black-Scholes model used by the Company to calculate option values was developed to estimate the fair value of freely tradable, fully transferable options without vesting restrictions, which significantly differ from the Company's stock option awards. This model also requires four highly subjective assumptions, including future stock price volatility and average option life, which greatly affect the calculated values.

(In thousands of United States dollars except for share and per share amounts)

10. Share capital and warrants (continued)

d) Loss per share

The calculation of basic loss per share was based on the net loss attributable to common shareholders of the Company of $10,013 (2022 - $22,727) for the three-month periods and of $20,456 (2022 – $31,759) for the six-month periods and a weighted average number of common shares outstanding of 96,806,299 (2022 – 95,121,639), calculated as follows:

	For the three and six-month periods ended May 31,	
	2023	**2022**
Issued common shares as at December 1	96,806,299	95,121,639
Weighted average number of common shares, basic and diluted	96,806,299	95,121,639

For the three and six-month periods ended May 31, 2023, 9,083,352 (2022 – 5,659,199) share options, 8,130,550 Public offering Warrants, 5,000,000 Marathon Warrants and 1,851,852 common shares potentially issuable from the conversion of the $27,467 aggregate principal amount of notes, that may potentially dilute loss per share in the future, were excluded from the weighted average number of diluted common shares calculation as their effect would have been anti-dilutive.

11. Supplemental cash flow disclosures

The Company entered into the following transactions which had no impact on its cash flows:

	May 31, 2023	**May 31, 2022**
Additions to property and equipment included in accounts payable and accrued liabilities	$ 15	$ 109
Deferred financing costs included in accounts payable and accrued liabilities	$ 50	$ -

12. Financial instruments

The nature and extent of the Company's exposure to risks arising from financial instruments are consistent with the disclosure in the annual consolidated financial statements as at November 30, 2022, considering the update below.

13. Determination of fair values

Certain of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Financial assets and financial liabilities measured at fair value

In establishing fair value, the Company uses a fair value hierarchy based on levels as defined below:

Level 1: Defined as observable inputs such as quoted prices in active markets.

Level 2: Defined as inputs other than quoted prices in active markets that are either directly or indirectly observable.

Level 3: Defined as inputs that are based on little or no observable market data, therefore requiring entities to develop their own assumptions.

Other financial assets and financial liabilities

The Company has determined that the carrying values of its short term financial assets and financial liabilities, including cash, trade and other receivables and accounts payable and accrued liabilities, approximate their fair value because of their relatively short period to maturity.

Bonds and money market funds and derivative financial assets and liabilities are stated at fair value, determined by inputs that are primarily based on broker quotes at the reporting date (Level 2).

The fair value of the convertible unsecured senior notes, including the equity portion, as at May 31, 2023, was approximately $25,408 (Level 1) based on market quotes.

The Company has determined that the carrying value of its term loan approximates its fair value because the terms were modified near the end of the first quarter of 2023.

(In thousands of United States dollars except for share and per share amounts)

13. Determination of fair values (continued)

Share-basedpayment transactions

The fair value of the employee stock options are measured based on the Black-Scholes valuation model. Measurement inputs include share price on measurement date, exercise price of the instrument, expected volatility (based on weighted average historical volatility adjusted a period equal to the expected life), weighted average expected life of the instruments (based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds). Service and non-market performance conditions attached to the transactions, if any, are not taken into account in determining fair value.

The Marathon Warrants and deferred stock units liability are recognized at fair value and considered Level 3 in the fair value hierarchy. The fair value of the DSUs is determined using the quoted price of the common shares of the Company. The fair value of the Marathon Warrants is determined using the Black Sholes model refer to note 10(c).

14. Operating segments

The Company has a single operating segment. Over 99% (2022 – 98%) of the Company's revenues are generated from one customer, RxCrossroads, which is domiciled in the United States.

	For the three-month periods ended May 31,	
	2023	**2022**
RxCrossroads	$ 17,468	$ 19,070
Others	81	198
	$ 17,549	$ 19,268

	For the six-month periods ended May 31,	
	2023	**2022**
RxCrossroads	$ 37,113	$ 37,169
Others	344	656
	$ 37,457	$ 37,825

All of the Company's non current assets are located in Canada, the United States and Ireland. Of the Company's non-current assets of $17,604, $17,189 as at May 31, 2023 are located in Canada, $55 are located in the United States and $360 are located in Ireland.

15. Subsequent events

On June 21, 2023, the Company drew down on $20,000 Tranche 2 Loan, for a net proceeds of approximately $19,300.

On June 30, 2023, the Company redeemed all of the issued and outstanding convertible unsecured notes for proceeds of $27,467.

On July 3, 2023, the Company defaulted under the minimum liquidity covenant resulting in the lender having the ability to demand immediate repayment of the debt and in making available to the lender the collaterized assets, which include substantially all cash, bonds and money market funds which are subject to control agreements. The Liquidity Breach also entitles the lender to halt the advance of additional tranches and may trigger an increase of 300 basis points of the interest rate on the outstanding loan balance. The Company obtained a temporary reduction in the minimum liquidity covenant amount until July 28, 2023, however the lender has not waived its rights related to the default at this time. The Company and the lender agreed to discuss an extension of the reduction of the minimum liquidity covenant amount and the conditions related thereto, if any. There can be no assurance that an agreement will be reached with the lender.

As a result of the weakness in the Company's net revenues in the first half of the 2023 fiscal year, the Company has initiated a reorganization mainly focused on its R&D activities. As such, a charge of approximately $1,500 related to anticipated severance and other costs is expected to be recorded in the remainder of fiscal 2023.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE-AND SIX-MONTH PERIODS ENDED MAY 31, 2023

The following Management's Discussion and Analysis ("MD&A") provides Management's point of view on the financial position and results of operations of Theratechnologies Inc., on a consolidated basis, for the three- and six-months period ended May 31, 2023, compared to the three- and six-months period ended May 31, 2022. Unless otherwise indicated or unless the context requires otherwise, all references in this MD&A to "Theratechnologies", the "Company", the "Corporation", "we", "our", "us" or similar terms refer to Theratechnologies Inc. and its subsidiaries on a consolidated basis. This MD&A is dated July 10, 2023, was approved by our Audit Committee on July 11, 2023 and should be read in conjunction with our unaudited interim consolidated financial statements and the notes thereto as at May 31, 2023 ("Interim Financial Statements"), as well as the MD&A and audited annual consolidated financial statements, including the notes thereto, as at November 30, 2022.

Except as otherwise indicated, the financial information contained in this MD&A and in our Interim Financial Statements has been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board, or IASB, and in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting*.

The Company's functional and presentation currency is the United States dollar ("USD"). All monetary amounts set forth in this MD&A and the Interim Financial Statements are expressed in USD, unless otherwise noted.

In this MD&A, the use of *EGRIFTA*® and *EGRIFTA SV*® (tesamorelin for injection) refers to tesamorelin for the reduction of excess abdominal fat in HIV-infected patients with lipodystrophy and the use of Trogarzo® (ibalizumab-uiyk) injection refers to ibalizumab for the treatment of multidrug resistant HIV-1 infected patients. The use of tesamorelin refers to the use of our tesamorelin compound for the potential treatment of nonalcoholic steatohepatitis ("NASH") in the general population and in people living with HIV.

