



Interest income was \$1.5 million for the second quarter of 2023 compared to \$0.5 million for the same period in 2022. The increase was primarily due to higher yields on our marketable securities and money market funds.

Interest expense on financing liability was \$2.4 million for the second quarter of 2023 and remained consistent with the same period in 2022.

Interest expense was \$6.9 million in the second quarter of 2023 compared to \$6.6 million for the same period in 2022, which remained consistent due to fixed interest rates on notes and consistent recognition of interest expense related to the achievement of Afrezza milestones.

Gain on available-for-sale securities for the second quarter of 2023 was \$0.9 million as a result of the change in the fair value of the investment that related to credit risk.

### First half of 2023

#### Revenue Highlights

|                                       | Six Months<br>Ended June 30, |           |           |          |
|---------------------------------------|------------------------------|-----------|-----------|----------|
|                                       | 2023                         | 2022      | \$ Change | % Change |
| Net revenue — Afrezza                 | \$ 25,951                    | \$ 20,475 | \$ 5,476  | 27 %     |
| Net revenue — V-Go                    | 9,956                        | 2,073     | \$ 7,883  | *        |
| Revenue — collaborations and services | 22,597                       | 8,034     | \$ 14,563 | 181 %    |
| Royalties — collaborations            | 30,733                       | 304       | \$ 30,429 | *        |
| Total revenues                        | \$ 89,237                    | \$ 30,886 | \$ 58,351 | 189 %    |

\* Not meaningful

Afrezza net revenue for the first half of 2023 increased \$5.5 million, or 27%, compared to the same period in 2022 primarily as a result of higher product demand and price. V-Go was acquired in the second quarter of 2022 and achieved \$22.0 million in net revenues one year post-acquisition, which was at the high end of our forecasted range. The increase in collaborations and services revenue was primarily attributable to the deferral of revenue associated with the CSA until we began commercial manufacturing and subsequently selling Tyvaso DPI in June 2022. Royalties related to Tyvaso DPI, launched in the late second quarter of 2022 by UT, reached \$30.7 million in the first half of 2023 based on strong patient demand.

Commercial product gross margin in the first half of 2023 was 70%, which was consistent with the same period in 2022.

Cost of revenue – collaborations and services for the first half of 2023 was \$19.7 million compared to \$17.0 million for the same period in 2022, an increase of \$2.7 million, due to an increase in manufacturing activities for Tyvaso DPI.

R&D expenses for the first half of 2023 were \$12.1 million compared to \$8.4 million for the same period in 2022. The \$3.6 million increase was primarily attributed to development activities for MNKD-101 and INHALE-3.

Selling expenses for the first half of 2023 were \$27.3 million compared to \$28.6 million for the same period in 2022. The \$1.3 million decrease was primarily due to the termination of an Afrezza pilot promotional effort targeting primary care physicians, which ended in the third quarter of 2022, partially offset by increased headcount and promotional expenses after the acquisition of V-Go in the second quarter of 2022.

General and administrative expenses for the first half of 2023 were \$22.5 million compared to \$18.1 million for the same period in 2022. The \$4.3 million increase was primarily attributable to higher stock-based compensation and increased headcount.

Interest income was \$2.8 million for the six months ended June 30, 2023 compared to \$0.9 million for the same period in 2022. The increase was primarily due to higher yields on our marketable securities and money market funds.

Interest expense on financing liability was \$4.9 million for the first half of 2023 and remained consistent with the same period in 2022.

Interest expense on notes was \$9.7 million in the first half of 2023 compared to \$9.4 million for the same period in 2022, which remained consistent due to fixed interest rates on notes and consistent recognition of interest expense related to the achievement of Afrezza milestones.

Gain on available-for-sale securities for the first half of 2023 was \$0.9 million as a result of the change in the fair value of the investment that related to credit risk.

Cash, cash equivalents and investments as of June 30, 2023 were \$146.6 million.

### Non-GAAP Measures

To supplement our unaudited condensed consolidated financial statements presented under U.S. generally accepted accounting principles (GAAP), we are presenting non-GAAP income (loss) from operations, non-GAAP net loss and non-GAAP net income (loss) per share, which are non-GAAP financial measures. We are providing these non-GAAP financial measures to disclose additional information to facilitate the comparison of past and present operations, and they are among the indicators management uses as a basis for evaluating our financial performance. We believe that these non-GAAP financial measures, when considered together with our GAAP financial results, provide management and investors with an additional understanding of our business operating results, including underlying trends.

