Sarepta Therapeutics Announces First Quarter 2022 Financial Results and Recent Corporate Developments

5/4/22

- ***Total revenues, which consist of net product revenues and collaboration revenues, for the first quarter 2022 totaled $210.8 million***

- ***Net product revenues for the first quarter 2022 totaled $188.8 million, a 51% increase over the same quarter of prior year***

CAMBRIDGE, Mass., May 04, 2022 (GLOBE NEWSWIRE) -- Sarepta Therapeutics, Inc. (NASDAQ:SRPT), the leader in precision genetic medicine for rare diseases, today reported financial results for the first quarter 2022.

“We are pleased to report yet another consistent quarter of strong revenue growth for our three approved therapies – EXONDYS 51, VYONDYS 53 and AMONDYS 45 – achieving total revenue of $210.8 million dollars and net product revenues approaching $190 million. Our net product revenue performance represents a growth rate of over 50% as compared to the same quarter last year. The AMONDYS 45 launch continues to excel, and each of our three approved therapies – EXONDYS 51, VYONDYS 53 and AMONDYS 45 – contributed to our exceptional growth rate,” said Doug Ingram, Sarepta’s president and CEO. Mr. Ingram continued, “Sarepta is well positioned to thrive, largely agnostic to the challenging external market environment. We are advancing our significant multi-platform pipeline, with strong positive readouts across platforms, and we continue to enroll and dose patients in our global phase 3 pivotal studies for our lead gene therapy candidate, the EMBARK study for SRP-9001, and our lead next-generation RNA therapy, the MOMENTUM study for our PPMO SRP-5051. In addition to our strong revenue performance, we exited the first quarter with over $2 billion on our balance sheet to invest in bringing a better life to the patient communities we serve.”

First Quarter 2022 Developments:

- ***Sarepta presented new data at the 2022 Muscular Dystrophy Association (MDA) Annual Clinical and Scientific Conference:*** In March 2022, the Company had three podium and 10 poster presentations at MDA. Highlights of which included new data from the two dose cohorts in Study SRP-9003-101 evaluating SRP-9003 (rAAVrh74.MHCK7.hSGCB), Sarepta’s gene therapy for the treatment of limb-girdle muscular dystrophy Type 2E (LGMD2E); and the full results from EXPLORE DMD, a study to assess the rate of pre-existing antibodies to the rAAVrh74 vector in individuals with Duchenne muscular dystrophy (DMD).

    - For Study SRP-9003-101, Sarepta presented 3-year functional and 2-year biopsy data from cohort 1 (low-dose cohort) and 2-year functional and biopsy data from cohort 2 (high-dose cohort). The results showed the persistence of the SRP-9003 vector in transduced muscle continues to drive meaningful levels of beta-sarcoglycan protein expression over time, leading to sustained improvements in functional outcomes. The absence of the beta-sarcoglycan protein is the sole cause of the progressive degeneration and a shortened lifespan characterized by LGMD2E. These results continue to reinforce the favorable safety profile with no new safety signals or clinical complement activation observed.

    - For the EXPLORE DMD study the final results demonstrate that the majority of patients screened (86.1%) were seronegative (<1:400) for anti-rAAVrh74 total binding antibodies. This low seroprevalence of antibodies against rAAVrh74 supports the broad applicability of rAAVrh74-based gene therapy to patients with DMD. Sarepta’s comprehensive approach of measuring total binding antibodies may help improve the safety and efficacy of AAV-based gene transfer therapies.

Conference Call

The Company will be hosting a conference call at 4:30 p.m. Eastern Time to discuss Sarepta’s financial results and provide a corporate update. The conference call may be accessed by dialing (800) 895-3361 for domestic callers and (785) 424-1062 for international callers. The passcode for the call is SAREPTA. Please specify to the operator that you would like to join the “Sarepta Therapeutics First Quarter 2022 Earnings Call.” The conference call will be webcast live under the investor relations section of Sarepta's website at www.sarepta.com and will be archived there following the call for 90 days. Please connect to Sarepta's website several minutes prior to the start of the broadcast to ensure adequate time for any software download that may be necessary.