Forward-Looking Information

This MD&A contains forward-looking statements and forward-looking information within the meaning of applicable securities laws that are based on our management's belief and assumptions and on information currently available to our management, collectively, "forward-looking statements". In some cases, you can identify forward-looking statements by terms such as "may", "will", "should", "could", "would", "expect", "plan", "anticipate", "believe", "estimate", "project", "predict", "intend", "potential", "continue" and similar expressions intended to identify forward-looking statements. Although we believe that the expectations reflected in these forward-looking statements are reasonable, these statements relate to future events or our future performance, and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. Forward-looking statements include, but are not limited to, statements about: our expectations regarding the commercialization of *EGRIFTA SV*® and Trogarzo®;

our ability and capacity to grow the sales of *EGRIFTA SV*® and Trogarzo® successfully in the United States and to meet our revised 2023 financial guidance; our capacity to meet supply and demand for our products; the market acceptance of *EGRIFTA SV*® and Trogarzo® in the United States; the continuation of our collaborations and other significant agreements with our existing commercial partners and third-party suppliers and our ability to establish and maintain additional collaboration agreements; our success in continuing to seek and in maintaining reimbursement for *EGRIFTA SV*® and Trogarzo® by third-party payors in the United States; the pricing and reimbursement conditions of other competing drugs or therapies that are or may become available; our ability to protect and maintain our intellectual property rights in tesamorelin; the timelines associated with the resumption of our Phase 1 clinical trial studying sudocetaxel zendusortide as well as the timelines associated with the completion of the HFS (as defined below) related to *EGRIFTA SV*® and the filing of a sBLA (as defined below) for an intramuscular method of administration of Trogarzo®; our capacity to meet the undertakings, covenants and obligations contained in the Loan Facility (as defined below) entered into with Marathon's affiliates and not be in default thereunder; our capacity to find a partner to conduct a Phase 2b/3 clinical trial using tesamorelin for the treatment of NASH in the general population; our capacity to find a partner to pursue the development of sudocetaxel zendusortide once the Phase 1 clinical trial has resumed; our capacity to control expenses to achieve a positive Adjusted EBITDA by the fiscal year end; our expectations regarding our financial performance, including revenues, expenses, gross margins, profitability, liquidity, capital expenditures and income taxes; and our estimates regarding our capital requirements.

Such statements reflect our current views with respect to future events and are subject to certain risks, uncertainties and assumptions which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed in or implied by the forward-looking statements. Certain assumptions made in preparing the forward-looking statements include that: sales of *EGRIFTA SV*® and Trogarzo® in the United States will continue increasing over time; our expenses will remain under control; our commercial practices in the United States will not be found to be in violation of applicable laws; the long-term use of *EGRIFTA SV*® and Trogarzo® will not change their respective current safety profile; no recall or market withdrawal of *EGRIFTA SV*® and Trogarzo® will occur; no laws, regulation, order, decree or judgment will be passed or issued by a governmental body negatively affecting the marketing, promotion or sale of *EGRIFTA SV*® and Trogarzo® in the United States; continuous supply of *EGRIFTA SV*® and Trogarzo® will be available to meet market demand on a timely basis; our relations with third-party suppliers of *EGRIFTA SV*® and Trogarzo® will be conflict-free; the level of product returns and the value of chargebacks and rebates will not exceed our estimates in relation thereto; no biosimilar version of tesamorelin will be approved by the FDA; our intellectual property will prevent companies from commercializing biosimilar versions of tesamorelin in the United States; no vaccine or cure will be found for the prevention or eradication of HIV; the HFS will be successfully completed and we will resubmit a supplement with the FDA for *EGRIFTA SV*® by the end of the 2023 fiscal year; the FDA will approve the supplement; we will not default under the terms and conditions of the Loan Facility, including meeting the minimum liquidity and revenue target covenants therein; to the extent we default under the terms of the Loan Facility, we will be successful in negotiating waivers of such default; the interest rate on the amount borrowed from Marathon's affiliates under the Loan Facility will not materially vary upwards; the Corporation will continue as a going concern; we will find a partner to conduct a Phase 2b/3 clinical trial studying tesamorelin for the treatment of NASH in the general population; we will be able to recruit patients to resume our Phase 1 clinical trial

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studying sudocetaxel zendusortide and we will be able to see signs of efficacy during such Phase 1 clinical trial; we will find a partner to pursue the development of TH1902 once the Phase 1 clinical trial has resumed; our research and development activities will yield positive results; the timelines set forth herein will not be materially adversely impacted by unforeseen events that could arise subsequent to the date of this MD&A; our business plan will not be substantially modified; and no international event, such as a pandemic or worldwide war, will occur and adversely affect global trade.

Forward-looking information assumptions are subject to a number of risks and uncertainties, many of which are beyond Theratechnologies' control that could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These risks and uncertainties include, but are not limited to, those related to or arising from: the Company's ability and capacity to grow the sales of *EGRIFTA SV*® and Trogarzo® successfully in the United States; the Company's capacity to meet supply and demand for its products; the market acceptance of *EGRIFTA SV*® and Trogarzo® in the United States; the continuation of the Company's collaborations and other significant agreements with its existing commercial partners and third-party suppliers and its ability to establish and maintain additional collaboration agreements; the Company's success in continuing to seek and maintain reimbursements for *EGRIFTA SV*® and Trogarzo® by third-party payors in the United States; the success and pricing of other competing drugs or therapies that are or may become available in the marketplace; the Company's ability to protect and maintain its intellectual property rights in *EGRIFTA SV*® and tesamorelin; events that could disrupt the Company's ability to successfully meet the timelines set forth herein; the discovery of a cure for HIV; the Company's failure to meet the terms and conditions set forth in the Loan Facility resulting in an event of default and causing the interest rate on its loan to increase by 300 basis points and giving right to the creditor to call back the loan and foreclose on the Company's assets; our ability to successfully negotiate further waiver or amendments to the Loan Facility, difficulties in recruiting patients for the Phase 1 clinical trial studying sudocetaxel zendusortide; negative results stemming from such Phase 1 clinical trial resulting in the abandonment of this development program; the inability of the Company to find a partner for its NASH or oncology program or to enter into a partnership agreement with a partner for those programs on favorable terms to the Company; the Company's expectations regarding its financial performance, including revenues, expenses, gross margins, profitability, liquidity, capital expenditures and income taxes; and the Company's estimates regarding its capital requirements.

We refer current and potential investors to the "Risk Factors" section of our Annual Information Form dated February 27, 2023, available on SEDAR at www.sedar.com and on EDGAR at www.sec.gov as an exhibit to our report on Form 40-F dated February 28, 2023, under Theratechnologies' public filings. The reader is cautioned to consider these and other risks and uncertainties carefully and not to put undue reliance on forward-looking statements. Forward-looking statements reflect current expectations regarding future events and speak only as of the date of this MD&A and represent our expectations as of that date.

We undertake no obligation to update or revise the information contained in this MD&A, whether as a result of new information, future events or circumstances or otherwise, except as may be required by applicable law.

