UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

Form 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended March 31, 2021

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from to

Commission File Number: 001-35420

ChemoCentryx, Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware	**94-3254365**
(State or Other Jurisdiction of Incorporation or Organization)	**(I.R.S. Employer Identification No.)**
835 Industrial Road San Carlos, California	**94070**
(Address of Principal Executive Offices)	**(Zip Code)**

(650) 210-2900
(Registrant's Telephone Number, Including Area Code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.001 per share	CCXI	The Nasdaq Stock Market LLC

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

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

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

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

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

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

The number of outstanding shares of the registrant's common stock, par value $0.001 per share, as of April 23, 2021 was 69,749,569.

CHEMOCENTRYX, INC.

QUARTERLY REPORT ON FORM 10-Q
For the quarterly period ended March 31, 2021

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

CHEMOCENTRYX, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands, except share and par value data)

	March 31, 2021 (unaudited)	December 31, 2020
Assets		
Current assets:		
Cash and cash equivalents	$ 68,548	$ 32,297
Short-term investments	307,736	404,273
Accounts receivable, other	130	137
Accounts receivable from related party	10,012	32
Prepaid expenses and other current assets	4,215	4,831
Total current assets	390,641	441,570
Property and equipment, net	33,117	25,160
Long-term investments	47,875	23,800
Operating lease right-of-use assets	26,017	26,911
Other assets	1,462	1,458
Total assets	$ 499,112	$ 518,899
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 10,926	$ 12,875
Accrued and other current liabilities	21,156	19,794
Long-term debt, current	9,609	6,302
Deferred revenue from related party	13,039	12,587
Total current liabilities	54,730	51,558
Long-term debt, net	14,866	18,099
Non-current deferred revenue from related party	23,337	24,000
Non-current lease liabilities	44,112	38,671
Other non-current liabilities	1,063	958
Total liabilities	138,108	133,286
Commitments (Note 7)		
Stockholders' equity:		
Preferred stock, $0.001 par value, 10,000,000 shares authorized; no shares issued and outstanding	—	—
Common stock, $0.001 par value, 200,000,000 shares authorized; 69,742,493 and 69,452,466 shares issued and outstanding at March 31, 2021 and December 31, 2020, respectively	70	69
Additional paid-in capital	876,017	870,788
Note receivable	(16)	(16)
Accumulated other comprehensive income (loss)	(14)	114
Accumulated deficit	(515,053)	(485,342)
Total stockholders' equity	361,004	385,613
Total liabilities and stockholders' equity	$ 499,112	$ 518,899

See accompanying notes.

CHEMOCENTRYX, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except per share data)
(unaudited)

	Three Months Ended March 31,	
	2021	**2020**
Revenue:		
Collaboration and license revenue from related party	$ 10,223	$ 5,855
Grant revenue	130	153
Total revenue	10,353	6,008
Operating expenses:		
Research and development	23,418	19,311
General and administrative	16,262	8,820
Total operating expenses	39,680	28,131
Loss from operations	(29,327)	(22,123)
Other income (expense):		
Interest income	305	984
Interest expense	(689)	(548)
Total other income (expense), net	(384)	436
Net loss	$ (29,711)	$ (21,687)
Basic and diluted net loss per common share	$ (0.43)	$ (0.35)
Shares used to compute basic and diluted net loss per common share	69,608	61,295

See accompanying notes.

CHEMOCENTRYX, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(in thousands)
(unaudited)

	Three Months Ended March 31,	
	2021	2020
Net loss	$ (29,711)	$ (21,687)
Unrealized loss on available-for-sale securities	(128)	(101)
Comprehensive loss	$ (29,839)	$ (21,788)

See accompanying notes.

CHEMOCENTRYX, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(in thousands, except share data)
(unaudited)

	Common Stock		Additional Paid-In	Note	Accumulated Other Comprehensive	Accumulated	Total Stockholders'
	Shares	Amount	Capital	Receivable	Income (Loss)	Deficit	Equity
Balance as of December 31, 2020	69,452,466	$ 69	$ 870,788	$ (16)	$ 114	$ (485,342)	$ 385,613
Net loss	-	-	-	-	-	(29,711)	(29,711)
Unrealized loss on investments	-	-	-	-	(128)	-	(128)
Issuance of common stock under equity incentive plans and employee stock purchase plans	370,987	1	2,162	-	-	-	2,163
Repurchased shares upon vesting of restricted stock units for tax withholdings	(80,960)	-	(5,013)	-	-	-	(5,013)
Employee stock-based compensation	-	-	7,840	-	-	-	7,840
Compensation expense related to options granted to consultants	-	-	240	-	-	-	240
Balance as of March 31, 2021	69,742,493	$ 70	$ 876,017	$ (16)	$ (14)	$ (515,053)	$ 361,004

	Common Stock		Additional Paid-In	Note	Accumulated Other Comprehensive	Accumulated	Total Stockholders'
	Shares	Amount	Capital	Receivable	Income (Loss)	Deficit	Equity
Balance as of December 31, 2019	60,234,784	$ 60	$ 495,624	$ (16)	$ 318	$ (429,986)	$ 66,000
Net loss	-	-	-	-	-	(21,687)	(21,687)
Unrealized loss on investments	-	-	-	-	(101)	-	(101)
Issuance of common stock under equity incentive plans	1,645,869	2	14,797	-	-	-	14,799
Repurchased shares upon vesting of restricted stock units for tax withholdings	(87,992)	-	(3,480)	-	-	-	(3,480)
Employee stock-based compensation	-	-	4,374	-	-	-	4,374
Compensation expense related to options granted to consultants	-	-	256	-	-	-	256
Balance as of March 31, 2020	61,792,661	$ 62	$ 511,571	$ (16)	$ 217	$ (451,673)	$ 60,161

See accompanying notes.

CHEMOCENTRYX, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)
(unaudited)

	Three Months Ended March 31,	
	2021	2020
Operating activities		
Net loss	$ (29,711)	$ (21,687)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation	8,080	4,630
Depreciation of property and equipment	117	143
Non-cash lease expense	594	297
Non-cash interest expense, net	997	155
Changes in assets and liabilities:		
Accounts receivable, other	7	23
Accounts receivable due from related party	(9,980)	(15)
Prepaids and other current assets	583	(754)
Other assets	(4)	69
Accounts payable	1,201	1,042
Operating lease liabilities	6,342	(321)
Other liabilities	418	(5,189)
Deferred revenue from related party	(211)	(5,839)
Net cash used in operating activities	(21,567)	(27,446)
Investing activities		
Purchases of property and equipment, net	(10,880)	(868)
Purchases of investments	(95,278)	(11,434)
Maturities of investments	166,826	44,330
Net cash provided by investing activities	60,668	32,028
Financing activities		
Proceeds from exercise of stock options and employee stock purchase plan	2,163	14,797
Employees' tax withheld and paid for with restricted stock units	(5,013)	(3,480)
Borrowings under credit facility agreement, net of issuance costs	—	4,358
Net cash (used in) provided by financing activities	(2,850)	15,675
Net increase in cash, cash equivalents and restricted cash	36,251	20,257
Cash, cash equivalents and restricted cash at beginning of period	33,377	40,259
Cash, cash equivalents and restricted cash at end of period	$ 69,628	$ 60,516
Supplemental disclosures of cash flow information		
Cash paid for interest	$ 509	$ 407
Right-of-use assets obtained in exchange for lease obligations	$ (300)	$ —
Purchases of property and equipment, net recorded in accounts payable and accrued liabilities	$ (2,807)	$ (132)

See accompanying notes.

1. Description of Business

ChemoCentryx, Inc. (the Company) commenced operations in 1997. The Company is a biopharmaceutical company focused on the development and commercialization of new medications targeting inflammatory disorders, autoimmune diseases and cancer. The Company's principal operations are in the United States and it operates in one segment.

Unaudited Interim Financial Information

The financial information filed is unaudited. The Condensed Consolidated Financial Statements included in this report reflect all adjustments (consisting only of normal recurring adjustments) that the Company considers necessary for the fair statement of the results of operations for the interim periods covered and of the financial condition of the Company at the date of the interim balance sheet. The December 31, 2020 Condensed Consolidated Balance Sheet was derived from audited financial statements. The results for interim periods are not necessarily indicative of the results for the entire year or any other interim period. The Condensed Consolidated Financial Statements should be read in conjunction with the Company's financial statements and the notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2020 filed with the Securities and Exchange Commission on March 1, 2021.

2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States (GAAP) requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from these estimates.

Concentration of Credit Risk

The Company invests in a variety of financial instruments and, by its policy, limits the amount of credit exposure with any one issuer, industry or geographic area.