Financial Results

On a GAAP basis, for the three months ended March 31, 2022, the Company reported a net loss of $105.0 million or $1.20 per basic and diluted share, compared to a net loss of $167.3 million reported for the same period of 2021, or $2.10 per basic and diluted share. On a non-GAAP basis, the net loss for the three months ended March 31, 2022 was $48.6 million, or $0.56 per basic and diluted share, compared to a net loss of $114.5 million[1], or $1.44 per basic and diluted share for the same period of 2021.

Revenues
For the three months ended March 31, 2022, the Company recorded total revenues of $210.8 million, which consist of net product revenues and collaboration revenues, compared to total revenues of $146.9 million for the same period of 2021, an increase of $63.9 million.

For the three months ended March 31, 2022, the Company recorded net product revenues of $188.8 million, compared to net product revenues of $124.9 million for the same period of 2021, an increase of $63.9 million. The increase primarily reflects the continuing increase in demand for the Company's products in the U.S. and a full quarter of AMONDYS 45 sales during the three months ended March 31, 2022 given its commercial launch in February 2021.

For each of the three months ended March 31, 2022 and 2021, the Company recognized $22.0 million of collaboration revenue, which relates to the F. Hoffman-La Roche Ltd. (Roche) collaboration arrangement.

Cost and Operating Expenses
Cost of sales (excluding amortization of in-licensed rights)
For the three months ended March 31, 2022, cost of sales (excluding amortization of in-licensed rights) was $31.4 million, compared to $22.3 million for the same period of 2021, an increase of $9.1 million. The increase is due to increasing demand for the Company's products, partially offset by write-offs of certain batches of the Company's products not meeting its quality specifications for the three months ended March 31, 2021, with no similar activity for the three months ended March 31, 2022.

Research and development
Research and development expenses were $194.3 million for the three months ended March 31, 2022, compared to $195.1 million for the same period of 2021. The change in research and development expenses primarily reflects the following:

- $7.0 million increase in manufacturing expenses primarily due to a continuing ramp-up of the Company's gene therapy programs;
- $3.3 million increase in facility- and technology-related expenses primarily due to the Company's continuing expansion efforts;
- $2.0 million increase in compensation and other personnel expenses primarily due to a net increase in headcount;
- $1.9 million increase in stock-based compensation expense primarily due to changes in headcount and stock price;
- $1.8 million increase in clinical trial expenses primarily due to a continuing ramp-up of the Company's SRP-9001 gene therapy programs including the Company's EMBARK program, as well as increased patient enrollment for the Company's MOMENTUM program;
- $1.2 million increase in professional service expenses primarily due to an increase in reliance on third-party research and development contractors;
- $5.1 million decrease in collaboration cost sharing primarily due to the termination of the Lysogene S.A. license and collaboration agreement and timing of expense incurred related to Genethon's micro-dystrophin drug candidates;
- $8.3 million decrease in research and other expenses primarily driven by decreases in sponsored research with academic institutions and decreases in up-front and milestone expenses during the three months ended March 31, 2022; and
- $4.5 million increase in the offset to expense associated with a collaboration reimbursement from Roche due to continuing development of the Company's SRP-9001 gene therapy programs.

Non-GAAP research and development expenses were $173.2 million and $177.5 million for the three months ended March 31, 2022 and 2021, respectively, a decrease of $4.3 million.

Selling, general and administration
Selling, general and administrative expenses were $71.8 million for the three months ended March 31, 2022, compared to $71.1 million for the same period in 2021. The change in selling, general and administrative expenses primarily reflects the following:

- $1.8 million increase in professional service expenses primarily due to an increase in reliance on third-party selling, general and administrative contractors;
- $0.8 million increase in facility- and technology-related expenses primarily due to the Company's continuing expansion efforts; and
- $1.3 million decrease in stock-based compensation expense primarily due to modifications resulting from personnel changes during the three months ended March 31, 2021.

Non-GAAP selling, general and administrative expenses were $53.2 million and $51.5 million for the three months ended March 31, 2022 and 2021, respectively, an increase of $1.7 million.

Settlement and license charges
In February 2021, the Company recognized a $10.0 million settlement charge related to contingent settlement payments to BioMarin Pharmaceutical, Inc. (BioMarin) as a result of the approval of AMONDYS 45 in the U.S. This was a result of a settlement and license agreement with BioMarin in July 2017. There was no such expense recognized during the same period of 2022.