These non-GAAP financial measures are not meant to be considered in isolation or as a substitute for comparable GAAP measures; should be read in conjunction with our unaudited condensed consolidated financial statements prepared in accordance with GAAP; have no standardized meaning prescribed by GAAP; and are not prepared under any comprehensive set of accounting rules or principles. In addition, from time to time in the future there may be other items that we may exclude for purposes of our non-GAAP financial measures; and we may in the future cease to exclude items that we have historically excluded for purposes of our non-GAAP financial measures. Likewise, we may determine to modify the nature of its adjustments to arrive at our non-GAAP financial measures. Because of the non-standardized definitions of non-GAAP financial measures, the non-GAAP financial measures as used by us in this report have limits in their usefulness to investors and may be calculated differently from, and therefore may not be directly comparable to, similarly titled measures used by other companies.

The following tables reconcile our financial measure for income (loss) from operations, net loss and earnings (loss) per share ("EPS") for basic and diluted weighted average shares as reported in our condensed consolidated statement of operations to a non-GAAP presentation as adjusted for the non-cash stock-based compensation expense and non-cash gain (loss) on foreign currency transactions for the periods presented:

|  | Three Months<br>Ended June 30,       |             | Six Months<br>Ended June 30, |             |
|--|--------------------------------------|-------------|------------------------------|-------------|
|  | 2023                                 | 2022        | 2023                         | 2022        |
|  | (In thousands except per share data) |             |                              |             |
| <b>GAAP Income (loss) from operations</b>          | \$ 1,721                             | \$ (20,454) | \$ (4,277)                   | \$ (41,710) |
| Increase (decrease) for excluded non-cash items:   |                                      |             |                              |             |
| Stock compensation                                 | 5,580                                | 4,422       | 9,235                        | 7,228       |
| Loss (gain) on foreign currency transaction        | 251                                  | (4,503)     | 1,205                        | (6,486)     |
| Non-GAAP income (loss) from operations             | \$ 7,552                             | \$ (20,535) | \$ 6,163                     | \$ (40,968) |
| <b>GAAP net loss</b>                               | \$ (5,265)                           | \$ (29,023) | \$ (15,060)                  | \$ (55,021) |
| Increase (decrease) for excluded non-cash items:   |                                      |             |                              |             |
| Stock compensation                                 | 5,580                                | 4,422       | 9,235                        | 7,228       |
| Loss (gain) on foreign currency transaction        | 251                                  | (4,503)     | 1,205                        | (6,486)     |
| Gain on available-for-sale securities              | (932)                                | —           | (932)                        | —           |
| Non-GAAP net loss                                  | \$ (366)                             | \$ (29,104) | \$ (5,552)                   | \$ (54,279) |
| <b>GAAP net loss per share - basic and diluted</b> | \$ (0.02)                            | \$ (0.11)   | \$ (0.06)                    | \$ (0.22)   |
| Increase (decrease) for excluded non-cash items:   |                                      |             |                              |             |
| Stock compensation                                 | 0.02                                 | 0.02        | 0.03                         | 0.03        |
| Loss (gain) on foreign currency transaction        | 0.00                                 | (0.02)      | 0.00                         | (0.03)      |
| Gain on available-for-sale securities              | 0.00                                 | 0.00        | 0.00                         | 0.00        |
| Non-GAAP net loss per share - basic and diluted    | \$ 0.00                              | \$ (0.11)   | \$ (0.03)                    | \$ (0.22)   |
| Weighted average shares - basic and diluted        | 265,626                              | 253,644     | 264,802                      | 252,775     |

### Conference Call

MannKind will host a conference call and presentation webcast to discuss these results today at 5:00 p.m. Eastern Time. Those interested in listening to the conference call live via the Internet may do so by visiting the Company's website at [mannkindcorp.com](http://mannkindcorp.com) under [Events & Presentations](#). A replay will be available on MannKind's website for 14 days.

### About MannKind

MannKind Corporation (Nasdaq: MNKD) focuses on the development and commercialization of inhaled therapeutic products for patients with endocrine and orphan lung diseases.

