UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2022

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number 001-36306

Eagle Pharmaceuticals, Inc.
(Exact Name of Registrant as Specified in its Charter)

Delaware	**2834**	**20-8179278**
(State or Other Jurisdiction of Incorporation or Organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

50 Tice Boulevard, Suite 315
Woodcliff Lake, NJ 07677
(201) 326-5300
(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading symbol**	**Name of each exchange on which registered**
Common stock, $0.001 par value per share	EGRX	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this Chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	Accelerated filer	Non-accelerated filer	Smaller reporting company
☐	☒	☐	☐

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The number of shares outstanding of the registrant’s common stock as of May 2, 2022: 12,698,566 shares.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q, or this Quarterly Report, contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. All statements other than statements of historical fact contained in this Quarterly Report are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "may," "could," "will," "would," "should," "expect," "plan," "anticipate," "believe," "estimate," "intend," "predict," "seek," "contemplate," "project," "continue," "potential," "ongoing" or the negative of these terms or other comparable terminology, although not all forward-looking statements contain these identifying words. These forward-looking statements include, but are not limited to, statements about:

- statements related to our expectations with respect to our proposed acquisition of the entire issued and to be issued share capital of Acacia Pharma, including with respect to matters of timing, closing conditions, the anticipated sources of financing for the proposed acquisition, anticipated financial impact on us of the proposed acquisition, potential benefits to us from the proposed acquisition, related integration matters, among other things;
- the potential benefits and commercial potential of our approved products, including rapidly infused bendamustine RTD, or Bendeka, Ryanodex® (dantrolene sodium), or Ryanodex, and bendamustine ready-to-dilute, or RTD, 500ml solution, or Belrapzo, TREAKISYM®, a lyophilized powder formulation of bendamustine hydrochloride, PEMFEXY™, and vasopressin, for approved indications and any expanded uses;
- the commercial potential of additional indications for our products;
- sales of our products in various markets worldwide, pricing for our products, level of insurance coverage and reimbursement for our products, timing regarding development and regulatory approvals for our products or for additional indications or in additional territories;
- future expansion of our commercial organization and transition to third-parties in certain jurisdictions to perform sales, marketing and distribution functions;
- the number and timing of potential product launches, development initiatives or new indications for the Company's product candidates, and the commercial potential of additional indications for our products;
- the initiation, timing, design, progress and results of our preclinical studies and clinical trials, and our research and development programs;
- our ability to obtain and maintain regulatory approval of our products and product candidates, and any related restrictions, limitations, and/or warnings in the label of an approved product;
- our plans to research, develop and commercialize our products and product candidates and our ability to successfully commercialize our products and product candidates;
- our ability to attract collaborators with development, regulatory and commercialization expertise;
- the size and growth potential of the markets for our products and product candidates, and our ability to serve those markets;
- the impact of the ongoing coronavirus 2019, or COVID-19, pandemic on our business and operations, results of operations and financial performance including: disruption in the sales of our marketed products; delays, interruptions or other adverse effects to clinical trials and patient enrollment; delays in regulatory review; manufacturing and supply chain interruptions; and the adverse effects on healthcare systems, volatility of the financial and credit markets and disruption of the global economy overall;
- the diversion of healthcare resources away from the conduct of clinical trials as a result of the ongoing COVID-19 pandemic, including the diversion of hospitals and doctor offices serving as locations for administration of our products, including Bendeka and hospital staff supporting the conduct of such administration;
- the rate and degree of market acceptance of our products;
- our ability to significantly grow our commercial sales and marketing organization, whether alone or with potential future collaborators;
- the performance of our strategic collaborators and success of our current strategic collaborators;
- regulatory developments in the United States and foreign countries;
- the performance of our third-party suppliers and manufacturers;
- the success of competing drugs that are or become available;
- the retention of key scientific or management personnel;
- our ability to obtain additional funding for our operations;
- our ability to obtain, maintain, protect and enhance intellectual property rights and proprietary technologies and operate our business without infringing the intellectual property rights and proprietary technology of third parties;
- our ability to prevent or minimize the effects of litigation; and
- our expectations regarding anticipated future costs, operating expenses and capital requirements;

Any forward-looking statements in this Quarterly Report reflect our current views with respect to future events or to our future financial performance and involve known and unknown risks, uncertainties, assumptions and other factors described under the "Risk Factors" section and elsewhere in this Quarterly Report, that may cause our actual results, performance or achievements

to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. Given these uncertainties, you should not place undue reliance on these forward-looking statements.

In addition, statements such as “we believe” and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this report, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements as predictions of future events. Except as required by law, we assume no obligation to update or revise these forward-looking statements for any reason, even if new information becomes available in the future.

This Quarterly Report also contains estimates, projections and other information concerning our industry, our business, and the markets for certain diseases, including data regarding the estimated size of those markets, and the incidence and prevalence of certain medical conditions. Information that is based on estimates, forecasts, projections, market research or similar methodologies is inherently subject to uncertainties and actual events or circumstances may differ materially from events and circumstances reflected in this information. Unless otherwise expressly stated, we obtained this industry, business, market and other data from reports, research surveys, studies and similar data prepared by market research firms and other third parties, industry, medical and general publications, government data and similar sources.

NOTE REGARDING COMPANY REFERENCES

References to the “Company,” “Eagle Pharmaceuticals,” “Eagle,” “we,” “us” or “our” mean Eagle Pharmaceuticals, Inc., a Delaware corporation, together with its subsidiaries, references to “Eagle Biologics” mean Eagle Biologics, Inc. and references to “Eagle Research Lab” means Eagle Research Lab Limited.

NOTE REGARDING TRADEMARKS

All trademarks, trade names and service marks appearing in this Quarterly Report are the property of their respective owners. Solely for convenience, trademarks and trade names referred to in this Quarterly Report may appear without the ® or TM symbols, but such references are not intended to indicate in any way that the Company will not assert, to the fullest extent under applicable law, its rights or the rights of the applicable licensor to these trademarks and trade names. The Company does not intend its use or display of other entities’ trade names, trademarks or service marks to imply a relationship with, or endorsement or sponsorship of the Company by, any other entity.

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PART I—FINANCIAL INFORMATION

Item 1. Financial Statements

EAGLE PHARMACEUTICALS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
(In thousands, except share amounts)

	March 31, 2022	December 31, 2021
ASSETS		
Current assets:		
Cash and cash equivalents	$ 69,522	$ 97,659
Accounts receivable, net	130,858	41,149
Inventories	24,818	21,908
Prepaid expenses and other current assets	14,968	11,890
Total current assets	240,166	172,606
Property and equipment, net	1,627	1,636
Intangible assets, net	9,940	10,671
Goodwill	39,743	39,743
Deferred tax asset, net	21,231	18,798
Other assets	7,458	10,278
Total assets	$ 320,165	$ 253,732
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 14,509	$ 16,431
Accrued expenses and other liabilities	63,408	32,338
Current debt	23,725	25,607
Total current liabilities	101,642	74,376
Other long-term liabilities	2,563	2,903
Total liabilities	104,205	77,279
Commitments and Contingencies		
Stockholders' equity:		
Preferred stock, 1,500,000 shares authorized and no shares issued or outstanding as of March 31, 2022 and December 31, 2021	—	—
Common stock, $0.001 par value; 50,000,000 shares authorized; 16,975,970 and 16,903,034 shares issued as of March 31, 2022 and December 31, 2021, respectively	17	17
Additional paid in capital	328,769	325,779
Accumulated other comprehensive income (loss)	418	(94)
Retained earnings	119,920	75,862
Treasury stock, at cost, 4,278,831 and 4,111,622 shares as of March 31, 2022 and December 31, 2021, respectively	(233,164)	(225,111)
Total stockholders' equity	215,960	176,453
Total liabilities and stockholders' equity	$ 320,165	$ 253,732

See accompanying notes to condensed consolidated financial statements (unaudited).

EAGLE PHARMACEUTICALS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)
(In thousands, except share and per share amounts)

	Three Months Ended March 31,	
	2022	**2021**
Revenue:		
Product sales, net	$ 90,088	$ 17,120
Royalty revenue	25,786	24,129
Total revenue	115,874	41,249
Operating expenses:		
Cost of product sales	25,176	8,442
Cost of royalty revenue	2,579	2,413
Research and development	6,108	14,288
Selling, general and administrative	22,182	19,879
Total operating expenses	56,045	45,022
Income (loss) from operations	59,829	(3,773)
Interest income	154	35
Interest expense	(366)	(422)
Other (expense) income	(1,957)	5,500
Total other (expense) income, net	(2,169)	5,113
Income before income tax provision	57,660	1,340
Income tax provision	(13,602)	(1,761)
Net income (loss)	$ 44,058	$ (421)
Earnings (loss) per share attributable to common stockholders:		
Basic	$ 3.47	$ (0.03)
Diluted	$ 3.41	$ (0.03)
Weighted average number of common shares outstanding:		
Basic	12,710,646	13,069,373
Diluted	12,906,811	13,069,373

See accompanying notes to condensed consolidated financial statements (unaudited).

EAGLE PHARMACEUTICALS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (UNAUDITED)
(In thousands)

	Three Months Ended March 31,	
	2022	**2021**
Net income (loss)	$ 44,058	$ (421)
Other comprehensive income, net of tax:		
Unrealized gain for convertible promissory note	512	—
Total other comprehensive income	512	—
Comprehensive income (loss)	$ 44,570	$ (421)

EAGLE PHARMACEUTICALS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (UNAUDITED)
(In thousands)

	Common Stock		Additional Paid-In Capital	Treasury Stock	Accumulated Other Comprehensive (Loss) Income	Retained Earnings	Total Stockholders' Equity
	Number of Shares	Amount					
Balance at December 31, 2021	16,903	$ 17	$ 325,779	$ (225,111)	$ (94)	$ 75,862	$ 176,453
Stock-based compensation expense	—	—	4,295	—	—	—	4,295
Issuance of common stock related to vesting of restricted stock units	73	—	(1,305)	—	—	—	(1,305)
Common stock repurchases	—	—	—	(8,053)	—	—	(8,053)
Other comprehensive income	—	—	—	—	512	—	512
Net income	—	—	—	—	—	44,058	44,058
Balance at March 31, 2022	16,976	$ 17	$ 328,769	$ (233,164)	$ 418	$ 119,920	$ 215,960

	Common Stock		Additional Paid-In Capital	Treasury Stock	Retained Earnings	Total Stockholders' Equity
	Number of Shares	Amount				
Balance at December 31, 2020	16,739	$ 17	$ 305,403	$ (203,898)	$ 84,489	$ 186,011
Stock-based compensation expense	—	—	6,508	—	—	6,508
Issuance of common stock upon exercise of stock option grants	56	—	1,963	—	—	1,963
Issuance of common stock related to vesting of restricted stock units	63	—	(1,551)	—	—	(1,551)
Common stock repurchases	—	—	—	(1,432)	—	(1,432)
Net loss	—	—	—	—	(421)	(421)
Balance at March 31, 2021	16,858	$ 17	$ 312,323	$ (205,330)	$ 84,068	$ 191,078

See accompanying notes to unaudited condensed consolidated financial statements.

EAGLE PHARMACEUTICALS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(In thousands)

	Three Months Ended March 31,	
	2022	**2021**
Cash flows from operating activities:		
Net income (loss)	$ 44,058	$ (421)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Deferred income taxes	(2,432)	902
Depreciation expense	177	190
Noncash operating lease expense related to right-of-use assets	290	252
Amortization expense of intangible assets	731	706
Fair value adjustments on equity investment	2,530	(5,600)
Stock-based compensation expense	4,295	6,508
Convertible promissory note related credit losses	36	100
Amortization of debt issuance costs	118	118
Fair value adjustments related to derivative instruments	(608)	—
Accretion of discount on convertible promissory note	(45)	—
Changes in operating assets and liabilities which provided (used) cash:		
Accounts receivable	(89,710)	5,810
Inventories	(2,910)	1,213
Prepaid expenses and other current assets	(1,948)	(2,870)
Accounts payable	(1,651)	6,291
Accrued expenses and other liabilities	30,800	(2,403)
Other assets and other long-term liabilities, net	(342)	(318)
Net cash (used in) provided by operating activities	(16,611)	10,478
Cash flows from investing activities:		
Purchase of property and equipment	(168)	(384)
Purchase of convertible promissory note	—	(5,000)
Net cash used in investing activities	(168)	(5,384)
Cash flows from financing activities:		
Proceeds from common stock option exercises	—	1,963
Employee withholding taxes related to stock-based awards	(1,305)	(1,551)
Payment of debt	(2,000)	(2,000)
Repurchases of common stock	(8,053)	(1,432)
Net cash used in financing activities	(11,358)	(3,020)
Net (decrease) increase in cash and cash equivalents	(28,137)	2,074
Cash and cash equivalents at beginning of period	97,659	103,155
Cash and cash equivalents at end of period	$ 69,522	$ 105,229
Supplemental disclosures of cash flow information:		
Cash paid during the period for:		
Income taxes, net	$ 41	$ 267
Interest	265	321

See accompanying notes to condensed consolidated financial statements (unaudited).

EAGLE PHARMACEUTICALS, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
(In thousands, except share and per share amounts)

1. Basis of Presentation and Other Company Information

The accompanying unaudited interim condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”) for interim information and pursuant to the rules and regulations of the Securities and Exchange Commission (“SEC”) for reporting quarterly information. Accordingly, certain information and footnote disclosures required for complete financial statements are not included herein. The condensed consolidated balance sheet at December 31, 2021 was derived from audited financial statements, but certain information and footnote disclosures normally included in our annual consolidated financial statements have been condensed or omitted. In the opinion of management, all adjustments (consisting only of normal recurring adjustments) necessary for the fair presentation of the financial information for the interim periods reported have been made. Results of operations for the three months ended March 31, 2022 are not necessarily indicative of the results for the year ending December 31, 2022 or any period thereafter. These unaudited interim condensed consolidated financial statements should be read in conjunction with the audited financial statements and related notes included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2021, filed with the SEC on March 8, 2022.

We are an integrated pharmaceutical company focused on finding ways to help medicines do more for patients. We and our collaborators have the capabilities to take a molecule from preclinical research through regulatory approval and into the marketplace, including development, manufacturing and commercialization. Our business model applies our scientific expertise, proprietary research-based insights and marketplace proficiency to identify challenging-to-treat diseases of the central nervous system or metabolic critical care therapeutic areas as well as in oncology. By focusing on patients' unmet needs, we strive to provide healthcare professionals with urgently needed treatment solutions that are designed to improve patient care and outcomes and create near- and long-term value for our stakeholders, including patients and healthcare providers and our employees, marketing partners, collaborators and investors. Our science-based business model has a proven track record with the U.S. Food and Drug Administration ("FDA") approval and commercial launches of six products: PEMFEXY® (pemetrexed for injection), vasopressin, an A-rated generic alternative to Vasostrict®, Ryanodex® (dantrolene sodium) ("Ryanodex"), bendamustine ready-to-dilute ("RTD") 500ml solution ("Belrapzo"), and rapidly infused bendamustine RTD ("Bendeka") and RTD (“Treakisym”). We market our products through marketing partners and/or our internal direct sales force. We market PEMFEXY, vasopressin, Ryanodex and Belrapzo, and Teva Pharmaceutical Industries Ltd. ("Teva") markets Bendeka through its subsidiary Cephalon, Inc. SymBio Pharmaceuticals Limited ("SymBio"), markets Treakisym, a RTD product, in Japan.

2. Summary of Significant Accounting Policies

Significant Accounting Policies

Our significant accounting policies are described in the audited consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2021 and the notes thereto filed with the SEC on March 8, 2022. Since the date of those consolidated financial statements, there have been no material changes to our significant accounting policies other than as listed below.

Significant Risks and Uncertainties

In response to the ongoing COVID-19 pandemic, we have taken and continue to take active measures designed to address and mitigate the impact of the COVID-19 pandemic on our business, such as remote working policies, facilitating management’s periodic communication to address employee and business concerns and providing frequent updates to our Board of Directors (“Board”). We anticipate that the COVID-19 pandemic may also have an impact on the clinical development timelines for certain of our clinical programs. We also anticipate that the COVID-19 pandemic may have an impact on our supply chain. The COVID-19 pandemic and associated lockdowns have resulted in a decrease in healthcare utilization broadly and specifically lead to a continuing reduction in the utilization of physician-administered oncology products including Belrapzo and Bendeka. In addition, the COVID-19 pandemic has delayed the timing of certain litigation and we anticipate that such delays will continue for the duration of the pandemic. The extent to which the COVID-19 pandemic will continue to impact our business,

clinical development and regulatory efforts, supply chain and sales efforts, corporate development objectives and the value of, and market for, our common stock will depend on future developments that are highly uncertain and cannot be predicted with confidence at this time, such as the ultimate duration of the pandemic, travel restrictions, quarantines, social distancing and business closure requirements in the United States, and other countries, and the effectiveness of actions taken globally to contain and treat the disease. The global economic slowdown, the overall disruption of global healthcare systems and other risks and uncertainties associated with the pandemic have impacted our operations and could have a material adverse effect on our business, financial condition, results of operations and growth prospects.