Amortization of in-licensed rights

For each of the three months ended March 31, 2022 and 2021, the Company recorded amortization of in-licensed rights of approximately $0.2 million. This is related to the amortization of the in-licensed right assets recognized as a result of agreements the Company entered into with BioMarin and the University of Western Australia in July 2017 and April 2013, respectively.

Other expense, net

For the three months ended March 31, 2022 and 2021, other expense, net was $17.3 million and $15.5 million, respectively. The quarter-over-quarter increase primarily reflects an increase in the mark-to-market adjustment on the Company's strategic investment during the three months ended March 31, 2022 compared to the same period of 2021.

Cash, Cash Equivalents, Restricted Cash and Investments

The Company had approximately $2.0 billion in cash, cash equivalents, restricted cash and investments as of March 31, 2022, compared to $2.1 billion as of December 31, 2021. The decrease is primarily driven by cash used to fund the Company's ongoing operations during the first quarter of 2022.

Use of Non-GAAP Measures

In addition to the GAAP financial measures set forth in this press release, the Company has included certain non-GAAP measurements. The non-GAAP loss is defined by the Company as GAAP net loss excluding interest expense, net, income tax expense (benefit), depreciation and amortization expense, stock-based compensation expense and other items. Non-GAAP research and development expenses are defined by the Company as GAAP research and development expenses excluding depreciation and amortization expense, stock-based compensation expense and other items. Non-GAAP selling, general and administrative expenses are defined by the Company as GAAP selling, general and administrative expenses excluding depreciation and amortization expense, stock-based compensation expense and other items.

1. Interest, tax, depreciation and amortization

Interest expense, net amounts can vary substantially from period to period due to changes in cash and debt balances and interest rates driven by market conditions outside of the Company's operations. Tax amounts can vary substantially from period to period due to tax adjustments that are not directly related to underlying operating performance. Depreciation expense can vary substantially from period to period as the purchases of property and equipment may vary significantly from period to period and without any direct correlation to the Company's operating performance. Amortization expense primarily associated with in-licensed rights as well as patent costs are amortized over a period of several years after acquisition or patent application or renewal and generally cannot be changed or influenced by management.

2. Stock-based compensation expenses

Stock-based compensation expenses represent non-cash charges related to equity awards granted by the Company. Although these are recurring charges to operations, the Company believes the measurement of these amounts can vary substantially from period to period and depend significantly on factors that are not a direct consequence of operating performance that is within the Company's control. Therefore, the Company believes that excluding these charges facilitates comparisons of the Company's operational performance in different periods.

3. Other items

The Company evaluates other items of expense and income on an individual basis. It takes into consideration quantitative and qualitative characteristics of each item, including (a) nature, (b) whether the items relate to the Company's ongoing business operations, and (c) whether the Company expects the items to continue on a regular basis.

Beginning in the fourth quarter of 2021, up-front and milestone payments associated with the Company's license and collaboration agreements, settlement and license charges and collaboration revenue, along with the related transaction costs incurred, are no longer excluded from the non-GAAP results.

The Company uses these non-GAAP measures as key performance measures for the purpose of evaluating operational performance and cash requirements internally. The Company also believes these non-GAAP measures increase comparability of period-to-period results and are useful to investors as they provide a similar basis for evaluating the Company's performance as is applied by management. These non-GAAP measures are not intended to be considered in isolation or to replace the presentation of the Company's financial results in accordance with GAAP. Use of the terms non-GAAP research and development expenses, non-GAAP selling, general and administrative expenses, non-GAAP other income and loss adjustments, non-GAAP income tax expense (benefit), non-GAAP net loss, and non-GAAP basic and diluted net loss per share may differ from similar measures reported by other companies, which may limit comparability, and are not based on any comprehensive set of accounting rules or principles. All relevant non-GAAP measures are reconciled from their respective GAAP measures in the attached table "Reconciliation of GAAP Financial Measures to Non-GAAP Financial Measures."