NON-IFRS AND NON-US GAAP MEASURE

The information presented in this MD&A includes a measure that is not determined in accordance with International Financial Reporting Standards (“IFRS”) or U.S. generally accepted accounting principles (“U.S. GAAP”), being the term “Adjusted EBITDA”. “Adjusted EBITDA” is used by the Corporation as an indicator of financial performance and is obtained by adding to net profit or loss, finance income and costs, depreciation and amortization, income taxes, share-based compensation from stock options, certain restructuring costs and certain write-downs (or related reversals) of inventories. “Adjusted EBITDA” excludes the effects of items that primarily reflect the impact of long-term investment and financing decisions rather than the results of day-to-day operations. The Corporation believes that this measure can be a useful indicator of its operational performance from one period to another. The Corporation uses this non-IFRS measure to make financial, strategic and operating decisions. Adjusted EBITDA is not a standardized financial measure under the financial reporting framework used to prepare the financial statements of the Corporation to which the measure relates and might not be comparable to similar financial measures disclosed by other issuers. A quantitative reconciliation of Adjusted EBITDA is presented under the heading “Reconciliation of Adjusted EBITDA” in this MD&A.

BUSINESS OVERVIEW

We are a biopharmaceutical company focused on the development and commercialization of innovative therapies addressing unmet medical needs. Our business strategy is to grow revenues in order to achieve a positive Adjusted EBITDA from the sale of our existing and potential future assets in North America, and to develop a portfolio of complementary products, compatible with our expertise in drug development and our commercialization know-how. We currently have two approved products: *EGRIFTA SV*® and Trogarzo® in the United States. In addition to the sale of our products, we are conducting research and development activities. We have a pipeline of investigational medicines in the areas of NASH and oncology.

OUR MEDICINES

The Company commercializes two approved medicines for people living with HIV in the United States, namely *EGRIFTA SV*® and Trogarzo®.

EGRIFTA SV® (tesamorelin for injection) is a new formulation of *EGRIFTA*® which was originally approved by the FDA in November 2010 and was launched in the United States in January 2011. *EGRIFTA SV*® was approved by the FDA in November 2018, was launched in 2019 and has now replaced *EGRIFTA*® in such country. *EGRIFTA SV*® can be kept at room temperature, comes in a single vial and has a higher concentration resulting in a smaller volume of administration. *EGRIFTA SV*® is currently the only approved therapy in the United States for the reduction of excess abdominal fat in HIV-infected patients with lipodystrophy and our organization has been commercializing this product in this country since May1st, 2014.

Trogarzo® was approved by the FDA in March 2018 for the treatment of human immunodeficiency virus type 1 (“HIV-1”) infection in heavily treatment-experienced adults with multidrug resistant, or (“MDR”), HIV-1 infection failing their current antiretroviral regimen.

In March 2016, we obtained the rights to commercialize Trogarzo® in the United States and Canada pursuant to a distribution and licensing agreement with TaiMed. In March 2017, the agreement was amended to include the commercial rights to Trogarzo® in the European Union and in other countries such as Israel, Norway, Russia and Switzerland (the "TaiMed Agreement"). In April 2022, the Company sent a notice of termination to TaiMed in connection with its commercialization and distribution rights of Trogarzo® in Europe, and we no longer commercialize this product in Europe since December 2022.

OUR PIPELINE

Theratechnologies has established a promising pipeline of investigational medicines in areas of high unmet need, including NASH, oncology and HIV.

Tesamorelin

EGRIFTA SV® and F8 Formulation

In HIV-associated lipodystrophy, we are diligently completing the work associated to the supplemental biologic license application ("sBLA") filing for the F8 formulation of Tesamorelin ("F8 Formulation") with the United States Food and Drug Administration ("FDA").

In the spring of 2022, we were informed by the sole global supplier of BWFI that its manufacturing plant had been the subject of an FDA inspection that resulted in this supplier having to make modifications to its facilities before being able to resume manufacturing and shipment of its BWFI. As a result, our plan to file a sBLA by the end of the first quarter of 2022 had to be delayed until this supplier could resume the manufacture of BWFI and the shipment thereof or until we could find an alternate supplier to source BWFI.

We are confident in successfully addressing the shortage of bacteriostatic water for injection ("BWFI") by placing the sourcing of this drug component under our own control via the services of a third-party manufacturer, thereby securing a secondary source of supply for this important component to the F8 Formulation. We have entered into a development agreement with a third-party supplier for the manufacture of our own supply of BWFI and, to date, the engineering and validation batches of BWFI have been manufactured. We have initiated discussions with this third-party supplier with the aim of entering into a long-term supply agreement for BWFI. We were also informed by the original manufacturer of BWFI that the product is now available for purchase.

In addition, with the requirement of the FDA to conduct a HFS for *EGRIFTA SV®*, we have proactively decided to conduct one for the F8 Formulation as well prior to submitting a sBLA seeking the approval of the F8 Formulation. For the moment, we have decided to prioritize the finalization of the HFS for the F8 formulation, and plan to conclude the study in July 2023. We now plan on filing an sBLA with the FDA seeking the approval of the F8 Formulation in the fourth quarter of 2023 for the treatment of lipodystrophy in people living with HIV, and anticipate a maximum review time of six months.

The further development of Tesamorelin also allows Theratechnologies to maintain its positioning as one of the few options for drug developers to immediately partner with a company in order to launch a Phase 2b/3 NASH clinical trial.

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The F8 Formulation is also intended to be used in our Phase 2b/3 clinical trial studying tesamorelin for the treatment of NASH in the general population.

Multi-Dose Pen Injector

In the fiscal year 2021, we began developing the Pen intended to be used in conjunction with the F8 Formulation. To date, its development is not completed, and we are still assessing the feasibility. We have completed the evaluation of a number of feasible alternatives, but we have decided to put this project on hold until we have secured a partnership for the development of tesamorelin for the NASH indication.

Tesamorelin for NASH in the General Population

On September 10, 2020, we announced our intent to study tesamorelin for the potential treatment of NASH in the general population using the F8 Formulation. In November 2020, we filed an Investigational New Drug Application ("IND") with the FDA for a Phase 3 clinical trial evaluating tesamorelin for the treatment of NASH and we received a "Study May Proceed" letter for such Phase 3 clinical trial from the FDA in December 2020. The letter contained a recommendation that the Corporation requests a meeting to discuss the questions and comments contained in such letter to address certain aspects of the proposed trial design to ensure alignment with the agency's expectations with NASH trials. The Corporation followed up on the FDA's recommendation and requested a meeting with the agency. On July 15, 2021, we announced that we had completed discussions with the FDA following an end of Phase 2 meeting and with the EMA following a scientific advice meeting regarding the Phase 3 clinical trial in NASH.

In July 2021, we announced that the final Phase 3 clinical trial design would result in higher costs than what we had expected and, as a result, we were assessing our options to best execute this program, including seeking a potential partner.

We continue to see interest and momentum build in the NASH discussion space based on promising new industry data. Now that the BWFI supply issue has been resolved, we can confidently assure potential partners that further development and the potential launch of a Phase 2b/3 NASH clinical trial would not be impeded by further supply issues. Currently, we continue to pursue potential NASH partners in the marketplace. We continue to maintain that the further development of Tesamorelin allows Theratechnologies to keep its positioning as one of the few options for drug developers to immediately partner with a company in order to launch a Phase 2b/3 NASH clinical trial.

Ibalizumab

Life Cycle Management of Trogarzo®

As previously announced, the Corporation has now completed the enrollment of all patients for this study and the study is completed. We are presently completing the analysis of the data related thereto. The study consisted of assessing the safety and pharmacokinetic levels of Trogarzo® when administered intramuscularly using a syringe. We expect to file a sBLA with the FDA seeking the approval of the intramuscular method of administration in the course of the 2023 fiscal year.