Accounts receivable are typically unsecured and are concentrated in the pharmaceutical industry and government sector. Accordingly, the Company may be exposed to credit risk generally associated with pharmaceutical companies and government funded entities. The Company has not historically experienced any significant losses due to concentration of credit risk.

Net Loss Per Share

Basic net loss per common share is computed by dividing net loss attributable to common stockholders by the weighted-average number of common shares outstanding during the period, without consideration for common stock equivalents.

Diluted net loss per share is computed by dividing net loss attributable to common stockholders by the sum of the weighted-average number of common shares outstanding and dilutive common stock equivalent shares outstanding for the period. The Company's potentially dilutive common stock equivalent shares, which include incremental common shares issuable upon (i) the exercise of outstanding stock options and warrants, (ii) vesting of restricted stock units (RSUs) and restricted stock awards (RSAs), and (iii) the purchase from contributions to the 2012 Employee Stock Purchase Plan (the ESPP) (calculated based on the treasury stock method), are only included in the calculation of diluted net loss per share when their effect is dilutive.

For the three months ended March 31, 2021 and 2020, the following potentially dilutive securities were excluded from the calculation of diluted net loss per share due to their anti-dilutive effect (in thousands):

	Three Months Ended March 31,	
	2021	2020
Options to purchase common stock, including purchases from contributions to ESPP	7,483	8,467
Restricted stock units	425	419
Restricted stock awards	14	31
Warrants to purchase common stock	150	150
	8,072	9,067

Comprehensive Loss

Comprehensive loss comprises net loss and other comprehensive loss. For the periods presented, other comprehensive loss consists of unrealized losses on the Company's available-for-sale securities. For the three months ended March 31, 2021 and 2020, there were no sales of investments and therefore there were no reclassifications of comprehensive income.

Recent Accounting Pronouncements

The Company has reviewed recent accounting pronouncements and concluded they are either not applicable to the business or that no material effect is expected on the consolidated financial statements as a result of future adoption.

3. Cash Equivalents, Restricted Cash and Investments

Cash, Cash Equivalents and Restricted Cash

The following table provides a reconciliation of cash, cash equivalents and restricted cash shown in the Condensed Consolidated Statements of Cash Flows (in thousands):

	March 31, 2021	December 31, 2020
Cash and cash equivalents	$ 68,548	$ 32,297
Restricted cash included in Other assets	1,080	1,080
Total cash, cash equivalents and restricted cash	$ 69,628	$ 33,377

Restricted cash as of March 31, 2021 and December 31, 2020 was held as collateral for stand-by letters of credit issued by the Company to its landlord in connection with the lease of the Company's facility in San Carlos, California. See "Note 7. Commitments" for additional information on this lease.

Cash Equivalents and Investments

The amortized cost and fair value of cash equivalents and investments at March 31, 2021 and December 31, 2020 were as follows (in thousands):

	March 31, 2021			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Money market fund	$ 62,830	$ —	$ —	$ 62,830
U.S. treasury securities	113,345	36	—	113,381
Non-U.S. government securities	11,902	—	(12)	11,890
Commercial paper	115,388	—	—	115,388
Asset-backed securities	32,172	3	(12)	32,163
Corporate debt securities	82,818	8	(37)	82,789
Total available-for-sale securities	$ 418,455	$ 47	$ (61)	$ 418,441
Classified as:				
Cash equivalents				$ 62,830
Short-term investments				307,736
Long-term investments				47,875
Total available-for-sale securities				$ 418,441

	December 31, 2020			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Money market fund	$ 30,139	$ —	$ —	$ 30,139
U.S. treasury securities	176,625	60	—	176,685
Government-sponsored agencies	12,500	—	—	12,500
Commercial paper	140,364	—	—	140,364
Asset-backed securities	25,706	23	—	25,729
Corporate debt securities	72,764	38	(7)	72,795
Total available-for-sale securities	$ 458,098	$ 121	$ (7)	$ 458,212
Classified as:				
Cash equivalents				$ 30,139
Short-term investments				404,273
Long-term investments				23,800
Total available-for-sale securities				$ 458,212

Cash equivalents in the tables above exclude cash of $5.7 million and $2.2 million as of March 31, 2021 and December 31, 2020, respectively. All available-for-sale securities held as of March 31, 2021 had contractual maturities of less than two years. There have been no significant realized gains or losses on available-for-sale securities for the periods presented. The Company applies the specific identification method to determine the cost basis of the securities sold. No available-for-sale securities held as of March 31, 2021 have been in a continuous unrealized loss position for more than 12 months. As of March 31, 2021, unrealized losses on available-for-sale investments are not attributed to credit risk. The Company believes that it is more-likely-than-not that investments in an unrealized loss position will be held until maturity or the recovery of the cost basis of the investment. The Company believes that an allowance for credit losses is unnecessary because the unrealized losses on certain of the Company's marketable securities are due to market factors. To date, the Company has not recorded any impairment charges on marketable securities.

4. Fair Value Measurements

The Company determines the fair value of financial assets and liabilities using three levels of inputs as follows:

Level 1—Inputs which include quoted prices in active markets for identical assets and liabilities.

Level 2—Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Recurring Fair Value Measurements

The Company's financial assets subject to fair value measurements on a recurring basis and the level of inputs used in such measurements were as follows as of March 31, 2021 and December 31, 2020 (in thousands):

	March 31, 2021			
Description	**Level 1**	**Level 2**	**Level 3**	**Total**
Money market fund	$ 62,830	$ —	$ —	$ 62,830
U.S. treasury securities	—	113,381	—	113,381
Non-U.S. government securities	—	11,890	—	11,890
Commercial paper	—	115,388	—	115,388
Asset-backed securities	—	32,163	—	32,163
Corporate debt securities	—	82,789	—	82,789
Total available-for-sale securities	$ 62,830	$ 355,611	$ —	$ 418,441

	December 31, 2020			
Description	**Level 1**	**Level 2**	**Level 3**	**Total**
Money market fund	$ 30,139	$ —	$ —	$ 30,139
U.S. treasury securities	—	176,685	—	176,685
Government-sponsored agencies	—	12,500	—	12,500
Commercial paper	—	140,364	—	140,364
Asset-backed securities	—	25,729	—	25,729
Corporate debt securities	—	72,795	—	72,795
Total available-for-sale securities	$ 30,139	$ 428,073	$ —	$ 458,212

During the three months ended March 31, 2021, there were no transfers between Level 1 and Level 2 financial assets. When the Company uses observable market prices for identical securities that are traded in less active markets, the Company classifies its marketable debt instruments as Level 2. When observable market prices for identical securities are not available, the Company prices its marketable debt instruments using non-binding market consensus prices that are corroborated with observable market data; quoted market prices for similar instruments; or pricing models, such as a discounted cash flow model, with all significant inputs derived from or corroborated with observable market data. Non-binding market consensus prices are based on the proprietary valuation models of pricing providers or brokers. These valuation models incorporate a number of inputs, including non-binding and binding broker quotes; observable market prices for identical or similar securities; and the internal assumptions of pricing providers or brokers that use observable market inputs and, to a lesser degree, unobservable market inputs. The Company corroborates non-binding market consensus prices with observable market data using statistical models when observable market data exists. The discounted cash flow model uses observable market inputs, such as LIBOR-based yield curves, currency spot and forward rates, and credit ratings.

Other Fair Value Measurements

The carrying amount and estimated fair value of financial instruments not recorded at fair value at March 31, 2021 and December 31, 2020 were as follows (in thousands):

	March 31, 2021		December 31, 2020	
	Carrying Amount	**Estimated Fair Value**	**Carrying Amount**	**Estimated Fair Value**
Long-term debt, net (1)	$ 24,475	$ 25,522	$ 24,401	$ 25,332

(1) Carrying amounts of long-term debt were net of unamortized debt discounts of $525 and $599 as of March 31, 2021 and December 31, 2020, respectively.

The fair value of the Company's long-term debt is estimated using the net present value of future debt payments, discounted at an interest rate that is consistent with market interest rates, which is a Level 2 input.

5. Accrued and Other Current Liabilities

Accrued and other current liabilities consist of the following (in thousands):

	March 31, 2021	December 31, 2020
Research and development related	$ 13,851	$ 11,062
Compensation related	3,164	5,498
Consulting and professional services	749	1,690
Current portion of operating lease liability	1,446	845
Other	1,946	699
	$ 21,156	$ 19,794

6. Long-term Debt

In December 2017, the Company entered into a Loan and Security Agreement, with Hercules Capital, Inc. (Hercules), pursuant to which term loans in an aggregate principal amount of up to $50.0 million (as amended, the Credit Facility) were available to the Company. As of March 31, 2021, the Company had borrowed $20.0 million under the Credit Facility, with an interest rate of 8.05% per annum and the remaining available amount had expired. Advances under the Credit Facility bear an interest rate equal to the greater of either (i) 8.05% plus the prime rate as reported from time to time in The Wall Street Journal (the Prime Rate) minus 4.75%, and (ii) 8.05%. The Company will make interest-only payments through July 1, 2021, and will then repay the principal balance and interest on the advances in equal monthly installments continuing through December 1, 2022. The Company will pay an end of term charge of $1.3 million in December 2022.