About EXONDYS 51

EXONDYS 51 (eteplirsen) uses Sarepta's proprietary phosphorodiamidate morpholino oligomer (PMO) chemistry and exon-skipping technology to bind to exon 51 of dystrophin pre-mRNA, resulting in exclusion, or "skipping", of this exon during mRNA processing in patients with genetic mutations that are amenable to exon 51 skipping. Exon skipping is intended to allow for production of an internally truncated dystrophin protein.

EXONDYS 51 is indicated for the treatment of Duchenne muscular dystrophy in patients who have a confirmed mutation of the dystrophin gene that is amenable to exon 51 skipping.

This indication is approved under accelerated approval based on an increase in dystrophin production in skeletal muscle observed in some patients treated with EXONDYS 51. Continued approval may be contingent upon verification of a clinical benefit in confirmatory trials.

EXONDYS 51 has met the full statutory standards for safety and effectiveness and as such is not considered investigational or experimental.

Important Safety Information About EXONDYS 51

Hypersensitivity reactions, bronchospasm, chest pain, cough, tachycardia, and urticaria have occurred in patients who were treated with EXONDYS 51. If a hypersensitivity reaction occurs, institute appropriate medical treatment and consider slowing the infusion or interrupting the EXONDYS 51 therapy.

Adverse reactions in Duchenne patients (N=8) treated with EXONDYS 51 30 mg or 50 mg/kg/week by intravenous (IV) infusion with an incidence of at

least 25% more than placebo (N=4) (Study 1, 24 weeks) were (EXONDYS 51, placebo): balance disorder (38%, 0%), vomiting (38%, 0%) and contact dermatitis (25%, 0%). The most common adverse reactions were balance disorder and vomiting. Because of the small numbers of patients, these represent crude frequencies that may not reflect the frequencies observed in practice. The 50 mg/kg once weekly dosing regimen of EXONDYS 51 is not recommended.

The following adverse reactions have been identified during observational studies that were conducted as part of the clinical development program and continued post approval.

In open-label observational studies, 163 patients received at least one intravenous dose of EXONDYS 51, with doses ranging between 0.5 mg/kg (0.017 times the recommended dosage) and 50 mg/kg (1.7 times the recommended dosage). All patients were male and had genetically confirmed Duchenne muscular dystrophy. Age at study entry was 6 months to 19 years. Most (85%) patients were Caucasian.

The most common adverse reactions from observational clinical studies (N=163) seen in greater than 10% of the study population were headache, cough, rash, and vomiting.

For further information, please see the full Prescribing Information.

About VYONDYS 53
VYONDYS 53 (golodirsen) uses Sarepta's proprietary phosphorodiamidate morpholino oligomer (PMO) chemistry and exon-skipping technology to bind to exon 53 of dystrophin pre-mRNA, resulting in exclusion, or "skipping," of this exon during mRNA processing in patients with genetic mutations that are amenable to exon 53 skipping. Exon skipping is intended to allow for production of an internally truncated dystrophin protein.

VYONDYS 53 is indicated for the treatment of Duchenne muscular dystrophy in patients who have a confirmed mutation of the dystrophin gene that is amenable to exon 53 skipping.

This indication is approved under accelerated approval based on an increase in dystrophin production in skeletal muscle observed in patients treated with VYONDYS 53. Continued approval may be contingent upon verification of a clinical benefit in confirmatory trials.

VYONDYS 53 has met the full statutory standards for safety and effectiveness and as such is not considered investigational or experimental.

Important Safety Information for VYONDYS 53
Hypersensitivity reactions, including rash, pyrexia, pruritus, urticaria, dermatitis, and skin exfoliation have occurred in VYONDYS 53-treated patients, some requiring treatment. If a hypersensitivity reaction occurs, institute appropriate medical treatment and consider slowing the infusion or interrupting the VYONDYS 53 therapy.