On October 3, 2022, the FDA approved a 30-second Intravenous (“IV”) Push method of administration for the maintenance dose of Trogarzo®. In order to further facilitate the administration of Trogarzo®, we have also recently filed an sBLA with the FDA for the IV Push administration of the loading dose of Trogarzo®. The FDA has accepted our application and has provided a goal date of December 14, 2023.

Sudocetaxel Zendusortide (“TH1902”) *Phase 1 Clinical Trial*

In March 2021, we initiated our Phase 1 clinical trial evaluating TH1902 for the treatment of cancers where the sortilin receptor is expressed. The Phase 1 clinical trial design included a Part A dose escalation study to evaluate the safety, pharmacokinetics, maximum tolerated dose (the “MTD”) and preliminary anti-tumor activity of TH1902 administered once every three weeks in patients with advanced solid tumors refractory to available anti-cancer therapies. Part B of the Phase 1 clinical trial, also known as the “basket trial” initially consisted in recruiting a total of approximately 70 patients to study the safety and tolerability of TH1902 in the following various solid tumor types, including HR+ breast cancer, triple negative breast cancer, ovarian cancer, endometrial cancer, melanoma, thyroid cancer, small cell lung cancer, and prostate cancer. As per the study protocol, the MTD is established once a significant adverse event is observed in two or more patients.

Part A of the Phase 1 clinical trial was completed in the summer of 2022. We then reported that a total of 18 heavily pre-treated patients, who received an average of eight prior cancer treatments, were enrolled in the dose escalation portion of the study. Following the safety observations at 420 mg/m2 including grade 3 neuropathy, grade 4 neutropenia, grade 3 ocular changes (visual acuity, keratitis and ocular surface dryness) and grade 2 skin toxicities (rash, pruritis and inflammation), the dose of TH1902 was decreased to 300 mg/m2 for the next dose level and was expanded to a total of six patients. No dose limiting toxicities (“DLTs”) were observed during the first cycle, therefore, the dose of 300 mg/m2 was selected for continuation of the basket trial.

In addition, we reported that the levels of free docetaxel were low, at only 11% of those observed at docetaxel treatment dosage of 75 mg/m2. 300 mg/m2 appeared to be a well-tolerated dose level. We further reported the observation of signs of efficacy in three heavily pretreated patients.

Following the determination of the MTD, we began enrolling patients in the basket trial. In December 2022, we decided to voluntarily pause the enrollment of patients and revisit the study design of our clinical trial studying TH1902 in various types of cancer. The decision was made after consulting with our investigators. The efficacy results observed were not convincing enough to pursue the enrollment of patients and did not outweigh the adverse events seen in some patients.

On December 1, 2022, Theratechnologies announced the decision to voluntarily pause the enrollment of patients in its Phase 1 clinical trial of TH1902, the Company’s lead investigational peptide drug conjugate (“PDC”) for the treatment of sortilin-expressing cancers.

Following the voluntary pause, the Company formed a Scientific Advisory Committee (“SAC”) to help determine the best developmental path forward for TH1902. A meeting was held on March 22, with several medical oncologists from across the United States, who are leading experts in the end-to-end lifecycle of oncology drug development.

Theratechnologies presented the pre-clinical and clinical data gathered thus far to the SAC, which made recommendations to modify the frequency of administration, selection of tumor types and criteria for patient selection to further improve our chances of a successful outcome. The Company is finalizing adjustments to the protocol and aims to submit to the FDA before end of April.

Consistent with the Company’s 2023 objective of generating positive Adjusted EBITDA by fiscal year end, any new investments in TH1902 will be stage-gated. Once the Phase 1 clinical trial has resumed, Theratechnologies will also evaluate potential partnerships for TH1902.

On April 18, 2023, the Company presented new data at the American Association of Cancer Research (“AACR”) annual meeting in three poster sessions highlighting a synergistic effect of TH1902 in combination with programmed death-ligand 1 (PD-L1), checkpoint inhibitor therapy in a melanoma mouse model; high expression of the sortilin (SORT1) receptor in multiple tumor types compared to healthy tissues; and the rationale for using TH1902 as a potential therapeutic approach in SORT1-positive triple-negative breast cancer (TNBC) and HER2-positive breast cancers.

Recent Highlights:

Sudocetaxel Zendusortide Development Pathway

On June 2, 2023, we announced the FDA’s agreement to our amended Phase 1 trial protocol for Sudocetaxel Zendusortide following the submission of an amended protocol in May 2023. The amended protocol is designed to improve the therapeutic window of sudocetaxel zendusortide and extend its duration of therapy. The updates include a change in the frequency of administration to weekly dosing and a narrowing of the patient population to focus on those with high-grade serous ovarian cancer, including high-grade peritoneal or fallopian tube cancer, or high-grade endometrioid cancer - a population in which preliminary efficacy has been observed thus far. Patient selection has also been refined to focus on those who are less heavily pretreated, with no more than one taxane failure and a maximum of eight prior cancer treatment regimens.

The amended study will be a modified 6+6 design with two different dosing regimens that are within the efficacious range for sudocetaxel zendusortide: 1.75 mg/kg on days 1, 8, and 15 of a 28-day cycle (similar to 210 mg/m2 every 3 weeks) and 2.5 mg/kg on the same schedule (similar to 300 mg/m2 every 3 weeks). A minimum of six patients will be enrolled at the 1.75 mg/kg dose followed by an observational period of three months to assess dose-limiting toxicity (DLT). If deemed safe (0 or 1 DLT), the trial will enroll an additional six patients at the 2.5 mg/kg dose. Following a second three-month observational period, four more patients will be enrolled at the higher dose, for a total of 16 patients in Part 3 of the trial. The amendments also include an option for a basket expansion stage that will comprise patients with selected, difficult-to-treat tumor types in which sudocetaxel zendusortide has shown activity.

Draw Down on $20 Million Second Tranche of Loan Facility and Redemption of the outstanding Convertible Notes

On June 21, 2023 the Company drew down on its second tranche of $20 million under its credit agreement (the “Loan Facility”) with certain funds and accounts for which Marathon Asset Management, L.P. acts as investment manager. The net proceeds of this second tranche, approximately $19,300,000, were used to redeem all of the issued and outstanding $27.5 million 5.75% convertible unsecured senior notes due on June 30, 2023 (the “Notes”). The remaining balance was funded from the Company’s cash on hand.

Reorganization of R&D Activities

As a result of the weakness in the Company’s net revenues in the first half of the 2023 fiscal year, the Company has initiated a reorganization mainly focused on its R&D activities, which is expected to result in annualized savings of at least $5.5 million for the fiscal year 2024 and beyond. Most of these costs will be associated with headcount reduction and a decrease in the number and scope of research and development projects. As such, we expect to record a charge of $1.5 million to cover anticipated severance and other costs. This reorganization is in line with our aspiration of becoming Adjusted EBITDA positive in the latter part of this year and beyond.

American Society of Clinical Oncology (“ASCO”) Update

On May 25, 2023, Theratechnologies announced that it would be presenting Preliminary Safety and Efficacy Data from Phase 1 Trial of Sudocetaxel Zendusortide in Heavily Pretreated Cancer Patients at ASCO 2023.