On January 8, 2020, the Company entered into an Amended and Restated Loan and Security Agreement (the Amended Loan Agreement) with Hercules, which amended and restated the agreement between the parties, and pursuant to which an additional term loan in an aggregate principal amount of up to $100.0 million (the Restated Credit Facility) is available to the Company at its discretion in three tranches. The first tranche of the Restated Credit Facility of up to $40.0 million was available to the Company through December 15, 2020, of which $20.0 million became available upon submission of the avacopan New Drug Application (NDA) for the treatment of patients with anti-neutrophil cytoplasmic auto-antibody associated vasculitis (ANCA vasculitis). The second tranche of up to an additional $30.0 million would be available to the Company through December 15, 2021 upon NDA approval of avacopan for the treatment of ANCA vasculitis. The third tranche of up to an additional $30.0 million would be available through December 15, 2022, subject to certain conditions.

Under the Restated Credit Facility, the Company borrowed $5.0 million from the first tranche with an interest rate of 8.50% per annum as of March 31, 2021. Advances under the Restated Credit Facility bear an initial interest rate equal to the greater of either (i) 8.50% plus the Prime Rate minus 5.25%, and (ii) 8.50%, which may be reduced upon the Company achieving certain cumulative net avacopan revenue levels. For advances under the Restated Credit Facility, the Company will make interest only payments through September 1, 2022 and will then repay the principal balance and interest on the advances in equal monthly installments through February 1, 2024. Upon satisfaction of certain conditions, the interest-only payment period and the principal balance repayment period may be extended. In addition, the Company will pay an end of term charge of 7.15% of the aggregate amount of the advances under the Restated Credit Facility.

The Company paid a commitment fee of 1% of the advances made by Hercules, with a minimum charge of $162,500 for the Credit Facility and a minimum charge of $520,000 for the Restated Credit Facility. Also, the Company reimbursed Hercules for costs incurred related to the Restated Credit Facility. These charges were recorded as discounts to the carrying value of the loan and are amortized over the term of the loan using the effective interest method.

In addition, the Company may prepay advances under the Amended Loan Agreement, in whole or in part, at any time, subject to a prepayment charge that ranges from 1.0% to 2.0%, depending on the timing of the prepayment. The Amended Loan Agreement is secured by substantially all of the Company's assets, excluding intellectual property. The Amended Loan Agreement also includes customary loan covenants, with which the Company was in compliance for all periods presented.

In connection with the Restated Credit Facility, the Company also entered into a Right to Invest Agreement with Hercules, pursuant to which Hercules shall have the right to participate, in an amount up to $3.0 million, in any subsequent equity financing broadly marketed to multiple investors in an amount greater than $30.0 million. Hercules purchased $1.0 million of the Company's common stock during the June 2020 equity follow-on offering.

As of March 31, 2021, the Company had outstanding borrowings under the Amended Loan Agreement of $24.5 million, net of discounts of $0.5 million. Future minimum principal payments, which exclude the end of term charge, as of March 31, 2021 are as follows (in thousands):

	Amounts
Year ending December 31:	
Remaining of fiscal year 2021	$ 6,389
2022	14,666
2023	3,353
2024	592
Total minimum payments	25,000
Less: amount representing debt discount	(525)
Present value of remaining debt payments	24,475
Less: current portion	(9,609)
Non-current portion	$ 14,866

7. Commitments

Operating Leases

In May 2004, the Company entered into a noncancelable operating lease for its current office and primary research facility located in Mountain View, California. In May 2019, the Company entered into a third amendment to the lease agreement for the same facility to extend the term of the lease through April 2021. In July 2020, the Company entered into a letter agreement to further extend the lease term through June 2021.

In July 2019, the Company entered into a ten-year operating lease for a 96,463 square foot facility in San Carlos, California to replace its current headquarters located in Mountain View, California. Upon execution of the lease agreement, the Company provided the landlord an approximately $1.1 million security deposit in the form of a letter of credit. The lease commenced in June 2020 and is anticipated to expire in February 2031 with an option to extend the lease for five years. The lease extension option was not considered in the right-of-use asset or the lease liability as the Company did not consider it reasonably certain the option would be exercised. Monthly rent payments began in March 2021. Following a six month period of discounted rent, the Company will pay an initial annual base rent at a rate of approximately $6.5 million, which is subject to scheduled 3% annual increases, plus certain operating expenses.

The Company was provided a tenant improvement allowance of $15.4 million plus an additional allowance of $4.8 million for the same. The additional allowance will be repaid by the Company as additional rent in equal monthly payments at a rate of 7% per annum through the initial term of the lease. As of March 31, 2021, the Company has received a tenant improvement allowance of $15.1 million. The Company has the right to sublease the facility, subject to landlord consent.

The balance sheet classification of the Company's operating lease assets and liabilities was as follows (in thousands):

	March 31, 2021	December 31, 2020
Balance Sheet		
Assets:		
Operating lease right-of-use assets	$ 26,017	$ 26,911
Liabilities:		
Operating lease liabilities:		
Accrued and other current liabilities (1)	$ 1,446	$ 845
Non-current lease liabilities	44,112	38,671

(1) Includes current portion of operating lease liabilities as of March 31, 2020 and December 31, 2020.

The component of lease costs, which was included in operating expenses in the Company's Condensed Consolidated Statements of Operations, was as follows (in thousands):

	Three Months Ended March 31,	
	2021	2020
Operating lease cost	$ 1,742	$ 351

During the three months ended March 31, 2021 and 2020, cash paid for amounts included in the measurement of lease liabilities was $0.7 million, excluding the $5.9 million tenant improvement allowance received, and $0.4 million, respectively. These amounts were included in net cash used in operating activities in the Company's Condensed Consolidated Statements of Cash Flows.

Future minimum lease payments under all noncancelable operating leases as of March 31, 2021 are as follows (in thousands):

	Operating leases
Year ending December 31:	
Remaining of fiscal year 2021	$ 4,344
2022	7,328
2023	7,528
2024	7,733
2025	7,944
Thereafter	44,647
Total minimum payments	79,524
Less: interest	(29,148)
Less: future tenant improvement reimbursements	(4,818)
Present value of lease liabilities	$ 45,558

As of March 31, 2021, the weighted-average remaining lease term was 9.84 years and the weighted-average operating discount rate used to determine the operating lease liability was 9.5%.

8. Related-Party Transactions

Vifor

Vifor held 9,194,085 shares of the Company's common stock as of March 31, 2021. The Company has collaboration agreements with Vifor: the Avacopan Agreements and the CCX140 Agreements (each as described below). See "Note 2. Summary of Significant Accounting Policies – Concentration of Credit Risk" for additional information on accounts receivable balance due from Vifor.

Avacopan Agreements

In May 2016, the Company entered into an exclusive collaboration and license agreement with Vifor pursuant to which the Company granted Vifor exclusive rights to commercialize avacopan in Europe and certain other markets (the Avacopan Agreement). Avacopan is the Company's lead drug candidate for the treatment of patients with ANCA vasculitis and other rare diseases. The Avacopan Agreement also provided Vifor with an exclusive option to negotiate during 2016 a worldwide license agreement for one of the Company's other drug candidates, CCX140, an orally-administered inhibitor of the chemokine receptor known as CCR2. In connection with the Avacopan Agreement, the Company received a non-refundable upfront payment of $85.0 million, comprising $60.0 million in cash and $25.0 million in the form of an equity investment to purchase 3,333,333 shares of the Company's common stock at a price of $7.50 per share.

In February 2017, Vifor and the Company expanded the Vifor territories under the Avacopan Agreement to include all markets outside the United States and China (the Avacopan Amendment). In connection with this February 2017 amendment, the Company received a $20.0 million upfront payment for the expanded rights. In June 2018, Vifor and the Company further expanded the Vifor territories under the Avacopan Agreement to provide Vifor with exclusive commercialization rights in China (the Avacopan Letter Agreement, and together with the Avacopan Agreement and the Avacopan Amendment, the Avacopan Agreements). The Company retains control of ongoing and future development of avacopan (other than country-specific development in the licensed territories) and all commercialization rights to avacopan in the United States. In consideration for the Avacopan Letter Agreement, the Company received a $5.0 million payment for the expanded rights.

