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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): December 23, 2021

OMEROS CORPORATION
(Exact name of Registrant as Specified in Its Charter)

Washington	**001-34475**	**91-1663741**
(State or Other Jurisdiction of Incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**
201 Elliott Avenue West Seattle, WA		**98119**
(Address of Principal Executive Offices)		**(Zip Code)**

Registrant's Telephone Number, Including Area Code: (206) 676-5000

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities Registered Pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value $0.01 per share	OMER	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 under the Securities Act of 1933 (17 CFR 230.405) or Rule 12b-2 under the Securities Exchange Act of 1934 (17 CFR 240.12b-2).

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. ☐

Item 2.01 Completion of Acquisition or Disposition of Assets.

On December 23, 2021, Omeros Corporation (the "Company") closed the transactions contemplated by its previously announced Asset Purchase Agreement, dated December 1, 2021 (the "Asset Purchase Agreement"), with Rayner Surgical Inc. (the "Purchaser") and Rayner Surgical Group Limited, as parent guarantor, pursuant to which the Company agreed to sell, and the Purchaser agreed to purchase, the Company's commercial product, OMIDRIA® (phenylephrine and ketorolac intraocular solution) 1% / 0.3% and certain related assets and liabilities (the "Transaction"). The Purchaser paid the Company approximately $126.0 million in cash at closing, subject to certain final adjustments for inventory, fees, prepaid items and expenses. Additionally, the Company retained and is entitled to collect the full amount of its accounts receivable outstanding as of the closing date. The Company intends to use the net proceeds received from the Transaction at closing for general corporate purposes.

In addition, as described in the Company's Current Report on Form 8-K filed on December 2, 2021, the Company will receive a royalty of 50% of the net revenue, as defined in the Asset Purchase Agreement, from sales of OMIDRIA in the United States between the closing date and the earlier of January 1, 2025 or the payment of the $200.0 million milestone described below. After such date, the Company will receive a royalty of 30% of the net revenue from sales of OMIDRIA in the United States until the expiration or termination of the last issued and unexpired patent with respect to OMIDRIA in the United States. The United States base royalty rate is subject to a reduction down to 10% upon the occurrence of certain events described in the Asset Purchase Agreement, including during any specific period in which OMIDRIA is no longer eligible for separate payment. The Company also will receive a royalty of 15% of the net revenue from sales of OMIDRIA outside the United States on a country-by-country basis between the closing date and the expiration or termination of the last issued and unexpired patent with respect to OMIDRIA in such country. In addition, the Company will receive a $200.0 million milestone payment if, prior to January 1, 2025, separate payment for OMIDRIA is secured for a continuous period of at least four years.

The foregoing is a brief description of the material terms of the Asset Purchase Agreement and does not purport to be a complete description of the rights and obligations of the parties thereunder. A copy of the Asset Purchase Agreement will be filed as an exhibit to a future periodic or current report. The Asset Purchase Agreement contains representations, warranties and covenants that were made only for purposes of such agreement and, as of specific dates, are solely for the benefit of the parties thereto, and may be subject to limitations agreed upon by those parties. The Asset Purchase Agreement is not intended to provide any other factual information about the Company.

Item 8.01 Other Events.

On December 23, 2021, the Company issued a press release announcing the closing of the Transaction. A copy of the press release is attached as Exhibit 99.1 to this Current Form 8-K and is incorporated by reference herein.

This Current Report on Form 8-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, which are subject to the "safe harbor" created by those sections for such statements. All statements other than statements of historical fact are forward-looking statements, which are often indicated by terms such as "anticipate," "believe," "could," "estimate," "expect," "goal," "intend," "likely," "look forward to," "may," "objective," "plan," "potential," "predict," "project," "should," "slate," "target," "will," "would" and similar expressions and variations thereof. Forward-looking statements, including statements regarding the Company's expectations with regard to payments to be received from the Transaction, are based on management's beliefs and assumptions and on information available to management only as of the date hereof. The Company's actual results could differ materially from those anticipated in these forward-looking statements for many reasons, including, without limitation, risks associated with product commercialization and commercial operations, regulatory processes and oversight, and the risks, uncertainties and other factors described under the heading "Risk Factors" in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 1, 2021. Given these risks, uncertainties and other factors, you should not place undue reliance on these forward-looking statements, and the Company assumes no obligation to update these forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

Item 9.01 Financial Statements and Exhibits.