In addition, the U.S. government and other nations have imposed significant restrictions on most companies' ability to do business in Russia as a result of the ongoing military conflict between Russia and Ukraine. It is not possible to predict the broader or longer-term consequences of this conflict, which could include further sanctions, embargoes, regional instability, geopolitical shifts and adverse effects on macroeconomic conditions, security conditions, currency exchange rates and financial markets. Such geopolitical instability and uncertainty could have a negative impact on our ability to further expand our business and to otherwise generate revenues and develop our product candidates. In addition, a significant escalation or expansion of economic disruption or the conflict's current scope could have a material adverse effect on our business, financial condition, results of operations and growth prospects.

We may opportunistically seek access to additional capital to fund potential licenses, acquisitions or investments to expand our operations or for general corporate purposes. Raising additional capital could be accomplished through one or more public or private debt or equity financings, collaborations or partnering arrangements. As a result of the COVID-19 pandemic, as well as the ongoing military conflict between Russia and Ukraine and the related sanctions imposed against Russia, the global financial markets have experienced significant volatility. If this volatility persists and deepens, we could experience an inability to access additional capital or our liquidity could otherwise be impacted, which could in the future negatively affect our capacity for certain corporate development transactions or our ability to make other important, opportunistic investments or acquisitions. An inability to borrow or raise additional capital in a timely manner and on attractive terms could prevent us from expanding our business or taking advantage of acquisition opportunities, and could otherwise have a material adverse effect on our business and growth prospects. In addition, if we use a substantial amount of our funds for any such potential acquisition or investment activities, we may not have sufficient additional funds to conduct all of our operations in the manner we would otherwise choose. Furthermore, any equity financing would be dilutive to our shareholders, and could require the consent of the lenders under our credit facility.

We are subject to other challenges and risks specific to our business and our ability to execute on our business plan and strategy, as well as risks and uncertainties common to companies in the pharmaceutical industry with research and development operations, including, without limitation, risks and uncertainties associated with: delays or problems in obtaining clinical supply; obtaining regulatory approval of product candidates; loss of single source suppliers or failure to comply with manufacturing regulations; identifying, acquiring or in-licensing additional products or product candidates; product development and the inherent uncertainty of clinical success; the challenges of protecting and enhancing intellectual property rights; and the challenges of complying with applicable regulatory requirements. In addition, as the ongoing COVID-19 pandemic affects our business and results of operations, it may also have the effect of heightening many of the other risks and uncertainties discussed above.

Use of Estimates

These condensed consolidated financial statements are presented in U.S. dollars and are prepared in accordance with U.S. GAAP. The preparation of condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the condensed consolidated financial statements including disclosure of gross to net estimates as of the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period and accompanying notes. Our critical accounting policies are those that are both most important to our financial condition and results of operations and also require the most difficult, subjective or complex judgments on the part of management in their application, often as a result of the need to make estimates about the effect of matters that are inherently uncertain. We anticipate that the COVID-19 pandemic will continue to disrupt our supply chain and marketing and sales efforts for certain of our products, including Bendeka, although it is not currently expected that any disruption would be significant. As of the date of issuance of these condensed consolidated financial statements, we are not aware of any specific event or circumstance that would require us to update our estimates, assumptions and judgments or revise the carrying value of our assets or liabilities. Because of the uncertainty of factors surrounding the estimates or judgments used

in the preparation of the condensed consolidated financial statements, actual results may materially vary from these estimates, and any such differences may be material to our condensed consolidated financial statements.

Cash and Cash Equivalents

We consider all highly liquid investments with an original maturity of three months or less to be cash equivalents. All cash and cash equivalents are held in United States financial institutions. The carrying amount of cash and cash equivalents approximates its fair value due to its short-term nature.

We, at times, maintain balances with financial institutions in excess of the Federal Deposit Insurance Corporation ("FDIC") limit.

Fair Value Measurements

U.S. GAAP establishes a framework for measuring fair value under generally accepted accounting principles and enhances disclosures about fair value measurements. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. The standard describes the following fair value hierarchy based on three levels of inputs, of which the first two are considered observable and the last unobservable, that may be used to measure fair value:

- Level 1: Quoted prices in active markets for identical assets or liabilities.
- Level 2: Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The fair value of interest-bearing cash, cash equivalents, accounts receivable and accounts payable approximate fair value due to their life being short term in nature, and are classified as Level 1 for all periods presented.

Financial assets and liabilities measured and recognized at fair value are as follows:

	March 31, 2022			
	Total	**Level 1**	**Level 2**	**Level 3**
Assets:				
Money market funds	$ 31,236	$ 31,236	$ —	$ —
Convertible promissory note	4,542	—	—	4,542
Embedded derivative asset in convertible promissory note	1,003	—	—	1,003
Foreign currency exchange contracts	567	—	567	—
Investment in Tyme	3,500	3,500	—	—
Total financial assets	$ 40,848	$ 34,736	$ 567	$ 5,545

	December 31, 2021			
	Total	Level 1	Level 2	Level 3
Assets:				
Money market funds	$ 57,357	$ 57,357	$ —	$ —
Convertible promissory note	4,021	—	—	4,021
Embedded derivative asset in convertible promissory note	962	—	—	962
Investment in Tyme	6,030	6,030	—	—
Total financial assets	$ 68,370	$ 63,387	$ —	$ 4,983

We recognize transfers between levels within the fair value hierarchy, if any, at the end of each quarter. There were no transfers in or out of Level 1, Level 2 or Level 3 during the three months ended March 31, 2022 and 2021, respectively.

Our investment in the convertible promissory note and the embedded derivative are classified as Level 3. We analyzed and accessed the embedded derivative feature contained in the convertible promissory note agreement. We used a probability factor to value the embedded derivative asset based on management's best estimate, including the principal and estimated accrued interest among other contractual terms. The convertible promissory note is accounted for as available for sale. The convertible promissory note is reported at fair value with unrealized gains and losses included in Accumulated other comprehensive income (loss). Refer to Note 13, Convertible Promissory Note for further details.

In Q1 2022, Eagle entered into a forward contract to purchase EUR at a forward rate. The contract is expected to be settled in Q2 2022 and will be used to economically hedge the cost of the tentative acquisition of Acacia Pharma Group plc. As of March 31, 2022, the forward contract is remeasured to reflect changes in the fair value determined using forward rates, which are observable market inputs, multiplied by the notional amount. The contract has not been designated as an accounting hedge, and therefore the net change in the fair value is reported in the condensed consolidated statement of operations. For the three months ended March 31, 2022, the fair value adjustment on the forward contract was a gain of $0.6 million and the adjustment was recorded in Other (expense) income on our condensed consolidated statement of operations. The fair value of the forward contract is recorded in prepaid expenses and other current assets as of March 31, 2022 on our condensed consolidated balance sheet.

Our investment in restricted shares of common stock of Tyme Technologies, Inc. are classified as Level 1. Refer to Note 12, License and Collaboration Agreements for further details.

The fair value of debt is classified as Level 2 for the periods presented and approximates its book value due to the variable interest rate.

Intangible Assets

We review the recoverability of our finite-lived intangible assets and long-lived assets for indicators of impairments. Events or circumstances that may require an impairment assessment include negative clinical trial results, a significant decrease in the market price of the asset, or a significant adverse change in legal factors or the manner in which the asset is used. If such indicators are present, we assess the recoverability of affected assets by determining if the carrying value of such assets is less than the sum of the undiscounted future cash flows of the assets. If such assets are found to not be recoverable, we measure the amount of the impairment by comparing to the carrying value of the assets to the fair value of the assets. We determined that no indicators of impairment of finite-lived intangible assets or long-lived assets existed as of March 31, 2022.

Goodwill

Goodwill represents the excess of purchase price over the fair value of net assets acquired in the Eagle Biologics acquisition. Goodwill is not amortized, but is evaluated for impairment on an annual basis, in the fourth quarter, or more frequently if events

or changes in circumstances indicate that the reporting unit’s goodwill is less than its carrying amount. We did not identify any impairment to goodwill during the periods presented.

Concentration of Major Customers and Vendors

The Company is exposed to risks associated with extending credit to customers related to the sale of products. The Company does not require collateral to secure amounts due from its customers. The Company uses an expected loss methodology to calculate allowances for trade receivables. The Company's measurement of expected credit losses is based on relevant information about past events, including historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amount. The Company does not currently have a material allowance for collectible trade receivables.

Further, the Company is dependent on its commercial partner to market and sell Bendeka; therefore, the Company's future revenues are highly dependent on the collaboration and distribution arrangement with Teva.

Teva markets Bendeka through a license agreement with the Company. Pursuant to that license agreement, Teva pays the Company a royalty based on net sales of the product and also purchases the product from the Company. A disruption in this arrangement, caused by, among other things, a supply disruption, loss of exclusivity or the launch of a superior product would have a material adverse effect on our balance sheet, results of operations and cash flows.

The total revenues and accounts receivables broken down by major customers as a percentage of the total are as follows:

	Three Months Ended March 31,	
	2022	**2021**
Total revenues		
Teva - See *Revenue Recognition*	24 %	66 %
Customer A	19 %	7 %
Customer B	15 %	8 %
Customer C	13 %	4 %
Customer D	9 %	10 %
Other	20 %	5 %
	100 %	100 %

	March 31, 2022	**December 31, 2021**
Accounts receivable		
Teva - See *Revenue Recognition*	21 %	63 %
Customer A	22 %	13 %
Customer B	19 %	13 %
Customer C	10 %	2 %
Customer D	9 %	2 %
Other	19 %	7 %
	100 %	100 %

Inventories

Inventories are recorded at the lower of cost and net realizable value, with cost determined on a first-in first-out basis. We periodically review the composition of inventory in order to identify obsolete, slow-moving or otherwise non-saleable items. If these items are observed and there are no alternate uses for the inventory, we will record a write-down to lower of cost and net realizable value in the period that the decline in value is first recognized.

Research and Development Expense

Costs for research and development are charged to expense as incurred and include; employee-related expenses including salaries, benefits, travel and stock-based compensation expense for research and development personnel; expenses incurred under agreements with contract research organizations, contract manufacturing organizations and service providers that assist in conducting clinical and preclinical studies; costs associated with preclinical activities and development activities, costs associated with regulatory operations; and depreciation expense for assets used in research and development activities.

Costs for certain development activities, such as in licensing intellectual property related to new projects, clinical studies, are recognized based on an evaluation of the progress to completion of specific tasks using data such as patient enrollment, clinical site activations, or information provided to us by our vendors on their actual costs incurred. Payments for these activities are based on the terms of the individual arrangements, which may differ from the patterns of costs incurred, and are reflected in the condensed consolidated financial statements as prepaid expenses or accrued expenses as deemed appropriate. Recoveries of previously recognized research and development expenses from third parties are recorded as a reduction to research and development expense in the period it becomes realizable.

Advertising and Marketing

Advertising and marketing costs are expensed as incurred. Advertising and marketing costs were $1.7 million and $0.3 million for the three months ended March 31, 2022 and 2021, respectively.

Income Taxes

We account for income taxes using the liability method in accordance with Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”), 740 - Income Taxes (“ASC 740”). Deferred tax assets and liabilities are determined based on temporary differences between financial reporting and tax bases of assets and liabilities and are measured by applying enacted rates and laws to taxable years in which differences are expected to be recovered or settled. Further, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in income (loss) in the period that the rate changes. A valuation allowance is required when it is “more likely than not” that all or a portion of deferred tax assets will not be realized. ASC 740 also prescribes a comprehensive model for how a company should recognize, measure, present and disclose in its financial statements uncertain tax positions that a company has taken or expects to take on a tax return, including a decision whether to file or not file a return in a particular jurisdiction. We recognize any interest and penalties accrued related to unrecognized tax benefits as income tax expense.

Revenue Recognition

Revenue is recognized when a customer obtains control of promised goods or services, in an amount that reflects the consideration which the entity expects to receive in exchange for those goods or services. To determine revenue recognition for arrangements that an entity determines are within the scope of ASC 606, the Company performs the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the entity satisfies a performance obligation. The Company only applies the five-step model to contracts when it is probable that the entity will collect the consideration it is entitled to in exchange for the goods or services it transfers to the customer. At contract inception, once the contract is determined to be within the scope of ASC 606, the Company assesses the goods or services promised within each contract and determines those that are performance obligations, and assesses whether each promised good or service is distinct. The Company then recognizes as revenue the amount of the transaction price that is allocated to the respective performance obligation when (or as) the performance obligation is satisfied. Sales, value add, and other taxes collected on behalf of third parties are excluded from revenue.

Product revenue - The Company recognizes net revenue on sales to its commercial partners and to end users. In each instance, revenue is generally recognized when the customer obtains control of the Company's product, which occurs at a point in time, and may be upon shipment or upon delivery based on the contractual shipping terms of a contract. Receivables from our product sales have payment terms ranging from 30 to 75 days with select extended terms to wholesalers on initial purchases of product launch quantities.

Revenue is measured as the amount of consideration the Company expects to receive in exchange for transferring products or services to a customer. To the extent the transaction price includes variable consideration, the Company estimates the amount of variable consideration that should be included in the transaction price generally utilizing the expected value method to which the Company expects to be entitled. As such, revenue on sales to end users for vasopressin, Pemfexy, Belrapzo and Ryanodex are recorded net of chargebacks, rebates, returns, prompt pay discounts, wholesaler fees and other deductions. Our products are contracted with a limited number of oncology distributors and hospital buying groups with narrow differences in ultimate realized contract prices used to estimate our allowance for chargebacks and rebate reserves. The Company has a product returns policy on some of its products that allows the customer to return pharmaceutical products within a specified period of time both prior to and subsequent to the product's expiration date. The Company's estimate of the provision for returns is analyzed quarterly and is based upon many factors, including historical experience of actual returns and analysis of the level of inventory in the distribution channel, if any. The Company has terms on sales of Ryanodex by which the Company does not accept returns. Variable consideration is included in the transaction price if, in the Company's judgment, it is probable that a significant future reversal of cumulative revenue under the contract will not occur. Estimates of variable consideration are made generally using the expected value method and determination of whether to include estimated amounts in the transaction price are based largely on an assessment of the Company's anticipated performance and all information (historical, current and forecasted) that is reasonably available. The Company believes that the estimates it has established are reasonable based upon current facts and circumstances. Applying different judgments to the same facts and circumstances could result in the estimated amounts to vary.

Components of Gross-to-Net (GTN) Estimates

Chargebacks: Chargebacks are discounts that occur when certain contracted customers, including group purchasing organizations ("GPOs"), public health service institutions and federal government entities purchasing via the Federal Supply Schedule, purchase from the Company's distributors. The Company's distributors purchase product from us at invoice price, then resell the product to certain contracted customers on the basis of prices negotiated between us and the providers. The difference between the distributors' purchase price and the typically lower certain contracted customers' purchase price is refunded to the distributors through a chargeback credit. We record estimates for these chargebacks at the time of sale as deductions from gross revenues, with corresponding adjustments to our accounts receivable reserves and allowances.

The provision for chargebacks is the most significant provision in the context of the Company's gross-to-net adjustments in the determination of net revenue. Chargebacks are estimated based on payer mix and contracted price, adjusted for current period assumptions.

Commercial and Medicaid Rebates: The Company contracts with government agencies or collectively, third-party payors, so that vasopressin, Pemfexy, Belrapzo and Ryanodex will be eligible for purchase by, or partial or full reimbursement from, such third-party payors. The Company estimates the rebates it will provide to third-party payors and deducts these estimated amounts from total gross product revenues at the time the revenues are recognized. These reserves are recorded in the same period in which the revenue is recognized, resulting in a reduction of product revenue and the establishment of a current liability. The current liability is included in accrued expenses and other current liabilities on the consolidated balance sheets. The Company estimates the rebates that it will provide to third-party payors based upon (i) the Company's contracts with these third-party payors, (ii) the government mandated discounts applicable to government-funded programs, (iii) a range of possible outcomes that are probability-weighted for the estimated payer mix, and (iv) information obtained from the Company's distributors.

The information that the Company also considers when establishing its rebate reserves are purchases by customers, projected annual sales for customers, actual rebates payments made, processing time lags, and for indirect rebates, the level of inventory in the distribution channel that will be subject to indirect rebates. We do not provide incentives designed to increase shipments to our customers that we believe would result in out-of-the-ordinary course of business inventory for them. The Company regularly reviews and monitors estimated or actual customer inventory information at its largest distributors for its key products to ascertain whether customer inventories are in excess of ordinary course of business levels.

Product Returns: The Company's provision for product returns based on the factors noted above generally encompass a time range from 12 to 48 months after revenue is recognized. The Company's distributors have the right to return unopened unprescribed vasopressin, Pemfexy and Belrapzo during certain time periods around the period beginning prior to the labeled expiration date and ending after the labeled expiration date. The Company estimates future product returns on sales of vasopressin, Pemfexy and Belrapzo based on: (i) data provided to the Company by its distributors (including weekly reporting of distributors' sales and inventory held by distributors that provided the Company with visibility into the distribution channel in order to determine what quantities were sold to retail pharmacies and other providers), (ii) data provided to the Company by a third-party data provider which collects and publishes prescription data, and other third parties, (iii) historical industry information regarding return rates for similar pharmaceutical products, (iv) the estimated remaining shelf life of vasopressin, Pemfexy and Belrapzo previously shipped and currently being shipped to distributors and (v) contractual agreements intended to limit the amount of inventory maintained by the Company's distributors. These reserves are recorded in the same period the related revenue is recognized, resulting in a reduction of product revenue and the establishment of a current liability which is included in accrued expenses and other current liabilities on the consolidated balance sheets.