In December 2017, the Company achieved a $50.0 million regulatory milestone when the European Medicines Agency (EMA) validated the Company's conditional marketing authorization (CMA) application for avacopan for the treatment of ANCA vasculitis. In February 2021, the Company achieved a $10.0 million regulatory milestone when the Japanese NDA (JNDA) for avacopan in the treatment of ANCA vasculitis was filed with the Japanese Pharmaceuticals and Medical Device Agency (PMDA) by Vifor, through its sublicensee Kissei Pharmaceutical, Co., Ltd. (Kissei). Upon achievement of certain regulatory and commercial milestones with avacopan, the Company will receive additional payments of up to $450.0 million under the Avacopan Agreements. In addition, the Company will receive royalties, with rates ranging from the low teens to the mid-twenties, on future potential net sales of avacopan by Vifor in the licensed territories.

The Company identified the following material promises under the Avacopan Agreements: (1) the license related to avacopan; (2) the development and regulatory services for the submission of the marketing authorization application (MAA); and (3) an exclusive option to negotiate a worldwide license agreement for CCX140, which expired in 2016. The Company considered that the license has standalone functionality and is capable of being distinct. However, the Company determined that the license is not distinct from the development and regulatory services within the context of the agreement because Vifor is dependent on the Company to execute the development and regulatory activities in order for Vifor to benefit from the license. As such, the license is combined with the development and regulatory services into a single performance obligation. The exclusive option related to CCX140 is a separate performance obligation and the Company determined that its transaction price is not material. As such, the transaction price under this arrangement is allocated to the license and the development and regulatory services.

As of March 31, 2021, the transaction price of $163.0 million comprised the following:

- $78.0 million upfront payment under the May 2016 Avacopan Agreement. Of the total $85.0 million upfront payment received under the May 2016 Avacopan Agreement, $7.0 million was allocated to the issuance of 3,333,333 shares of the Company's common stock valued at $2.10 per share, the closing stock price on the effective date of the agreement, May 9, 2016. The remaining $78.0 million was allocated to the transaction price under this arrangement;
- $20.0 million upfront payment under the February 2017 Avacopan Amendment;
- $50.0 million regulatory milestone payment achieved upon the validation of the Company's CMA application by the EMA, for avacopan for the treatment of ANCA vasculitis in December 2017;
- $10.0 million regulatory milestone payment achieved upon the acceptance of the JNDA for avacopan in the treatment of ANCA vasculitis by Vifor, through its Japanese sublicensee Kissei with the PMDA in February 2021; and
- $5.0 million non-refundable upfront payment under the Avacopan Letter Agreement.

The Company determined that the combined performance obligation will be performed over the duration of the contract, which began on the effective date of May 9, 2016 and ends upon completion of development and regulatory services. The Company uses a cost-based input method to measure proportional performance and to calculate the corresponding amount of revenue to recognize. The Company believes this is the best measure of progress because other measures do not reflect how the Company transfers its performance obligation to Vifor. In applying the cost-based input method of revenue recognition, the Company measures actual costs incurred relative to budgeted costs to fulfill the combined performance obligation. These costs consist primarily of third-party contract costs. Revenue is recognized based on actual costs incurred as a percentage of total budgeted costs as the Company completes its performance obligations.

Avacopan Commercial Supply Agreement

In October 2020, the Company entered into a Manufacturing and Supply Agreement with Vifor (the Avacopan Commercial Supply Agreement). Under the Avacopan Commercial Supply Agreement, the Company will supply and sell avacopan drug product to Vifor for commercial use outside of the United States. Vifor will purchase avacopan drug product at a certain percentage mark up to the Company's cost of goods, in accordance with the Avacopan Agreements. Vifor's purchase of avacopan drug product is subject to certain binding forecast periods. The Avacopan Commercial Supply Agreement will expire upon the termination of the Avacopan Agreements or under certain circumstances as specified in the Avacopan Commercial Supply Agreement. In connection with the Avacopan Commercial Supply Agreement, the Company also entered into a letter agreement with Vifor, pursuant to which the $6.2 million previously received from Vifor under the CCX140 Agreement (discussed below) is creditable to Vifor's purchase of avacopan drug product. During the three months ended March 31, 2021, the Company recognized $0.8 million of collaboration and license revenue under the Avacopan Commercial Supply Agreement.

For the three months ended March 31, 2021, the Company recognized $9.9 million of collaboration and license revenue under the Avacopan Agreements, as compared to $4.5 million during the same period in 2020.

CCX140 Agreements

In December 2016, the Company entered into a second collaboration and license agreement with Vifor pursuant to which the Company granted Vifor exclusive rights to commercialize CCX140 (the CCX140 Agreement) in markets outside the United States and China. CCX140 is an orally-administered inhibitor of the chemokine receptor known as CCR2. The Company retains marketing rights in the United States and China, while Vifor has commercialization rights in the rest of the world. Pursuant to the CCX140 Agreement, the Company is responsible for the clinical development of CCX140 in rare renal diseases and is reimbursed for Vifor's equal share of such development cost. Under the terms of the CCX140 Agreement, the Company received a non-refundable upfront payment of $50.0 million in 2017.

In June 2018, the Company and Vifor entered into a letter agreement to expand Vifor's rights to include the right to exclusively commercialize CCX140 in China (the CCX140 Letter Agreement). In connection with the CCX140 Letter Agreement, the Company received a non-refundable payment of $5.0 million. The Company and Vifor also entered into an amendment to the CCX140 Agreement (the CCX140 Amendment, and together with the CCX140 Agreement and the CCX140 Letter Agreement, the CCX140 Agreements) to clarify the timing of certain payments with respect to development funding of the CCX140 program by Vifor, and the Company received a non-refundable payment of $11.5 million. The Company retains control of ongoing and future development of CCX140 (other than country-specific development in the licensed territories), and all commercialization rights to CCX140 in the United States.

The Company identified the following material promises under the CCX140 Agreements: (1) the license related to CCX140; and (2) the development and regulatory services for the submission of the MAA. The Company considered that the license has standalone functionality and is capable of being distinct. However, the Company determined that the license is not distinct from the development and regulatory services within the context of the agreement because Vifor is dependent on the Company to execute the development and regulatory activities in order for Vifor to benefit from the license. As such, the license is combined with the development and regulatory services into a single performance obligation.

As of March 31, 2021, the transaction price of $66.5 million comprised the following:

- $50.0 million upfront payment under the CCX140 Agreement;
- $11.5 million of CCX140 development funding by Vifor; and
- $5.0 million non-refundable upfront payment under the CCX140 Letter Agreement.

The Company will re-evaluate the transaction price in each reporting period and as uncertain events are resolved or other changes in circumstances occur.

The Company determined that the combined performance obligation will be performed over the duration of the contract, which began on the effective date of December 22, 2016 and ends upon completion of development services. The Company uses a cost-based input method to measure proportional performance and to calculate the corresponding amount of revenue to recognize. The Company believes this is the best measure of progress because other measures do not reflect how the Company transfers its performance obligation to Vifor. In applying the cost-based input method of revenue recognition, the Company measures actual costs incurred relative to budgeted costs to fulfill the combined performance obligation. These costs consist primarily of third-party contract costs. Revenue is recognized based on actual costs incurred as a percentage of total budgeted costs as the Company completes its performance obligations.

In May 2020, the Company announced topline data from a 46 patient Phase II dose-ranging trial in the orphan kidney disorder, primary Focal Segmental Glomerulosclerosis (FSGS), called the LUMINA-1 trial. In the study, CCX140 did not demonstrate a meaningful reduction in proteinuria relative to the control group after 12 weeks of blinded treatment. As such, CCX140 will not be further developed in FSGS. As a result, the Company reduced the total anticipated FSGS budgeted costs and the corresponding transaction price related to development funding under the CCX140 Agreement by $47.2 million and recognized $46.7 million of contract revenue during the three months ended June 30, 2020. In addition, $6.2 million of deferred revenue previously received from Vifor under the CCX140 Agreements is creditable against Vifor's purchases of avacopan drug product under the Avacopan Commercial Supply Agreement. Vifor retains an option to solely develop and commercialize CCX140 in more prevalent forms of chronic kidney disease (CKD). Should Vifor later exercise the CKD option, the Company would receive co-promotion rights for CKD in the United States.

For the three months ended March 31, 2021, the Company recognized $0.3 million of collaboration and license revenue under the CCX140 Agreements, compared to $1.4 million during the same period in 2020. As of March 31, 2021, deferred revenue under the CCX140 Agreement was $0.5 million, representing the Company's remaining estimated performance obligation under these agreements.

