

# 1Q 2019 Earnings Call

NASDAQ: MNKD

May 7, 2019

# Cautionary Statement

Today's presentation includes forward-looking statements relating to the development, commercialization and benefits of our products and investigational product candidates, including AFREZZA®, that are subject to certain risks and uncertainties that could cause actual results to differ materially from those projected herein. The words "believe," "expect," "intend," "anticipate," "plan," variations of such words, and similar expressions identify forward-looking statements, but their absence does not mean that a statement is not forward-looking. These forward-looking statements are not guarantees of future performance and are subject to certain risks, uncertainties, and assumptions that are difficult for us to predict and include, without limitation, our ability to generate significant product sales, our ability to manage our existing cash resources or raise additional cash resources, stock price volatility and other risks detailed in MannKind's filings with the Securities and Exchange Commission. For detailed information about the risks and uncertainties that could cause actual results to differ materially from those implied by, or anticipated in, these forward looking statements, please refer to our current and periodic reports filed with the Securities and Exchange Commission from time to time, including our annual report on Form 10-K for the year ended December 31, 2018.





# Today's Agenda

## 1Q Highlights

Michael Castagna, CEO

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## Financial Review

Steven B. Binder, CFO

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## Closing Remarks

Michael Castagna, CEO

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## Q&A

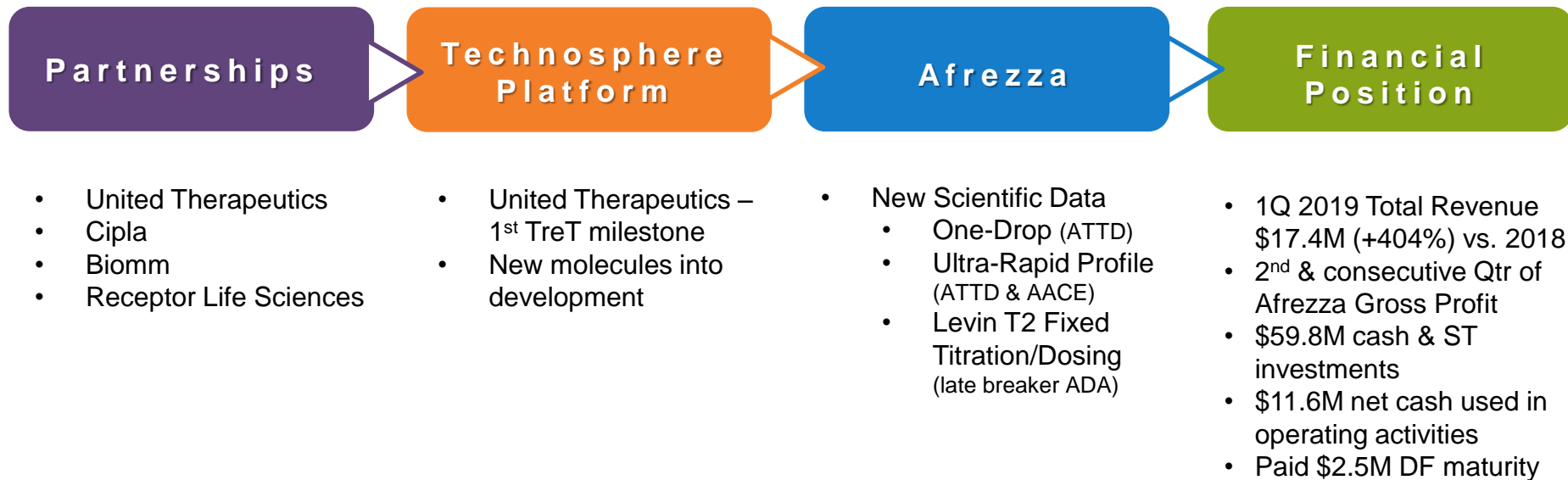


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**Michael Castagna**  
Chief Executive Officer