(b) Pro forma financial information.

The following unaudited pro forma materials reflecting the Transaction described under Item 2.01 above are filed with this Current Report on Form 8-K as Exhibit 99.2 and incorporated herein by reference:

- the Company's unaudited pro forma consolidated balance sheet as of September 30, 2021;
- the Company's unaudited pro forma consolidated statement of operations and comprehensive loss for the nine-month period ended September 30, 2021; and
- the Company's unaudited pro forma consolidated statement of operations and comprehensive loss for the fiscal years ended December 31, 2020, December 31, 2019 and December 31, 2018.

The unaudited pro forma consolidated financial statements are not intended to represent or be indicative of the Company's consolidated results of operations or financial position that would have been reported had the Transaction been completed as of the dates presented, and should not be taken as representation of the Company's future consolidated results of operations or financial condition. The pro forma adjustments are based on available information and certain assumptions that management believes are reasonable under the circumstances.

(d) Exhibits.

Exhibit Number	Description
99.1	Press Release dated December 23, 2021.
99.2	Unaudited Pro Forma Financial Statements and accompanying notes
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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 hereunto duly authorized.

OMEROS CORPORATION

Date: December 30, 2021

By: /s/ Gregory A. Demopulos
Gregory A. Demopulos, M.D.
President, Chief Executive Officer and
Chairman of the Board of Directors

Omeros Completes Sale of OMIDRIA® Franchise to Rayner Surgical

SEATTLE – December 23, 2021 -- Omeros Corporation (Nasdaq: OMER) today announced that it has completed the sale of OMIDRIA (phenylephrine and ketorolac intraocular solution) 1.0%/0.3% to Rayner Surgical Group Inc., an affiliate of Rayner Surgical Group Limited. The transaction was completed pursuant to an Asset Purchase Agreement that was announced on December 2, 2021.

Omeros received approximately $126 million in cash at closing and is eligible to receive an additional $200 million in a commercial milestone payment. Omeros also retained and is entitled to collect all accounts receivable existing as of today's closing date. Together with substantial royalties to be paid by Rayner to Omeros on net sales of OMIDRIA, the transaction is valued in excess of $1 billion.

Rayner will pay Omeros royalties on both U.S. and ex-U.S. net sales of OMIDRIA. In the U.S., the royalty rate will be 50 percent of U.S. net sales until the earlier of either January 1, 2025 or payment of the $200-million commercial milestone, after which Omeros will receive royalties of 30 percent of U.S. net sales for the life of OMIDRIA's U.S. patent estate. The commercial milestone payment is triggered if separate payment for OMIDRIA is secured for a continuous period of at least four years. Outside of the U.S., Omeros will receive a 15-percent royalty rate on OMIDRIA net sales throughout the applicable patent life on a country-by-country basis.

About OMIDRIA®

OMIDRIA® (phenylephrine and ketorolac intraocular solution) 1% / 0.3% is the first and only FDA-approved product of its kind and is marketed in the U.S. for use during cataract surgery or intraocular lens replacement to maintain pupil size by preventing intraoperative miosis (pupil constriction) and to reduce postoperative ocular pain. OMIDRIA also is the only NSAID-containing product FDA-approved for intraocular use. In post-launch studies across conventional and femtosecond laser-assisted cataract surgery, OMIDRIA has been shown to (1) prevent intraoperative floppy iris syndrome (IFIS) and iris prolapse, (2) significantly reduce complication rates (including sight-threatening cystoid macular edema and breakthrough iritis), use of pupil-expansion devices, and surgical times, (3) significantly reduce intraoperative use of the opioid fentanyl and postoperative prescription opioids, (4) enable performance of surgery and postoperative care without the use of steroids, and (5) significantly improve uncorrected visual acuity on the first day following cataract surgery. While OMIDRIA is broadly indicated for use in cataract surgery, the post-launch outcomes cited above are not in its currently approved labeling.