Wholesaler fees and other incentives: The Company generally provides invoice discounts on vasopressin, Pemfexy, Belrapzo and Ryanodex sales to its distributors for prompt payment and fees for distribution services, such as fees for certain data that distributors provide to the Company. The payment terms for sales to distributors generally include a 2% discount for prompt payment which is generally defined in invoice terms as a range from 15 to 45 days, while the fees for distribution services are based on contractual rates agreed with the respective distributors. Based on historical data, the Company expects its distributors to earn these discounts and fees, and deducts the full amount of these discounts and fees from its gross product revenues and accounts receivable at the time such revenues are recognized. In certain cases, the Company may record the fees as accrued expenses if the Company expects that the fees will be paid rather than deducted by the distributor.

Royalty Revenue — The Company recognizes revenue from license arrangements with its commercial partners' net sales of products. Royalties are recognized as earned in accordance with contract terms when they can be reasonably estimated and collectability is reasonably assured. The Company's commercial partners are obligated to report their net product sales and the resulting royalty due to the Company within 25 days from the end of each quarter. Based on historical product sales, royalty receipts and other relevant information, the Company accrues royalty revenue each quarter and subsequently determines a true-up when it receives royalty reports from its commercial partners. Historically, these true-up adjustments have been immaterial. Our receivables from royalty revenue are due 45-days from the end of the quarter.

License and other revenue — The Company analyzes each element of its licensing agreements to determine the appropriate revenue recognition. The terms of the license agreement may include payment to us of non-refundable up-front license fees, milestone payments if specified objectives are achieved, and/or royalties on product sales. The Company recognizes revenue from upfront payments at a point in time, typically upon fulfilling the delivery of the associated intellectual property to the customer.

If the contract contains a single performance obligation, the entire transaction price is allocated to the single performance obligation. Contracts that contain multiple performance obligations require an allocation of the transaction price based on the estimated relative standalone selling prices of the promised products or services underlying each performance obligation. The Company determines standalone selling prices based on the price at which the performance obligation is sold separately. If the standalone selling price is not observable through past transactions, the Company estimates the standalone selling price taking into account available information such as market conditions and internally approved pricing guidelines related to the performance obligations.

The Company recognizes sales-based milestone payments as revenue upon the achievement of the cumulative sales amount specified in the contract in accordance with ASC 606-10-55-65. For those milestone payments which are contingent on the occurrence of particular future events, the Company determined that these need to be considered for inclusion in the calculation of total consideration from the contract as a component of variable consideration using the most-likely amount method. As such, the Company assesses each milestone to determine the probability and substance behind achieving each milestone. Given the inherent uncertainty of the occurrence of these future events, the Company will not recognize revenue from the milestone until there is not a high probability of a reversal of revenue, which typically occurs near or upon achievement of the event.

When determining the transaction price of a contract, an adjustment is made if payment from a customer occurs either significantly before or significantly after performance, resulting in a significant financing component. Applying the practical expedient in paragraph 606-10-32-18, the Company does not assess whether a significant financing component exists if the period between when the Company performs its obligations under the contract and when the customer pays is one year or less. None of the Company's contracts contained a significant financing component as of March 31, 2022.

Stock-Based Compensation

The Company utilizes stock-based compensation in the form of stock options, restricted stock units ("RSUs") and performance-based stock units ("PSUs"), each of which may be granted separately or in tandem with other awards.

Compensation expense is recognized in the Consolidated Statements of operations based on the estimated fair value of the awards at grant date ratably over the requisite service period, which generally equals the vesting period of the award.

The grant-date fair value of stock awards is based upon the underlying price of the stock on the date of grant. The grant-date fair value of stock option awards must be determined using an option pricing model. The Company uses the Black-Scholes option pricing formula for determining the grant-date fair value of such awards. Option pricing models require the use of estimates and assumptions as to (a) the expected term of the option, (b) the expected volatility of the price of the underlying stock and (c) the risk-free interest rate for the expected term of the option.

The Company may also grant performance-based stock awards to employees from time-to-time in form of market condition or performance condition. The grant-date fair value of awards that vest based on achievement of certain market condition are determined using a Monte Carlo simulation technique. The grant-date fair value of awards that vest based on achievement of certain performance condition are determined using the accelerated attribution method once it is probable that the performance condition will be achieved.

Earnings Per Share

Basic earnings per common share is computed using the weighted average number of shares outstanding during the period. Diluted earnings per share is computed in a manner similar to the basic earnings per share, except that the weighted-average number of shares outstanding is increased to include all common shares, including those with the potential to be issued by virtue of options. Diluted earnings per share contemplate a complete conversion to common shares of all convertible instruments only if they are dilutive in nature with regards to earnings per share, as calculated under the treasury method.

The anti-dilutive common share equivalents outstanding for the three months ended March 31, 2022 and 2021 were as follows:

	Three Months Ended March 31,	
	2022	**2021**
Stock options	2,103,544	2,635,020
Restricted stock units	79,724	325,349
Total	2,183,268	2,960,369

The following table sets forth the computation for basic and diluted net earnings (loss) per share for the three months ended March 31, 2022 and 2021:

	Three Months Ended March 31,	
	2022	**2021**
Numerator		
Numerator for basic and diluted earnings (loss) per share-net earnings (loss)	$ 44,058	$ (421)
Denominator		
Basic weighted average common shares outstanding	12,710,646	13,069,373
Dilutive effect of stock awards	196,165	—
Diluted weighted average common shares outstanding	12,906,811	13,069,373
Basic net earnings (loss) per share		
Basic net earnings (loss) per share	$ 3.47	$ (0.03)
Diluted net earnings (loss) per share		
Diluted net earnings (loss) per share	$ 3.41	$ (0.03)

All potentially dilutive items were excluded from the diluted share calculation for the three months ended March 31, 2021 because their effect would have been anti-dilutive, as the Company was in a loss position.

Recent Accounting Pronouncements

In March 2020, the FASB issued *Update 2020-04 Reference Rate Reform (Topic 848), Facilitation of the Effects of Reference Rate Reform on Financial Reporting* to provide temporary optional guidance to ease the potential burden in accounting for reference rate reform. The amendments in Update 2020-04 are elective and apply to all entities that have contracts, hedging relationships, and other transactions that reference LIBOR, formerly known as the London Interbank Offered Rate,
or another reference rate expected to be discontinued due to reference rate reform. The new guidance provides optional expedients, including; (1) Simplify accounting analyses under current GAAP for contract modifications, such as modifications of contracts within the scope of Topic 470, Debt, that will be accounted for by prospectively adjusting the effective interest rate, as if any modification was not substantial. That is, the original contract and the new contract shall be accounted for as if they were not substantially different from one another; (2) Simplify the assessment of hedge effectiveness and allow hedging relationships affected by reference rate reform to continue; (3) Allow a one-time election to sell or transfer debt securities classified as held to maturity before January 1, 2020 that reference a rate affected by reference rate reform. The amendments are effective for all entities from the beginning of an interim period that includes the issuance date of the ASU. An entity may elect to apply the amendments prospectively through December 31, 2022. The adoption of ASU 2020-4 is not expected to have a material impact on our financial position or results of operations.

In October 2021, the FASB issued ASU 2021-08, *Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers*, which requires an acquirer to recognize and measure contract assets and liabilities acquired in a business combination in accordance with Revenue from Contracts with Customers (Topic 606) rather than adjust them to fair value at the acquisition date. This accounting standard update will be effective for public business entities in fiscal years beginning after December 15, 2022, including interim periods within those fiscal years; therefore for us beginning in the first quarter of 2023. We are currently evaluating the impact of this accounting standard, but do not expect it to have a material impact on our condensed consolidated financial statements.

In March 2022, the FASB issued ASU 2022-01, *Derivatives and Hedging (Topic 801): Fair Value Hedging – Portfolio Layer Method*, which expands the current single-layer hedging model to allow multiple-layer hedges of a single closed portfolio of prepayable financial assets or one or more beneficial interests secured by a portfolio of prepayable financial instruments under

the method. This accounting standards update will be effective for public business entities in fiscal years beginning after December 15, 2022, including interim periods within those fiscal years; therefore for us beginning in the first quarter of 2023. We are currently evaluating the impact of this accounting standard, but do not expect it to have a material impact on our condensed consolidated financial statements.

There are other new accounting pronouncements issued by the FASB that we have adopted or will adopt, as applicable. We do not believe any of these accounting pronouncements have had, or will have, a material impact on our condensed consolidated financial statements or disclosures.

3. Property and Equipment, net

Property and equipment consisted of the following:

	March 31, 2022	December 31, 2021	Estimated Useful Life (years)
Furniture and fixtures	$ 1,525	$ 1,525	7
Office equipment	1,077	1,077	3
Equipment	4,002	3,834	7
Leasehold improvements	1,155	1,155	2
	7,759	7,591	
Less accumulated depreciation	(6,132)	(5,955)	
Property and equipment, net	$ 1,627	$ 1,636	

Depreciation expense related to property and equipment amounted to $0.2 million and $0.2 million for the three months ended March 31, 2022 and 2021, respectively.

4. Inventories

Inventories consist of the following:

	March 31, 2022	December 31, 2021
Raw materials	$ 8,517	$ 7,317
Work in process	9,378	9,666
Finished products	6,923	4,925
Total inventories	$ 24,818	$ 21,908

5. Balance Sheet Accounts

Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consist of the following:

	March 31, 2022	December 31, 2021
Prepaid income taxes	$ —	$ 1,173
Prepaid FDA user fee and advances to clinical research organization	739	1,108
Prepaid insurance	1,166	196
Advances to commercial manufacturers	1,620	942
Prepaid R&D	706	—
Convertible promissory note, net	5,975	5,312
All other	4,762	3,159
Total prepaid expenses and other current assets	$ 14,968	$ 11,890

Accrued Expenses

Accrued expenses consist of the following:

	March 31, 2022	December 31, 2021
Accrued product sales reserves	$ 20,067	$ 4,390
Income taxes payable	15,092	—
Royalties payable to commercial partners	9,645	5,085
Accrued salary and other compensation	3,314	8,466
Accrued professional fees	3,275	2,013
Accrued research & development	2,068	4,100
Current portion of lease liability	1,337	1,309
Accrued other	8,610	6,975
Total accrued expenses	$ 63,408	$ 32,338

Leases

We lease office space in Woodcliff Lake, New Jersey for our principal office under an amended lease agreement through June 2025. We also lease a lab space in Cambridge, Massachusetts under a lease agreement through April 2024, and an office space located in Palm Beach Gardens, Florida. All of our leases are classified as operating leases and have remaining lease terms of approximately 2.8 years. The principal office and the lab space leases include renewal options to extend the lease for up to 5 years. Furthermore, we have not elected the practical expedient to separate lease and non-lease components for all classes of underlying assets.

The table below summarizes our total lease costs included in the condensed consolidated financial statements, as well as other required quantitative disclosures (in thousands):

	March 31, 2022	December 31, 2021
Operating lease cost	$ 375	$ 1,407
Total lease cost	$ 375	$ 1,407
Other information:		
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows for operating leases	$ 375	$ 1,407
Right-of-use assets obtained in exchange for new operating lease liabilities	$ —	$ 270
Weighted-average remaining lease term - operating leases	2.8 years	3.1 years
Weighted-average discount rate - operating leases	6.0 %	6.0 %

Balance Sheet Classification as of March 31:	
Current lease liabilities (included with Accrued expenses and other liabilities)	$ 1,337
Long-term lease liabilities (included with Other long-term liabilities)	2,563
Total lease liabilities	$ 3,900

6. Intangible Assets, Net

The gross carrying amounts and net book value of our intangible assets are as follows:

		March 31, 2022		
	Useful Life (In Years)	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Ryanodex intangible *(i)*	9	$ 15,000	$ (5,660)	$ 9,340
Vasopressin milestone	1	750	(150)	600
Total		$ 15,750	$ (5,810)	$ 9,940

		December 31, 2021		
	Useful Life (In Years)	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Ryanodex intangible *(i)*	9	$ 15,000	$ (5,079)	$ 9,921
Developed technology	5	8,100	(8,100)	—
Vasopressin milestone	1	750	—	750
Total		$ 23,850	$ (13,179)	$ 10,671

(i) Represents a one-time payment made to reduce the royalties payable to a third party on Ryanodex net sales.

Amortization expense was $0.7 million and $0.7 million for the three months ended March 31, 2022 and 2021, respectively.

Estimated Amortization Expense for Intangible Assets

Based on definite-lived intangible assets recorded as of March 31, 2022, and assuming that the underlying assets will not be impaired and that we will not change the expected lives of the assets, future amortization expenses are estimated as follows:

	Estimated Amortization Expense
Year Ending December 31,	
2022 (remainder)	2,307
2023	2,820
2024	2,511
2025	2,302
Total estimated amortization expense	$ 9,940

7. Common Stock and Stock-Based Compensation

Common Stock

Share Repurchase Program

In March 2020, our board of directors approved our current share repurchase program (the "Share Repurchase Program"), providing for the repurchase of up to an aggregate of $160 million of our outstanding common stock.

Under the Share Repurchase Program, we are authorized to repurchase shares through open market purchases, privately-negotiated transactions, accelerated share repurchases or otherwise in accordance with applicable federal securities laws, including through Rule 10b5-1 trading plans and under Rule 10b-18 of the Exchange Act. The repurchases have no time limit and may be suspended or discontinued completely at any time. The specific timing and amount of repurchases will vary based on available capital resources and other financial and operational performance, market conditions, securities law limitations, and other factors. The repurchases will be made using our cash resources.

On September 23, 2020, our Board of Directors approved a $25 million accelerated share repurchase (“ASR”) transaction with JPMorgan Chase Bank, National Association (“JP Morgan”) as part of our existing $160 million share repurchase program. The specific number of shares to be repurchased pursuant to the ASR is based on the average of the daily volume weighted average share prices of our common stock, less a discount, during the term of the ASR program. Under the terms of our agreement with JP Morgan, we paid $25 million to JP Morgan on September 24, 2020, and received 550,623 shares, representing the notional amount of the ASR, based on the average of the daily volume weighted average share prices of our common stock, less a discount, during the term of the ASR, which was $45.40. The ASR was completed in the fourth quarter of 2020. We determined the ASR contained a forward contract and therefore we recorded fair value adjustments on the accelerated share repurchase agreement in the amount of $3 million which was a loss recorded in Other expense on our consolidated statements of operations in the year ended December 31, 2020.

As of March 31, 2022, we had repurchased an aggregate of 4,278,831 shares of common stock for an aggregate of $236.1 million pursuant to our share repurchase programs in effect since August 2016.

Stock-Based Compensation

In November 2013, our Board of Directors approved the 2014 Equity Incentive Plan (the "2014 Plan") which became effective on February 11, 2014. The 2014 Plan provides for the awards of incentive stock options, non-qualified stock options, restricted stock, restricted stock units and other stock-based awards. Awards generally vest equally over a period of four years from grant date. Vesting may be accelerated under a change in control of the Company or in the event of death or disability to the recipient. In the event of termination, any unvested shares or options are forfeited.

During the first quarter of 2018, we introduced a new long-term incentive program with the objective to better align the stock-based awards granted to management with our focus on improving total shareholder return over the long-term. The stock-based awards granted under this long-term incentive program consist of time-based stock options, time-based RSUs and PSUs. PSUs are comprised of awards: i) that would have vested upon achievement of certain share price appreciation conditions or ii) that would have vested upon achievement of certain milestone events.

A summary of stock option, RSU and PSU activity under the 2014 Plan during the three months ended March 31, 2022 and 2021 is presented below:

	Stock Options	RSUs	PSUs
Outstanding as of December 31, 2020	3,331,890	328,396	97,750
Granted	71,500	96,490	159,000
Stock options exercised/RSUs vested/PSUs vested	(56,107)	(94,273)	—
Forfeited or expired	(208,374)	(29,044)	(97,750)
Outstanding as of March 31, 2021	3,138,909	301,569	159,000
Outstanding as of December 31, 2021	2,814,878	263,306	137,300
Granted	86,700	148,000	228,200
Stock options exercised/RSUs vested/PSUs vested	—	(99,698)	—
Forfeited or expired	(3,130)	(728)	—
Outstanding as of March 31, 2022	2,898,448	310,880	365,500

Stock Options

The fair value of stock options granted to employees, directors, and consultants were estimated using the following assumptions:

	Three Months Ended March 31,	
	2022	2021
Risk-free interest rate	1.47% - 2.53%	0.51% - 0.53%
Volatility	46.79%	56.31%
Expected term (in years)	5.63 years	5.53 years
Expected dividend yield	0.0%	0.0%

RSUs

Each vested time-based RSU represents the right of a holder to receive one share of our common stock. The fair value of each RSU granted was estimated based on the trading price of our common stock on the date of grant.

PSUs

During the first quarter of 2022, we granted 228.2 thousand market condition PSUs based on our total shareholder return ("TSR") relative to the TSR of each member of the S&P Biotechnology Select Industry Index (the defined peer group) with a weighted-average grant date fair value of $70.45 for the CEO and $53.43 for other executives per respective PSU. The fair value of PSUs granted to employees was estimated using a Monte Carlo simulation model. Inputs used in the calculation

include a risk-free interest rate of 1.6%, an expected volatility of 41%, contractual term of 3 years, and no expected dividend yield.