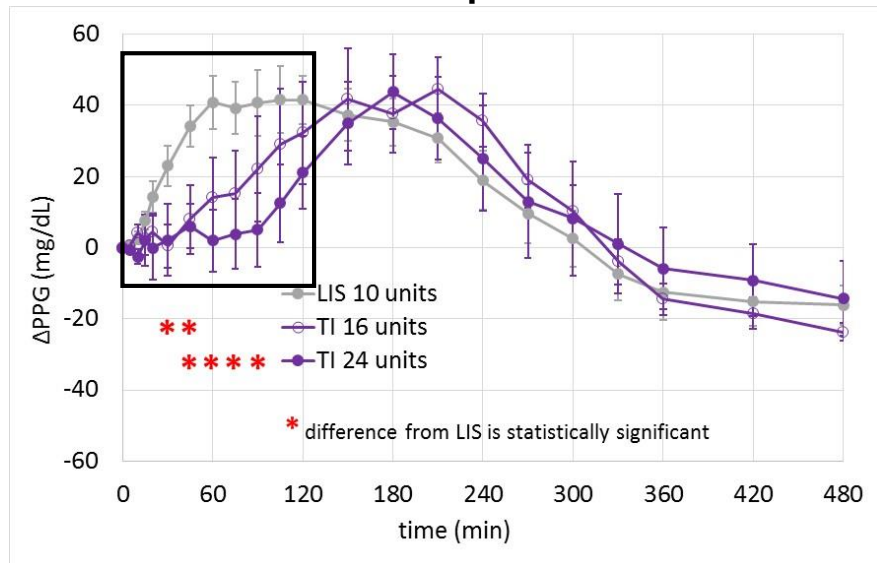


***Implement a cohesive strategy to transform the company with an entrepreneurial spirit that drives innovative solutions***





## Glucose response



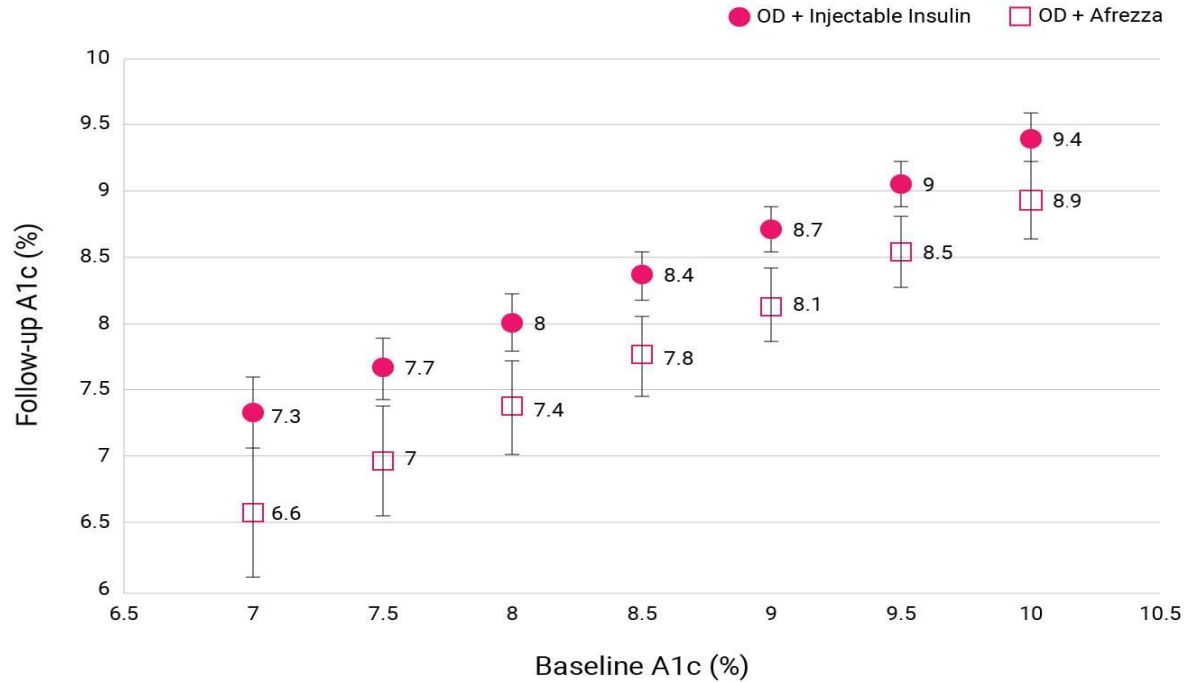
AUC<sub>0-t</sub>, area under the curve from 0 to total minutes; LIS, subcutaneous insulin lispro; PPG, postprandial glucose; ΔPPG, PPG change from baseline; TI, Technosphere Insulin; t<sub>PPGmax</sub>, time to maximum PPG.