We are committed to using our formulation capabilities and device engineering prowess to lessen the burden of diseases such as diabetes, pulmonary arterial hypertension (PAH) and nontuberculous mycobacterial (NTM) lung disease. Our signature technologies – dry-powder formulations and inhalation devices – offer rapid and convenient delivery of medicines to the deep lung where they can exert an effect locally or enter the systemic circulation.

With a passionate team of Mannitarians collaborating nationwide, we are on a mission to give people control of their health and the freedom to live life.

Please visit [mannkindcorp.com](http://mannkindcorp.com) to learn more, and follow us on [LinkedIn](#), [Facebook](#), [Twitter](#) or [Instagram](#).

## Forward-Looking Statements

Statements in this press release that are not statements of historical fact are forward-looking statements that involve risks and uncertainties. These statements include, without limitation, statements regarding the optimization of our commercial operations for Afrezza and V-Go and the potential for our Endocrine Business Unit to reach profitability starting in 2024. Words such as “believes”, “anticipates”, “plans”, “expects”, “intend”, “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 various risks and uncertainties, which include, without limitation, risks associated with manufacturing and supply, risks associated with product commercialization, risks associated with developing product candidates, risks associated with MannKind’s ability to manage its existing cash resources or raise additional cash resources, and other risks detailed in MannKind’s filings with the Securities and Exchange Commission (“SEC”), including under the “Risk Factors” heading of its Annual Report on Form 10-K for the year ended December 31, 2022, filed with the SEC on February 23, 2023, and under the “Risk Factors” heading of its Quarterly Report on Form 10-Q for the quarter ended June 30, 2023, being filed with the SEC later today. 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.

Tyvaso DPI is a trademark of United Therapeutics Corporation.

AFREZZA, MANNKIND, and V-GO are registered trademarks of MannKind Corporation.

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## MANNKIND CORPORATION AND SUBSIDIARY CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

|   | Three Months<br>Ended June 30,       |                 | Six Months<br>Ended June 30, |                 |
|---|--------------------------------------|-----------------|------------------------------|-----------------|
|   | 2023                                 | 2022            | 2023                         | 2022            |
|   | (In thousands except per share data) |                 |                              |                 |
| Revenues:                                     |                                      |                 |                              |                 |
| Net revenue – commercial product sales        | \$ 18,345                            | \$ 12,722       | \$ 35,907                    | \$ 22,548       |
| Revenue – collaborations and services         | 11,211                               | 5,868           | 22,597                       | 8,034           |
| Royalties – collaborations                    | 19,055                               | 304             | 30,733                       | 304             |
| Total revenues                                | <u>48,611</u>                        | <u>18,894</u>   | <u>89,237</u>                | <u>30,886</u>   |
| Expenses:                                     |                                      |                 |                              |                 |
| Cost of goods sold                            | 5,224                                | 4,617           | 10,754                       | 6,901           |
| Cost of revenue – collaborations and services | 9,013                                | 8,298           | 19,696                       | 17,012          |
| Research and development                      | 6,453                                | 4,893           | 12,058                       | 8,429           |
| Selling                                       | 14,002                               | 15,868          | 27,312                       | 28,596          |
| General and administrative                    | 11,947                               | 10,175          | 22,489                       | 18,144          |
| Loss (gain) on foreign currency transaction   | 251                                  | (4,503)         | 1,205                        | (6,486)         |
| Total expenses                                | <u>46,890</u>                        | <u>39,348</u>   | <u>93,514</u>                | <u>72,596</u>   |
| Income (loss) from operations                 | <u>1,721</u>                         | <u>(20,454)</u> | <u>(4,277)</u>               | <u>(41,710)</u> |
| Other income (expense):                       |                                      |                 |                              |                 |
| Interest income, net                          | 1,547                                | 516             | 2,849                        | 893             |
| Interest expense on financing liability       | (2,449)                              | (2,443)         | (4,873)                      | (4,814)         |
| Interest expense                              | (6,873)                              | (6,642)         | (9,659)                      | (9,390)         |
| Gain on available-for-sale securities         | 932                                  | —               | 932                          | —               |
| Other expense                                 | (143)                                | —               | (32)                         | —               |
| Total other expense                           | <u>(6,986)</u>                       | <u>(8,569)</u>  | <u>(10,783)</u>              | <u>(13,311)</u> |
| Loss before income tax expense                | <u>(5,265)</u>                       | <u>(29,023)</u> | <u>(15,060)</u>              | <u>(55,021)</u> |