The fair value of market condition PSUs granted to employees was estimated using a Monte Carlo simulation model. Inputs used in the calculation are described above.

The fair value of performance condition PSUs granted to employees was estimated based on the trading price of our common stock on the date of grant adjusted for probability of achievement of the performance conditions as described above.

We did not recognize any expense for performance based PSUs granted to employees based on our estimated probability of achievement as described above.

We recognized stock-based compensation in our condensed consolidated statements of operations for the three months ended March 31, 2022 and 2021 as follows:

	Three Months Ended March 31,	
	2022	2021
Stock options	$ 1,863	$ 3,331
RSUs	1,635	1,788
PSUs	797	1,389
Stock-based compensation expense	$ 4,295	$ 6,508
Selling, general and administrative	$ 3,652	$ 5,613
Research and development	643	895
Stock-based compensation expense	$ 4,295	$ 6,508

8. Commitments

Our future material contractual obligations as of March 31, 2022, included the following:

Obligations	Total	2022	2023	2024	2025	Beyond
Operating leases (1)	$ 3,978	$ 1,072	$ 1,455	$ 1,038	$ 413	$ —
Credit facility (2)	24,000	24,000	—	—	—	—
Purchase obligations (3)	71,566	71,566	—	—	—	—
Total obligations	$ 99,544	$ 96,638	$ 1,455	$ 1,038	$ 413	$ —

(1) We lease our corporate office location. The term of our existing lease expires on June 30, 2025. We also lease our lab space under a lease agreement through April 2024, and an office space in Palm Beach Gardens, Florida, through October 31, 2024. Rental expense for the operating leases was $0.4 million and $0.3 million, for the three months ended March 31, 2022 and 2021, respectively. The remaining future lease payments under the operating leases are $4.0 million as of March 31, 2022.

(2) Refer to Note 9, “Debt” for further information regarding our Credit Agreement.

(3) As of March 31, 2022, we had purchase obligations in the amount of $71.6 million which represents the contractual commitments under contract manufacturing and supply agreements with suppliers. The obligations under the supply agreements are primarily for finished product, inventory, and research and development.

9. Debt

On November 8, 2019, we entered into the Second Amended and Restated Credit Agreement (the "Credit Agreement"), with JPMorgan Chase Bank, N.A., as administrative agent (the "Agent") and the lenders party thereto. The terms and amounts borrowed under the Credit Agreement includes a drawn term loan of $40 million and an undrawn revolving credit facility of $110 million. The schedule of principal payments for the new term loan facility was extended to November 8, 2022.

We classified the debt of $23.7 million as current on the condensed consolidated balance sheet as of March 31, 2022. Per the terms of the Credit Agreement, the Company is limited in its ability to pay dividends. As of March 31 2022, we were in compliance with each of the senior secured net leverage ratio; total net leverage ratio; and fixed charge coverage ratio covenants.

The term loan facility bears interest at the Adjusted LIBOR (equal to (a) the LIBOR for such Interest Period multiplied by (b) the Statutory Reserve Rate as established by Board of Governors of the Federal Reserve System of the United States of America) for the interest period in effect for such borrowing plus the applicable rate as described below. The Agent and us may amend the Credit Agreement to replace the LIBOR with a Benchmark Replacement, described below.

Loans under the Credit Agreement bear interest at a rate equal to either (a) the LIBOR rate, plus an applicable margin ranging from 2.25% to 3.0% per annum, based upon the total net leverage ratio (as defined in the Credit Agreement), or (b) the Benchmark Replacement which is defined as the greatest of the prime lending rate, or the NYFRB Rate (the rate for a federal funds transaction) in effect on such day plus ½ of 1% or the Adjusted LIBO Rate for a one month Interest Period on such day plus 1% plus an applicable margin ranging from 1.25% to 2.0% per annum, based upon the total net leverage ratio.

We are required to pay a commitment fee on the unused portion of the new revolving credit facility in the Credit Agreement at a rate ranging from 0.35% to 0.45% per annum based upon the total net leverage ratio.

As of March 31, 2022, we had $0.3 million of unamortized deferred debt issuance costs as part of long-term debt in its condensed consolidated balance sheets.

Debt Maturities	**As of March 31, 2022**
2022 (remainder)	$ 24,000
Total	$ 24,000

10. Income Taxes

	Three Months Ended March 31,			
	2022		**2021**	
Income tax provision	$ (13,602)		$ (1,761)	
Effective tax rate	24	%	131	%

For interim periods, we recognize an income tax provision based on our estimated annual effective tax rate expected for the entire year plus the effects of certain discrete items occurring in the quarter. The interim annual estimated effective tax rate is based on the statutory tax rates then in effect, as adjusted for changes in estimated permanent differences, and certain discrete items whose tax effect, when material, is recognized in the interim period in which they occur.

The effective tax rate for the three months ended March 31, 2022, reflects an interim tax provision resulting from impact of certain non-deductible executive compensation, partially offset by credits for research and development activity. The effective tax rate for the three months ended March 31, 2021, reflects the impact of a valuation allowance established and adjusted for the fair value adjustments on our investment in Tyme, certain non-deductible executive compensation, partially offset by credits for research and development activity. We review the realizability of our deferred tax assets on a quarterly basis, or whenever events or changes in circumstances indicate that a review is required. In determining the requirement for a valuation allowance, the historical and projected financial results of the legal entity or consolidated group recording the net deferred tax asset are considered, along with any other positive or negative evidence. Since future financial results, including the fair value adjustment on our investment in Tyme may differ from previous estimates, periodic adjustments to our valuation allowances may be necessary.

Deferred income tax assets as of March 31, 2022 consisted of temporary differences primarily related to stock-based compensation and research and development tax credit carryforwards, partially offset by temporary differences related to intangible assets and research and development expenses.

We file income tax returns in the U.S. federal jurisdiction and several states. We are currently under audit by the Internal Revenue Service and three State tax jurisdictions. We had no amount recorded for any unrecognized tax benefits as of March 31, 2022. We regularly evaluate our tax positions for additional unrecognized tax benefits and associated interest and penalties, if applicable. There are many factors that are considered when evaluating these tax positions including: interpretation of tax laws, recent tax litigation on a position, past audit or examination history, and subjective estimates and assumptions. We reflect interest and penalties attributable to income taxes, to the extent they arise, as a component of income tax provision or benefit.

11. Legal Proceedings

In addition to the below legal proceedings, from time to time, we may be a party to litigation and subject to claims incident to the ordinary course of business. Although the results of litigation and claims cannot be predicted with certainty, we currently believe that the final outcome of these ordinary course matters, or matters discussed below, will not have a material adverse effect on our business nor have we recorded any loss in connection with these matters because we believe that loss is neither probable nor estimable. Regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

Commercial Litigation

Cipla v. Eagle

On April 16, 2020, Cipla Limited (“Cipla”) filed a request for arbitration against Eagle (“the Company”) with the London Court of International Arbitration. The request alleged that Eagle’s refusal to take delivery of several batches of Argatroban finished drug product constitutes a breach of the parties’ December 14, 2012 supply agreement. On March 25, 2022, the parties reached a settlement resulting in the arbitration being cancelled.

Patent Litigation

Eagle Pharmaceuticals, Inc., et al. v. Slayback Pharma Limited Liability Company; Eagle Pharmaceuticals, Inc., et al. v. Apotex Inc. and Apotex Corp.; Eagle Pharmaceuticals, Inc., et al. v. Fresenius Kabi USA, LLC; Eagle Pharmaceuticals, Inc., et al. v. Mylan Laboratories Limited; Eagle Pharmaceuticals, Inc. et al. v. Hospira, Inc; Eagle Pharmaceuticals, Inc. et al. v. Lupin, Ltd. and Lupin Pharmaceuticals, Inc.; Teva Pharmaceuticals Int’l GmbH et al v. Aurobindo Pharma Ltd., Aurobindo Pharma USA, Inc., and Eugia Pharma Specialities Ltd.; Teva Pharmaceuticals Int’l GmbH et al v. Accord Healthcare Inc., Accord Healthcare Ltd., and Intas Pharmaceuticals Ltd.; Teva Pharmaceuticals Int’l GmbH et al v. Dr. Reddy’s Laboratories, Ltd., and Dr. Reddy’s Laboratories, Inc. - (Bendeka®)

Bendeka, which contains bendamustine hydrochloride, is an alkylating drug that is indicated for the treatment of patients with chronic lymphocytic leukemia, as well as for the treatment of patients with indolent B-cell non-Hodgkin's lymphoma that has progressed during or within six months of treatment with rituximab or a rituximab-containing regimen. Slayback Pharma Limited Liability Company (“Slayback”), Apotex Inc. and Apotex Corp. (“Apotex”), Fresenius Kabi USA, LLC (“Fresenius”), Mylan Laboratories Limited (“Mylan”), Lupin, Ltd. and Lupin Pharmaceuticals, Inc. (“Lupin”), and Aurobindo Pharma, Ltd,

Aurobindo Pharma USA, Inc., and Eugia Pharma Specialities Ltd ("Aurobindo") have filed Abbreviated New Drug Applications ("ANDA's") referencing Bendeka® that include challenges to one or more of the Bendeka® Orange Book-listed patents. Hospira, Inc. ("Hospira") filed a 505(b)(2) NDA.

We, Cephalon, Inc. and/or Teva Pharmaceuticals International GMBH (together the "Patentees"), filed separate suits against Slayback, Apotex, Fresenius, Mylan, Hospira, Lupin, and Aurobindo in the United States District Court for the District of Delaware on August 16, 2017 (Slayback ("Slayback I")), August 18, 2017 (Apotex), August 24, 2017 (Fresenius), December 12, 2017 (Mylan), January 19, 2018 (Slayback ("Slayback II")), July 19, 2018 (Hospira), and July 2, 2019 (Lupin) and May 11, 2020 (Aurobindo). In these Complaints, the Patentees allege infringement of the challenged patents, namely U.S. Patent Nos. 8,791,270 and 9,572,887 against Slayback (Slayback I and Slayback II), and of U.S. Patent Nos. 8,609,707, 8,791,270, 9,000,021, 9,034,908, 9,144,568, 9,265,831, 9,572,796, 9,572,797, 9,572,887, 9,579,384, 9,597,397, 9,597,398, 9,597,399 against Fresenius, Apotex, and Mylan, and of U.S. Patent Nos. 9,572,887, 10,010,533, 9,034,908, 9,144,568, 9,597,397, 9,597,398, 9,597,399, 9,000,021, 9,579,384 against Hospira, and of U.S. Patent Nos. 8,609,707, 9,000,021, 9,034,908, 9,144,568, 9,265,831, 9,572,796, 9,572,797, 9,572,887, 9,579,384, 9,597,397, 9,597,398, 9,597,399, 10,010,533, and 10,052,385 against Lupin and of U.S. Patent Nos. 8,609,707, 9,265,831, 9,572,796, 9,572,797, 9,034,908, 9,144,568, 9,572,887, 9,597,397, 9,597,398, 9,597,399, 9,000,021, 9,579,384, 10,010,533, and 10,052,385 against Aurobindo. The parties stipulated to dismiss without prejudice U.S. Patent No. 8,791,270 as to Apotex, Fresenius and Mylan on July 24, 2018, August 2, 2018, and August 3, 2018, respectively. Slayback, Apotex, Fresenius, and Mylan answered their Complaints and some filed various counterclaims on September 29, 2017 (Slayback I), February 12, 2018 (Slayback II), November 27, 2017, September 15, 2017, and February 14, 2018, respectively. The Patentees answered the Slayback I, Slayback II, Fresenius, and Apotex counterclaims on October 20, 2017, March 5, 2018, October 6, 2017, and December 18, 2017, respectively. On October 15, 2018, the Patentees filed a suit against Fresenius and Mylan in the United States District Court for the District of Delaware, alleging patent infringement of U.S. Patent Nos. 10,010,533 and 10,052,385. The Slayback I, Slayback II, Apotex, Fresenius and Mylan cases have been consolidated for all purposes (the "Consolidated Bendeka Litigation"), and a bench trial in these cases was held September 9-19, 2019. On April 27, 2020, the district court held that the asserted patents are valid and infringed by Slayback, Apotex, Fresenius and Mylan. On July 6, 2020, the district court entered a final judgment reflecting this decision, stating that pursuant to 35 U.S.C. § 271(e)(4)(A), the FDA shall not approve Apotex's, Fresenius's, Mylan's, or Slayback's ANDA products on a date which is earlier than January 28, 2031, and enjoining Apotex, Fresenius, Mylan, and Slayback from commercially manufacturing, using, offering to sell, or selling within the US or importing into the US, their ANDA products before that date. On August 4, 2020, Apotex, Fresenius, and Mylan appealed this final judgment, and filed their opening briefs on November 4, 2020. Plaintiffs' responsive appeal brief was filed on February 12, 2021. Defendants' reply briefs were filed April 5, 2021. On August 2, 2021, Fresenius's appeal was dismissed pursuant to a settlement agreement reached with Patentees. Oral argument for the remaining defendants occurred on August 3, 2021. On August 13, 2021, the appeals court affirmed the trial court's decision. The mandate was issued on October 22, 2021. Apotex filed a petition for certiorari on December 14, 2021, which the Supreme Court denied on February 22, 2022.

Hospira filed a motion to dismiss, which was fully briefed on November 16, 2018. On December 16, 2019, the United States District Court for the District of Delaware denied Hospira's motion to dismiss with respect to U.S. Patent No. 9,572,887 and granted that motion with respect to the remaining patents. On December 15, 2020, the Court held a claim construction hearing, ruling in our favor on all claim terms. Fact discovery closed on April 1, 2021. Expert discovery ended on February 10, 2022. The parties reached a settlement on April 19, 2022, resulting in dismissal of the action.

Patentees filed suit against Hospira, Inc. on November 16, 2021. Patentees have asserted U.S. Patent No. 11,103,483. Hospira filed its Answer on December 8, 2021. The parties reached a settlement on April 19, 2022, resulting in dismissal of the action.

On March 10, 2020, the parties filed a stipulation and order of dismissal without prejudice as to Lupin, which the Court entered March 11, 2020.

Aurobindo answered the Complaint on July 20, 2020. The parties exchanged initial disclosures on December 11, 2020. Plaintiffs provided their infringement contentions on March 12, 2021. On October 20, 2021 the Court entered a stipulation of dismissal based on a settlement between the parties.

Patentees filed suit against Dr. Reddy's Laboratories on May 13, 2021. Patentees have asserted U.S. Patent Nos. 8,609,707, 9,265,831, 9,572,796, 9,572,797, 9,034,908, 9,144,568, 9,572,887, 9,597,397, 9,597,398, 9,597,399, 9,000,021, 9,579,384, 10,010,533, and 10,052,385. Dr. Reddy's answer was filed August 16, 2021. On December 27, 2021, Dr. Reddy's moved for

judgment on the pleadings, seeking a dismissal of all patents except the ‘887 patent. On January 27, 2022, the Court entered an agreed stipulation by the parties dismissing all patents except the ‘887. On February 8, 2022, consistent with that stipulation, Patentees filed an Amended Complaint removing the dismissed patents and adding U.S. Patent No 11,103,483. Dr. Reddy’s filed its Answer and Counterclaims to that Amended Complaint on February 22, 2022. Patentees’ filed their Counterclaim Answer on March 15, 2022. Fact discovery is ongoing, and the case is set for trial on May 1, 2023.

Patentees filed suit against Accord Healthcare on June 29, 2021. Patentees have asserted U.S. Patent Nos. 8,609,707, 9,265,831, 9,572,796, 9,572,797, 9,034,908, 9,144,568, 9,572,887, 9,597,397, 9,597,398, 9,597,399, 9,000,021, 9,579,384, 10,010,533, and 10,052,385. On January 13, 2022, Accord filed a Motion to Dismiss for failure to state a claim. On January 26, 2022, Patentees filed a First Amended Complaint, removing all patents except the ‘887 patent and additionally asserting U.S. Patent No. 11,103,483. Accord filed its Answer and Counterclaims to that Amended Complaint on February 10, 2022. On February 28, 2022, Patentees filed their Answer to Accord’s Counterclaims. On March 29, 2022, the Court entered a schedule and consolidated this case with the above Dr. Reddy’s case. Fact discovery is ongoing, and the case is set for trial on May 1, 2023.

Eagle Pharmaceuticals, Inc. v. Slayback Pharma Limited Liability Company - (Belrapzo®)

Slayback filed an ANDA referencing Eagle's Belrapzo NDA. Slayback’s ANDA includes challenges to one or more of the Belrapzo Orange Book-listed patents. On September 20, 2018, the Company filed a suit against Slayback in the United States District Court for the District of Delaware, alleging patent infringement of U.S. Patent Nos. 8,609,707, 9,265,831, 9,572,796, 9,572,797 and 10,010,533. On October 10, 2018, Slayback answered the Complaint and filed various counterclaims. On October 31, 2018, the Company answered Slayback’s counterclaims. Pursuant to a stipulation between the parties, Slayback is bound by any final judgment entered in the Consolidated Bendeka Litigation. This case is currently stayed.