The following table presents the contract assets and liabilities for all of the Company's revenue contracts as of the following dates (in thousands):

	March 31, 2021	December 31, 2020
Contract asset:		
Accounts receivable	$ 10,012	$ 32
Contract liability:		
Deferred revenue	(36,376)	(36,587)

During the three months ended March 31, 2021, the Company recognized the following revenue as a result of changes in the contract asset and the contract liability balances (in thousands):

	Three Months Ended March 31,	
	2021	2020
Revenue recognized in the period from:		
Amount included in contract liability at the beginning of the period	$ 10,211	$ 5,840
Performance obligations satisfied (or partially satisfied) in previous periods	$ 8,443	$ -

9. Government Grant

In September 2019, the Company was awarded a two-year $1.0 million grant from the orphan drug office of the U.S. Food and Drug Administration to support the clinical development of avacopan in patients with the rare kidney disease complement 3 glomerulopathy. For the three months ended March 31, 2021 and 2020, the Company recognized $0.1 million and $0.2 million of grant revenue, respectively. As of March 31, 2021 and December 31, 2020, $0.1 million and $0.1 million was recorded as accounts receivable, respectively.

10. Stockholders' Equity

Stock Options

During the three months ended March 31, 2021, the Company had the following activities under its equity incentive plans:

	Available for Grant	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value
Balance at December 31, 2020	3,170,577	7,114,225	$ 14.61		
Shares authorized	2,000,000	-			
Granted (1)	(905,650)	722,650	65.51		
Exercised (2)	80,960	(206,605)	10.46		
Forfeited and expired	159,448	(159,448)	17.74		
Outstanding at March 31, 2021	4,505,335	7,470,822	$ 19.58	6.46	$ 248,649,372
Vested and expected to vest, net of estimated forfeiture at March 31, 2021		7,191,795	$ 18.65	6.36	$ 244,786,820
Exercisable at March 31, 2021		4,696,391	$ 9.83	5.22	$ 194,489,656

(1) The difference between shares granted in the number of shares available for grant and outstanding options represents the RSUs and RSAs granted for the period.
(2) Shares presented as available for grant represents shares repurchased for tax withholding upon vesting of RSUs.

Restricted Stock

During the three months ended March 31, 2021, the activity for restricted stock is summarized as follows:

	Shares	Weighted Average Grant-Date Fair Value
Balance at December 31, 2020	420,030	$ 34.73
Granted	183,000	65.86
Vested	(164,382)	26.72
Canceled	-	-
Unvested at March, 31, 2021	438,648	$ 50.72

Stock-based Compensation

Total stock-based compensation expense was $8.1 million during the three months ended March 31, 2021, and $4.6 million during the same period ended March 31, 2020. As of March 31, 2021, $55.2 million, $14.8 million and $74,000 of total unrecognized compensation expenses associated with outstanding employee stock options, unvested restricted stock, and the ESPP, net of estimated forfeitures, respectively, were expected to be recognized over a weighted-average period of 2.50, 1.88 and 0.12 years, respectively.

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

The following discussion and analysis should be read in conjunction with our financial statements and accompanying notes included in this Quarterly Report on Form 10-Q and the financial statements and accompanying notes thereto and Management's Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2020, filed with the Securities and Exchange Commission, or SEC, on March 1, 2021.

Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward-looking statements that involve risks and uncertainties. All statements other than statements of historical facts contained in this Quarterly Report on Form 10-Q are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "may," "could," "will," "would," "should," "expect," "plan," "aim," "anticipate," "believe," "estimate," "intend," "predict," "seek," "contemplate," "potential" or "continue" or the negative of these terms or other comparable terminology. These forward-looking statements include, but are not limited to, statements about:

- the initiation, timing, progress and results of our preclinical studies and clinical trials, and our research and development programs;
- our ability to advance drug candidates into, and successfully complete, clinical trials;
- the anticipated impact of the novel coronavirus disease 2019, or COVID-19, pandemic on our business, preclinical studies, clinical trials and ability to commercialize any of our drug candidates;
- the commercialization of our drug candidates;
- the implementation of our business model, strategic plans for our business, drug candidates and technology;
- the scope of protection we are able to establish and maintain for intellectual property rights covering our drug candidates and technology;
- estimates of our expenses, future revenues, capital requirements and our needs for additional financing;
- the timing or likelihood of regulatory filings and approvals, including whether the U.S. Food and Drug Administration, or FDA, will act by the Prescription Drug User Fee Act, or PDUFA, target goal date for a decision of July 7, 2021 for the avacopan New Drug Application, or NDA;
- the anticipated outcome of our Advisory Committee meeting with the FDA, currently scheduled for May 6, 2021;
- our ability to maintain and establish collaborations or obtain additional government grant funding;
- our financial performance; and
- developments relating to our competitors and our industry.

These statements relate to future events or to our future financial performance and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. Factors that may cause actual results to differ materially from current expectations include, among other things, those included in "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2020, filed with the SEC on March 1, 2021.

Any forward-looking statement in this Quarterly Report on Form 10-Q reflects our current views with respect to future events and is subject to these and other risks, uncertainties and assumptions relating to our operations, results of operations, industry and future growth. Given these uncertainties, you should not place undue reliance on these forward-looking statements. For all forward-looking statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Except as required by law, we assume no obligation to update or revise these forward-looking statements for any reason, even if new information becomes available in the future.

ChemoCentryx® and the ChemoCentryx logo are our trademarks in the United States, the European Community, Australia and Japan. EnabaLink® and RAM® are our trademarks in the United States. Each of the other trademarks, trade names or service marks appearing in this Quarterly Report on Form 10-Q belongs to its respective holder.

Unless the context requires otherwise, in this Quarterly Report on Form 10-Q the terms "ChemoCentryx," "we," "us" and "our" refer to ChemoCentryx, Inc., a Delaware corporation, and our subsidiaries taken as a whole unless otherwise noted.

Overview

ChemoCentryx is a biopharmaceutical company focused on the development and commercialization of new medications targeting inflammatory disorders, autoimmune diseases and cancer. Our drug candidates are designed to selectively block a specific chemoattractant receptor, leaving the rest of the immune system intact. Our check point inhibitor drug candidate, CCX559, is an exception, which targets PD-1/PD-L1. Our drug candidates are small molecules, which are orally administered, and, if approved, could address unmet medical needs, including improved efficacy, and offer significant quality of life benefits. Since patients swallow a capsule or pill instead of having to visit a clinic for an infusion or undergo an injection, our drug candidates may improve patient compliance.

We are preparing for the potential commercial launch of avacopan, an orally-administered selective complement 5a receptor inhibitor, for the treatment of patients with anti-neutrophil cytoplasmic autoantibody-associated vasculitis, or ANCA vasculitis. In November 2019, we announced positive topline data from the pivotal Phase III ADVOCATE trial of avacopan for the treatment of patients with ANCA vasculitis. In February 2021, results from our Phase III ADVOCATE trial were published as a peer reviewed journal article in The New England Journal of Medicine, or NEJM.

In September 2020, we announced that the FDA had accepted for review the avacopan New Drug Application, or NDA, for the treatment of ANCA vasculitis in the United States and had set July 7, 2021 as the Prescription Drug User Fee Act, or PDUFA, target goal date for the avacopan NDA. If the NDA is approved, we plan to commercialize avacopan in the United States on our own. We also plan to commercialize avacopan internationally through our kidney health alliance with Vifor Fresenius Medical Care Renal Pharma Ltd. and its affiliates and sublicensees, or collectively, Vifor. In November 2020, Vifor announced that the Marketing Authorisation Application, or MAA, for avacopan in the treatment of ANCA vasculitis was accepted for review (validated) by the European Medicines Agency, or EMA. In February 2021, Vifor and Kissei filed the Japanese NDA, or JNDA, for avacopan in the treatment of ANCA vasculitis with the Japanese Pharmaceuticals and Medical Device Agency, or PMDA. Decisions on the MAA and JNDA filings are expected in the second half of 2021. Our pipeline includes the following programs:

Avacopan:

- We are also developing avacopan for the treatment of severe (Hurley Stage III) hidradenitis suppurativa, or HS. In October 2020, we announced positive topline data in severe HS patients from the Phase II AURORA trial of avacopan. We plan to advance avacopan into a Phase III clinical trial for the treatment of severe HS in the second half of 2021.
- In December 2020, we announced topline data from the Phase II ACCOLADE trial of avacopan for the treatment of patients with complement 3 glomerulopathy, or C3G. We plan to discuss the evidence of clinical benefit of avacopan in C3G with the FDA in 2021.
- Based on the renal improvement results observed with avacopan treatment in both the ADVOCATE trial in ANCA vasculitis and the ACCOLADE trial in C3G, as measured by an increase in estimated glomerular filtration rate, we plan to develop avacopan in additional complement-mediated renal indications such as lupus nephritis, or LN. We plan to initiate a registrational clinical trial of avacopan for the treatment of LN in the second half of 2021.

Immuno-Oncology:

- CCX559 is our orally-administered inhibitor for programmed death protein 1/programmed death-ligand 1, or PD-1/PD-L1, which we are developing for the treatment of various cancers. We plan to initiate a Phase I clinical trial of CCX559 in the first half of 2021.