Key highlights from the data were preliminary signs of antitumor activity noted in 36% of patients, with two partial responses (PR) and seven patients with prolonged stable disease (SD). Part 1 of the study enrolled 18 adults with a confirmed diagnosis of a metastatic or advanced-stage solid tumor that is refractory to standard therapies (average of 8 prior lines of therapies). The starting dose of 30 mg/m2 every 3 weeks (Q3W) was selected based on sudocetaxel zendusortide preclinical data. Among participants in Part 1, one patient with endometrial cancer experienced SD for 233 days (33 weeks), a second patient with prostate cancer had SD that lasted for 119 days (17 weeks), and a third patient with ovarian cancer experienced SD for 295 days (42 weeks).

Eighteen additional patients were enrolled into the 300 mg/m2 Q3W dose expansion cohort (Part 2). In an interim efficacy and safety analysis of the 300 mg/m2 dose cohort from Parts 1 and 2 (n=25), five of six patients (83%) with ovarian cancer had a best overall response (BOR) of either PR (n=1) or SD (n=4). In the triple-negative breast cancer (TNBC) population, three of four patients (75%) had a BOR of SD, with one patient

experiencing SD for at least four cycles and continued clinical benefit up to at least 24 weeks. In the two patients with prostate cancer, one experienced a PR.

Sudocetaxel zendusortide doses below 300 mg/m2 were well-tolerated in Part 1 of the trial, which established the maximum tolerated dose (MTD) and dose-limiting toxicities at 360 mg/m2 and 420 mg/m2, respectively. Based on those results, investigators selected a 300-mg/m2 dose for Part 2 (dose expansion) of the basket trial, to determine the safety and efficacy of sudocetaxel zendusortide in patients with multiple tumor types with high expression of the sortilin (SORT1) receptor. At 300 mg/m2, the most common treatment-related adverse events (>20%) were ocular changes, neuropathy, gastrointestinal disturbances, and musculoskeletal complaints, with Grade 3 or greater toxicities at a frequency of ≤12%.

Results from a First-of-its-Kind Study in HIV Compares Ibalizumab Clinical Trial Experience to Matched Real-World Non-Ibalizumab OPERA® Cohort presented at ACTHIV™ Conference

In May 2023, we presented data from a landmark study in which the use of Trogarzo® was associated with favorable virologic outcomes compared to non-ibalizumab regimens used in routine care in heavily treatment-experienced people with HIV. In the study, which was presented at the 17th Annual American Conference for the Treatment of HIV™ (ACTHIV™) in Phoenix, Ariz., use of ibalizumab resulted in a statistically significant doubling of the likelihood of viral undetectability, as well as a much longer duration of undetectability and viral suppression, compared to a real-world, non-ibalizumab control group from the Observational Pharmaco-Epidemiology Research & Analysis (OPERA®) database.

The study evaluated data from 76 participants in two clinical trials (Phase 2b and Phase 3) who received 800 mg of ibalizumab every two weeks (treatment arm), and compared those data to outcomes from 65 individuals treated with non-ibalizumab-containing regimens as routine care in the OPERA® cohort (control arm). Standardized mortality rate (SMR) weighting ensured balance between the treatment and control groups in terms of baseline age, CD4 cell count, viral load (VL), and susceptibility to specific ART agents.
Despite ibalizumab trial participants having more severe disease at baseline than non-ibalizumab controls, ibalizumab was associated with superior virologic outcomes. At 24 weeks, investigators observed a statistically significant doubling of the likelihood of viral undetectability (defined as VL <50 c/mL) in the treatment arm versus the control arm (SMR-weighted hazard ratio [HR]: 1.98; 95% confidence interval [CI]: 1.02, 3.69). Achievement of viral suppression (defined as VL <200 c/mL) was also more likely with ibalizumab, though this finding did not reach statistical significance (SMR-weighted HR: 1.28; 95% CI: 0.82, 2.06).

Among those who achieved undetectability on ibalizumab, 95% maintained undetectability through the end of follow-up, compared to 27% of those on non-ibalizumab regimens (SMR-weighted HR: 16.08; 95% CI: 3.99, 64.78). Additionally, the same significance emerged for maintaining viral suppression, which was 18 times lower for real-world non-ibalizumab regimens compared to ibalizumab. For both durability analyses, confidence intervals were wide but statistically significant (SMR-weighted HR: 18.36; 95% CI: 2.48, 135.68).

JANUARY 2021 OFFERING

Use of Proceeds

In its prospectus supplement dated January 13, 2021, relating to the January 2021 offering, the Company indicated that it intended to use the net proceeds from such offering primarily to fund research and development activities, commercialization initiatives, general and administrative expenses, working capital needs and other general corporate purposes. More specifically, out of net proceeds of the offering then estimated to be $42,500,000, an amount of $30,500,000 was earmarked for the NASH Phase 3 clinical trial and $7,000,000 for oncology research and development (including the TH1902 Phase 1 clinical trial), with the remainder left for commercial and marketing activities and other uses.

In the months following the January 2021 offering, the Company was able to complete its discussions with the FDA and the EMA regarding the design and protocol for the Phase 3 clinical trial evaluating tesamorelin for the treatment of NASH. As part of its announcement on July 15, 2021, regarding the finalization of the trial design, the Company also announced that the changes made to the design pursuant to the discussions held with the FDA and the EMA would result in higher costs than previously estimated, and that the Company was evaluating its options to best execute its late-stage development program for tesamorelin, including seeking a potential partner. As a result of the delay in the initiation of the NASH Phase 3 clinical trial, the funds raised in the January 2021 offering earmarked for such trial have been added to the Company's available cash balance. The Company's ability to execute its Phase 3 clinical trial evaluating tesamorelin for the treatment of NASH will be dependent on its ability to secure additional financial resources.

The following table shows the estimated use of proceeds, compared with the actual use of proceeds as at May 31, 2023:

In millions	**Estimated Use of Proceeds**	**Actual Use of Proceeds**	**Variance**
Nash Phase 3 clinical trial	$30.5	$2.8	$(27.7)
Oncology R&D	7.0	9.7	2.7
Commercial and marketing activities	3.5	- -	(3.5)
Other	1.5	4.6	3.1
Net Proceeds	$42.5	$17.1	$(25.4)

As at May 31, 2023, approximately $2,834,000 had been used in connection with the NASH Phase 3 clinical trial.

As at May 31, 2023, approximately $9,716,000 had been used in connection with oncology research and development activities and the variance between the amount reserved and the amount used as at May 31, 2023 represents funds held in cash pending their planned allocation as costs are incurred.

Finally, the Company has not implemented new initiatives in terms of commercial and marketing activities, such that the funds earmarked for such use have been added to the Company's working capital.

2023 Revised Revenue Guidance

Given the lower than anticipated revenues in the quarter ended May 31, 2023, we are revising our FY2023 revenue guidance range to between $82 million and $87 million, or growth of the commercial portfolio in the range of 3% and 9%, as compared to the 2022 fiscal year results.

Revenue Summary for Second Quarter and First Half Fiscal 2023
(in thousands of U.S. dollars)

	Three months ended May 31		% change	Six months ended May 31		% change
	2023	**2022**		**2023**	**2022**	
EGRIFTA®, EGRIFTA SV® net sales	10,853	11,416	(4.9%)	23,564	23,120	1.9%
Trogarzo® net sales	6,696	7,852	(14.7%)	13,893	14,705	(5.5%)
Revenue	**17,549**	**19,268**	**(8.9%)**	**37,457**	**37,825**	**(1.0%)**

Second Quarter Fiscal 2023 Financial Results

Revenue

For the three- and six-month periods ended May 31, 2023, consolidated revenue was $17,549,000 and $37,457,000, compared to $19,268,000 and $37,825,000 for the same periods ended May 31, 2022, representing a year-over-year decrease of 8.9% for the second quarter and a decrease of 1.0% for the first half of the fiscal year.