Eagle Pharmaceuticals, Inc. v. Slayback Pharma Limited Liability Company, Apotex, Inc. and Apotex Corp., Celerity Pharmaceuticals, LLC - (BELRAPZO®)

Slayback, Apotex, and Celerity Pharmaceuticals, LLC (“Celerity”) filed NDAs referencing Eagle’s Belrapzo NDA. The Company filed suits against Slayback, Apotex, and Celerity in the United States District Court for the District of Delaware on August 31, 2021 (Slayback and Apotex) and on January 11, 2022 (Celerity) alleging infringement of U.S. Patent No. 11,103,483. On September 22, 2021, both Slayback and Apotex filed their Answers. The suit against Slayback and Apotex is set for trial on October 26, 2022, and fact discovery is ongoing. On February 2, 2022, Celerity moved to dismiss the pending complaint. In response, the Company filed an Amended Complaint on March 1, 2022. Celerity filed its Answer to the Company’s Amended Complaint on March 22, 2022. Scheduling for the case is ongoing.

Par Pharmaceutical, Inc. et al. v. Eagle Pharmaceuticals, Inc. (Vasopressin)

On May 31, 2018, Par Pharmaceutical, Inc., Par Sterile Products, LLC, and Endo Par Innovation Company, LLC (together, “Par”) filed suit against the Company in the United States District Court for the District of Delaware. Par alleged patent infringement based on the filing of the Company’s ANDA seeking approval to manufacture and sell the Company’s vasopressin product. The Company’s vasopressin product, if approved by FDA, will be an alternative to Vasostrict, which is indicated to increase blood pressure in adults with vasodilatory shock (e.g., post-cardiotomy or sepsis) who remain hypotensive despite fluids and catecholamines. The Company answered the complaint on August 6, 2018, and filed an amended answer and counterclaims on October 30, 2019. The court issued a Markman ruling on July 1, 2019. On December 20, 2019, Par dismissed with prejudice claims of three of the patents asserted against Eagle, and the Court entered an Order reflecting that dismissal on December 27, 2019. Mediation took place on March 3, 2020. On April 17, 2020, we submitted a letter requesting leave to file a motion for summary judgment of non-infringement. Par’s responsive letter was submitted on May 8, 2020. On May 18, 2020, the court said it would hear non-infringement arguments at trial and not through summary judgment. Fact discovery ended in October 2019, and expert discovery ended in February 2020. Due to the COVID-19 pandemic, the trial, which was scheduled to begin May 18, 2020, was rescheduled to and occurred on July 7-9, 2021. Post-trial briefing was submitted on July 28, 2021. The Court issued an opinion on August 31, 2021 and entered a final judgment of non-infringement in favor of Eagle on September 16, 2021. Par filed a Notice of Appeal of the final judgment on September 22, 2021, and the appeal was docketed with the United States Court of Appeals for the Federal Circuit on September 23, 2021. The 30-month stay of FDA approval expired on October 17, 2020. This suit is pending.

On December 7, 2020, Par filed a separate suit against us in the United States District Court for the District of New Jersey, asserting patent infringement of U.S. Patent No. 10,844,435, based on the filing of our ANDA seeking approval to manufacture and sell our vasopressin product. Eagle moved to dismiss Par's complaint on March 2, 2021. On March 22, 2021, Par amended its complaint to additionally assert U.S. Patent No. 10,920,278, and on April 5, 2021, Eagle moved to dismiss Par's amended complaint. The Court has not yet ruled on Eagle's Motion to Dismiss. This suit is pending.

12. License and Collaboration Agreements

License agreement with Combioxin

In August 2021, we entered into a license agreement with Combioxin, SA under which the Company was granted exclusive, worldwide development and commercialization rights to CAL02, a novel first-in-class antitoxin agent ready for Phase 2b/3 development for the treatment of severe pneumonia in combination with traditional antibacterial drugs. The Company will be solely responsible for the development, regulatory, manufacturing and commercialization activities of CAL02. Combioxin will assist the Company in transitioning the manufacturing and supply of CAL02 to the Company.

Under the terms of the agreement, we paid $10 million as upfront license consideration that was expensed immediately as research and development and is reflected within the operating activities of the consolidated statements of cash flows as of December 31, 2021. The Company may pay to Combioxin up to $105 million upon achievement of certain development, regulatory and sales based milestone payments plus royalty payments at royalty rates ranging in low double digit percentages on the net sales of all products sold, subject to certain adjustments as provided in the agreement. The Company is also obligated to make certain payments based upon amounts received by sublicensees under the agreement.

License agreement with AOP Orphan

In August 2021, we entered into a licensing agreement with AOP Orphan Pharmaceuticals GmbH ("AOP Orphan"), a privately owned Austrian company devoted to the treatment of rare and special diseases, for the commercial rights to its product, landiolol in the United States. Landiolol, a leading hospital emergency use product, is currently approved in Europe for the treatment of non-compensatory sinus tachycardia and tachycardic supraventricular arrhythmias. We will support the submission of a new drug application ("NDA") by AOP Orphan to the FDA seeking approval for landiolol for the short term reduction of ventricular rate in patients with supraventricular tachycardia ("SVT"), including atrial fibrillation and atrial flutter.

Under the terms of the agreement, we paid a $5 million upfront license consideration that was expensed immediately as research and development and is reflected within the operating activities of the consolidated statements of cash flows as of December 31, 2021. The Company may pay to AOP Orphan up to $25 million upon achievement of certain regulatory milestone payments plus profit share payments, subject to certain adjustments as provided in the agreement. We also entered into a supply agreement at the same time as the licensing agreement.

Collaboration with Tyme

On January 7, 2020, Tyme and we announced a strategic collaboration to advance SM-88, an oral product candidate for the treatment of patients with cancer. SM-88 is an investigational agent in two Phase II studies, one for pancreatic cancer and another for prostate cancer.

Under the terms of a related co-promotion agreement, we would be responsible for 25% of the promotional sales effort of SM-88 and would receive 15% royalty on the net revenues of SM-88 in the United States. Tyme is responsible for clinical development, regulatory approval, commercial strategy, marketing, reimbursement and manufacturing of SM-88. Tyme retains the remaining 85% of net U.S. revenues and reserves the right to repurchase our U.S. co-promotion right for $200.0 million.

Our equity investment in Tyme is included in Other assets on our condensed consolidated balance sheet. For the three months ended March 31, 2022 and 2021, the fair value adjustments for the equity investment was a loss of $2.5 million and a gain of $5.6 million, respectively. These adjustments were recorded in Other (expense) income on our condensed consolidated statements of operations.

13. Convertible Promissory Note

During the first quarter of 2021, we invested $5 million in a convertible promissory note ("the note") of a privately held clinical-stage biotechnology company (the "issuer"). The note bears an 8% annual interest rate and has an 18-month term. The issuer is not required to make any principal or interest payments until the end of the term. The note, along with any accrued interest, may automatically convert into equity securities of the issuer under either a financing event or a change in control event as defined in the convertible promissory note agreement. The issuer's product development efforts could encounter technical or other difficulties that could increase their development costs more than expected. The issuer will likely require additional capital prior to obtaining certain regulatory approval or to be able to repay the convertible promissory note with accrued interest at the end of the term.

The following table summarizes the activity during the three months ended March 31, 2022;

	December 31, 2021	Fair Value Adjustments to the note	Accretion of Discount	Estimated Credit Loss	Interest Income	Fair Value Adjustment to Embedded Derivative	March 31, 2022
Fair value of the note	$ 4,906	$ 512	$ —	$ —	$ —	$ —	$ 5,418
Discount on the note	(127)	—	45	—	—	—	(82)
Estimated Credit Loss	(758)	—	—	(36)	—	—	(794)
Convertible Promissory Note, net	$ 4,021	$ 512	$ 45	$ (36)	$ —	$ —	$ 4,542
Embedded Derivative	$ 962	$ —	$ —	$ —	$ —	$ 41	$ 1,003
Interest Receivable	$ 329	$ —	$ —	$ —	$ 100	$ —	$ 429
Total in Other Current Assets	$ 5,312	$ 512	$ 45	$ (36)	$ 100	$ 41	$ 5,974

14. Pending Acquisition

On March 28, 2022, we and Acacia Pharma Group plc ("Acacia Pharma") issued an announcement disclosing the agreed terms of a proposed cash and share offer by the Company for the entire issued and to be issued share capital of Acacia Pharma to be effected by means of a court sanctioned scheme of arrangement ("Scheme") under Part 26 of the UK Company Act 2006. Under the terms of the proposed acquisition, Acacia Pharma shareholders would receive €0.68 in cash and 0.0049 shares of our common stock of the Company (the “Share Consideration”) for each Acacia Pharma share, which values Acacia Pharma’s existing issued and to be issued share capital at approximately €94.7 million (or approximately $104.0 million based on the exchange rate of U.S. $1.0981: €1 on March 25, 2022). The terms of the proposed acquisition also provide for us to guarantee approximately €25 million of debt within the Acacia Pharma group. The Company and Acacia Pharma intend to implement the Proposed Acquisition by way of a court-sanctioned scheme of arrangement (“Scheme”) under Part 26 of the United Kingdom Companies Act 2006, as amended (the “Companies Act”).

The proposed acquisition is subject to closing conditions and certain further terms, including, among others (i) the approval of the Scheme by a majority in number of Acacia Pharma’s shareholders present and voting (and entitled to vote) at the meeting(s) of Acacia Pharma’s shareholders to be convened by order of the High Court of Justice of England and Wales (the “Court”) pursuant to section 896 of the UK Companies Act of 2006 (and any separate class meeting which may be required by the Court (or at any adjournment thereof)), either in person or by proxy, representing not less than 75 percent in value of the Acacia Pharma shares held by such shareholders (or the relevant class or classes thereof); (ii) the sanction of the Scheme by the Court; and (iii) the Scheme becoming effective no later than June 30, 2022, which date may be extended by mutual agreement of the parties. The conditions to the proposed acquisition are set out in full in the announcement. Subject to the satisfaction, or waiver by us, of all relevant conditions, it is expected that the Scheme will become effective in June 2022. There is no assurance that the proposed acquisition will be consummated on the proposed terms, timing or at all.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following information should be read in conjunction with our unaudited consolidated financial statements and the notes thereto included in this Quarterly Report on Form 10-Q, or the Quarterly Report, and the audited financial information and the notes thereto included in our Annual Report on Form 10-K, which was filed with the Securities and Exchange Commission, or the SEC, on March 7, 2022, or our Annual Report. This discussion and analysis contains forward-looking statements that involve significant risks and uncertainties. Our actual results, performance or experience could differ materially from what is indicated by any forward-looking statement due to various important factors, risks and uncertainties, including, but not limited to, those set forth under "Risk Factors" included elsewhere in this Quarterly Report. Such factors may be amplified by the COVID-19 pandemic and its current or its potential impact on our business and the global economy. Unless otherwise indicated or required by context, references throughout to "Eagle," the "Company," "we," "our," or "us" refer to financial information and transactions of Eagle Pharmaceuticals, Inc.

Overview

We are an integrated pharmaceutical company focused on finding ways to help medicines do more for patients. Along with our collaborators, we have the capabilities to take a molecule from preclinical research through regulatory approval and into the marketplace, including development, manufacturing and commercialization of our products and product candidates. Our business model applies our scientific expertise, proprietary research-based insights and marketplace proficiency to identify challenging-to-treat diseases of the central nervous system or metabolic critical care therapeutic areas as well as in oncology. By focusing on patients' unmet needs, we strive to provide healthcare professionals with urgently needed treatment solutions that are designed to improve patient care and outcomes and create near- and long-term value for our stakeholders, including patients and healthcare providers and our employees, marketing partners, collaborators and stockholders.

Our science-based business model has a proven track record with the U.S. Food and Drug Administration ("FDA") approval and commercial launches of six products: PEMFEXY® (pemetrexed for injection), vasopressin, an A-rated generic alternative to Vasostrict®, Ryanodex® (dantrolene sodium) ("Ryanodex"), bendamustine ready-to-dilute ("RTD") 500ml solution ("Belrapzo"), and rapidly infused bendamustine RTD ("Bendeka") and RTD ("Treakisym"). We market our products through marketing partners and/or our internal direct sales force. We market PEMFEXY, vasopressin, Ryanodex and Belrapzo, and Teva Pharmaceutical Industries Ltd. ("Teva") markets Bendeka through its subsidiary Cephalon, Inc. SymBio Pharmaceuticals Limited ("SymBio"), markets Treakisym, a RTD product, in Japan.

With several pipeline projects underway and the potential for product launches over the next several years, we believe we have many growth opportunities ahead. We believe that each of our pipeline projects currently has the potential to enter the market as a first-in-class, first-to-file, first-to-market or best-in-class product. In particular, we are applying our expertise to conduct novel research regarding the potential for Ryanodex to address conditions including acute radiation syndrome, traumatic brain injury/concussion and Alzheimer's disease as well as investigations of compounds such as EA-114 (our fulvestrant product candidate) for patients with HR-positive advanced breast cancer. Our clinical development program also includes a license agreement with Combioxin, SA under which the Company was granted exclusive, worldwide development and commercialization rights to CAL02, a novel first-in-class antitoxin agent for Phase 2b/3 development for the treatment of severe pneumonia in combination with traditional antibacterial drugs and a license agreement with AOP Orphan, for the commercial rights to its product, landiolol in the United States. Landiolol is a leading hospital emergency use product, which is currently approved in Europe for the treatment of non-compensatory sinus tachycardia and tachycardic supraventricular arrhythmias.

Recent Developments

PEMFEXY

On February 1, 2022, we announced the commercial availability of our novel product PEMFEXY™ (pemetrexed for injection). A branded alternative to ALIMTA®, Eagle's PEMFEXY is a ready-to-use liquid with a unique J-code approved to treat nonsquamous non-small cell lung cancer and mesothelioma.

In February 2020, Eagle received final approval from the U.S. Food and Drug Administration of its New Drug Application for PEMFEXY, following the settlement agreement of patent litigation with Eli Lilly and Company (NYSE: LLY) in December 2019. The agreement provided for a release of all claims by the parties and allows for an initial entry of PEMFEXY into the market (equivalent to approximately a three-week supply of current ALIMTA utilization) on February 1, 2022 and a subsequent uncapped entry on April 1, 2022.

Landiolol

On January 31, 2022, we announced that AOP Orphan Pharmaceuticals GmbH, Member of the AOP Health Group, ("AOP Health"), with whom we entered into a licensing agreement in August 2021, has engaged with the U.S. Food and Drug Administration ("FDA") to obtain alignment on the content and format of the pre-clinical and clinical data required to support a new drug application ("NDA") seeking approval of Landiolol, a novel therapeutic, for the short-term reduction of ventricular rate in patients with supraventricular tachycardia, including atrial fibrillation and atrial flutter.

In August 2021, Eagle entered into a licensing agreement with AOP Health, a privately owned Austrian company devoted to the treatment of rare and special diseases, for the commercial rights to Landiolol in the United States.

Vasopressin

On January 18, 2022, we announced the commercial availability of our recently approved product, vasopressin, an A-rated generic alternative to Vasostrict®, with 180 days of marketing exclusivity.

On December 15, 2021, the FDA approved Eagle's abbreviated new drug application ("ANDA") for vasopressin, a product that is indicated for use to increase blood pressure in adults with vasodilatory shock (e.g., post-cardiotomy or sepsis) who remain hypotensive despite fluids and catecholamines.

TREAKISYM

As of January 5, 2022, Eagle's bendamustine franchise continues to grow, including the launch of the TREAKISYM ready-todilute ("RTD") formulation in Japan in the first quarter of 2021. Together with a potential approval of the rapid infusion ("RI") (50ml) liquid formulation.

Fulvestrant

As of January 5, 2022, based on discussions with the FDA, we reformulated and plan to commence human pilot studies of our fulvestrant product candidate for the treatment of HR+/HER- advanced breast cancer shortly.

CAL02

As of January 5, 2022, we were preparing to begin clinical trials for CAL02, a novel approach to the treatment of severe bacterial pneumonia, later in 2022.

We expect to start a phase 2b/3 clinical trial for CAL02 patients in the third quarter of 2022, during pneumonia season. In August 2021, we entered into a license agreement with Combioxin, SA under which we were granted exclusive, worldwide. development and commercialization rights to CAL02, a novel approach to the treatment of severe bacterial pneumonia.

Bendeka Settlement

On April 19, 2022, we entered into a definitive settlement agreement, or the Settlement Agreement, with Hospira, Inc., or Hospira, relating to our product BENDEKA® (rapidly infused bendamustine hydrochloride). This settlement resolves patent litigation brought by us and our marketing partners Teva Pharmaceuticals International, GmbH and Cephalon, Inc. relating to the alleged infringement of Orange Book listed United States Patent Nos. 11,103,483 and 9,572,887, or the Asserted Patents, with respect to Hospira's 505(b)(2) NDA, No. 211530. Pursuant to the terms of the Settlement Agreement, we will grant Hospira a license to market Hospira's product made under NDA No. 211530 in the United States beginning on January 17, 2028 (subject to FDA approval), or earlier under certain circumstances. Additionally, in accordance with the Agreement, the parties will terminate all ongoing litigation among us, Teva Pharmaceuticals International, GmbH and Cephalon, Inc. and Hospira regarding the Asserted Patents pending in the United States District Court for the District of Delaware. The Agreement is confidential and subject to review by the U.S. Federal Trade Commission and the U.S. Department of Justice.