Kidney toxicity was observed in animals who received golodirsen. Although kidney toxicity was not observed in the clinical studies with VYONDYS 53, the clinical experience with VYONDYS 53 is limited, and kidney toxicity, including potentially fatal glomerulonephritis, has been observed after administration of some antisense oligonucleotides. Kidney function should be monitored in patients taking VYONDYS 53. Because of the effect of reduced skeletal muscle mass on creatinine measurements, creatinine may not be a reliable measure of kidney function in Duchenne patients. Serum cystatin C, urine dipstick, and urine protein-to-creatinine ratio should be measured before starting VYONDYS 53. Consider also measuring glomerular filtration rate using an exogenous filtration marker before starting VYONDYS 53. During treatment, monitor urine dipstick every month, and serum cystatin C and urine protein-to-creatinine ratio every three months. Only urine expected to be free of excreted VYONDYS 53 should be used for monitoring of urine protein. Urine obtained on the day of VYONDYS 53 infusion prior to the infusion, or urine obtained at least 48 hours after the most recent infusion, may be used. Alternatively, use a laboratory test that does not use the reagent pyrogallol red, as this reagent has the potential to cross react with any VYONDYS 53 that is excreted in the urine and thus lead to a false positive result for urine protein.

If a persistent increase in serum cystatin C or proteinuria is detected, refer to a pediatric nephrologist for further evaluation.

Adverse reactions observed in at least 20% of treated patients and greater than placebo were (VYONDYS 53, placebo): headache (41%, 10%), pyrexia (41%, 14%), fall (29%, 19%), abdominal pain (27%, 10%), nasopharyngitis (27%, 14%), cough (27%, 19%), vomiting (27%, 19%), and nausea (20%, 10%).

Other adverse reactions that occurred at a frequency greater than 5% of VYONDYS 53-treated patients and at a greater frequency than placebo were: administration site pain, back pain, pain, diarrhea, dizziness, ligament sprain, contusion, influenza, oropharyngeal pain, rhinitis, skin abrasion, ear infection, seasonal allergy, tachycardia, catheter site related reaction, constipation, and fracture.

For further information, please see the full Prescribing Information.

About AMONDYS 45
AMONDYS 45 (casimersen) uses Sarepta's proprietary phosphorodiamidate morpholino oligomer (PMO) chemistry and exon-skipping technology to bind to exon 45 of dystrophin pre-mRNA, resulting in exclusion, or "skipping," of this exon during mRNA processing in patients with genetic mutations that are amenable to exon 45 skipping. Exon skipping is intended to allow for production of an internally truncated dystrophin protein.

AMONDYS 45 is indicated for the treatment of Duchenne muscular dystrophy in patients who have a confirmed mutation of the dystrophin gene that is amenable to exon 45 skipping.

This indication is approved under accelerated approval based on an increase in dystrophin production in skeletal muscle observed in patients treated with AMONDYS 45. Continued approval may be contingent upon verification of a clinical benefit in confirmatory trials.

AMONDYS 45 has met the full statutory standards for safety and effectiveness and as such is not considered investigational or experimental.

Important Safety Information for AMONDYS 45
Kidney toxicity was observed in animals who received casimersen. Although kidney toxicity was not observed in the clinical studies with AMONDYS 45, kidney toxicity, including potentially fatal glomerulonephritis, has been observed after administration of some antisense oligonucleotides. Kidney function should be monitored in patients taking AMONDYS 45. Because of the effect of reduced skeletal muscle mass on creatinine measurements, creatinine may not be a reliable measure of kidney function in Duchenne patients. Serum cystatin C, urine dipstick, and urine protein-to-creatinine ratio

should be measured before starting AMONDYS 45. Consider also measuring glomerular filtration rate using an exogenous filtration marker before starting AMONDYS 45. During treatment, monitor urine dipstick every month, and serum cystatin C and urine protein-to-creatinine ratio (UPCR) every three months. Only urine expected to be free of excreted AMONDYS 45 should be used for monitoring of urine protein. Urine obtained on the day of AMONDYS 45 infusion prior to the infusion, or urine obtained at least 48 hours after the most recent infusion, may be used. Alternatively, use a laboratory test that does not use the reagent pyrogallol red, as this reagent has the potential to cross react with any AMONDYS 45 that is excreted in the urine and thus lead to a false positive result for urine protein.

If a persistent increase in serum cystatin C or proteinuria is detected, refer to a pediatric nephrologist for further evaluation.

Adverse reactions observed in at least 20% of patients treated with AMONDYS 45 and at least 5% more frequently than in the placebo group were (AMONDYS 45, placebo): upper respiratory tract infections (65%, 55%), cough (33%, 26%), pyrexia (33%, 23%), headache (32%, 19%), arthralgia (21%, 10%), and oropharyngeal pain (21%, 7%).