For the second quarter of fiscal 2023, net sales of *EGRIFTA SV®* were $10,853,000 compared to $11,416,000 in the second quarter of fiscal 2022, representing a decrease of 4.9% year-over-year. Lower sales of *EGRIFTA SV®* in the quarter were mostly the result of a draw down in inventory at one of our large specialty pharmacies. This pharmacy had built up larger than usual inventories in the fourth quarter of 2022. Following discussions with this group, we have determined that the situation is largely resolved, and sales in the months of May and June 2023 are back to normal levels. Net sales of EGRIFTA SV were also impacted by larger than usual rebates to government payers. These situations also impacted Net sales for the six-month period ended May 31, 2023, which amounted to $23,564,000 compared to $23,120,000 in the same period in 2022, representing growth of 1.9%.

Trogarzo® net sales in the second quarter of fiscal 2023 amounted to $6,696,000 compared to $7,852,000 for the same quarter of 2022, representing a decrease of 14.7% year-over-year. Lower sales of Trogarzo® were a result of the same inventory adjustment as discussed above, and further inventory drawdowns at another specialty pharmacy with which we renegotiated contract terms resulting in a lowering of their overall inventory levels. This new contract terms will be beneficial to Theratechnologies in the future

resulting in recurring annual savings. Net sales of Trogarzo® were also impacted by greater than anticipated rebates to government payers. The Trogarzo® net sales decrease is also attributable to a lesser degree on our decision to stop commercializing the product in Europe in 2022.

For the six-month period ended May 31, 2023, Trogarzo® net sales were $13,893,000 compared to $14,705,000 in the same period in 2022.

Cost of Sales

For the three- and six-months ended May 31, 2023, cost of sales decreased to $4,909,000 and $9,602,000 compared to $8,979,000 and $15,078,000 for the same periods in fiscal 2022.

Cost of goods sold was $4,909,000 and $9,602,000 in the three- and six-month periods of 2023 compared to $7,759,000 and $12,637,000 for the same periods in 2022. The decrease in cost of goods sold was mainly due to a charge of $2,300,000, in 2022, arising from the non-production of scheduled batches of *EGRIFTA SV*® that were cancelled due to the planned transition to the F8 formulation of tesamorelin. No such charge was recorded in 2023.

Cost of sales also included the amortization of the other asset of $1,220,000 in Q2 fiscal 2022, and of $2,441,000 for the six-month period ended May 31, 2022. As the other asset was fully amortized during fiscal 2022, amortization of the other asset in fiscal 2023 is nil.

R&D Expenses

R&D expenses in the three- and six-month periods ended May 31, 2023, amounted to $10,389,000 and $19,745,000 compared to $11,056,000 and $19,059,000 in the comparable periods of fiscal 2022.

R&D expenses in the second quarter of 2023 were negatively impacted by a provision of $3,042,000 related to sudocetaxel zendusortide material which could expire before we are able to use it in our clinical program. Excluding this provision, R&D expenses are down significantly in the second quarter of 2023 compared to last year, mostly as a result of lower spending on our oncology program.

Selling Expenses

Selling expenses decreased to $6,479,000 and $13,293,000 for the three- and six-month periods ended May 31, 2023, compared to $15,371,000 and $23,178,000 for the same periods last year. The decrease is due in large part to a charge of $6,356,000 related to the accelerated amortization, in Q2 2022 of the Trogarzo® commercialization rights for the European territory following our decision to cease commercialization activities in that territory during that quarter, which also led to decreased overall spending in commercialization activities. In 2022, we also incurred one-time costs related to setting up our internal field force in the United States.

The amortization of the intangible asset value for the *EGRIFTA SV*® and Trogarzo® commercialization rights is also included in selling expenses. As such, we recorded

amortization expenses of $739,000 and $1,478,000 for the three- and six-month periods ended May 31, 2023 compared to $7,102,000 and $7,897,000 in 2022.

General and Administrative Expenses

General and administrative expenses in the three- and six-month periods ended May 31, 2023, amounted to $3,716,000 and $8,168,000 compared to $4,823,000 and $9,191,000 reported in the comparable periods of fiscal 2022. The decrease in General and Administrative expenses is largely due to our decision to terminate the commercialization activities of Trogarzo in Europe during the second quarter of 2022.

Net Finance Costs

Net finance costs for the three- and six-month periods ended May 31, 2023, were $1,943,000 and $6,883,000 compared to $1,644,000 and $2,929,000 for the comparable periods of 2022. Net finance costs in the second quarter of 2023 included interest of $1,874,000, consisting of interest on the convertible senior notes issued in June 2018 of $398,000, and interest of $1,476,000 on the Marathon Credit Facility. Net finance costs in the six month period ended May 31, 2023 included interest of $3,658,000, consisting of interest on the convertible senior notes issued in June 2018 of $788,000 and interest on the Marathon Credit Facility of $2,870,000. Net finance costs were also impacted in the first quarter of 2023 by the loss on debt modification of $2,650,000 related to the issuance of the Marathon Warrants issued in connection to the amendments to the Credit Agreement during the first quarter of 2023.

Net finance costs for the three- and six-month periods ended May 31, 2023, also included accretion expense of $609,000 and $1,142,000, compared to $544,000 and $1,061,000 for the comparable periods in 2022.

Adjusted EBITDA

Adjusted EBITDA was $(6,140,000) for the second quarter of fiscal 2023 and $(10,032,000) for the six-month period ended May 31, 2023, compared to $(11,704,000) and $(15,798,000) for the same periods of 2022. Adjusted EBITDA in the second quarter of 2023 was negatively affected by an expense related to a provision of $3,042,000 in relation to the foreseen expiration of clinical lots of sudocetaxel zendusortide. See “Non-IFRS and Non-US-GAAP Measure” above and see “Reconciliation of Adjusted EBITDA” below for a reconciliation to Net Loss for the relevant periods.

Net Loss

As a result of lower revenues and certain items as discussed above, net loss for the three- and six-month periods ended May 31, 2023, amounted to $10,013,000 and $20,456,000 compared to $22,727,000 and $31,759,000, for the same periods last year.

Financial Position, Liquidity and Capital Resources

Going Concern Uncertainty

As part of the preparation of the interim financial statements, management is responsible for identifying any event or situation that may cast doubt on the Company's ability to continue as a going concern. Substantial doubt regarding the Company's ability to continue as a going concern exists if events or conditions, considered collectively, indicate that the Company may be unable to honor its obligations as they fall due during a period of at least, but not limited to, 12 months from May 31, 2023. If the Company concludes that events or conditions cast substantial doubt on its ability to continue as a going concern, it must assess whether the plans developed to mitigate these events or conditions will remove any possible substantial doubt.

For the six-month period ended May 31, 2023, the Company incurred a net loss of $20,456,000 (2022 – $31,759,000) and had negative operating cash flows of $6,901,000 (2022 - $6,734,000). The Company's total current liabilities exceeded total current assets at May 31, 2023.