Acacia Acquisition

On March 28, 2022, we and Acacia Pharma Group plc, a public company organized under the laws of England and Wales, or Acacia Pharma, issued an announcement disclosing the agreed terms of a proposed cash and share offer by us for the entire issued and to be issued share capital of Acacia Pharma to be effected by means of a court sanctioned scheme of arrangement under Part 26 of the UK Companies Act 2006. Under the terms of the proposed acquisition, Acacia Pharma shareholders would receive €0.68 in cash and 0.0049 shares of our common stock for each Acacia Pharma share, which values Acacia Pharma's existing issued and to be issued share capital at approximately €94.7 million (or approximately $104.0 million based on the exchange rate of U.S. $1.0981: €1 on March 25, 2022).

The proposed acquisition is expected to provide us with two currently marketed, acute care, hospital products, both of which are new chemical entities with strong patent protection:

- BARHEMSYS, the first and only antiemetic approved by the FDA for rescue treatment of postoperative nausea and vomiting, and
- BYFAVO, indicated for the induction and maintenance of procedural sedation in adults undergoing procedures lasting 30 minutes or less.

The proposed acquisition is subject to closing conditions and certain further terms, including, among others (i) the approval of the Scheme by a majority in number of Acacia Pharma's shareholders present and voting (and entitled to vote) at the meeting(s) of Acacia Pharma's shareholders to be convened by order of the High Court of Justice of England and Wales, or the Court, pursuant to section 896 of the UK Companies Act 2006 (and any separate class meeting which may be required by the Court (or at any adjournment thereof)), either in person or by proxy, representing not less than 75 percent in value of the Acacia Pharma shares held by such shareholders (or the relevant class or classes thereof); (ii) the sanction of the Scheme by the Court; and (iii) the Scheme becoming effective no later than June 30, 2022, which date may be extended by mutual agreement of the parties. We expect the effective date of the Scheme will be in June 2022. There is no assurance that the proposed acquisition will be consummated on the agreed terms, timing or at all.

COVID-19 Business Update

In response to the ongoing COVID-19 pandemic, we have taken and continue to take active measures designed to address and mitigate the impact of the COVID-19 pandemic on its business, such as remote working policies, facilitating management's daily communication to address employee and business concerns and providing frequent updates to the Board. While we have experienced variable financial impacts to date, the ongoing COVID-19 pandemic, including the global economic slowdown, government measures taken in response thereto, the overall disruption of global healthcare systems and other risks and uncertainties associated with the pandemic, could materially adversely affect our business, financial condition, results of operations and growth prospects. We continue to closely monitor the COVID-19 pandemic as we evaluate and evolve our business plans and response strategy. The impact of the COVID-19 pandemic on our business and financial condition is more fully described below in *Trends and Uncertainties*.

Financial Operations Overview

Revenue

Our revenue consists of product sales, royalty revenue and license and other revenue.

Product Sales. Through March 31, 2022, we have recognized revenues from product sales including Pemfexy, vasopressin, Ryanodex, Belrapzo, Bendeka and Treakisym. Sales of Bendeka and Treakisym were made to our commercial partners, Teva and SymBio, respectively. Sales to our commercial partners are typically made at little or no profit for resale. Pemfexy, vasopressin, Ryanodex and Belrapzo were sold directly to wholesalers, hospitals and surgery centers through a third-party logistics partner.

We typically enter into agreements with group purchasing organizations acting on behalf of their hospital members, in connection with the hospitals' purchases of our direct commercial products. Based on these agreements, most of our hospital customers have contracted prices for products and volume-based rebates on product purchases. These amounts are estimated and recorded at the time of sale. In the case of discounted pricing, we typically provide a chargeback, representing the difference between the price invoiced to the wholesaler and the customer contract price.

Royalty Revenue. We recognize revenue from royalties based on a percentage of Teva's net sales of Bendeka and Symbio's net sales of Treakisym, net of discounts, returns and allowances incurred by our commercial partners. Royalty revenue is recognized as earned in accordance with contract terms when it can be reasonably estimated and collectability is reasonably assured.

License and Other Revenue. Our revenues may either be in the form of the recognition of deferred revenues upon milestone achievement for which cash has already been received or recognition of revenue upon milestone achievement for which the payment for which is reasonably assured to be received in the future.

The primary factors that determine our revenues derived from Bendeka are:

- the level of orders submitted by our commercial partner, Teva;
- the rate at which Teva can convert the current market to Bendeka;
- the level of institutional demand for Bendeka;
- unit sales prices charged by Teva, net of any sales reserves; and
- the level of orders submitted by wholesalers, hospitals and surgery centers.

The primary factors that determine our revenues derived from Treakisym are:

- the level of orders submitted by our commercial partner, SymBio;
- the level of institutional demand for Treakisym; and
- unit sales prices charged by SymBio, net of any sales reserves.

The primary factors that may determine our revenues derived from Pemfexy, vasopressin, Ryanodex, Belrapzo and our future products are:

- the effectiveness of our sales force;
- the level of orders submitted by wholesalers, hospitals and surgery centers;
- the level of institutional demand for our products; and
- unit sales prices, net of any sales reserves.

Cost of Revenues

Cost of revenue consists of the costs associated with producing our products for our commercial partners. In particular, our cost of revenue includes production costs of our products paid to a contract manufacturing organization coupled with shipping and customs charges, cost of royalty and the amortization of intangible assets. Cost of revenue may also include the effects of product recalls, if applicable.

Research and Development

Costs for research and development are charged to expenses as incurred and include: employee-related expenses including salaries, benefits, travel and stock-based compensation expense for research and development personnel; expenses incurred under agreements with contract research organizations, contract manufacturing organizations and service providers that assist in conducting clinical and preclinical studies; costs associated with preclinical activities and development activities; costs associated with regulatory operations; and depreciation expense for assets used in research and development activities.

Costs for certain development activities, such as clinical studies, are recognized based on an evaluation of the progress to completion of specific tasks using data such as patient enrollment, clinical site activations, or information provided to the Company by its vendors on their actual costs incurred. Payments for these activities are based on the terms of the individual arrangements, which may differ from the patterns of costs incurred, and are reflected in the condensed consolidated financial statements as prepaid expenses or accrued expenses as deemed appropriate. Recoveries of previously recognized research and development expenses from third parties are recorded as a reduction to research and development expense in the period it becomes realizable.

Selling, General and Administrative

Selling, general and administrative costs consist of employee-related costs including salaries, benefits and other related costs, stock-based compensation for executive, finance, sales and operations personnel. Selling, general and administrative expenses also include facility and related costs, professional fees for legal, consulting, tax and accounting services, insurance, selling, marketing, market research, advisory board and key opinion leaders, depreciation and general corporate expenses.

Income Taxes

We account for income taxes using the liability method in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 740, “Income Taxes,” or ASC 740. Deferred tax assets and liabilities are determined based on temporary differences between financial reporting and tax bases of assets and liabilities and are measured by applying enacted rates and laws to taxable years in which differences are expected to be recovered or settled. Further, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in income (loss) in the period that the rate changes. A valuation allowance is required when it is “more likely than not” that all or a portion of deferred tax assets will not be realized. ASC 740 also prescribes a comprehensive model for how a company should recognize, measure, present and disclose in its financial statements uncertain tax positions that it has taken or expects to take on a tax return, including a decision whether to file or not file a return in a particular jurisdiction. We recognize any interest and penalties accrued related to unrecognized tax benefits as income tax expense.

The provision for income taxes was based on the applicable federal and state tax rates for those periods. The effective tax rate for the three months ended March 31, 2022 reflects certain non-deductible executive compensation, partially offset by credits for research and development activity. The effective tax rate for the three months ended March 31, 2021 reflects the impact of a valuation allowance established and adjusted for the fair value adjustments on our investment in Tyme, certain non-deductible executive compensation and changes in state filing positions, partially offset by credits for research and development activity.

Results of Operations

Comparison of Three Months Ended March 31, 2022 and 2021

Revenues

	Three Months Ended March 31,		
	2022	2021	Increase
	(in thousands)		
Product sales, net	$ 90,088	$ 17,120	$ 72,968
Royalty revenue	25,786	24,129	1,657
Total revenue	$ 115,874	$ 41,249	$ 74,625

Our product sales increased $73.0 million during the three months ended March 31, 2022 as compared to the three months ended March 31, 2021. The increase was primarily attributable to product launches of Pemfexy and vasopressin in the first quarter of 2022. We also had higher product sales for Bendeka, Treakisym and Belrapzo of $0.9 million, $0.4 million and $0.3 million, respectively, primarily due to volume increases, partially offset by lower sales of Ryanodex of $0.2 million.

Our royalty revenue increased $1.7 million during the three months ended March 31, 2022 as compared to the three months ended March 31, 2021, primarily as a result of an increase in royalty revenue from Treakisym from SymBio.

Cost of revenue

	Three Months Ended March 31,		
	2022	2021	Increase
	(in thousands)		
Cost of product sales	$ 25,176	$ 8,442	$ 16,734
Cost of royalty revenue	2,579	2,413	166
Total cost of revenue	$ 27,755	$ 10,855	$ 16,900

Our cost of product sales increased $16.7 million during the three months ended March 31, 2022 as compared to the three months ended March 31, 2021. This was primarily attributable to the product launches of Pemfexy and vasopressin in the first quarter of 2022, which combined for cost of sales of $15.7 million. Combined with increases of $1.0 million in Bendeka cost of revenue, an increase of $0.3 million in Treakisym cost of revenue, and an increase of $0.3 million in Belrapzo cost of revenue all resulting from higher product unit sales. These increases were partially offset by a decrease of $0.6 million in Ryanodex cost of revenue resulting from lower product unit sales.

Our cost of royalty revenue increased by $0.2 million during the three months ended March 31, 2022 as compared to the three months ended March 31, 2021. This was primarily attributable to costs related to the royalty revenue for Treakisym.

Research and development

The table below details the Company's research and development expenses by significant project for the periods presented.

	Three Months Ended March 31,		(Decrease) /Increase
	2022	2021	
	(in thousands)		
Fulvestrant "EGL-5385-C-1701"	$ 620	$ 3,658	$ (3,038)
Vasopressin	—	2,860	(2,860)
Ryanodex related projects	358	2,211	(1,853)
CAL02 / Combioxin	969	—	969
Landilol / AOP	114	—	114
Pemfexy	3	538	(535)
All other projects	489	789	(300)
Salary and other personnel related costs	3,555	4,232	(677)
Research and development	$ 6,108	$ 14,288	$ (8,180)

Our research and development expenses decreased $8.2 million in the three months ended March 31, 2022 as compared to the three months ended March 31, 2021. The decrease was primarily due to the non-recurrence of development costs on vasopressin and lower spend on fulvestrant and Ryanodex related projects.

Selling, general and administrative

	Three Months Ended March 31,		Increase
	2022	2021	
	(in thousands)		
Selling, general and administrative	$ 22,182	$ 19,879	$ 2,303

Our selling, general and administrative expenses increased $2.3 million for the three months ended March 31, 2022 as compared to the three months ended March 31, 2021. This increase is primarily related to external legal spend for the anticipated acquisition of Acacia and sales and marketing costs for the launch of PEMFEXY partially offset by a decrease in stock compensation expense of $2.0 million.

Other expense, net

	Three Months Ended March 31,		Increase / (Decrease)
	2022	2021	
	(in thousands)		
Interest income	$ 154	$ 35	$ 119
Interest expense	(366)	(422)	(56)
Other (expense) income	(1,957)	5,500	(7,457)
Total other expense, net	$ (2,169)	$ 5,113	$ (7,282)

Our interest income increased $0.1 million for the three months ended March 31, 2022 as compared to the three months ended March 31, 2021. This increase is primarily due to higher interest rates on money market funds.

Our interest expense decreased $0.1 million for the three months ended March 31, 2022 as compared to the three months ended March 31, 2021. This decrease is primarily due to lower outstanding balance on our debt during the three months ended March 31, 2022.

Our other (expense) income was a net expense of $2.0 million for the three months ended March 31, 2022 as compared to a net income of $5.6 million for the three months ended March 31, 2021. The change was primarily due to $2.5 million loss compared to $5.6 million gain related to fair value adjustments on our equity investment in Tyme during the three months ended March 31, 2022 and March 31, 2021, respectively.

Income tax provision

	Three Months Ended March 31,	
	2022	2021
	(in thousands)	
Provision for income taxes	$ (13,602)	$ (1,761)
Effective tax rate	24 %	131 %

The effective tax rate for the three months ended March 31, 2022, reflects an interim tax provision resulting from impact of certain non-deductible executive compensation, partially offset by credits for research and development activity. The effective tax rate for the three months ended March 31, 2021 reflects the impact of a valuation allowance established and adjusted for the fair value adjustments on our investment in Tyme, certain non-deductible executive compensation, partially offset by credits for research and development activity.

Liquidity and Capital Resources

Our principal sources of liquidity are our cash and cash equivalents, cash flows from operations and availability of borrowing

under our revolving credit facility. Our primary uses of cash are to fund working capital requirements, including repayment of debt, product development costs and operating expenses. Cash and cash equivalents were $69.5 million and $105.2 million as of March 31, 2022 and March 31, 2021, respectively.

For the three months ended March 31, 2022, we generated net income of $44.1 million. As of March 31, 2022, our working capital surplus was $138.5 million. For the three months ended March 31, 2021, we realized a net loss of $0.4 million.

We believe that our cash and cash equivalents and future cash flows from operations will be sufficient to fund our currently anticipated working capital requirements for at least the next 12 months. We believe we will be able to meet our expected future cash and working capital requirements through a combination of cash flows from operations, cash and cash equivalents, availability of borrowings under our revolving credit facility and additional funding in the capital markets, if needed. We have based this estimate on assumptions that may prove to be wrong.

We may opportunistically seek access to additional capital to fund potential licenses, acquisitions or investments to expand our operations or for general corporate purposes. Raising additional capital could be accomplished through one or more public or private debt or equity financings, collaborations or partnering arrangements. As a result of the COVID-19 pandemic, as well as the ongoing military conflict between Russia and Ukraine and the related sanctions imposed against Russia, the global financial markets have experienced significant volatility. If this volatility persists and deepens, we could experience an inability to access additional capital or our liquidity could otherwise be impacted, which could in the future negatively affect our capacity for certain corporate development transactions or our ability to make other important, opportunistic investments or acquisitions. An inability to borrow or raise additional capital in a timely manner and on attractive terms could prevent us from expanding our business or taking advantage of acquisition opportunities, and could otherwise have a material adverse effect on our business and growth prospects. In addition, if we use a substantial amount of our funds for any such potential acquisition or investment activities, we may not have sufficient additional funds to conduct all of our operations in the manner we would otherwise choose. Furthermore, any equity financing would be dilutive to our shareholders, and could require the consent of the lenders under our credit facility.

The COVID-19 pandemic has disrupted and continues to disrupt the U.S. healthcare system, global economies and global capital markets. There are significant uncertainties surrounding the full extent and duration of the impact of the COVID-19 pandemic on our business and operations. We have experienced variable financial impacts to date, as a result of the COVID-19 pandemic and the ongoing pandemic could have a material adverse impact on our financial condition and results of operations in the future, including our ability to obtain financing when and if needed. The impact of COVID-19 on our business and financial condition is more fully described below in *Trends and Uncertainties.*

Operating Activities:

Net cash used in operating activities for the three months ended March 31, 2022 was $16.6 million. Net income for the period was $44.1 million enhanced by the net of non-cash adjustments of approximately $5.1 million from deferred income taxes, depreciation expense, amortization expense of right-of-use assets, amortization expense of intangible assets, fair value adjustments on equity investment, stock-based compensation expense, amortization of debt issuance costs and other items. Net changes in working capital decreased cash from operating activities by approximately $65.8 million, due to changes in working capital accounts. The total amount of accounts receivable at March 31, 2022 was approximately $130.9 million, which included $105.1 million related to product sales and $25.8 million related to royalty revenue. Receivables from our product sales have payment terms ranging from 30 to 75 days with select extended terms to wholesalers on initial purchases of product launch quantities. Our receivables from royalty revenue are due 45 days from the end of the quarter.

Investing Activities:

Net cash used in investing activities for the three months ended March 31, 2022 was $0.2 million, as a result of $0.2 million for purchases of property and equipment.

Financing Activities:

Net cash used in financing activities for the three months ended March 31, 2022 was $11.4 million, as a result of $2 million of principal payments for debt required by our Second Amended and Restated Credit Agreement with JPMorgan Chase Bank, N.A., as administrative agent and the lenders party thereto, or the Credit Agreement, $8.1 million in payments related to the repurchases of our common stock, and $1.3 million of payments associated with employee withholding tax upon vesting of stock-based awards.

Trends and Uncertainties

The COVID-19 pandemic has resulted in authorities implementing aggressive actions. Government authorities in the United States have recommended or imposed various social distancing, quarantine, and isolation measures on large portions of the population, and similar measures have also been taken in many other countries around the world. While many of these governmental restrictions have begun to be lifted, the timing and extent to which such orders and restrictions will be removed remains uncertain. Both the COVID-19 pandemic and the containment and mitigation efforts related to the pandemic have had a serious adverse impact on the U.S. economy and the economies of other countries around the world, the severity and duration of which are uncertain. There is no guarantee that prior or new restrictions will not be reinstated in response to the continued spread of COVID-19.