- AUC<sub>0-t</sub> were similar across the 3 treatments (no significant differences) for time ≥ 180 minutes
- TI provided better glucose control in early postprandial period
  - ΔPPG was lower for TI between 30 and 90 minutes
  - AUC<sub>0-t</sub> was lower for TI 24 units between 60 and 150 minutes
- Mean t<sub>PPGmax</sub> shifted from ~106 to ~182 minutes (P=0.001)

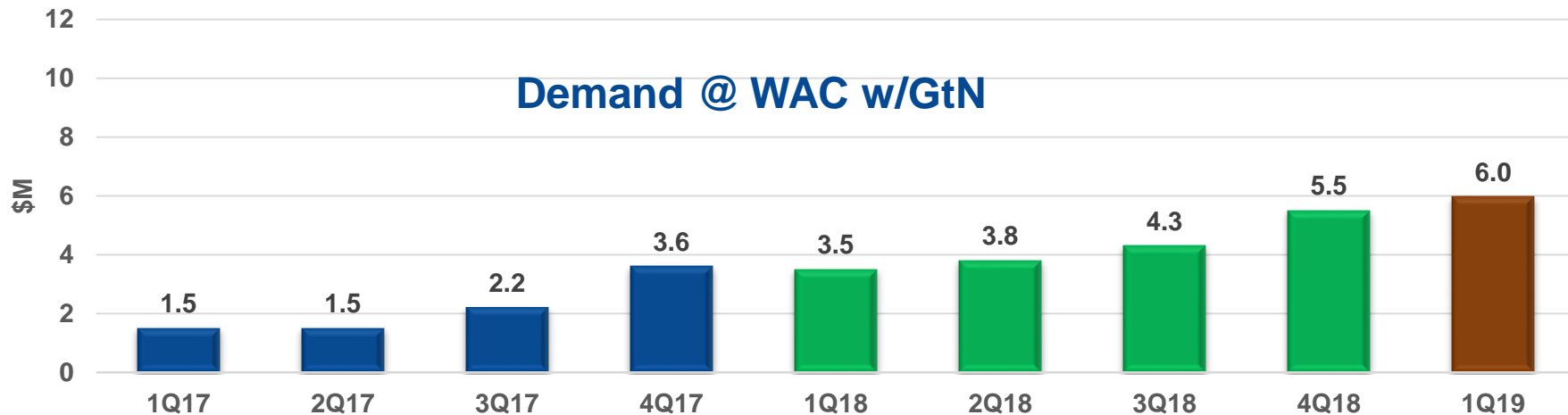
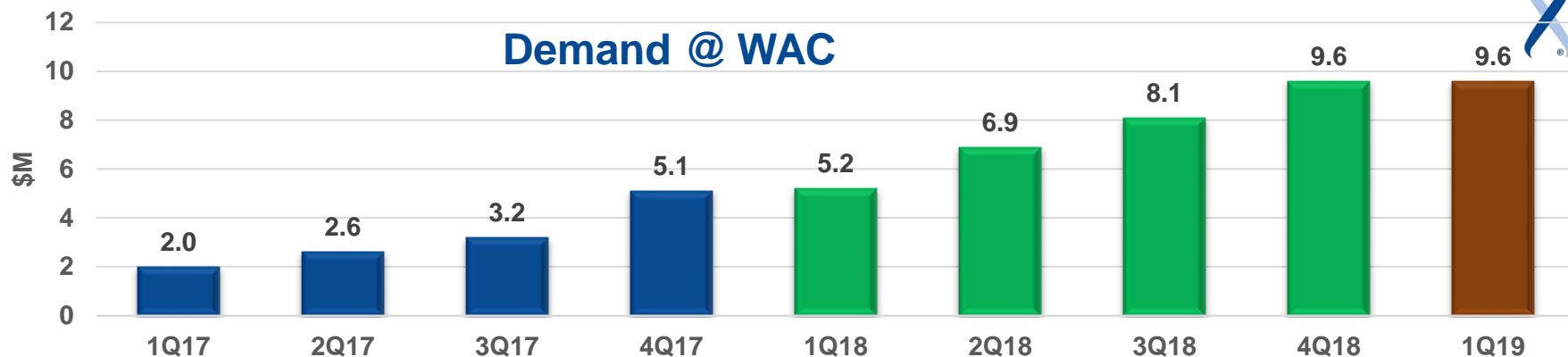
# OneDrop IIT Results Presented at ATTD – Consistent Reduction in A1C