The Company's Loan Facility is available in four tranches and contains various covenants, including minimum liquidity covenants whereby the Company needs to maintain significant cash, cash equivalent and eligible short-term investments balances in specified accounts, which restricts the management of the Company's liquidity (refer to notes 18 and 24 of the annual consolidated financial statements as at November 30, 2022). On July 3, 2023, the Company defaulted under the minimum liquidity covenant ("Liquidity Breach") resulting in the lender having the ability to demand immediate repayment of the debt and in making available to the lender the collateralized assets, which include substantially all cash, bonds and money market funds which are subject to control agreements. The Liquidity Breach also entitles the lender to halt the advance of additional tranches and may trigger an increase of 300 basis points of the interest rate on the outstanding loan balance. The Company obtained a temporary reduction in the minimum liquidity covenant amount until July 28, 2023, however the lender has not waived its rights related to the default at this time. The Company and the lender agreed to discuss an extension of the reduction of the minimum liquidity covenant amount and the conditions related thereto, if any. There can be no assurance that an agreement will be reached with the lender. As the Liquidity Breach occurred after May 31, 2023, it does not affect the long-term classification of the Loan Facility at May 31, 2023.

The Loan Facility also includes operational milestones and required revenue targets (which were amended during the quarter, refer to note 7 of the interim financial statements) in order for the Company to comply with the conditions of the Loan Facility and to be able to borrow money forming part of the various tranches.

The Company's ability to continue as a going concern for period of at least, but not limited to, 12 months from May 31, 2023 involves significant judgement and is dependent on its ability to obtain the support of the lender including the waiver of the Liquidity Breach, increase revenues and manage expenses to generate sufficient positive cash flows from operations and/or find alternative source of funding to respect the various covenants of its Loan Facility, including obtaining the approval from the United States Food and Drug Administration for its F8 formulation of Tesamorelin on or before March 31, 2024. Should management's plans not materialize, the Company may be or remain in default of the Loan Facility, be forced to reduce or delay expenditures and capital additions and seek additional financing through the issuance of equity. Raising additional equity capital is subject to market conditions. If the Company is unable to secure additional financing, the Company could have to sell or liquidate its assets or resort to insolvency laws. As a result, there is material uncertainty related to events or conditions that cast substantial doubt about the Company's ability to continue as a going concern.

Furthermore, the Loan Facility includes a covenant prohibiting having a going concern explanatory paragraph in the annual report of the independent registered public accounting firm but the lender amended the Loan Facility on February 27, 2023 to exclude the fiscal year ended November 30, 2022. The term loan was reclassified from current at November 30, 2022 to long-term at May 31, 2023 as a result of the waiver received within the first quarter. There is no assurance that the lender will agree to amend or to waive potential future covenant breaches, if any.

These interim financial statements have been prepared assuming the Company will continue as a going concern, which assumes the Company will continue its operations in the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. These interim financial statements do not include any adjustments to the carrying values and classification of assets and liabilities and reported expenses that might result from the outcome of this uncertainty and that may be necessary if the going concern basis was not appropriate for these interim financial statements. If the Company was unable to continue as a going concern, material impairment of the carrying values of the Company's assets, including intangible assets, could be required.

Analysis of cash flows

We ended the second quarter of fiscal 2023 with $25,369,000 in cash, bonds and money market funds. Available cash is invested in highly liquid fixed income instruments including governmental and municipal bonds, and money market funds.

The Company voluntarily changed its accounting policy in Fiscal 2022 to classify interest paid and received as part of cash flows from operating activities, which were previously classified as cash flow from financing activities and interest received as cash flows from investing activities. The Fiscal 2022 amounts presented herein have been recasted to reflect the change in policy.

For the three-month period ended May 31, 2023, cash used in operating activities was $3,562,000, compared to $1,044,000 in the comparable period of Fiscal 2022.

In the second quarter of fiscal 2023, changes in operating assets and liabilities had a positive impact on cash flow of $4,643,000 (2022-positive impact of $10,701,000). These changes included positive impacts from a decrease in inventories ($2,653,000), lower prepaid expenses and deposits ($3,275,000) and higher accounts payable ($2,592,000), and also include a negative impact from higher accounts receivable ($3,093,000). The decrease in inventories is mainly due to a planned reduction of Trogarzo® inventory levels.

During Fiscal 2022, the Company realized net proceeds from the issuance of a long-term loan of $37,715,000. We also received net proceeds for the issuance of common stock to an institutional investor in the amount of $2,871,000 under its ATM program. Significant uses of cash for financing activities during Fiscal 2022 included the purchase of convertible notes for $28,819,000 (including costs related to the purchase), and $1,527,000 in deferred financing costs related to the establishment of the Loan Facility.

There were no significant financing activities or investing activities in the three and six months ended May 31, 2023 and 2022.

Quarterly Financial Information

The following table is a summary of our unaudited consolidated operating results for the last eight quarters.

(in thousands of dollars, except per share amounts)

	2023		2022				2021	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Revenue	**17,549**	19,908	21,421	20,811	19,268	18,557	18,754	17,852
Operating expenses								
Cost of sales								
Cost of goods sold	**4,909**	4,693	5,909	5,292	7,759	4,878	5,191	4,283
Amortization of other asset	**-**	-	-	-	1,220	1,221	1,220	1,221
R&D	**10,389**	9,356	9,455	8,425	11,056	8,003	8,678	8,296
Selling	**6,479**	6,814	7,809	8,404	15,371	7,807	8,193	7,657
General and administrative	**3,716**	4,452	3,956	4,209	4,823	4,368	3,537	3,633
Total operating expenses	**25,493**	25,315	27,129	26,330	40,229	26,277	26,819	25,090
Net finance costs	**(1,943)**	(4,940)	(2,078)	(1,879)	(1,644)	(1,285)	(1,817)	(2,254)
Income taxes	**(126)**	(96)	(143)	(151)	(122)	(27)	(19)	(18)
Net loss	**(10,013)**	(10,443)	(7,929)	(7,549)	(22,727)	(9,032)	(9,901)	(9,510)
Basic and diluted loss per share	**(0.10)**	(0.11)	(0.09)	(0.08)	(0.24)	(0.09)	(0.10)	(0.10)

Factors Affecting the Variability of Quarterly Results

There are quarter-over-quarter variations in net sales revenue, principally due to changes in distributor inventory levels with some additional impact from time to time related to average net selling price, which is affected by changes in the mix of private payors versus government drug reimbursement plans.

The increase in cost of goods sold in Q2 2022 was mainly due to a charge arising from the non-production of scheduled batches of *EGRIFTA SV*® that were cancelled due to the planned transition to the F8 formulation of tesamorelin.

The increase in R&D expenses in Q2 2023 was due to a provision of $3,042,000 related to sudocetaxel zendusortide material which could expire before we are able to use it in our clinical program.

The increase in selling expenses in Q2 2022 was related to the accelerated amortization of the Trogarzo® commercialization rights for the European territory following our decision to cease commercialization activities in that territory.

Subsequent Events

On June 21, 2023, the Company drew down on $20,000,000 Tranche 2 Loan, for a net proceed of approximately $19,300,000.

On June 30, 2023, the Company redeemed all of the issued and outstanding convertible unsecured notes for proceeds of $27,467,000.

On July 3, 2023, the Company defaulted under the minimum liquidity covenant resulting in the lender having the ability to demand immediate repayment of the debt and in making available to the lender the collateralized assets, which include substantially all cash, bonds and money market funds which are subject to control agreements. The Liquidity Breach also entitles the lender to halt the advance of additional tranches and may trigger an increase of 300 basis points of the interest rate on the outstanding loan balance. The Company obtained a temporary reduction in the minimum liquidity covenant amount until July 28, 2023, however the lender has not waived its rights related to the default at this time. The Company and the lender agreed to discuss an extension of the reduction of the minimum liquidity covenant amount and the conditions related thereto, if any. There can be no assurance that an agreement will be reached with the lender.

