



MEMORANDUM

MannKind announces \$61 million stock offering - October 12, 2017

Early yesterday, MannKind [announced](#) a \$61 million offering of common stock - 10,166,600 shares priced at \$6.00/share - expected to close around October 13. Net proceeds are projected to total ~\$57.7 million, after deducting the placement agent's fees, and this sizable cash infusion will go toward working capital and general corporate purposes. This stock offering comes at a potentially pivotal moment for the company, as the FDA just recently approved an important [label update](#) for inhaled insulin Afrezza that reflects faster onset/faster offset, advancing MannKind's product into a new category of ultra-rapid-acting mealtime insulins. We expect this label revision to boost sales, and this in conjunction with the \$58 million financing could greatly extend the company's runway. MannKind had \$43 million in cash remaining as of [June 30, 2017](#). See our coverage of MannKind's [2Q17 earnings call](#) for a deeper dive.

-- by Payal Marathe and Kelly Close