Important Safety Information for OMIDRIA® Systemic exposure of phenylephrine may cause elevations in blood pressure. In clinical trials, the most common reported ocular adverse reactions at two percent or greater are eye irritation, posterior capsule opacification, increased intraocular pressure, and anterior chamber inflammation; incidence of adverse events was similar between placebo-treated and OMIDRIA-treated patients. OMIDRIA must be added to irrigation solution prior to intraocular use.

About Omeros Corporation

Omeros is an innovative biopharmaceutical company committed to discovering, developing and commercializing small-molecule and protein therapeutics for large-market and orphan indications targeting inflammation, immunologic diseases (e.g., complement-mediated diseases and cancers). Omeros' lead MASP-2 inhibitor narsoplimab targets the lectin pathway of complement and is the subject of a biologics license application pending before FDA for the treatment of hematopoietic stem cell transplant-associated thrombotic microangiopathy. Narsoplimab is also in multiple late-stage clinical development programs focused on other complement-mediated disorders, including IgA nephropathy, atypical hemolytic uremic syndrome and COVID-19. OMS906, Omeros' inhibitor of MASP-3, the key activator of the alternative pathway of complement, is in a Phase 1 clinical trial. For more information about Omeros and its programs, visit www.omeros.com.

About Rayner Surgical Group Limited

Since the implantation of the first Rayner intraocular lens by Sir Harold Ridley in 1949, Rayner has continuously pioneered intraocular lens (IOL) design with a goal to improve vision and restore sight worldwide. Today, Rayner's mission remains to deliver innovative and clinically superior ophthalmic products that respond to the expectations of our global customers to improve the sight and quality of life of their patients.

Headquartered in Worthing, United Kingdom, Rayner markets its IOL, OVD and dry eye portfolio, worldwide in over 80 countries through a network of distributors and includes direct sales teams in the United Kingdom, USA, Germany, Austria, Switzerland, Italy, India, Spain and Portugal.

Not all Rayner products are approved for sale in every country. Please contact your local Rayner representative for details of which products are available in your area.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, which are subject to the "safe harbor" created by those sections for such statements. All statements other than statements of historical fact are forward-looking statements, which are often indicated by terms such as "anticipate," "believe," "could," "estimate," "expect," "goal," "intend," "likely," "look forward to," "may," "objective," "plan," "potential," "predict," "project," "should," "slate," "target," "will," "would" and similar expressions and variations thereof. Forward-looking statements, including statements regarding Omeros' expectations with regard to the payments to be received from the transactions described herein, are based on management's beliefs and assumptions and on information available to management only as of the date of this press release. Omeros' actual results could differ materially from those anticipated in these forward-looking statements for many reasons, including, without limitation, risks associated with product commercialization and commercial operations, unproven preclinical and clinical development activities, the impact of COVID-19 on our business, regulatory processes and oversight, challenges associated with manufacture or supply of our investigational or commercial products, delays in completion of ongoing or planned clinical trials, competitive developments, litigation, and the risks, uncertainties and other factors described under the heading "Risk Factors" in the company's Annual Report on Form 10-K filed with the Securities and Exchange Commission (SEC) on March 1, 2021. Given these risks, uncertainties and other factors, you should not place undue reliance on these forward-looking statements, and the company assumes no obligation to update these forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

Contact:

Jennifer Cook Williams
Cook Williams Communications, Inc.
Investor and Media Relations
IR@omeros.com

Exhibit 99.2

Omeros Corporation
Unaudited Pro Forma Condensed Consolidated Financial Information