Per Protocol

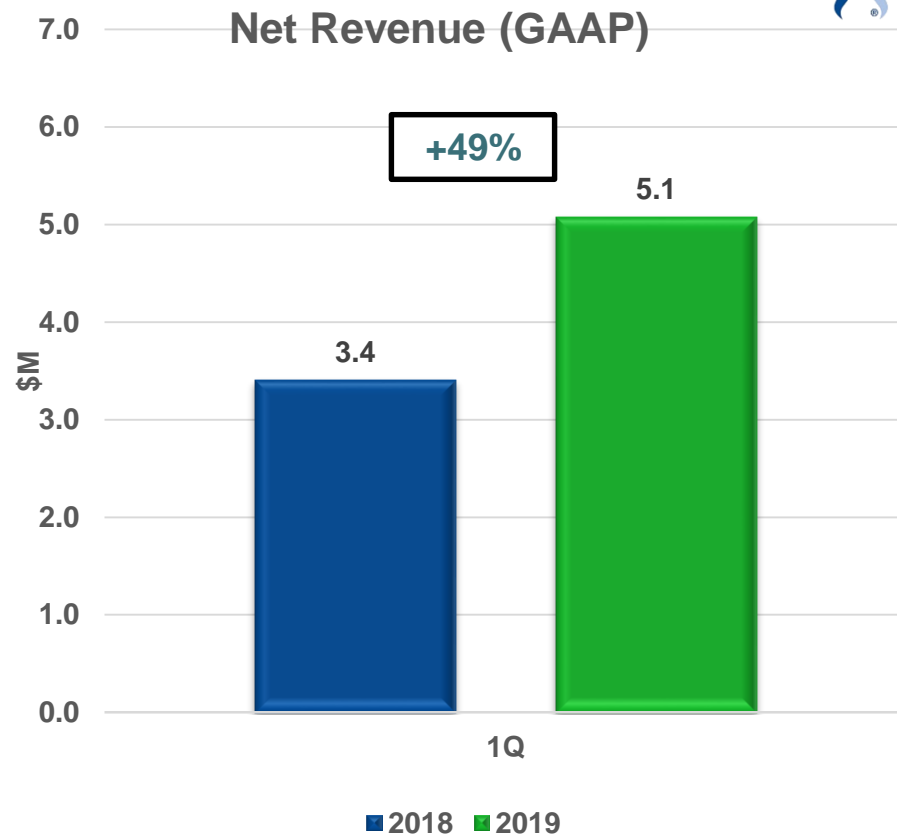