|  |            |             |             |             |
|--|------------|-------------|-------------|-------------|
| Benefit from income taxes  | —          | —           | —           | —           |
| Net loss   | \$ (5,265) | \$ (29,023) | \$ (15,060) | \$ (55,021) |
| Net loss per share – basic and diluted   | \$ (0.02)  | \$ (0.11)   | \$ (0.06)   | \$ (0.22)   |
| Weighted average shares used to compute net loss per share – basic and diluted | 265,626    | 253,644     | 264,802     | 252,775     |

**MANNKIND CORPORATION AND SUBSIDIARY  
CONDENSED CONSOLIDATED BALANCE SHEETS**

|   | <u>June 30,<br/>2023</u>                          | <u>December 31,<br/>2022</u> |
|---|---|------------------------------|
|   | (In thousands except share<br>and per share data) |                              |
| <b>ASSETS</b>   |   |                              |
| Current assets:   |   |                              |
| Cash and cash equivalents   | \$ 86,184   | \$ 69,767                    |
| Short-term investments  | 58,163  | 101,079                      |
| Accounts receivable, net  | 27,789  | 16,801                       |
| Inventory   | 25,290  | 21,772                       |
| Prepaid expenses and other current assets   | 32,807  | 25,477                       |
| Total current assets  | <u>230,233</u>                                    | <u>234,896</u>               |
| Property and equipment, net   | 69,510  | 45,126                       |
| Goodwill  | 1,931   | 2,428                        |
| Other intangible asset  | 1,113   | 1,153                        |
| Long-term investments   | 2,282   | 1,961                        |
| Other assets  | 8,353   | 9,718                        |
| Total assets  | <u>\$ 313,422</u>                                 | <u>\$ 295,282</u>            |
| <b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>  |   |                              |
| Current liabilities:  |   |                              |
| Accounts payable  | \$ 17,127   | \$ 11,052                    |
| Accrued expenses and other current liabilities  | 36,833  | 35,553                       |
| Financing liability – current   | 9,686   | 9,565                        |
| Midcap credit facility – current  | 16,667  | —                            |
| Deferred revenue – current  | 3,489   | 1,733                        |
| Recognized loss on purchase commitments – current   | 13,164  | 9,393                        |
| Total current liabilities   | <u>96,966</u>                                     | <u>67,296</u>                |
| Mann Group convertible note   | 8,829   | 8,829                        |
| Accrued interest – Mann Group convertible note  | 55  | 55                           |
| Financing liability – long term   | 94,395  | 94,512                       |
| Midcap credit facility – long term  | 22,811  | 39,264                       |
| Senior convertible notes  | 226,124   | 225,397                      |
| Recognized loss on purchase commitments – long term   | 56,063  | 62,916                       |
| Operating lease liability   | 4,646   | 5,343                        |
| Deferred revenue – long term  | 60,248  | 37,684                       |
| Milestone liabilities   | 3,772   | 4,524                        |
| Total liabilities   | <u>573,909</u>                                    | <u>545,820</u>               |
| Stockholders' deficit:  |   |                              |
| Undesignated preferred stock, \$0.01 par value – 10,000,000 shares authorized; no shares issued or outstanding as of June 30, 2023 and December 31, 2022  | —   | —                            |
| Common stock, \$0.01 par value – 800,000,000 and 400,000,000 shares authorized as of June 30, 2023 and December 31, 2022, respectively, and 268,235,145 and 263,793,305 shares issued and outstanding as of June 30, 2023 and December 31, 2022, respectively | 2,682   | 2,638                        |
| Additional paid-in capital  | 2,968,917   | 2,964,293                    |
| Accumulated other comprehensive income  | 443   | —                            |
| Accumulated deficit   | <u>(3,232,529)</u>                                | <u>(3,217,469)</u>           |

|   |                  |                  |
|---|------------------|------------------|
| Total stockholders' deficit                 | <u>(260,487)</u> | <u>(250,538)</u> |
| Total liabilities and stockholders' deficit | \$ 313,422       | \$ 295,282       |

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Source: MannKind