On December 23, 2021, Omeros Corporation ("Omeros" or the "Company") closed on an Asset Purchase Agreement (the "Asset Purchase Agreement") with Rayner Surgical Inc. (the "Purchaser") and Rayner Surgical Group Limited, as parent guarantor, pursuant to which Omeros agreed to sell, and the Purchaser agreed to purchase, the Company's commercial product OMIDRIA® (phenylephrine and ketorolac intraocular solution) 1% / 0.3% and certain related assets including inventory and prepaid expenses (the "Transaction"). The unaudited pro forma condensed consolidated balance sheet as of September 30, 2021 assumes that the Transaction occurred as of September 30, 2021. The following unaudited pro forma condensed consolidated statements of operations for the nine months ended September 30, 2021 and for the years ended December 31, 2020, December 31, 2019 and December 31, 2018 reflect the Company's results of operations as if the Transaction had occurred on January 1, 2018. The unaudited pro forma condensed consolidated financial information should be read together with the Company's historical consolidated financial statements and accompanying notes and Management's Discussion and Analysis of Financial Condition and Results of Operations included in its annual report on Form 10-K for the year ended December 31, 2020 and its Form 10-Q for the three and nine months ended September 30, 2021.

The unaudited pro forma condensed consolidated financial statements are presented based on information currently available, are intended for informational purposes only, are not intended to represent what the Company's consolidated statements of operations and balance sheet actually would have been had the Transaction occurred on the date indicated above and do not reflect all actions that may be undertaken by the Company after the closing of the Transaction. In addition, the unaudited pro forma condensed consolidated financial statements are not necessarily indicative of the Company's results of operations and financial position for any future period.

The "Historical Omeros (as reported)" column in the unaudited pro forma condensed consolidated financial statements reflects the Company's historical condensed consolidated financial statements for the periods presented and does not reflect any adjustments related to the Transaction.

The information in the "Pro Forma Adjustments" column in the unaudited pro forma condensed consolidated financial statements was based on available information and assumptions that Omeros management believes are reasonable, that reflect the impacts of events directly attributable to the Transaction that are factually supportable and, for purposes of the condensed consolidated statements of operations and comprehensive loss, are expected to have a continuing impact on Omeros. The pro forma adjustments may differ from those that have been or will be calculated to report the OMIDRIA asset sale as a discontinued operation in Omeros' historical and future filings, and do not reflect future events that may occur after the separation.

OMEROS CORPORATION
PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET
As of September 30, 2021
(In thousands, except share and per share data)
(unaudited)

	Historical Omeros (as reported)	Pro Forma Adjustments (A)	Notes	Pro Forma Omeros
ASSETS				
Current assets:				
Cash and cash equivalents	$ 7,415	$ 122,063	(B)	$ 129,478
Short-term investments	42,957	—		42,957
Receivables, net	33,898	(33,624)	(C)	274
Inventory	712	(491)	(D)	221
Prepaid expense and other assets	6,367	(172)	(D)	6,195
OMIDRIA contract asset – short-term	—	34,092	(E)	34,092
Total current assets	91,349	121,868		213,217
Property and equipment, net	1,831	—		1,831
Right of use assets	29,039	—		29,039
Restricted investments	1,054	—		1,054
Advanced payments, non-current	157	—		157
OMIDRIA contract asset	—	150,980	(E)	150,980
Total assets	**$ 123,430**	**$ 272,848**		**$ 396,278**
LIABILITIES AND STOCKHOLDERS' EQUITY/(DEFICIT)				
Current liabilities:				
Accounts payable	$ 10,026	$ (621)	(F)	$ 9,405
Accrued expenses	27,700	(10,211)	(G)	17,489
Current portion of lease liabilities	5,092	—		5,092
Total current liabilities	42,818	(10,832)		31,986
Lease liabilities, non-current	30,291	—		30,291
Unsecured convertible senior notes, net	313,018	—		313,018
Shareholders' equity/(deficit):				
Preferred stock, par value $0.01 per share, 20,000,000 shares authorized; none issued and outstanding at September 30, 2021	—	—		—
Common stock, par value $0.01 per share, 150,000,000 shares authorized at September 30, 2021 and December 31, 2020; 62,542,268 and 61,671,231 shares issued and outstanding at September 30, 2021 and December 31, 2020, respectively.	625	—		625
Additional paid-in capital	700,433	1,674	(H)	702,107
Accumulated equity/(deficit)	(963,755)	282,006	(I)	(681,749)
Total shareholders' equity/(deficit)	(262,697)	283,680		20,983
Total liabilities and shareholders' equity/(deficit)	**$ 123,430**	**$ 272,848**		**$ 396,278**