During the three months ended March 31, 2022, we have experienced a variable impact on our business and financial condition due to the COVID-19 pandemic, which impacts include a decrease in revenue from sales of Belrapzo resulting, in part, from a decrease in inventory stocking and utilization rates, as well as a decrease in research and development expenses partially resulting from preclinical program delays. We also incurred an insignificant amount of incremental administrative costs related to the COVID-19 pandemic. The COVID-19 pandemic, including containment and mitigation measures, has impacted, and is expected to continue to impact, our business and operations in a number of ways, including:

- *Day-to-Day Operations*: During the second quarter of 2021, we developed and implemented plans to resume in-person work practices while adhering to relevant health authority guidance, for certain of our employees, including customer-facing employees, that had been primarily working remotely. We may incur additional expenses in 2022 related to the impact of the COVID-19 pandemic on our operations, including updates to our facilities to align with safety protocols.
- *Manufacturing and Supply Chain:* We are working closely with our commercial partners and third-party manufacturers to mitigate potential disruptions as a result of the COVID-19 pandemic by continuing to monitor the supply and availability of Bendeka, Ryanodex and Belrapzo for the patients who rely on these products. We anticipate that the COVID-19 pandemic will continue to delay our supply chain and marketing and sales efforts for certain of our products, including Bendeka, although it is not currently expected that any disruption would be material. If the COVID-19 pandemic continues to persist for an extended period of time and impacts essential distribution systems such as FedEx and postal delivery, we could experience future disruptions to our supply chain and operations, and associated delays in the manufacturing and our clinical supply, which would adversely impact our development activities.

- *Marketing and Sale of Products*: In addition to the impact on our product revenues resulting in a decrease in sales from Belrapzo, driven, in part, by the COVID-19 pandemic, we have also observed a reduction in the number of Bendeka patients visiting infusion centers, hospitals and clinics for intravenous administration of Bendeka due to interruptions in healthcare services, and the patients' inability to visit administration sites as well as desire to avoid contact with infected individuals. In addition, our sales and marketing teams have been working remotely and our virtual initiatives with respect to marketing and supporting the sale and administration of our products have not been as effective as our in-person sales and marketing activities.
- *Liquidity and Capital Resources*: We believe that our future cash and cash equivalents and availability of borrowings under our Credit Agreement flows from operations will be sufficient to fund our currently anticipated working capital requirements for the next 12 months. We have based this estimate on assumptions that may prove to be wrong While the COVID-19 pandemic has not had, and we do not expect it to have, a material adverse effect on our liquidity, the situation continues to rapidly evolve and has already resulted in a significant disruption of global financial markets. If the disruption persists or deepens, we could experience an inability to access additional capital when and if needed. If we are unable to obtain funding, we could be forced to delay, reduce or eliminate distribution of our commercialized products, product portfolio expansion or some or all of our research and development programs, which would adversely affect our business prospects. We expect to be able to obtain future funding under the terms of the Credit Agreement, for general corporate purposes and any strategic acquisitions.
- *Regulatory Activities*: We may experience further delays in the timing of NDA review and/or our interactions with FDA due to, for example, absenteeism by governmental employees, inability to conduct planned physical inspections related to regulatory approval, or the diversion of FDA's efforts and attention to approval of other therapeutics or other activities related to the COVID-19 pandemic, which could further delay approval decisions with respect to regulatory submissions or obtain new product approvals.
- *Clinical Development Timelines:* The clinical trial timelines for certain of our product candidates have been delayed given difficulties with limited patient enrollment resulting from the impact of the COVID-19 pandemic, and we expect that our clinical trial timelines will continue to be impacted for the duration of the pandemic.

There are significant uncertainties surrounding the extent and duration of the impact of the COVID-19 pandemic on our business and operations. We continue to evaluate the impact of the COVID-19 pandemic on our operating results and financial condition. The COVID-19 pandemic has had a variable impact on our results of operations during the three months ended March 31, 2022 and, it could have a material adverse impact on our financial condition and results of operations in the future.

In addition, the U.S. government and other nations have imposed significant restrictions on most companies' ability to do business in Russia as a result of the ongoing military conflict between Russia and Ukraine. It is not possible to predict the broader or longer-term consequences of this conflict, which could include further sanctions, embargoes, regional instability, geopolitical shifts and adverse effects on macroeconomic conditions, security conditions, currency exchange rates and financial markets. Such geopolitical instability and uncertainty could have a negative impact on our ability to further expand our business and to otherwise generate revenues and develop our product candidates. In addition, a significant escalation or expansion of economic disruption or the conflict's current scope could have a material adverse effect on our business, financial condition, results of operations and growth prospects.

Contractual Obligations

Other than as set forth below, there have been no material changes to our contractual and commercial obligations during the three months ended March 31, 2022, as compared to the obligations disclosed in our Annual Report.

Our future material contractual obligations included the following as of March 31, 2022 (in thousands):

Obligations	Total	2022	2023	2024	2025	Beyond
Operating leases (1)	$ 3,978	$ 1,072	$ 1,455	$ 1,038	$ 413	$ —
Credit facility (2)	24,000	24,000	—	—	—	—
Purchase obligations (3)	71,566	71,566	—	—	—	—
Total obligations	$ 99,544	$ 96,638	$ 1,455	$ 1,038	$ 413	$ —

(1) We lease our corporate office location. On August 8, 2019, we amended the lease for our corporate office location in order to rent additional office space and extend the term of our existing lease to June 30, 2025. We also lease lab space under a lease agreement that expires on April 1, 2024, and an office space located in Palm Beach Gardens, Florida, through October 31, 2024.

(2) Refer to Note 9 Debt for details of our Credit Agreement.

(3) As of March 31, 2022, we had purchase obligations in the amount of $71.6 million which represents the contractual commitments under contract manufacturing and supply agreements with suppliers. The obligation under the supply agreement is primarily for finished product, inventory, and research and development.

Critical Accounting Policies and Estimates

Our significant accounting policies and estimates are disclosed in "Note 2. Summary of Significant Accounting Policies" in our audited financial statements for the year ended December 31, 2021 included in our Annual Report. Since the date of such financial statements, there have been no changes to our significant accounting policies and estimates other than those described in Note 2 of the notes to our unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report.

Recent Accounting Pronouncements

In March 2020, the FASB issued *Update 2020-04 Reference Rate Reform (Topic 848), Facilitation of the Effects of Reference Rate Reform on Financial Reporting* to provide temporary optional guidance to ease the potential burden in accounting for reference rate reform. The amendments in Update 2020-04 are elective and apply to all entities that have contracts, hedging relationships, and other transactions that reference LIBOR, formerly known as the London Interbank Offered Rate,
or another reference rate expected to be discontinued due to reference rate reform. The new guidance provides optional expedients, including; (1) Simplify accounting analyses under current GAAP for contract modifications, such as modifications of contracts within the scope of Topic 470, Debt, that will be accounted for by prospectively adjusting the effective interest rate, as if any modification was not substantial. That is, the original contract and the new contract shall be accounted for as if they were not substantially different from one another; (2) Simplify the assessment of hedge effectiveness and allow hedging relationships affected by reference rate reform to continue; (3) Allow a one-time election to sell or transfer debt securities classified as held to maturity before January 1, 2020 that reference a rate affected by reference rate reform. The amendments are effective for all entities from the beginning of an interim period that includes the issuance date of the ASU. An entity may elect to apply the amendments prospectively through December 31, 2022. The adoption of ASU 2020-4 is not expected to have a material impact on our financial position or results of operations.

In October 2021, the FASB issued ASU 2021-08, *Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers*, which requires an acquirer to recognize and measure contract assets and liabilities acquired in a business combination in accordance with Revenue from Contracts with Customers (Topic 606) rather than adjust them to fair value at the acquisition date. This accounting standard update will be effective for public business entities in fiscal years beginning after December 15, 2022, including interim periods within those fiscal years; therefore for us beginning in the first quarter of 2023. We are currently evaluating the impact of this accounting standard, but do not expect it to have a material impact on our condensed consolidated financial statements.

In March 2022, the FASB issued ASU 2022-01, *Derivatives and Hedging (Topic 801): Fair Value Hedging – Portfolio Layer Method*, which expands the current single-layer hedging model to allow multiple-layer hedges of a single closed portfolio of prepayable financial assets or one or more beneficial interests secured by a portfolio of prepayable financial instruments under the method. This accounting standards update will be effective for public business entities in fiscal years beginning after December 15, 2022, including interim periods within those fiscal years; therefore for us beginning in the first quarter of 2023. We are currently evaluating the impact of this accounting standard, but do not expect it to have a material impact on our condensed consolidated financial statements.

There are other new accounting pronouncements issued by the FASB that we have adopted or will adopt, as applicable. We do not believe any of these accounting pronouncements have had, or will have, a material impact on our condensed consolidated financial statements or disclosures.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future material effect on our financial condition, changes in financial condition, revenue or expenses, results of operations, liquidity, capital expenditures or capital resources.

Impact of Inflation

While it is difficult to accurately measure the impact of inflation due to the imprecise nature of the estimates required, we believe the effects of inflation, if any, on our results of operations and financial condition have been immaterial.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

During the three months ended March 31, 2022, there were no material changes to our market risk disclosures as set forth in Part II, Item 7A "Quantitative and Qualitative Disclosures About Market Risk" in our Annual Report, except as discussed below.

We are monitoring the ongoing impacts of the COVID-19 pandemic on our business. While the full extent of the economic impact brought by, and the duration of, the COVID-19 pandemic is difficult to assess or predict, the impact on the global financial markets may reduce our ability to access capital, which could negatively impact our long-term liquidity.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain "disclosure controls and procedures," as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, or the "Exchange Act", that are designed to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. Management recognizes that disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the disclosure controls and procedures are met. Additionally, in designing disclosure controls and procedures, our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible disclosure controls and procedures. The design of any disclosure controls and procedures also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

Based on their evaluation at March 31, 2022, our Chief Executive Officer and our Chief Financial Officer concluded that our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during the three months ended March 31, 2022 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II-OTHER INFORMATION

Item 1. Legal Proceedings

The disclosures under Note 11. Legal Proceedings in the Condensed Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report are incorporated into this Part II, Item 1 by reference.

Item 1A. Risk Factors

An investment in our securities involves a high degree of risk. Our business is subject to risks and events that, if they occur, could adversely affect our financial condition and results of operations and the trading price of our securities. For a discussion of our risk factors, please see "Part I, Item 1A. Risk Factors" of our Annual Report in addition to our updated risk factors set forth below.

Consummation of our planned acquisition of Acacia Pharma is subject to approval by Acacia Pharma's shareholders, the sanction of the Court and satisfaction of other closing conditions, which, if delayed or not granted or granted with unacceptable conditions, may prevent, delay or impair the consummation of the transaction, result in additional expenditures of money and resources, subject us to business uncertainties that could adversely affect our business and operations, and/or reduce the anticipated benefits of the proposed acquisition.

On March 28, 2022, we and Acacia Pharma issued an announcement disclosing the agreed terms of a proposed cash and share offer by us for the entire issued and to be issued share capital of Acacia Pharma, to be effected by means of a court sanctioned scheme of arrangement under Part 26 of the UK Companies Act 2006. Completion of the planned acquisition is subject to certain closing conditions, including, among others, (i) the approval of the scheme of arrangement by a majority in number of Acacia Pharma's shareholders present and voting (and entitled to vote) at the meeting(s) of Acacia Pharma's shareholders to be convened by order of the Court pursuant to section 896 of the UK Companies Act 2006 (and any separate class meeting which may be required by the Court (or at any adjournment thereof)), either in person or by proxy, representing not less than 75 percent in value of the Acacia Pharma shares held by such shareholders (or the relevant class or classes thereof), (ii) the sanction of the scheme of arrangement by the Court, and (iii) the scheme of arrangement becoming effective no later than June 30, 2022, which date may be extended by mutual agreement of the parties. Moreover, as a condition to its approval of the scheme of arrangement, the Court may impose modifications, additions or conditions. Any such modifications, additions or conditions imposed by the Court and agreed by us and Acacia Pharma could jeopardize or delay the effective time of the scheme of arrangement or reduce the anticipated benefits of the transaction. Further, no assurance can be given that the required closing conditions will be satisfied on the anticipated timing or at all or that the proposed acquisition will be successfully consummated on the anticipated terms and timing, or at all. The occurrence of any of the foregoing could result in a failure to close the proposed acquisition, reduce the anticipated benefits of the proposed acquisition and have a material adverse effect on our business, financial condition and results of operations.

In addition, while the transaction is pending, we may be subject to business uncertainties that could adversely affect our business and operations. Further, if the transaction is not completed for any reason, the price of our common stock may decline to the extent that current market prices reflect a market assumption that the transaction will be completed and the perception of the effectiveness of our management and our company may suffer in the marketplace. In addition, some costs related to the transaction must be paid whether or not it is completed.

Even if we successfully consummate our planned acquisition of Acacia Pharma, we may fail to realize all of the anticipated benefits of the transaction, those benefits may take longer to realize than expected, or we may encounter integration difficulties.

Our ability to realize the anticipated benefits of the planned acquisition will depend, to a large extent, on our ability to integrate Acacia Pharma and the two new products we are expected to acquire in the transaction, BARHEMSYS and BYFAVO, into our business and realize anticipated growth opportunities and synergies. We will need to devote significant management attention and resources to integrating these products into our business. The process may be disruptive to our business and the expected benefits may not be achieved within the anticipated time frame, or at all. The failure to meet the challenges involved and to realize the anticipated benefits of the transaction could adversely affect our business, financial condition and results of operations.

Our ability to realize the anticipated benefits of the transaction is expected to entail numerous material potential difficulties, including, among others:

- the diversion of management attention to integration matters;
- difficulties in achieving anticipated business opportunities and growth prospects from the acquisition;
- difficulties in assimilating employees; and

- potential unknown liabilities, adverse consequences, unforeseen increased expenses or other unanticipated problems associated with the transaction.

Many of these factors are outside of our control, and any one of them could result in increased costs, decreased expected revenues and further diversion of management time and energy, which could materially impact our business, financial condition and results of operations.

In addition, following the completion of the proposed acquisition, we will possess not only the rights to BARHEMSYS or BYFAVO, but also certain corresponding liabilities and obligations, including the contractual liabilities and regulatory obligations that will be assumed by us upon closing of the transaction, including certain post-marketing commitments. Failure to satisfy any such requirements could delay our realization of, or prevent us from ever realizing, the anticipated benefits from the transaction. Further, it is possible that undisclosed, contingent, or other liabilities or problems may arise in the future of which we were previously unaware. These undisclosed liabilities could have an adverse effect on our business, financial condition and results of operations.

All of these factors could decrease or delay the expected accretive effect of the transaction and negatively impact our stock price. As a result, it cannot be assured that the pending transaction with Acacia Pharma will result in the full realization of the benefits anticipated from the transaction within the anticipated time frames or at all.

In addition, consideration for the proposed acquisition is comprised of approximately €71.6 million in cash and €23.1 million in our common stock (or approximately $78.6 million in cash and $25.4 million in our common stock based on the exchange rate of U.S. $1.0981: €1 on March 25, 2022), and we have agreed to guarantee approximately €25 million of debt within the Acacia Pharma group. The issuance of our common stock to complete this transaction will be dilutive to our existing stockholders and by investing in this transaction, we may forego or delay pursuit of other opportunities that may have proven to have greater commercial potential.

We may engage in strategic transactions to acquire assets, businesses, or rights to products, product candidates or technologies or form collaborations or make investments in other companies or technologies that could harm our operating results, dilute our stockholders' ownership, increase our debt, or cause us to incur significant expense.

As part of our business strategy, we may engage in additional strategic transactions to expand and diversify our product pipeline, including through the acquisition of assets, businesses, or rights to products, product candidates or technologies or through strategic alliances or collaborations, similar to the pending acquisition of Acacia Pharma. We may not identify suitable strategic transactions, or complete such transactions in a timely manner, on a cost-effective basis, or at all. Moreover, we may devote resources to potential opportunities that are never completed or we may incorrectly judge the value or worth of such opportunities. Even if we successfully execute a strategic transaction, we may not be able to realize the anticipated benefits of such transaction, may incur additional debt or assume unknown or contingent liabilities in connection therewith, and may experience losses related to our investments in such transactions. Integration of an acquired company or assets into our existing business may not be successful and may disrupt ongoing operations, require the hiring of additional personnel and the implementation of additional internal systems and infrastructure, and require management resources that would otherwise focus on developing our existing business. Even if we are able to achieve the long-term benefits of a strategic transaction, our expenses and short-term costs may increase materially and adversely affect our liquidity. Any of the foregoing could have a detrimental effect on our business, results of operations and financial condition.

