

LA JOLLA PHARMACEUTICAL COMPANY

Unaudited Condensed Consolidated Statements of Operations

(in thousands, except per share amounts)

| | Three Months Ended March 31, | |
|---|---------------------------------|--------------------|
| | 2019 | 2018 |
| Revenue | | |
| Net product sales | \$ 4,395 | \$ 809 |
| Total revenue | <u>4,395</u> | <u>809</u> |
| Operating expenses | | |
| Cost of product sales | 500 | 58 |
| Research and development | 21,244 | 28,429 |
| Selling, general and administrative | 12,320 | 23,016 |
| Total operating expenses | <u>34,064</u> | <u>51,503</u> |
| Loss from operations | <u>(29,669)</u> | <u>(50,694)</u> |
| Other (expense) income | | |
| Interest expense | (2,729) | — |
| Interest income | 713 | 166 |
| Total other (expense) income, net | <u>(2,016)</u> | <u>166</u> |
| Net loss | <u>\$ (31,685)</u> | <u>\$ (50,528)</u> |
| Net loss per share, basic and diluted | <u>\$ (1.17)</u> | <u>\$ (2.22)</u> |
| Weighted-average common shares outstanding, basic and diluted | <u>27,035</u> | <u>22,742</u> |

LA JOLLA PHARMACEUTICAL COMPANY

Condensed Consolidated Balance Sheets
(in thousands, except share and par value amounts)

| | March 31, 2019 (Unaudited) | December 31, 2018 |
|--|----------------------------------|----------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 140,017 | \$ 172,604 |
| Accounts receivable, net | 1,999 | 1,381 |
| Inventory, net | 1,977 | 2,020 |
| Prepaid expenses and other current assets | 5,139 | 5,111 |
| Total current assets | 149,132 | 181,116 |
| Property and equipment, net | 21,306 | 22,267 |
| Right-of-use lease asset | 16,482 | — |
| Restricted cash | 909 | 909 |
| Total assets | \$ 187,829 | \$ 204,292 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | |
| Current liabilities: | | |
| Accounts payable | \$ 3,041 | \$ 8,572 |
| Accrued expenses | 9,572 | 8,485 |
| Accrued payroll and related expenses | 2,036 | 7,509 |
| Deferred rent, current portion | — | 1,370 |
| Lease liability, current portion | 2,587 | — |
| Total current liabilities | 17,236 | 25,936 |
| Deferred rent, less current portion | — | 13,609 |
| Lease liability, less current portion | 28,572 | — |
| Deferred royalty obligation, net | 124,336 | 124,323 |
| Other noncurrent liabilities | 6,384 | 4,503 |
| Total liabilities | 176,528 | 168,371 |
| Shareholders' equity: | | |
| Common Stock, \$0.0001 par value; 100,000,000 shares authorized, 27,093,026 and 26,259,254 shares issued and outstanding at March 31, 2019 and December 31, 2018, respectively | 3 | 3 |
| Series C-1 ² Convertible Preferred Stock, \$0.0001 par value; 11,000 shares authorized, 3,906 shares issued and outstanding at March 31, 2019 and December 31, 2018; and liquidation preference of \$3,906 at March 31, 2019 and December 31, 2018 | 3,906 | 3,906 |
| Series F Convertible Preferred Stock, \$0.0001 par value; 10,000 shares authorized, 0 and 2,737 shares issued and outstanding at March 31, 2019 and December 31, 2018, respectively; and liquidation preference of \$0 and \$2,737 at March 31, 2019 and December 31, 2018, respectively | — | 2,737 |
| Additional paid-in capital | 959,900 | 950,258 |
| Accumulated deficit | (952,508) | (920,983) |
| Total shareholders' equity | 11,301 | 35,921 |
| Total liabilities and shareholders' equity | \$ 187,829 | \$ 204,292 |