OMEROS CORPORATION
PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS AND COMPREHENSIVE LOSS
For the Nine Months Ended September 30, 2021
(In thousands, except share and per share data)
(unaudited)

	Historical Omeros (as reported)	Pro Forma Adjustments (A)	Notes	Pro Forma Omeros
Revenue:				
Product sales, net	$ 79,889	$ (79,889)	(J)	$ —
Costs and expenses:				
Cost of product sales	938	(938)	(J)	—
Research and development	91,358	(2,849)	(K)	88,509
Selling, general and administrative	60,474	(17,212)	(K)	43,262
Total costs and expenses	152,770	(20,999)		131,771
Loss from operations	(72,881)	(58,890)		(131,771)
Interest expense	(14,719)	—		(14,719)
Other income	1,214	—		1,214
Loss before income taxes	(86,386)	(58,890)		$ (145,276)
Income tax benefit	—	—		—
Net loss from continuing operations	$ (86,386)	$ (58,890)	(L)	$ (145,276)
Basic and diluted net loss per share from continuing operations	$ (1.39)			$ (2.33)
Weighted-average shares used to compute basic and diluted net loss per share from continuing operations	62,267,557			62,267,557

OMEROS CORPORATION
PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS AND COMPREHENSIVE LOSS
For the Year Ended December 31, 2020
(In thousands, except share and per share data)
(unaudited)

	Historical Omeros (as reported)	Pro Forma Adjustments (A)	Notes	Pro Forma Omeros
Revenue:				
Product sales, net	$ 73,813	$ (73,813)	(J)	$ —
Costs and expenses:				
Cost of product sales	902	(902)	(J)	—
Research and development	110,817	(2,997)	(K)	107,820
Selling, general and administrative	72,695	(22,023)	(K)	50,672
Total costs and expenses	184,414	(25,922)		158,492
Loss from operations	(110,601)	(47,891)		(158,492)
Loss on early extinguishment of debt	(13,374)	—		(13,374)
Interest expense	(26,751)	—		(26,751)
Other income	654	—		654
Loss before income taxes	(150,072)	(47,891)		(197,963)
Income tax benefit	12,011	—		12,011
Net loss from continuing operations	$ (138,061)	$ (47,891)		$ (185,952)
Basic and diluted net loss per share from continuing operations	$ (2.41)			$ (3.25)
Weighted-average shares used to compute basic and diluted net loss per share from continuing operations	57,176,743			57,176,743

OMEROS CORPORATION
PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS AND COMPREHENSIVE LOSS
For the Year Ended December 31, 2019
(In thousands, except share and per share data)
(Unaudited)

	Historical Omeros (as reported)	Pro Forma Adjustments (A)	Notes	Pro Forma Omeros
Revenue:				
Product sales, net	$ 111,805	$ (111,805)	(J)	$ —
Costs and expenses:				
Cost of product sales	865	(865)	(J)	—
Research and development	109,696	(3,163)	(K)	106,533
Selling, general and administrative	64,626	(23,512)	(K)	41,114
Total costs and expenses	175,187	(27,540)		147,647
Loss from operations	(63,382)	(84,265)		(147,647)
Interest expense	(22,657)	—		(22,657)
Other income	1,553	—		1,553
Loss before income taxes	(84,486)	(84,265)		(168,751)
Income tax benefit	—	—		—
Net loss from continuing operations	$ (84,486)	$ (84,265)		$ (168,751)
Basic and diluted net loss per share from continuing operations	$ (1.71)			$ (3.41)
Weighted-average shares used to compute basic and diluted net loss per share from continuing operations	49,523,444			49,523,444

OMEROS CORPORATION
PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS AND COMPREHENSIVE LOSS
For the Year Ended December 31, 2018
(In thousands, except share and per share data)
(unaudited)

	Historical Omeros (as reported)	Pro Forma Adjustments (A)	Notes	Pro Forma Omeros
Revenue:				
Product sales, net	$ 29,868	$ (29,868)	(J)	$ —
Costs and expenses:				
Cost of product sales	512	(512)	(J)	—
Research and development	89,860	(3,013)	(K)	86,847
Selling, general and administrative	51,718	(19,897)	(K)	31,821
Total costs and expenses	142,090	(23,422)		118,668
Loss from operations	(112,222)	(6,446)		(118,668)
Loss on early extinguishment of debt	(12,993)	—		(12,993)
Interest expense	(16,252)	—		(16,252)
Other income	1,781	—		1,781
Loss before income taxes	(139,686)	(6,446)		(146,132)
Income tax benefit	12,929	—		12,929
Net loss from continuing operations	$ (126,757)	$ (6,446)		$ (133,203)
Basic and diluted net loss per share from continuing operations	$ (2.61)			$ (2.74)
Weighted-average shares used to compute basic and diluted net loss per share from continuing operations	48,582,636			48,582,636

Notes to the Unaudited Pro Forma Condensed Consolidated Financial Statements

1. Background

On December 23, 2021, Omeros closed the transactions contemplated by the Asset Purchase Agreement with the Purchaser and Rayner Surgical Group Limited, as parent guarantor, pursuant to which Omeros agreed to sell, and the Purchaser agreed to purchase, the Company's commercial product OMIDRIA and certain related assets including inventory and prepaid expenses. In addition, the Purchaser agreed to offer employment to all the Company's employees dedicated to OMIDRIA, including the OMIDRIA sales force. The Purchaser paid the Company approximately $126.0 million in cash at closing and the Company retained accounts receivable outstanding as of the closing date. In addition, the Purchaser will pay royalties on net sales and a $200.0 million milestone payment if, prior to January 1, 2025, separate payment for OMIDRIA is secured for a continuous period of at least four years.

2. Basis of Presentation

The unaudited pro forma condensed combined financial statements contained herein were prepared in accordance with generally accepted accounting principles in the United States and pursuant to U.S. Securities and Exchange Commission Regulation S-X, and present the pro forma financial position and results of operations based upon the historical consolidated statements of Omeros adjusted to give effect to the OMIDRIA disposition.

3. OMIDRIA Divestiture — Pro Forma Adjustments

The unaudited pro forma condensed consolidated balance sheet as of September 30, 2021 and the unaudited pro forma consolidated statements of operations and comprehensive loss for the nine months ended September 30, 2021 and the years ended December 31, 2020, December 31, 2019 and December 31, 2018, include the following adjustments:

(A) Adjustments made to record the asset sale of OMIDRIA and to remove OMIDRIA revenues, costs and expenses from continuing operations.

(B) Upfront payment of $125.0 million, plus an additional $0.9 million payment received at closing for inventory of OMIDRIA and related prepaid expenses related to the OMIDRIA operations, less estimated closing costs associated with the Transaction.

(C) The removal of accounts receivable related to the sales of OMIDRIA.

(D) Purchase of inventory and prepaid expenses by the Purchaser.

(E) The probability-adjusted estimated net present value of U.S. OMIDRIA royalties under various scenarios representing the range of potential royalty outcomes for the period from closing, December 23, 2021, through the latest OMIDRIA patent expiration in 2032. The adjustment does not include any amount for the $200.0 million milestone as the payment is dependent on events outside the control of Rayner and Omeros. In addition, the amount does not include any royalties that will become due if Rayner, as planned, elects to launch OMIDRIA outside of the U.S.

(F) The removal of accounts payable invoices associated with OMIDRIA operations.

(G) The removal of gross-to-net accruals related to the sales of OMIDRIA and accrued liabilities associated with OMIDRIA operations.

(H) Fair value of restricted stock units granted to employees transferred to the Purchaser at closing.

(I) Includes the transaction gain which reflects the upfront fees and royalties from the sale of OMIDRIA.

(J) Adjustment to remove OMIDRIA revenues and cost of sales from continuing operations. Royalty income representing up to 50% of net product sales is not reflected in the pro forma condensed consolidated statement of operations and comprehensive loss as it is a component of discontinued operations.

(K) Adjustments to remove salaries, stock-based compensation, commissions, bonus and third-party costs related to OMIDRIA.

(L) The Company has significant net operating losses available to offset any income taxes that may become due from this Transaction.