Other adverse reactions that occurred in at least 10% of patients treated with AMONDYS 45 and at least 5% more frequently in the placebo group, were: ear pain, nausea, ear infection, post-traumatic pain, and dizziness and light-headedness.

For further information, please see the full Prescribing Information.

About Sarepta Therapeutics

Sarepta is on an urgent mission: engineer precision genetic medicine for rare diseases that devastate lives and cut futures short. We hold leadership positions in Duchenne muscular dystrophy (Duchenne) and limb-girdle muscular dystrophies (LGMDs), and we currently have more than 40 programs in various stages of development. Our vast pipeline is driven by our multi-platform Precision Genetic Medicine Engine in gene therapy, RNA and gene editing. For more information, please visit www.sarepta.com or follow us on Twitter, LinkedIn, Instagram and Facebook.

Forward-Looking Statements

In order to provide Sarepta's investors with an understanding of its current results and future prospects, this press release contains statements that are forward-looking. Any statements contained in this press release that are not statements of historical fact may be deemed to be forward-looking statements. Words such as "believes," "anticipates," "plans," "expects," "will," "may," "intends," "prepares," "looks," "potential," "possible" and similar expressions are intended to identify forward-looking statements. These forward-looking statements include statements relating to our future operations, financial performance and projections, business plans, market opportunities, priorities and research and development programs and technologies; the potential benefits of our technologies and scientific approaches; the potential to bring a better life to the patient communities we serve; and the potential for our comprehensive approach of measuring total antibodies to help improve the safety and efficacy of AAV-based gene transfer therapies.

These forward-looking statements involve risks and uncertainties, many of which are beyond Sarepta's control. Actual results could materially differ from those stated or implied by these forward-looking statements as a result of such risks and uncertainties. Known risk factors include the following: we may not be able to comply with all FDA post-approval commitments and requirements with respect to our products in a timely manner or at all; success in preclinical and clinical trials, especially if based on a small patient sample, does not ensure that later clinical trials will be successful, and the results of future research may not be consistent with past positive results or may fail to meet regulatory approval requirements for the safety and efficacy of product candidates; certain programs may never advance in the clinic or may be discontinued for a number of reasons, including regulators imposing a clinical hold and us suspending or terminating clinical research or trials; if the actual number of patients suffering from the diseases we aim to treat is smaller than estimated, our revenue and ability to achieve profitability may be adversely affected; we may not be able to execute on our business plans, including meeting our expected or planned regulatory milestones and timelines, research and clinical development plans, and bringing our product candidates to market, for various reasons, some of which may be outside of our control, including possible limitations of company financial and other resources, manufacturing limitations that may not be anticipated or resolved for in a timely manner, the COVID-19 pandemic and regulatory, court or agency decisions, such as decisions by the United States Patent and Trademark Office with respect to patents that cover our product candidates; and those risks identified under the heading "Risk Factors" in our most recent Annual Report on Form 10-K for the year ended December 31, 2021 and our most recent Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission (SEC) as well as other SEC filings made by the Company which you are encouraged to review.

Internet Posting of Information

We routinely post information that may be important to investors in the 'For Investors' section of our website at www.sarepta.com. We encourage investors and potential investors to consult our website regularly for important information about us.

Sarepta Therapeutics, Inc.
Condensed Consolidated Statements of Operations
(unaudited, in thousands, except per share amounts)

	For the Three Months Ended March 31,	
	2022	**2021**
Revenues:		
Products, net	$ 188,825	$ 124,926
Collaboration	22,005	22,005
Total revenues	210,830	146,931
Cost and expenses:		
Cost of sales (excluding amortization of in-licensed rights)	31,443	22,346
Research and development	194,250	195,149
Selling, general and administrative	71,840	71,131
Settlement and license charges	—	10,000

Amortization of in-licensed rights	178	170
Total cost and expenses	297,711	298,796
Operating loss	(86,881)	(151,865)
Other loss, net:		
Other expense, net	(17,265)	(15,528)
Total other loss, net	(17,265)	(15,528)
Loss before income tax expense (benefit)	(104,146)	(167,393)
Income tax expense (benefit)	879	(143)
Net loss	$ (105,025)	$ (167,250)
Net loss per share - basic and diluted	$ (1.20)	$ (2.10)
Weighted average number of shares of common stock used in computing basic and diluted net loss per share	87,253	79,454