Our Strategy

The key elements to our commercial and scientific strategy are to:

- Obtain regulatory approval of avacopan for the treatment of ANCA vasculitis in the United States on our own, and support our international commercialization partner Vifor and its Japanese sublicensee Kissei Pharmaceutical, Co., Ltd., or Kissei, in their regulatory approval applications;
- Commercialize avacopan in the United States on our own, where we believe a company of our size can effectively compete in rare disease markets. If our avacopan NDA is approved by the FDA, we plan to deploy a specialty sales force primarily targeting that subset of nephrologists and rheumatologists treating ANCA vasculitis patients in the United States;

- Develop and commercialize avacopan for additional indications, including C3G, severe HS, and additional complement-mediated renal indications such as LN;
- Develop our other drug candidates and establish collaborations with pharmaceutical and biotechnology companies to further develop and market our drug candidates; and
- Discover and validate new drug candidates.

As of March 31, 2021, we had an accumulated deficit of $515.1 million. We expect to continue to incur net losses as we develop our drug candidates, expand clinical trials for our drug candidates currently in clinical development, expand our research and development activities, expand our systems and facilities, seek regulatory approvals and engage in commercialization preparation activities in anticipation of FDA approval of our drug candidates. In addition, if a product is approved for commercialization, we will need to expand our organization. Significant capital is required to launch a product and many expenses are incurred before revenues are received. We are unable to predict the extent of any future losses or when we will become profitable, if at all.

COVID-19

In December 2019, a disease caused by a novel strain of coronavirus, COVID-19, was identified in Wuhan, China. This virus continues to spread globally and has spread to nearly every country and region in the world, including those in which we have active clinical trial sites or contract manufacturing sites. The length of the pandemic and its related restrictions and their consequences for us remain subject to a number of risks and uncertainties. We experienced a delay in topline clinical data from our ongoing AURORA trial to the fourth quarter of 2020 due to COVID-19 impacting certain sites where the trial was being conducted. We do not currently anticipate any material delays in our preparation for commercial readiness to launch avacopan for the treatment of ANCA vasculitis, if approved, nor are we currently anticipating any material disruption in our clinical drug supply as a result of the pandemic.

Critical Accounting Policies and Significant Judgments and Estimates

There have been no material changes in significant judgments and estimates for our critical accounting policies during the three months ended March 31, 2021, as compared to those disclosed in “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Significant Judgments and Estimates” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2020, filed with the SEC on March 1, 2021.

Results of Operations

Revenue

We have not generated any revenue from product sales. For the periods presented, our revenues were derived from collaboration and license revenue related to the Avacopan Agreement, the Avacopan Commercial Supply Agreement and the CCX140 Agreement, in each case, as amended, and the related letter agreements. Total revenue for the three months ended March 31, 2021, as compared to the same period in the prior year, was as follows (in thousands):

	Three Months Ended March 31,	
	2021	2020
Collaboration and license revenue from related party	$ 10,223	$ 5,855
Grant revenue	130	153
Total revenue	$ 10,353	$ 6,008
Dollar increase (decrease)	$ 4,345	
Percentage increase (decrease)	72%	

We use a cost-based input method to measure proportional performance and to calculate the corresponding amount of revenue to recognize. In applying the cost-based input method of revenue recognition, we measure actual costs incurred relative to budgeted costs to fulfill the combined performance obligation. These costs primarily consist of third-party contract costs. Revenue is recognized based on actual costs incurred as a percentage of total budgeted costs as we complete our performance obligations. The increase in total revenue from 2020 to 2021 for the three month period ended March 31 was primarily attributable to the $10.0 million milestone from Vifor for the February 2021 acceptance of the JNDA by the PMDA, for avacopan in the treatment of ANCA vasculitis. In addition, we recognized $0.8 million of collaboration and license revenue related to sales of avacopan drug product to Vifor for anticipated commercial use outside of the United States. These increases were partially offset by a decrease in revenue associated with the CCX140 Agreement, reflecting the decision to discontinue development of CCX140 in FSGS in the second quarter of 2020.

Research and development expenses

Research and development expenses represent costs incurred to conduct basic research, discovery and development of novel small molecule therapeutics, development of our suite of proprietary drug discovery technologies, preclinical studies and clinical trials of our drug candidates. We recognize all research and development expenses as they are incurred. These expenses consist primarily of salaries and related benefits, including stock-based compensation, third-party contract costs relating to research, formulation, manufacturing, preclinical study and clinical trial activities, laboratory consumables, and allocated facility costs. Total research and development expenses for the three month period ended March 31, 2021, as compared to the same period in the prior year, were as follows (in thousands):

	Three Months Ended March 31,	
	2021	2020
Research and development expenses	$ 23,418	$ 19,311
Dollar increase	$ 4,107	
Percentage increase	21%	

The increase from 2020 to 2021 for the three month periods ended March 31 was primarily attributable to the manufacture of commercial drug supply in anticipation of the launch of avacopan for the treatment of ANCA vasculitis and higher research and drug discovery expenses, including those associated with the development of CCX559, our orally-available small molecule checkpoint (PD-1/PD-L1) inhibitor. These increases were partially offset by lower Phase II related expenses due to the completion of patient enrollment of the avacopan AURORA Phase IIb clinical trial in patients with HS and the discontinuation of further clinical development of CCX140 in FSGS in 2020.

The following table summarizes our research and development expenses by project (in thousands):

	Three Months Ended March 31,	
	2021	2020
Phase I	$ 17	$ 394
Phase II	4,048	7,945
Phase III	10,910	6,611
Research and drug discovery	8,443	4,361
Total research and development expenses	$ 23,418	$ 19,311

We track development expenses that are directly attributable to our clinical development candidates by phase of clinical development. Such development expenses include third-party contract costs relating to formulation, manufacturing, preclinical studies and clinical trial activities. We allocate research and development salaries, benefits or indirect costs to our development candidates and we have included such costs in research and development expenses. All remaining research and development expenses are reflected in “Research and drug discovery” which represents early stage drug discovery programs. Such expenses include allocated employee salaries and related benefits, stock-based compensation, consulting and contracted services to supplement our in-house laboratory activities, laboratory consumables and allocated facility costs associated with these earlier stage programs.

At any given time, we typically have several active early stage research and drug discovery projects. Our internal resources, employees and infrastructure are not directly tied to any individual research or drug discovery project and are typically deployed across multiple projects. As such, we do not maintain information regarding these costs incurred for our early stage research and drug discovery programs on a project specific basis. We expect our research and development expenses to increase as we advance our development programs further and increase the number and size of our clinical trials. The process of conducting preclinical studies and clinical trials necessary to obtain regulatory approval is costly and time consuming. We or our partners may never succeed in

achieving marketing approval for any of our drug candidates. The probability of success for each drug candidate may be affected by numerous factors, including preclinical data, clinical data, competition, manufacturing capability and commercial viability. Our strategy includes entering into additional partnerships with third parties for the development and commercialization of some of our independent drug candidates.

The successful development of our drug candidates is highly uncertain and may not result in approved products. Completion dates and completion costs can vary significantly for each drug candidate and are difficult to predict for each product. Given the uncertainty associated with clinical trial enrollments and the risks inherent in the development process, we are unable to determine the duration and completion costs of the current or future clinical trials of our drug candidates or if, or to what extent, we will generate revenues from the commercialization and sale of any of our drug candidates. We anticipate we will make determinations as to which programs to pursue and how much funding to direct to each program on an ongoing basis in response to the scientific and clinical success of each drug candidate, as well as ongoing assessment as to each drug candidate's commercial potential. We may need to raise additional capital or may seek additional strategic alliances in the future in order to complete the development and commercialization of our drug candidates, including avacopan, CCX559 and CCX507.

General and administrative expenses

Total general and administrative expenses for the three months ended March 31, 2021, as compared to the same period in the prior year, were as follows (in thousands):

	Three Months Ended March 31,	
	2021	2020
General and administrative expenses	$ 16,262	$ 8,820
Dollar increase	$ 7,442	
Percentage increase	84%	

General and administrative expenses consist primarily of salaries and related benefits, including stock-based compensation and travel expenses, in executive, finance, business and corporate development and other administrative functions. Other general and administrative expenses include allocated facility-related costs not otherwise included in research and development expenses, legal costs of pursuing patent protection of our intellectual property, and professional fees for auditing, tax, and legal services.

The increase from 2020 to 2021 for the three month periods ended March 31 was primarily due to higher employee-related expenses, including those associated with our commercialization planning efforts, and higher professional fees. We anticipate that our general and administrative expenses will increase substantially in the future primarily due to commercialization-related activities and personnel costs to support the anticipated launch of avacopan for the treatment of ANCA vasculitis in the United States.