In addition, potential future strategic transactions may entail numerous operational, financial and legal risks, including:

- incurrence of substantial debt, dilutive issuances of securities or depletion of cash to pay for acquisitions;
- exposure to known and unknown liabilities, including possible intellectual property infringement claims, violations of laws, tax liabilities and commercial disputes;
- higher than expected acquisition and integration costs;
- difficulty in integrating operations and personnel of any acquired business;
- increased amortization expenses or, in the event that we write-down the value of acquired assets, impairment losses;
- impairment of relationships with key suppliers or customers of any acquired business due to changes in management and ownership;
- inability to retain personnel, customers, distributors, vendors and other business partners integral to an in-licensed or acquired product, product candidate or technology;
- potential failure of the due diligence processes to identify significant problems, liabilities or other shortcomings or challenges;
- entry into indications or markets in which we have no or limited direct prior development or commercial experience and where competitors in such markets have stronger market positions; and

- other challenges associated with managing an increasingly diversified business.

If we are unable to successfully manage any strategic transaction in which we may engage, our ability to develop and commercialize new products and continue to expand and diversify our product pipeline may be limited.

Future issuances of our common stock or rights to purchase our common stock, including in connection with potential business development transactions we may determine to pursue and/or pursuant to our equity incentive plans, could result in additional dilution of the percentage ownership of our stockholders and could cause our stock price to fall.

Sales of a substantial number of shares of our common stock in the public market could occur at any time. These sales, or the perception in the market that the holders of a large number of shares intend to sell shares, could reduce the market price of our common stock.

We expect that significant additional capital will be needed in the future to continue our planned operations and/or in connection with potential business development transactions we may determine to pursue. For example, in March 2022, we announced a proposed acquisition of the entire issued and to be issued share capital of Acacia Pharma, pursuant to which Acacia Pharma shareholders would receive €0.68 in cash and 0.0049 shares of our common stock for each Acacia Pharma share (or approximately 515,670 shares of our common stock in the aggregate). The issuance of our common stock to complete the proposed acquisition will be dilutive to our existing stockholders. To the extent we raise additional capital or pursue potential business development transactions by issuing equity securities, our stockholders may experience substantial dilution. We currently have on file with the SEC a shelf registration statement, which allows us to offer and sell certain registered securities, such as common stock, preferred stock, debt securities and warrants, from time to time pursuant to one or more offerings at prices and terms to be determined at the time of sale. We may sell common stock, convertible securities or other equity or debt securities in one or more transactions at prices and in a manner we determine from time to time. If we sell common stock, convertible securities or other equity or debt securities in more than one transaction, investors may be materially diluted by subsequent sales. These sales may also result in material dilution to our existing stockholders, and new investors could gain rights superior to our existing stockholders.

Pursuant to our 2014 Equity Incentive Plan, or the 2014 Plan, our management is authorized to grant stock options and other equity awards to our employees, directors and consultants. We have issued a significant number of stock options and other equity awards under the 2014 Plan. The shares underlying these awards are registered on a Form S-8 registration statement. As a result, upon vesting these shares can be freely exercised and sold in the public market upon issuance, subject to volume limitations applicable to affiliates. The exercise of options and the subsequent sale of the underlying common stock could cause a decline in our stock price. These sales also might make it difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate. In addition, the number of shares available for future grant under the 2014 Plan will automatically increase each year by 6% of all shares of our capital stock outstanding as of December 31 of the prior calendar year, subject to the ability of our board of directors to take action to reduce the size of the increase in any given year. Currently, we plan to register the increased number of shares available for issuance under the 2014 Plan each year. If our board of directors elects to increase the number of shares available for future grant by the maximum amount each year, our stockholders may experience additional dilution, which could cause our stock price to fall.

Current and future legislation and regulations may increase the difficulty and cost for us to commercialize our product candidates and affect the prices we may obtain for our products.

The United States and some foreign jurisdictions are considering, or have enacted, a number of legislative and regulatory proposals to change the health care system in ways that could affect our ability to sell our products and our product candidates profitably, once they are approved for sale. Among policy makers and payors in the United States and elsewhere, there is significant interest in promoting changes in health care systems with the stated goals of containing health care costs, improving quality and/or expanding access. In the United States, the pharmaceutical industry has been a particular focus of these efforts and has been significantly affected by major legislative initiatives.

By way of example, in March 2010, the Patient Protection and Affordable Care Act, as amended by the Health Care Education and Reconciliation Act, or collectively, the ACA, was passed, which significantly changed health care financing by both governmental and private insurers. There have been executive, judicial and Congressional challenges to certain aspects of the ACA. For example, the Trump administration signed several Executive Orders and other directives designed to delay the implementation of certain provisions of the ACA or otherwise circumvent some of the requirements for health insurance mandated by the ACA. Concurrently, Congress considered legislation to repeal or repeal and replace all or part of the ACA. While Congress has not passed comprehensive repeal legislation, several bills affecting the implementation of certain taxes under the ACA have been signed into law. For example, the Tax Cuts and Jobs Act of 2017, or Tax Act, included a provision which repealed, effective January 1, 2019, the tax-based shared responsibility payment imposed by the ACA on certain individuals who fail to maintain qualifying health coverage for all or part of a year that is commonly referred to as the

“individual mandate”. Additionally, the 2020 federal spending package permanently eliminated, effective January 1, 2020, the ACA-mandated “Cadillac” tax on high-cost employer-sponsored health coverage and medical device tax and, effective January 1, 2021, also eliminated the health insurer tax. The Bipartisan Budget Act of 2018, or the BBA, among other things, amended the ACA, effective January 1, 2019, to increase from 50 percent to 70 percent the point-of-sale discount that is owed by pharmaceutical manufacturers who participate in Medicare Part D and to close the coverage gap in most Medicare drug plans, commonly referred to as the “donut hole.” On June 17, 2021, the United States Supreme Court dismissed a challenge on procedural grounds that argued the ACA is unconstitutional in its entirety because the “individual mandate” was repealed by Congress. Thus, the ACA will remain in effect in its current form. Moreover, prior to the United States Supreme Court ruling, on January 28, 2021, the current U.S. President issued an executive order that initiated a special enrollment period for purposes of obtaining health insurance coverage through the ACA marketplace, which began on February 15, 2021 and remained open through August 15, 2021. The executive order also instructed certain governmental agencies to review and reconsider their existing policies and rules that limit access to healthcare, including among others, reexamining Medicaid demonstration projects and waiver programs that include work requirements, and policies that create unnecessary barriers to obtaining access to health insurance coverage through Medicaid or the ACA. It is possible that the ACA will be subject to judicial or Congressional challenges in the future. It is unclear how any such challenges and the healthcare reform measures of the current Presidential administration will impact the ACA and our business. We cannot predict how future federal or state legislative or administrative changes relating to healthcare reform will affect our business.

In addition, other legislative changes have been proposed and adopted since the ACA was enacted. For example, in August 2011, President Obama signed into law the Budget Control Act of 2011, which, among other things, created the Joint Select Committee on Deficit Reduction to recommend proposals for spending reductions to Congress. The Joint Select Committee on Deficit Reduction did not achieve its targeted deficit reduction of at least $1.2 trillion for the years 2013 through 2021, triggering the legislation's automatic reductions to several government programs. These reductions include aggregate reductions to Medicare payments to providers of up to 2% per fiscal year, which went into effect on April 1, 2013 and, due to subsequent legislative amendments, will remain in effect through 2030 unless additional Congressional action is taken. However, COVID-19 relief legislation suspended the actual reduction in Medicare payments will vary from 1% in 2022 to up to 3% in the final fiscal year of this sequester. On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 into law, which eliminates the statutory Medicaid drug rebate cap, currently set at 100% of a drug’s average manufacturer price, for single source and innovator multiple source drugs, beginning January 1, 2024. Additionally, in January 2013, President Obama signed into law the American Taxpayer Relief Act of 2012, which, among other things, further reduced Medicare payments to several providers and increased the statute of limitations period for the government to recover overpayments to providers from three to five years.

Further, under the Drug Supply Chain Security Act signed into law on November 27, 2013, certain drug manufacturers will be subject to product identification, tracing and verification requirements, among others, that are designed to improve the detection and removal of counterfeit, stolen, contaminated or otherwise potentially harmful drugs from the U.S. drug supply chain. These requirements will be phased in over several years and compliance with this law will likely increase the costs of the manufacture and distribution of drug products, which could have an adverse effect on our financial condition.

Additionally, there has been increasing legislative and enforcement interest in the United States with respect to drug pricing practices. Specifically, there have been several recent U.S. Congressional inquiries and proposed and adopted federal and state legislation designed to, among other things, bring more transparency to drug pricing, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for drugs. For example, the former U.S. Presidential administration used several means to propose or implement drug pricing reform, including through federal budget proposals, executive orders and policy initiatives. For example, in May 2019, the Centers for Medicare & Medicaid Services, or CMS, issued a final rule to allow Medicare Advantage Plans the option of using step therapy for Part B drugs beginning on January 1, 2020. The final rule codified a CMS policy change that was effective January 1, 2019. In a final rule issued by CMS on December 31, 2020, CMS established a broader definition for a “line extension” drug such that the line extension of the initial brand name listed drug would not need to be an oral solid dosage form. This final rule, may impact the rebate amounts associated with our products and negatively affect the commercial success of our products. Additionally, on December 2, 2020, CMS published changes to the Medicare Physician Fee Schedule for Calendar Year 2021 that also may adversely impact the coverage and reimbursement of our products. Under the changes, CMS will assign certain 505(b)(2) drug products to existing multiple source drug codes because, according to CMS, some drug products approved under the 505(b)(2) pathway share similar labeling and uses with generic drugs that are assigned to multiple source drug codes. CMS noted that this change is consistent with efforts to “curb drug prices” and encourages competition among products that are described by one billing code and share similar labeling. On July 24, 2020 and September 13, 2020, the former U.S. Presidential administration announced several executive orders related to prescription drug pricing that attempted to implement several of the administration’s proposals. As a result, the FDA also released a final rule, effective November 30, 2020, implementing a portion of the importation executive order providing guidance for states to build and submit importation plans for drugs from Canada. Further, on November 20, 2020, the Department of Health and Human Services, or HHS, finalized a regulation removing safe harbor protection for price reductions from pharmaceutical manufacturers to plan sponsors under Part D, either

directly or through pharmacy benefit managers, unless the price reduction is required by law. The implementation of the rule has been delayed by the current administration from January 1, 2022 to January 1, 2023 in response to ongoing litigation. The rule also creates a new safe harbor for price reductions reflected at the point-of-sale, as well as a new safe harbor for certain fixed fee arrangements between pharmacy benefit managers and manufacturers, the implementation of which have also been delayed until January 1, 2023. On November 20, 2020, CMS issued an interim final rule implementing the former President's Most Favored Nation executive order, which would tie Medicare Part B payments for certain physician-administered drugs to the lowest price paid in other economically advanced countries, effective January 1, 2021. As a result of litigation challenging the Most Favored Nation model, on August 10, 2021, CMS published a proposed rule that seeks to rescind the Most Favored Nation Model interim final rule. In July 2021, the Biden administration released an executive order, "Promoting Competition in the American Economy," with multiple provisions aimed at prescription drugs. In response to Biden's executive order, on September 9, 2021, HHS released a Comprehensive Plan for Addressing High Drug Prices that outlines principles for drug pricing reform and sets out a variety of potential legislative policies that Congress could pursue as well as potential administrative actions HHS can take to advance these principles. No legislation or administrative actions have been finalized to implement these principles. In addition, Congress is considering drug pricing as part of the budget reconciliation process. At the state level, legislatures have increasingly passed legislation and implemented regulations designed to control pharmaceutical and biological product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing. Further, it is possible that additional governmental action is taken in response to the COVID-19 pandemic. The full impact of these laws, as well as other new laws and reform measures that may be proposed and adopted in the future remains uncertain, but may result in additional reductions in Medicare and other health care funding, or higher production costs which could have a material adverse effect on our customers and, accordingly, our financial operations.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities

Share Repurchase Program

In March 2020, our board of directors approved our current share repurchase program (the "Share Repurchase Program"), providing for the repurchase of up to an aggregate of $160 million of our outstanding common stock.

Under the Share Repurchase Program, we are authorized to repurchase shares through open market purchases, privately-negotiated transactions, accelerated share repurchases or otherwise in accordance with applicable federal securities laws, including through Rule 10b5-1 trading plans and under Rule 10b-18 of the Securities Exchange Act of 1934, as amended. The repurchases have no time limit and may be suspended or discontinued completely at any time. The specific timing and amount of repurchases will vary based on available capital resources and other financial and operational performance, market conditions, securities law limitations, and other factors. The repurchases will be made using our cash resources.

We made the following purchases of our equity securities during the period covered by this Quarterly Report on Form 10-Q.

Period	Total Number of Shares Purchased (1)	Average Price Paid per Share	Total Number of Shares Purchased as Part Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Programs
				(dollars in thousands)
January 1, 2022 to January 31, 2022	167,209	$ 48.16	167,209	95,735
February 1, 2022 to February 28, 2022	—	N/A	—	95,735
March 1, 2022 to March 31, 2022	—	N/A	—	95,735
Total	167,209		167,209	

(1) All shares repurchased by us during the three months ended March 31, 2022 were repurchased pursuant to the Share Repurchase Program, described above.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

EXHIBIT INDEX

Exhibit Number		Description of Exhibit
2.1		Announcement, dated March 28, 2022 (incorporated by reference to Exhibit 2.1 to the Registrant's Current Report on Form 8-K, SEC File No. 333-36306, filed on March 28, 2022).
2.2		Co-operation Agreement, dated March 27, 2022, by and between Eagle Pharmaceuticals, Inc. and Acacia Pharma Group plc. (incorporated by reference to Exhibit 2.2 to the Registrant's Current Report on Form 8-K, SEC File No. 333-36306, filed on March 28, 2022).
3.1		Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.2 to the Registrant's Registration Statement on Form S-1/A, SEC File No. 333-192984, filed January 28, 2014)
3.2		Amended and Restated Bylaws (incorporated by reference to Exhibit 3.4 to the Registrant's Registration Statement on Form S-1/A, SEC File No. 333-192984, filed January 28, 2014)
10.1		Form of Shareholder Undertaking (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K, SEC File No. 333-36306, filed on March 28, 2022).
10.2		Form of Director Undertaking (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K, SEC File No. 333-36306, filed on March 28, 2022).
10.3		Lock-up Agreement, dated March 27, 2022, by and between Eagle Pharmaceuticals, Inc. and Cosmo Pharmaceuticals N.V.(incorporated by reference to Exhibit 10.3 to the Registrant's Current Report on Form 8-K, SEC File No. 333-36306, filed on March 28, 2022).
10.4		Form of Shareholder Lock-up Agreement (incorporated by reference to Exhibit 10.4 to the Registrant's Current Report on Form 8-K, SEC File No. 333-36306, filed on March 28, 2022).
31.1	(1)	Certification of Principal Executive Officer pursuant to Rule 13a-14(a) and15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	(1)	Certification of Principal Financial Officer pursuant to Rule 13a-14(a) and15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	**	Certification of Principal Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS		XBRL Instance Document - the instance document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document.
101.SCH		Inline XBRL Taxonomy Extension Schema Document
101.CAL		Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF		Inline XBRL Taxonomy Definition Linkbase Document
101.LAB		Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE		Inline XBRL Taxonomy Extension Presentation Linkbase Document
104		Cover Page Interactive Data File (formatted as inline XBRL with applicable taxonomy extension information contained in Exhibits 101).

(1) Filed herewith.

**The certifications attached as Exhibit 32.1 that accompany this Quarterly Report on Form 10-Q are not deemed filed with the SEC and are not to be incorporated by reference into any filing of Eagle Pharmaceuticals, Inc. under the Securities Act of

1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date hereof), irrespective of any general incorporation language contained in such filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized

EAGLE PHARMACEUTICALS, INC.

DATED: May 9, 2022

By: /s/ Scott Tarriff
Scott Tarriff
(On behalf of the Registrant and as President and Chief Executive Officer as Principal Executive Officer)

DATED: May 9, 2022

By: /s/ Brian J. Cahill
Brian J. Cahill
Chief Financial Officer
(Principal Accounting Officer and Principal Financial Officer)

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

I, Scott Tarriff, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Eagle Pharmaceuticals, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 9, 2022

/s/ Scott Tarriff

Scott Tarriff
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

I, Brian J. Cahill, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Eagle Pharmaceuticals, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 9, 2022

/s/ Brian J. Cahill

Brian J. Cahill
Chief Financial Officer
(Principal Accounting and Financial Officer)

Exhibit 32.1

Certification Pursuant to

18 U.S.C. Section 1350,

As Adopted Pursuant to

Section 906 of the Sarbanes-Oxley Act of 2002

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), **Scott Tarriff**, Chief Executive Officer of Eagle Pharmaceuticals, Inc. (the "Company"), and **Brian J. Cahill**, Chief Financial Officer of the Company, each hereby certifies that, to the best of his knowledge:

1. The Company's Quarterly Report on Form 10-Q for the period ended March 31, 2022, (the "Quarterly Report"), to which this Certification is attached as Exhibit 32.1, fully complies with the requirements of Section 13(a) or Section 15(d) of the Exchange Act, and

2. The information contained in the Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

In Witness Whereof, the undersigned have set their hands hereto as of the 9th day of May 2022.

By: /s/ Scott Tarriff

Scott Tarriff
Chief Executive Officer
(Principal Executive Officer)

By: /s/ Brian J. Cahill

Brian J. Cahill
Chief Financial Officer
(Principal Financial and Accounting Officer)

This certification accompanies the Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Eagle Pharmaceuticals, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing.