

accounting standards provided pursuant to Section 13(a) of the Exchange Act. □

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### Item 3.02 Unregistered Sales of Equity Securities

On September 25 and 28, 2020, Lexicon Pharmaceuticals, Inc. (the “Company”) entered into separate, privately negotiated exchange agreements (the “Exchange Agreements”) pursuant to which the Company agreed to exchange \$13.25 million aggregate principal amount of its outstanding 5.25% Convertible Senior Notes due 2021 (the “Notes”) from certain holders thereof for aggregate consideration consisting of 1,622,838 shares (the “Shares”) of the Company’s common stock, par value \$0.001 per share (the “Common Stock”) and \$8.98 million in cash (including \$230,000 of accrued interest) (collectively, the “Transactions”).

Together with the previously disclosed exchange of Notes pursuant to separate, privately negotiated exchange agreements entered into with certain holders thereof on September 23, 2020 (collectively with the Transactions, the “Aggregate Note Exchange Transactions”), the Company has agreed to exchange an aggregate of \$75.8 million principal amount of its outstanding Notes for aggregate consideration consisting of 10,368,955 shares of Common Stock and \$50.01 million in cash (including \$1.3 million of accrued interest).

After giving effect to the Aggregate Note Exchange Transactions, the Company believes that its current unrestricted cash and investment balances and cash and revenues it expects to derive from strategic and other collaborations and other sources will be sufficient to fund its currently planned operations for at least the next 12 months.

The Shares are to be issued in reliance on the exemption from registration provided by Section 3(a)(9) of the Securities Act of 1933, as amended (the “Securities Act”), as promulgated by the Securities and Exchange Commission under the Securities Act.

#### **Forward-Looking Statements**

*Statements made herein contain “forward-looking statements,” including statements relating to the Company’s financial position, long-term outlook on its business and the clinical development and therapeutic and commercial potential of its drug candidates. In addition, this Current Report on Form 8-K (the “Current Report”) also contains forward looking statements relating to the Company’s growth and future operating results, discovery and development of products, strategic alliances and intellectual property, as well as other matters that are not historical facts or information. All forward-looking statements are based on management’s current assumptions and expectations and involve risks, uncertainties and other important factors, specifically including the Company’s ability to meet its capital requirements, successfully conduct preclinical and clinical development and obtain necessary regulatory approvals of sotagliflozin, LX9211 and its other potential drug candidates on its anticipated timelines, achieve its operational objectives, obtain patent protection for its discoveries and establish strategic alliances, as well as additional factors relating to manufacturing, intellectual property rights, and the therapeutic or commercial value of its drug candidates. Any of these risks, uncertainties and other factors may cause the Company’s actual results to be materially different from any future results expressed or implied by such forward-looking statements. Information identifying such important factors is contained under “Risk Factors” in the Company’s annual report on Form 10-K for the year ended December 31, 2019, as filed with the Securities and Exchange Commission. The Company undertakes no obligation to update or revise any such forward-looking statements, whether as a result of new information, future events or otherwise.*