Sarepta Therapeutics, Inc.
Reconciliation of GAAP Financial Measures to Non-GAAP Financial Measures
(unaudited, in thousands, except per share amounts)

	For the Three Months Ended March 31,	
	2022	**2021**
GAAP net loss	$ (105,025)	$ (167,250)
Interest expense, net	15,581	15,456
Income tax expense (benefit)	879	(143)
Depreciation and amortization expense	10,719	8,930
Stock-based compensation expense	29,198	28,508
Non-GAAP net loss*	$ (48,648)	$ (114,499)
Non-GAAP net loss per share:		
Basic and diluted	$ (0.56)	$ (1.44)
Weighted average number of shares of common stock used in computing basic and diluted net loss per share	87,253	79,454

	For the Three Months Ended March 31,	
	2022	**2021**
GAAP research and development expenses	$ 194,250	$ 195,149
Stock-based compensation expense	(13,068)	(11,126)
Depreciation and amortization expense	(8,022)	(6,538)
Non-GAAP research and development expenses	$ 173,160	$ 177,485

	For the Three Months Ended March 31,	
	2022	**2021**
GAAP selling, general and administrative expenses	$ 71,840	$ 71,131
Stock-based compensation expense	(16,130)	(17,382)
Depreciation and amortization expense	(2,519)	(2,222)
Non-GAAP selling, general and administrative expenses	$ 53,191	$ 51,527

* Beginning in the fourth quarter of 2021, up-front and milestone payments associated with the Company's license and collaboration agreements, settlement and license charges and collaboration revenue, along with the related transaction costs incurred, are no longer excluded from the non-GAAP results. Non-GAAP financial results for the first quarter 2021 have been updated to reflect this change for comparable purposes.

Sarepta Therapeutics, Inc.
Condensed Consolidated Balance Sheets
(unaudited, in thousands, except share and per share data)

	As of March 31, 2022	As of December 31, 2021
Assets		
Current assets:		
Cash and cash equivalents	$ 1,233,877	$ 2,115,869
Short-term investments	779,548	—
Accounts receivable	178,194	152,990
Inventory	198,997	186,212
Other current assets	140,331	149,028
Total current assets	2,530,947	2,604,099
Property and equipment, net	187,248	191,156
Intangible assets, net	13,328	14,239
Right of use assets	45,982	45,531
Other non-current assets	278,649	292,949
Total assets	$ 3,056,154	$ 3,147,974
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 54,007	$ 76,741
Accrued expenses	293,908	271,697
Deferred revenue, current portion	89,244	89,244
Other current liabilities	17,803	15,051
Total current liabilities	454,962	452,733
Long-term debt	1,098,847	1,096,876
Lease liabilities, net of current portion	38,620	41,512
Deferred revenue, net of current portion	552,239	574,244
Contingent consideration	43,600	43,600
Other non-current liabilities	11,000	11,000
Total liabilities	2,199,268	2,219,965
Stockholders' equity:		
Preferred stock, $0.0001 par value, 3,333,333 shares authorized; none issued and outstanding	—	—
Common stock, $0.0001 par value, 198,000,000 shares authorized; 87,495,607 and 87,126,974 issued and outstanding at March 31, 2022, and December 31, 2021, respectively	9	9
Additional paid-in capital	4,168,956	4,134,768
Accumulated other comprehensive loss, net of tax	(306)	(20)
Accumulated deficit	(3,311,773)	(3,206,748)
Total stockholders' equity	856,886	928,009
Total liabilities and stockholders' equity	$ 3,056,154	$ 3,147,974

Source: Sarepta Therapeutics, Inc.

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[1] Beginning in the fourth quarter of 2021, up-front and milestone payments associated with the Company's license and collaboration agreements, settlement and license charges and collaboration revenue, along with the related transaction costs incurred, are no longer excluded from the Non-GAAP results. Non-GAAP financial results for the first quarter 2021 have been updated to reflect this change for comparable purposes.