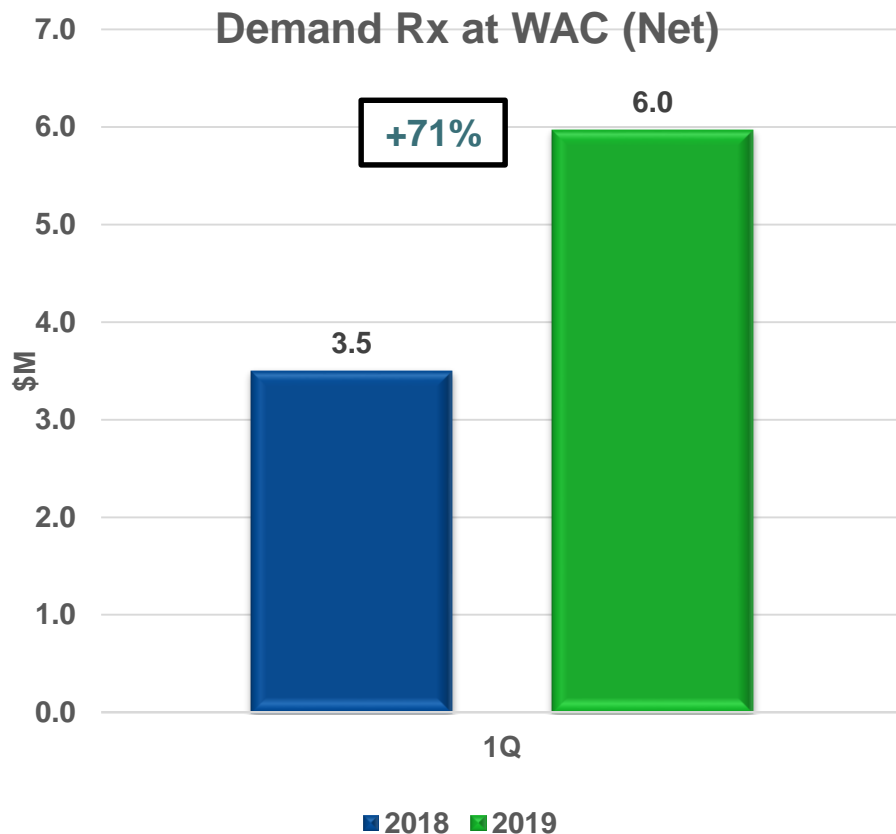