Other income (expense), net

Other income (expense), net primarily consists of interest income earned on our marketable securities and interest expense for our long-term debt. Total other income (expense), net for the three month period ended March 31, 2021, as compared to the same period in the prior year was as follows (in thousands):

	Three Months Ended March 31,	
	2021	2020
Interest income	$ 305	$ 984
Interest expense	(689)	(548)
Total other income (expense), net	$ (384)	$ 436
Dollar decrease	$ (820)	
Percentage decrease	(188%)	

The decrease in total other income (expense), net from 2020 to 2021 for the three month period was primarily due to less interest income earned from our investment portfolio during the continued low interest rate environment during the current COVID-19 pandemic and increased interest expense due to additional borrowings under the Credit Facility and the Restated Credit Facility (as defined below), partially offset by interest income from higher cash and investment balances.

Liquidity and Capital Resources

As of March 31, 2021, we had approximately $425.2 million in cash, cash equivalents, restricted cash and investments. The following table shows a summary of our cash flows for the three months ended March 31, 2021 and 2020 (in thousands):

	Three Months Ended March 31,	
	2021	2020
Cash provided by (used in)		
Operating activities	$ (21,567)	$ (27,446)
Investing activities	$ 60,668	$ 32,028
Financing activities	$ (2,850)	$ 15,675

Operating activities. Net cash used in operating activities was $21.6 million for the three months ended March 31, 2021, compared to $27.4 million for the same period in 2020. This decrease was primarily due to changes in working capital items.

Investing activities. Net cash provided by investing activities for periods presented primarily relate to the purchase, sale and maturity of investments used to fund the day-to-day needs of our business. Following our equity follow-on offering in June 2020, we invested the majority of our net proceeds received in short and long term investments.

Financing activities. Net cash used in financing activities was $2.9 million for the three months ended March 31, 2021, compared to cash provided of $15.7 million for the same period in 2020. Net cash provided by financing activities for the three months ended March 31, 2020 included net proceeds of $4.4 million received under the Restated Credit Facility. Net cash provided by financing activities for both periods presented included proceeds from the exercise of stock options and cash used for tendered ChemoCentryx, Inc. common stock to satisfy employee tax withholding requirements upon vesting of restricted stock units.

As of March 31, 2021, we had borrowed $20.0 million under the loan and security agreement, or Credit Facility, with Hercules Capital, Inc., or Hercules. In January 2020, we entered into an amended and restated credit facility with Hercules, or the Restated Credit Facility, which provides for borrowings of up to an additional $100.0 million in three tranches, subject to certain terms and conditions. As of March 31, 2021, we had borrowed $5.0 million under the Restated Credit Facility. See “Note 6. Long-term Debt” in the Notes to Condensed Consolidated Financial Statements included in Item 1 of this Quarterly Report on Form 10-Q for additional information regarding our borrowings.

As of March 31, 2021, we had approximately $425.2 million in cash, cash equivalents, restricted cash and investments. We believe that our available cash, cash equivalents and investments will be sufficient to fund our anticipated level of operations for at least 12 months following our financial statement issuance date, April 30, 2021. However, our forecast of the period of time through which our financial resources will be adequate to support our operations is a forward-looking statement that involves risks and uncertainties, and actual results could vary materially.

Our future capital requirements are difficult to forecast and will depend on many factors, including:

- the terms and timing of any other collaborative, licensing and other arrangements that we may establish;
- the initiation, progress, timing and completion of preclinical studies and clinical trials for our drug candidates and potential drug candidates, including any delays as a result of the COVID-19 pandemic on our business, preclinical studies or clinical trials;
- the number and characteristics of drug candidates that we pursue;
- the progress, costs and results of our clinical trials;
- the outcome, timing and cost of regulatory approvals;
- delays that may be caused by changing regulatory approvals;
- the cost and timing of hiring new employees to support continued growth;
- the costs involved in filing and prosecuting patent applications and enforcing and defending patent claims;

- the cost and timing of procuring clinical and commercial supplies of our drug candidates;
- the cost and timing of establishing sales, marketing and distribution capabilities; and
- the extent to which we acquire or invest in businesses, products or technologies.

Contractual Obligations and Commitments

There have been no material changes outside the ordinary course of our business to the contractual obligations we reported in our Annual Report on Form 10-K for the fiscal year ended December 31, 2020, filed with the SEC on March 1, 2021.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements (as defined by applicable SEC regulations) that are reasonably likely to have a current or future material effect on our financial condition, results of operations, liquidity, capital expenditures or capital resources, except warrants and stock options.

Recent Accounting Pronouncements

See “Note 2. Summary of Significant Accounting Policies” in the Notes to Condensed Consolidated Financial Statements included in Item 1 of this Quarterly Report on Form 10-Q for a full description of recently issued accounting pronouncements, including the respective expected dates of adoption and effects on our consolidated financial position and results of operations.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Our market risks at March 31, 2021 have not changed significantly from those discussed in “Item 7A. Quantitative and Qualitative Disclosures About Market Risk” of our Annual Report on Form 10-K for the fiscal year ended December 31, 2020, filed with the SEC on March 1, 2021, other than the following:

We are affected by market risk exposure primarily through the effect of changes in interest rates on amounts payable under the Credit Facility and Restated Credit Facility. At March 31, 2021, borrowings under the Credit Facility totaled $20.0 million with an interest rate of 8.05%. Advances under the Credit Facility bear an interest rate equal to the greater of (i) 8.05% plus the prime rate as reported from time to time in The Wall Street Journal, or Prime Rate, minus 4.75%, and (ii) 8.05%. We are obligated to make interest-only payments on our borrowings under the Credit Facility through July 1, 2021, at which point we will then be obligated to repay the principal balance and interest on the advances in equal monthly installments after the interest-only period and continuing through December 1, 2022.

In addition, borrowings under the Restated Credit Facility totaled $5.0 million at March 31, 2021 with an interest rate equal to the greater of (i) 8.50% plus the Prime Rate minus 5.25%, and (ii) 8.50%, which may be reduced upon the Company achieving certain cumulative net avacopan revenue levels. We are obligated to make interest-only payments on our borrowings under the Restated Credit Facility through September 1, 2022, at which point we will then be obligated to repay the principal balance and interest on the advances in equal monthly installments after the interest-only period and continuing through February 1, 2024. If the total amounts outstanding under the Credit Facility and the Restated Credit Facility remained at this level for an entire year and the interest rates increased by 1%, our annual interest expense would increase by an additional $250,000. See “Note 6. Long-term Debt” in the Notes to Condensed Consolidated Financial Statements included in Item 1 of this Quarterly Report on Form 10-Q for additional information regarding our borrowings.

Item 4. Controls and Procedures

Conclusions Regarding the Effectiveness of Disclosure Controls and Procedures

As of March 31, 2021, management, with the participation of our Disclosure Committee, performed an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act. Our disclosure controls and procedures are designed to ensure that information required to be disclosed in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to our management, including the Chief Executive Officer and the Chief Financial and Administrative Officer, to allow timely decisions regarding required disclosures.

Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objective. Based on this evaluation, our Chief Executive Officer and Chief Financial and Administrative Officer concluded that, as of March 31, 2021, the design and operation of our disclosure controls and procedures were effective.

Changes in Internal Control Over Financial Reporting

There has been no change in our internal control over financial reporting during the three months ended March 31, 2021, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting. As a result of the COVID-19 pandemic, including the related stay-at-home and shelter-in-place orders mandated by state and local governments in which we operate, many of our employees have been working remotely since March 2020. As part of our Company's transition to a temporary remote workforce, we took precautionary actions to re-evaluate our financial reporting process to provide assurance that we could report our financial results accurately and timely. We will continue to monitor and assess new potential impacts of the COVID-19 pandemic, including those related to any stay-at-home and shelter-in-place requirements, on the design and operating effectiveness of our internal controls going forward.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

Not Applicable.

Item 1A. Risk Factors

There have been no material changes to the risk factors included in “Item 1A. Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2020, filed with the SEC on March 1, 2021.

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

Not Applicable.

Item 3. Defaults Upon Senior Securities

Not Applicable.

Item 4. Mine Safety Disclosures

Not Applicable.

Item 5. Other Information

Not Applicable.

Item 6. Exhibits

A list of exhibits is set forth on the Exhibit Index immediately preceding the signature page of this Quarterly Report on Form 10-Q, and is incorporated herein by reference.

EXHIBIT INDEX

Exhibit Number	Description
10.1#	Amended and Restated Non-Employee Director Compensation Policy.
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)
#	Indicates management contract or compensatory plan.

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.

CHEMOCENTRYX, INC.

Date: April 30, 2021

/s/ Thomas J. Schall, Ph.D.

