



MannKind Reduces Legacy Debt by Approximately \$49.5 Million and Restructures Remaining Obligations, including Extended Maturity, Lower Interest Rates and Increased Third Tranche

April 26, 2021

- *Paid Off Mann Group Non-Convertible Note of \$35.1 Million in Principal plus \$4.4 Million in Accrued Interest*
- *Prepaid \$10.0 Million Owed Under MidCap Credit Facility and Increased Borrowings Available Under Tranche 3 to \$60.0 Million*
- *Reduced Annual Interest Expense on Remaining Indebtedness by Approximately \$5.0 Million*
- *Potential sale-leaseback of manufacturing facility to be further evaluated*

WESTLAKE VILLAGE, Calif., April 26, 2021 (GLOBE NEWSWIRE) -- **MannKind Corporation (Nasdaq: MNKD)** announced that on April 22, 2021 it and MidCap Financial Trust, as agent, entered into an amendment of the credit and security agreement dated August 6, 2019 (the "MidCap Credit Facility"). In addition, MannKind and Mann Group, LLC entered into an amendment of the terms of the Mann Group convertible note and repaid in full outstanding amounts under the Mann Group non-convertible note on April 22, 2021. In connection with these transactions, MannKind reduced its outstanding amount of indebtedness, yet retained flexibility to borrow additional amounts under tranche 3 of the MidCap Credit Facility, which is available to borrow until June 30, 2022, subject to the satisfaction of certain milestone conditions associated with Tyvaso DPI™.

The MidCap Credit Facility was amended to modify several terms, including: (i) increasing the funds available in tranche 3, if drawn by the Company, from \$25.0 million to \$60.0 million; (ii) revising the conditions to drawing tranche 3, including milestone conditions associated with Tyvaso DPI™; (iii) providing for an exit fee of \$1.0 million in connection with the prepayment described below in lieu of the existing prepayment penalty and exit fees; (iv) removing the requirement to issue a warrant to purchase shares of MannKind's common stock upon the drawdown of tranche 3; (v) decreasing the interest rate on the remaining outstanding debt; (vi) extending the interest-only period and maturity of term loans under the MidCap Credit Facility; (vii) reducing the minimum cash covenant from \$30.0 million to \$10.0 million, effective immediately, and eliminating such covenant in the event that Tyvaso DPI™ is approved by the FDA; (viii) eliminating the requirement to test compliance with the minimum Afrezza net revenue covenant so long as the Company has \$90.0 million or more of unrestricted cash; (ix) permitting the Company to make certain acquisitions subject to certain conditions; and (x) permitting the Company to make investments of up to an additional \$9.0 million so long as the Company has \$90.0 million or more of unrestricted cash following such investment. In connection with the amendment of the MidCap Credit Facility, MannKind prepaid \$10.0 million in cash to reduce the principal balance under the MidCap Credit Facility from \$50.0 million to \$40.0 million.

The Mann Group convertible note was amended to lower the interest rate to 2.5% (from 7.0%), effective April 22, 2021, and to extend the maturity to December 2025 (from November 2024). In addition, MannKind repaid the entire principal amount of \$35.1 million outstanding, together with accrued and unpaid interest thereon, under the Mann Group non-convertible note and paid all accrued and unpaid interest outstanding under the Mann Group convertible note.

MannKind also announced that it is evaluating the considerations underlying a potential sale-leaseback of its manufacturing facility in Connecticut, which is being negotiated under a previously announced letter of intent. The Company will update investors regarding its plans for the facility at a future date.

MannKind's Chief Financial Officer, Steven B. Binder commented, "Starting with the convertible debt offering in March and ending with these debt reductions and restructurings, we have positioned the Company with ample cash and a manageable debt load to fund our near-term priorities, enabling us to focus on the development of our product pipeline, investing behind growing Afrezza and supporting our collaborations."

Further details about both transactions will be provided in a Current Report on Form 8-K filed with the Security and Exchange Commission.

TYVASO DPI is a trademark of United Therapeutics Corporation.

About MannKind Corporation

MannKind Corporation (Nasdaq: MNKD) focuses on the development and commercialization of inhaled therapeutic products for patients with endocrine and orphan lung diseases. MannKind is currently commercializing Afrezza® (insulin human) Inhalation Powder, the Company's first FDA-approved product and the only inhaled ultra rapid-acting mealtime insulin in the United States, where it is available by prescription from pharmacies nationwide. Afrezza is also available by prescription in Brazil, where it is commercialized by the Company's partner Biomm SA. MannKind was established in 1991, and is headquartered in Westlake Village, Calif. with a state-of-the-art manufacturing facility based in Danbury, Conn. The Company also employs field sales and medical representatives across the U.S. For further information, visit www.mannkindcorp.com.

Forward-Looking Statements

This press release contains forward-looking statements that involve risks and uncertainties. Words such as "believes," "anticipates," "plans," "expects," "intends," "will," "goal," "potential" and similar expressions are intended to identify forward-looking statements. These forward-looking statements are based upon MannKind's current expectations. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of these risks and uncertainties, which include, without limitation, uncertainties regarding the need to raise additional capital, MannKind's ability to satisfy conditions required to draw additional loans under the MidCap Credit Facility, and whether MannKind will be able to make required payments under its debt obligations in the future. For a discussion of these and other factors, please refer to MannKind's annual report on Form 10-K for the year ended December 31, 2020 as well as MannKind's other filings with the SEC. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. All forward-looking statements are qualified in their entirety by this cautionary statement, and MannKind undertakes no obligation to revise or update any forward-looking statements to reflect

events or circumstances after the date of this press release.

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