# Afrezza Rx Demand Revenue

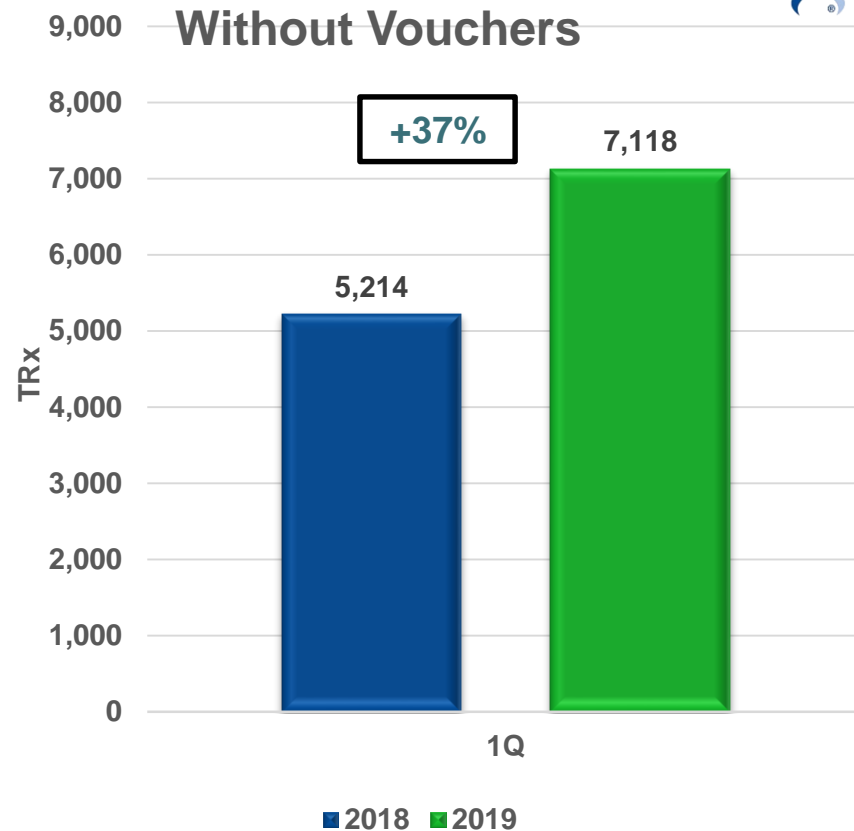
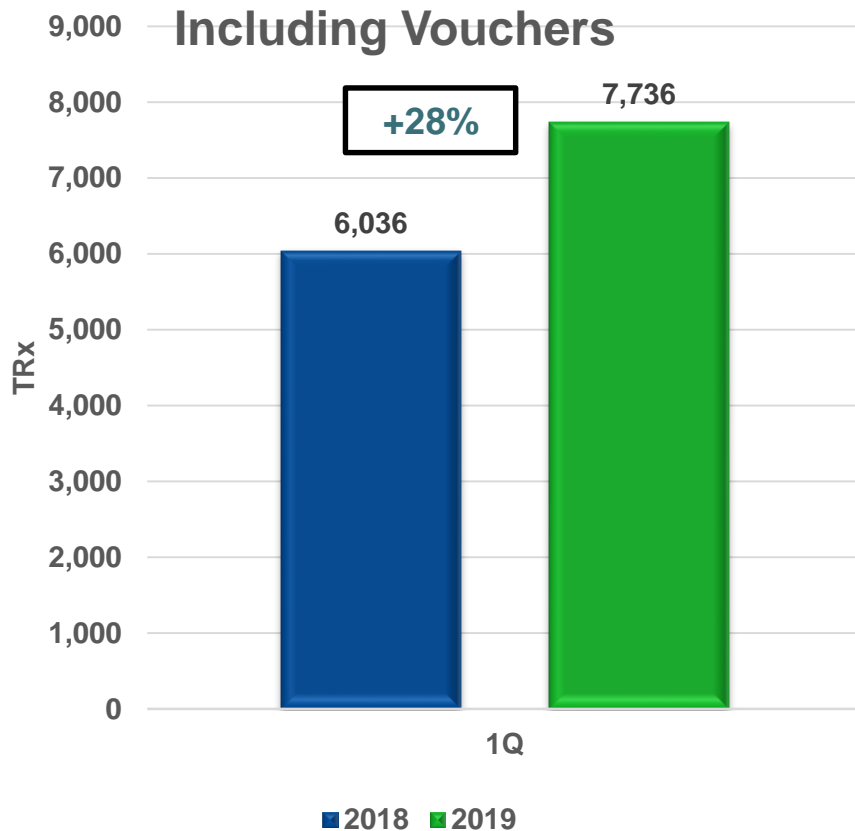