Thomas J. Schall, Ph.D.
President and Chief Executive Officer
(Principal Executive Officer)

Date: April 30, 2021

/s/ Susan M. Kanaya

Susan M. Kanaya
Executive Vice President,
Chief Financial and Administrative Officer and Secretary
(Principal Financial Officer)

Date: April 30, 2021

/s/ Pui San Kwan

Pui San Kwan
Vice President, Finance
(Principal Accounting Officer)

Exhibit 10.1

CHEMOCENTRYX, INC.
NON-EMPLOYEE DIRECTOR COMPENSATION POLICY

(As Amended and Restated Effective February 25, 2021)

Non-employee members of the board of directors (the "***Board***") of ChemoCentryx, Inc. (the "***Company***") shall be eligible to receive cash and equity compensation as set forth in this Non-Employee Director Compensation Policy (this "***Policy***"). The cash and equity compensation described in this Policy shall be paid or be made, as applicable, automatically and without further action of the Board, to each member of the Board who is not an employee of the Company or any parent or subsidiary of the Company (each, a "***Non-Employee Director***") who may be eligible to receive such cash or equity compensation, unless such Non-Employee Director declines the receipt of such cash or equity compensation by written notice to the Company. This Policy shall remain in effect until it is revised or rescinded by further action of the Board. The terms and conditions of this Policy shall supersede any prior cash or equity compensation arrangements between the Company and its Non-Employee Directors.

1. Cash Compensation.

(a) Annual Retainers. Each Non-Employee Director shall be eligible to receive an annual retainer of $50,000 for service on the Board. In addition, a Non-Employee Director shall receive the following additional annual retainers, as applicable:

(i) Lead Independent Director. A Non-Employee Director serving as Lead Independent Director shall receive an additional annual retainer of $25,000 for such service.

(ii) Chairperson of the Audit Committee. A Non-Employee Director serving as Chairperson of the Audit Committee shall receive an additional annual retainer of $20,000 for such service.

(iii) Member of the Audit Committee. A Non-Employee Director serving as a member of the Audit Committee (other than the Chairperson) shall receive an additional annual retainer of $10,000 for such service.

(iv) Chairperson of the Compensation Committee. A Non-Employee Director serving as Chairperson of the Compensation Committee shall receive an additional annual retainer of $17,500 for such service.

(v) Member of the Compensation Committee. A Non-Employee Director serving as a member of the Compensation Committee (other than the Chairperson) shall receive an additional annual retainer of $10,000 for such service.

(vi) Chairperson of the Nominating and Corporate Governance Committee. A Non-Employee Director serving as Chairperson of the Nominating and Corporate Governance Committee shall receive an additional annual retainer of $10,000 for such service.

(vii) Member of the Nominating and Corporate Governance Committee. A Non-Employee Director serving as a member of the Nominating and Corporate Governance Committee (other than the Chairperson) shall receive an additional annual retainer of $6,000 for such service.

(b) Payment of Retainers. The annual retainers described in Section 1(a) shall be earned on a quarterly basis based on a calendar quarter and shall be paid by the Company in arrears not later than the fifth business day following the end of each calendar quarter. In the event a Non-Employee Director does not serve as a Non-Employee Director, or in the applicable positions described in Section 1(a), for an entire calendar quarter, the retainer paid to such Non-Employee Director shall be prorated for the portion of such calendar quarter actually served as a Non-Employee Director, or in such positions, as applicable. Non-Employee Directors may elect to receive vested shares of common stock in lieu of the foregoing retainers on the date on which such retainers would otherwise have been paid in cash in accordance with the terms and conditions of the Company's 2012 Equity Incentive Award Plan (as amended from time to time, the "***Equity Plan***").

2. Equity Compensation. Non-Employee Directors shall be granted the equity awards described below. The awards described below shall be granted under and shall be subject to the terms and provisions of the Equity Plan and shall be granted subject to the execution and delivery of award agreements, including attached exhibits, in substantially the same forms previously approved by the Board, setting forth the vesting schedule applicable to such awards and such other terms as may be required by the Equity Plan.

(a)Initial Awards. A person who is initially elected or appointed to the Board and who is a Non-Employee Director at the time of such initial election or appointment, shall be automatically granted (i) such number of restricted stock units (or, if so elected by a Non-Employee Director prior to the date of such initial election or appointment, shares of restricted common stock) on the date of such initial election or appointment as is determined by dividing (A) $225,000 by (B) the 60-day trailing average trading price of the Company's common stock preceding the date of grant and (ii) an option to purchase such number of shares of the Company's common stock having a value of $125,000, calculated as of the date of grant in accordance with the Black-Scholes option pricing model (utilizing the same assumptions that the Company utilizes in preparation of its financial statements and the 60-day trailing average trading price of the Company's common stock preceding the date of grant) (which options will have a term of ten years from the date of grant and an exercise price per share equal to the Fair Market Value (as defined in the Equity Plan) on the date of grant). The awards described in this Section 2(a) shall be referred to as "***Initial Awards***." No Non-Employee Director shall be granted more than one Initial Award.

(b)Subsequent Awards. A person who is a Non-Employee Director immediately following each annual meeting of the Company's stockholders and who will continue to serve as a Non-Employee Director immediately following such annual meeting shall be automatically granted (i) such number of restricted stock units (or, if so elected by a Non-Employee Director prior to the date of such annual meeting, shares of restricted common stock) on the date of such annual meeting of the Company's stockholders as is determined by dividing (A) $225,000 by (B) the 60-day trailing average trading price of the Company's common stock preceding the date of grant, and (ii) an option to purchase such number of shares of the Company's common stock having a value of $125,000, calculated as of the date of grant in accordance with the Black-Scholes option pricing model (utilizing the same assumptions that the Company utilizes in preparation of its financial statements and the 60-day trailing average trading price of the Company's common stock preceding the date of grant) (which options will have a term of ten years from the date of grant and an exercise price per share equal to the Fair Market Value (as defined in the Equity Plan) on the date of grant). Notwithstanding the foregoing, the number of shares subject to each such award granted to an Non-Employee Director who commenced service during the 12 months preceding the applicable annual meeting will be prorated by multiplying the number of shares determined in accordance with each of the foregoing clauses (i) and (ii) by a fraction, the numerator of which is the number of days elapsed between the date of such Non-Employee Director's initial election or appointment to the Board and the date of the annual meeting and the denominator of which is 365. The awards described in this Section 2(b) shall be referred to as "***Subsequent Awards***." For the avoidance of doubt, a Non-Employee Director

elected for the first time to the Board at an annual meeting of the Company's stockholders shall only receive an Initial Award in connection with such election, and shall not receive any Subsequent Awards on the date of such meeting as well.

(c) Termination of Employment of Employee Directors. Members of the Board who are employees of the Company or any parent or subsidiary of the Company who subsequently terminate their employment with the Company and any parent or subsidiary of the Company and remain on the Board will not receive an Initial Award pursuant to Section 2(a) above, but to the extent that they are otherwise eligible, will be eligible to receive, after termination from employment with the Company and any parent or subsidiary of the Company, Subsequent Awards as described in Section 2(b) above.

(d) Vesting of Awards Granted to Non-Employee Directors. Each Initial Award shall vest and become exercisable on the first anniversary of the date of grant, subject to the Non-Employee Director continuing in service on the Board through each such vesting date. Each Subsequent Award shall vest and/or become exercisable on the first anniversary of the date of grant, subject to the Non-Employee Director continuing in service on the Board through such vesting date. All of a Non-Employee Director's Initial Awards and Subsequent Awards shall vest in full upon the occurrence of a Change in Control (as defined in the Equity Plan).

Exhibit 31.1

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

I, Thomas J. Schall, Ph.D., certify that:

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

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

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

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

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

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

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

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

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

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

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

/s/ Thomas J. Schall, Ph.D.

Thomas J. Schall, Ph.D.
Chief Executive Officer

Date: April 30, 2021

Exhibit 31.2

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

I, Susan M. Kanaya, certify that:

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

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

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

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

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

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

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

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

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

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

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

/s/ Susan M. Kanaya

Susan M. Kanaya
Chief Financial and Administrative Officer

Date: April 30, 2021

Exhibit 32.1

CERTIFICATION
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)

In connection with the Quarterly Report on Form 10-Q of ChemoCentryx, Inc. (the "Company") for the period ended March 31, 2021, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Thomas J. Schall, Ph.D., as Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

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

Date: April 30, 2021

/s/ Thomas J. Schall, Ph.D.
Thomas J. Schall, Ph.D.
Chief Executive Officer

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. § 1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing. A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)

In connection with the Quarterly Report on Form 10-Q of ChemoCentryx, Inc. (the "Company") for the period ended March 31, 2021, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Susan M. Kanaya, as Chief Financial and Administrative Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

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

Date: April 30, 2021

/s/ Susan M. Kanaya
Susan M. Kanaya
Chief Financial and Administrative Officer

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. § 1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing. A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.