As a result of the weakness in the Company's net revenues in the first half of the 2023 fiscal year, the Company has initiated a reorganization mainly focused on its R&D activities. As such, a charge of approximately $1,500,000 related to anticipated severance and other costs is expected to be recorded in the remainder of fiscal 2023.

Recent Changes in Accounting Standards

There were no changes in accounting standards during the second quarter of fiscal 2023.

Outstanding Share Data

As of July 10, 2023, the Company had 96,807,309 common shares issued and outstanding, 8,130,550 Warrants and 5,000,000 Marathon Warrants issued and outstanding, while outstanding options granted under our stock option plan amounted to 9,083,352.

Contractual Obligations

There was no material change in contractual obligations during the three- and six-month periods ended May 31, 2023.

Economic and Industry Factors

In the three months ended May 31, 2023, there were no material economic and industry factors affecting our business.

Internal Control

The Company identified a material weakness as at November 30, 2022, in the Company's process level controls relating to the documentation of the analysis and relating to the monitoring of certain conditions and covenants included in a financing arrangement. This control failure caused ineffective controls over the assessment of going concern uncertainty, including the underlying financial data and assumptions supporting the forecasted financial information utilized to prepare projected cash flows and liquidity requirements to comply with some of the covenants in such financing arrangement. Refer to our annual MD&A for additional details.

Our management, including our President and Chief Executive Officer and our Senior Vice President and Chief Financial Officer, have evaluated, or caused the evaluation of, under their direct supervision, the design of the Company's internal control over financial reporting, as defined under National Instrument 52-109 – Certification of Disclosure as at May 31, 2023. Based upon that evaluation, our President and Chief Executive Officer and our Senior Vice President and Chief Financial Officer, have concluded that our internal control over financial reporting were not effective as of May 31, 2023, as the controls related to the above-described material weakness have not yet been adequately remediated.

The Company's management team has begun remediating the ineffective controls related to the above-described material weakness. The material weaknesses will not be considered fully remediated until the applicable controls operate for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively. During the first and second quarters of 2023, the Company worked on a remediation plan and began implementing new internal controls to remediate to this material weakness. We have started the design and implementation of these improved and additional controls in the second quarter of 2023.

There were no changes in our internal controls over financial reporting that occurred during the period from March 1st, 2023 to May 31, 2023 that materially affected, or is reasonably likely to materially affect, our internal controls over financial reporting.

Reconciliation of Adjusted EBITDA
(In thousands of U.S. dollars)

	Three-month periods ended May 31		Six-month periods ended May 31	
	2023	2022	**2023**	2022
Net loss	**(10,013)**	(22,727)	**(20,456)**	(31,759)
Add :				
Depreciation and amortization[1]	**932**	8,491	**1,871**	10,675
Net Finance costs[2]	**1,943**	1,644	**6,883**	2,929
Income taxes	**126**	122	**222**	149
Share-based compensation	**702**	766	**1,278**	2,208
Inventory provision[3]	**170**	-	**170**	-
Adjusted EBITDA	**(6,140)**	(11,704)	**(10,032)**	(15,798)

[1] Includes depreciation of property and equipment, amortization of intangible, other assets and right-of-use assets.
[2] Includes all finance income and finance costs consisting of: Foreign exchange, interest income, accretion expense and amortization of deferred financing costs, interest expense, bank charges, gain or loss on financial instruments carried at fair value and loss on debt modification and gain on lease termination.
[3] Inventory provision pending marketing approval of the F8 formulation.

Theratechnologies Inc.
2015 Peel Street, 11th Floor
Montreal, Québec H3A 1T8

FORM 52-109F2
CERTIFICATION OF INTERIM FILINGS
FULL CERTIFICATE

I, Paul Lévesque, President and Chief Executive Officer of Theratechnologies Inc., certify the following:

1. ***Review***: I have reviewed the interim financial statements and interim MD&A, (together, the "interim filings") of Theratechnologies Inc. (the "issuer") for the interim period ended May 31, 2023.

2. ***No misrepresentations***: Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.

3. ***Fair presentation***: Based on my knowledge, having exercised reasonable diligence, the interim financial statements together with the other financial information included in the interim filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

4. ***Responsibility***: The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as those terms are defined in Regulation 52-109 respecting Certification of Disclosure in Issuers' Annual and Interim Filings, for the issuer.

5. ***Design***: Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer's other certifying officers(s) and I have, as at the end of the period covered by the interim filings

   (a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that:

      (i) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and

      (ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

   (b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

5.1 ***Control framework***: The control framework the issuer's other certifying officer(s) and I used to design the issuer's ICFR is the "Internal Control – Integrated Framework" (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

5.2 ***ICFR – material weakness relating to design***: The issuer has disclosed in its interim MD&A for each material weakness relating to design existing at the end of the interim period:

(a) a description of the material weakness;

(b) the impact of the material weakness on the issuer's financial reporting and its ICFR; and

(c) the issuer's current plans, if any, or any actions already undertaken, for remediating the material weakness.

5.3 N/A

6. ***Reporting changes in ICFR***: The issuer has disclosed in its interim MD&A any change in the issuer's ICFR that occurred during the period beginning on March 1, 2023, and ended on May 31, 2023, that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

Date: July 12, 2023

/s/ Paul Lévesque
Paul Lévesque
President and Chief Executive Officer

FORM 52-109F2
CERTIFICATION OF INTERIM FILINGS
FULL CERTIFICATE

I, Philippe Dubuc, Senior Vice President and Chief Financial Officer of Theratechnologies Inc., certify the following:

1. ***Review***: I have reviewed the interim financial statements and interim MD&A, (together, the "interim filings") of Theratechnologies Inc. (the "issuer") for the interim period ended May 31, 2023.

2. ***No misrepresentations***: Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.

3. ***Fair presentation***: Based on my knowledge, having exercised reasonable diligence, the interim financial statements together with the other financial information included in the interim filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

4. ***Responsibility***: The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as those terms are defined in Regulation 52-109 respecting Certification of Disclosure in Issuers' Annual and Interim Filings, for the issuer.

5. ***Design***: Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer's other certifying officers(s) and I have, as at the end of the period covered by the interim filings

   (a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that:

      (i) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and

      (ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

   (b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

5.1 ***Control framework***: The control framework the issuer's other certifying officer(s) and I used to design the issuer's ICFR is the "Internal Control – Integrated Framework" (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

5.2 ***ICFR – material weakness relating to design***: The issuer has disclosed in its interim MD&A for each material weakness relating to design existing at the end of the interim period:

(a) a description of the material weakness;

(b) the impact of the material weakness on the issuer's financial reporting and its ICFR; and

(c) the issuer's current plans, if any, or any actions already undertaken, for remediating the material weakness.

5.3 N/A

6. ***Reporting changes in ICFR***: The issuer has disclosed in its interim MD&A any change in the issuer's ICFR that occurred during the period beginning on March 1, 2023, and ended on May 31, 2023, that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

Date: July 12, 2023

/s/ Philippe Dubuc
Philippe Dubuc
Senior Vice President and Chief Financial Officer