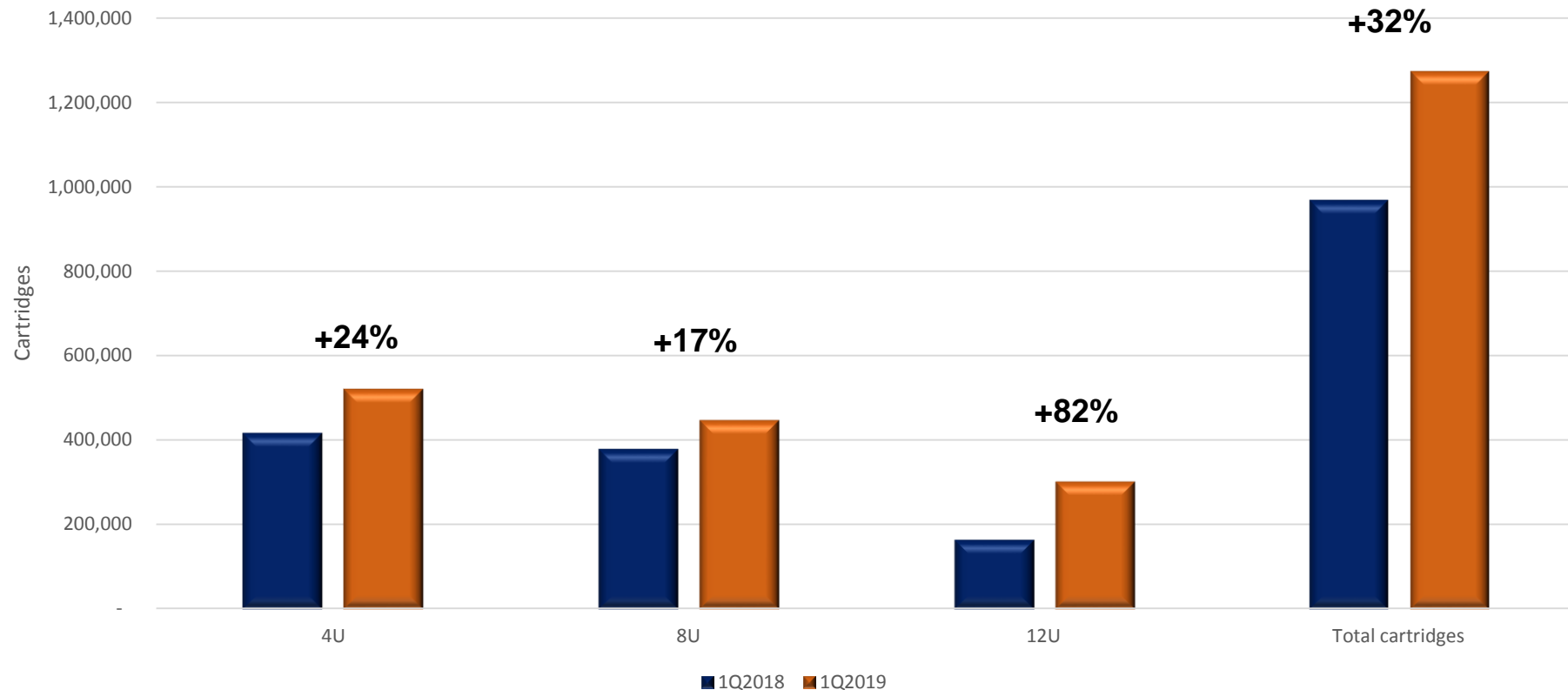
# Afrezza Net Revenue Growth Impacted by Channel Inventory



# Afrezza TRx Growth (1Q19 vs. 1Q18)



# 1Q 2019 Cartridge Growth vs. 2018 (without Vouchers)





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**Steven B. Binder**  
Chief Financial Officer

# 1Q 2019 Total Revenues Growth +404%

- Afrezza Net Revenue +49%

	1Q		
	(1Q 2019)	(1Q 2018)	% Chg
Gross Revenue - Afrezza	\$ 8.2	\$ 5.2	58%
Gross-to-Net - Afrezza	(3.1)	(1.8)	
GTN %	38%	35%	
<b>Net Revenue - Afrezza</b>	<b>5.1</b>	<b>3.4</b>	<b>49%</b>
<b>Revenue - Collaborations and Services</b>	<b>12.4</b>	<b>0.1</b>	<b>*</b>
<b>Total Revenues</b>	<b>\$ 17.4</b>	<b>\$ 3.5</b>	<b>404%</b>

