

September 2, 2021



Emmaus Life Sciences Reports Financial Results for the Six Months Ended June 30, 2021

Company Now Current with SEC Reporting Obligations

TORRANCE, Calif., Sept. 2, 2021 /PRNewswire/ --**Emmaus Life Sciences, Inc. (OTC: EMMA)**, a commercial-stage biopharmaceutical company and leader in the treatment of sickle cell disease, today announced financial results for the six months ended June 30, 2021. As a result, the company is now current in its Securities and Exchange Commission (SEC) reporting obligations.



"With the filing of our delinquent quarterly reports on Form 10-Q for 2020 and the first two quarters of 2021, we are now current and compliant with SEC requirements," said Dr. Yutaka Niihara, M.D., M.P.H., Chairman and Chief Executive Officer. "We very much appreciate the patience and support of our long-term stockholders and other investors and are now on a footing to file our future SEC reports in a timely manner."

Financial Results for the Six Months Ended June 30, 2021

Net revenues for the six months ended June 30, 2021 increased by 5% to \$11.8 million compared to the same period in 2020. When compared to the first quarter of 2021, net revenues increased by 22%. The increase in net revenues in the second quarter of 2021 was primarily attributable to bulk order purchases in the second quarter and recovery from the temporary disruptions in sales related to the COVID-19 pandemic and weather-related supply chain interruptions that affected certain key customers in the first quarter of 2021.

Total operating expenses for the first half of 2021 increased by \$1.3 million, or 12%, to \$12.1 million from \$10.8 million for the half of 2020, primarily as a result of increased selling expenses and research and development expenses of \$0.5 million and \$1.4 million, respectively. The increase in selling expenses was due to compensation attributable to the company's in-house sales team. The increase in research and development expenses was attributable to the Pilot/Phase 1 study of the company's prescription grade L-glutamine oral

powder to treat diverticulosis and the preclinical development of the IRAK4 inhibitor, under the company's previously announced collaboration agreement with Kainos Medicine, Inc.

Operating loss for the first half of 2021 was \$1.1 million compared to \$0.4 million for the first half of 2020. The operating loss for the half of 2021 was attributable to the increase in operating expenses as noted above.

Net loss for the first half of 2021 was \$5.9 million compared to a net loss of \$4.0 million for the first half of 2020. The increase in net loss for the first half of 2021 compared to the first half of 2020 was primarily a result of increases of \$1.2 million in other expenses and \$0.7 million in loss from operations as discussed above.

Total net cash flow from operating, investing and financing activities decreased by \$0.1 million for the first half of 2021 compared to the same period in 2020. Cash and cash equivalents were \$1.7 million as of June 30, 2021 compared to \$2.5 million as of December 31, 2020.

Trading and Quotation of the Company's Common Stock

The company has applied to the OTC Markets Group for the resumption of quotations of its common stock on the OTCQX tier now that it is current in its SEC reporting, which application is under review by the OTC Markets Group. In the meantime, quotes for the common stock continue to be available on the OTC Pink tier.

2021 Annual Stockholders Meeting

The company intends to hold its next Annual Stockholders Meeting in the coming months to elect directors, to vote on certain other matters and to review operating results for 2020 and the interim period in 2021.

About Emmaus Life Sciences

Emmaus Life Sciences, Inc. is a commercial-stage biopharmaceutical company engaged in the discovery, development, marketing and sale of innovative treatments and therapies, including those in the rare and orphan disease categories. For more information, please visit www.emmauslifesciences.com.

Forward-looking Statements

This press release contains forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, as amended, including statements regarding the company's business and operations and the filing of future SEC reports. These forward-looking statements are subject to numerous assumptions, risks and uncertainties which change over time, including uncertainties and risk factors disclosed in the company's 2020 Annual Report on Form 10-K/A filed with the SEC on August 10, 2021, and actual results may differ materially. Such forward-looking statements speak only as of the date they are made, and Emmaus assumes no duty to update them, except as may be required by law.

(Selected Condensed Consolidated Financial Data Follows)

Emmaus Life Sciences, Inc.
Condensed Consolidated Statements of Operations and Comprehensive Income (Loss)
(In thousands, except share and per share amounts)
(Unaudited)

	Six Months Ended June 30	
	2021	2020
Revenues, Net	\$11,824	\$11,314
Cost of Goods Sold	866	924
Gross Profit	10,958	10,390
Operating Expenses	12,090	10,791
Loss from Operations	(1,132)	(401)
Total Other Expense	(4,975)	(3,776)
Net Loss	(6,107)	(4,177)
Comprehensive Loss	(5,172)	(3,936)
Net Loss per Share	(\$0.12)	(\$0.08)
Weighted Average Common Shares Outstanding	49,193,474	48,805,829

Emmaus Life Sciences, Inc.
Condensed Consolidated Balance Sheets
(In thousands)

	As of	
	June 30, 2021 (Unaudited)	December 31, 2020
Assets		
Current Assets:		
Cash and cash equivalents	\$1,671	\$2,487
Accounts receivable, net	3,359	198
Inventories, net	6,543	7,087
Prepaid expenses and other current assets	1,467	1,485
Total Current Assets	13,040	11,257
Property and equipment, net	99	120
Equity method investment	17,383	15,925
Right of use assets	3,796	4,072
Investment in convertible bond	28,671	27,866
Other assets	290	296
Total Assets	\$63,279	\$59,536
Liabilities and Stockholders' Equity (Deficit)		
Current Liabilities:		
Accounts payable and accrued expenses	\$6,301	\$7,460
Notes payable	3,291	4,588
Convertible debentures, net of discount	--	5,480
Other current liabilities	10,921	5,854
Total Current Liabilities	20,513	23,382
Notes payable, less current portion	1500	222
Convertible notes payable	12,526	3,150
Other long-term liabilities	38,115	37,940
Total Liabilities	72,654	64,694
Stockholders' Equity (Deficit)	(9,375)	(5,158)
Total Liabilities & Stockholders' Equity (Deficit)	\$63,279	\$59,536

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