\* >1000%



	\$M	1Q 2019
<b>Demand TRx at WAC (38% GTN)</b>	<b>\$</b>	<b>6.0</b>
<b>Reduction in Channel Inventory</b>		<b>(0.9)</b>
<b>Net Revenue - Afrezza</b>	<b>\$</b>	<b>5.1</b>

# Achieved 1Q 2019 Afrezza Gross Profit

- Second quarter in a row to achieve a gross profit

	1Q			
	(\$M)	2019	2018	
				\$ Chg      % Chg
Net Revenue - Afrezza	\$	5.1	3.4	1.7      49%
Cost of Goods Sold		(4.0)	(4.0)	-      0%
<b>Gross Profit (Loss) - Afrezza</b>	<b>\$</b>	<b>1.1</b>	<b>\$ (0.6)</b>	<b>\$ 1.7      274%</b>

# Cash Impact of Net Interest Expense Lowered by -84%; Funds invested behind Afrezza and Pipeline

	1Q		<u>\$ Chg</u>	<u>% Chg</u>
	2019	2018		
	\$M			
Interest Income	\$ 0.3	\$ 0.1	\$ 0.2	200%
Interest Expense	(1.7)	(2.9)	\$ 1.2	-43%
<b>Net Interest Expense</b>	<b>\$ (1.4)</b>	<b>\$ (2.8)</b>	<b>\$ 1.4</b>	<b>-52%</b>
Excluding Mann Grp Interest (PIK)	1.1	1.1	0	
<b>Net Interest Expense - Cash Impact</b>	<b>\$ (0.3)</b>	<b>\$ (1.7)</b>	<b>\$ 1.4</b>	<b>-84%</b>

## Other Key Financial Highlights

- **Ended 1Q with \$59.8M in cash, cash equivalents and short-term investments**
- **Net cash used in operating activities \$11.6M**
  - Includes TV spend of -\$9.3M and receipt of +\$12.5M from UT
- **14M warrants expired unused in April** (\$2.38/share strike price)
- **New MNKD S-3 became effective in early April**
  - Previous Shelf expired in late April
- **ATM agreement with Cantor Fitzgerald remains active with ProSup filed today**
  - New ProSup required with new Shelf
- **Paid Deerfield \$2.5M due May 6**





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**Michael Castagna**  
Chief Executive Officer

# Q2 MannKind Initiatives


## Non-Branded Campaign



**For 97 years, treatment has looked the same.**

Now with continuous glucose monitoring, you can see that realtime control remains a challenge. It's time to change the conversation.

Contact the MannKind Customer Experience Center at (833) 623-4843 or email [guide@mannkindcorp.com](mailto:guide@mannkindcorp.com).

 MannKind Corporation

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## Indy Car Sponsorship

### Conor Daly



# Anticipated Milestones for 1H 2019



Anticipated Timeline	2019 Milestone Events
1H 2019	<ul style="list-style-type: none"><li>✓ First milestone payment from United Therapeutics (UT)</li><li>✓ Multiple data publications on Hypoglycemia, Safety and Efficacy</li><li>✓ Determination of regulatory pathway for India</li><li>✓ Interim results of Phil Levin study (late breaker accepted at ADA)<ul style="list-style-type: none"><li>• Completion of pediatric cohort 2</li><li>• Brazil Afrezza approval</li><li>• Additional pursuit of international agreements</li><li>• Completion of formulation work for unnamed compound for UT</li></ul></li></ul>

# The Transformation of Our Revenue Growth Drivers Compound Over The Next



# 5 YEARS

Afrezza Pediatric

Pipeline and In-license

Afrezza International expansion

US Afrezza

Technosphere Platform

Reminder:  
**2019 Annual Meeting of Stockholders**  
**Warwick Hotel, New York City**  
**May 14, 2019 @ 10:00 ET**

**Thank You**

Contact: [IR@mannkindcorp.com](mailto:IR@mannkindcorp.com)