

UNDERSTANDING YOUR PAYMENT—THE PLAN OF ALLOCATION

A. Introduction to the Plan of Allocation

The objective of the Plan of Allocation is to equitably distribute the Net Settlement Fund among Authorized Claimants based on their respective alleged economic losses as a result of the alleged misstatements and omissions, as opposed to losses caused by market- or industry-wide factors, or company-specific factors unrelated to the alleged fraud. The Claims Administrator shall determine each Authorized Claimant's share of the Net Settlement Fund based upon the recognized loss formula ("Recognized Loss") described below.

A Recognized Loss will be calculated for each share of Portola Common Stock purchased or otherwise acquired during the Settlement Class Period.² The calculation of Recognized Loss will depend upon several factors, including when shares of Portola Common Stock were purchased or otherwise acquired during the Settlement Class Period and in what amounts, and whether such stock was sold and, if sold, when and for what amounts. The Recognized Loss is not intended to estimate the amount a Settlement Class Member might have been able to recover after a trial, nor to estimate the amount that will be paid to Authorized Claimants pursuant to the Settlement. The Recognized Loss is the basis upon which the Net Settlement Fund will be proportionately allocated to the Authorized Claimants. The Claims Administrator will use its best efforts to administer and distribute the Net Settlement Fund to the extent that it is equitably and economically feasible. The Court will be asked to approve the Claims Administrator's determinations before the Net Settlement Fund is distributed to Authorized Claimants.

² Throughout the Settlement Class Period, Portola Common Stock was listed on NASDAQ Global Select Market under the symbol PTLA.

The Plan of Allocation was created with the assistance of a consulting damages expert to calculate how the price of Portola Common Stock was allegedly artificially inflated throughout the Settlement Class Period. The estimated alleged artificial inflation in the price of Portola Common Stock during the Settlement Class Period is reflected in Table 1 below. The computation of the estimated alleged artificial inflation in the price of Portola Common Stock during the Settlement Class Period is based on certain misrepresentations alleged by Lead Plaintiff and the price change in the stock, net of market- and industry-wide factors, in reaction to the public announcements that allegedly corrected the misrepresentations alleged by Lead Plaintiff.

In this Action, Lead Plaintiff alleges that Defendants made false statements and/or omitted material facts during the Settlement Class Period, which had the purported effect of artificially inflating the price of Portola Common Stock. Lead Plaintiff further alleges that corrective disclosures removed artificial inflation from the price of Portola Common Stock on January 10, 2020, February 27, 2020, and March 2, 2020 (the "Corrective Disclosure Impact Dates"). Thus, in order for a Settlement Class Member to have a Recognized Loss under the Plan of Allocation, Portola Common Stock must have been purchased or acquired during the Settlement Class Period and held through at least one of these Corrective Disclosure Impact Dates.

From	To	Per-Share Price Inflation Alleged By Plaintiffs
1/8/2019	1/9/2020	\$12.43
1/10/2020	2/26/2020	\$2.56
2/27/2020	2/28/2020	\$0.82
3/2/2020	Thereafter	\$0.00

[Subject to whether and if the Court grants final approval of the Settlement and Plan of Allocation.]

Portola Common Stock purchased in and/or traceable to the Company's secondary public offering on or about August 14, 2019 (the "August 2019 Offering"), are the only securities eligible for a claim under the Securities Act. The Recognized Loss for Common Stock with a claim under both the Exchange Act and the Securities Act shall be the maximum of: (i) the Recognized Loss amount calculated under the Exchange Act as described below in "Calculating Recognized Loss Per Share Under the Exchange Act"; or (ii) the Recognized Loss amount calculated under the Securities Act as described below in "Calculating Recognized Loss Per Share Under the Securities Act." The Securities Act provides for an affirmative defense of negative causation which prevents recovery for losses that Defendants prove are not attributable to misrepresentations and/or omissions alleged by Lead Plaintiff in the offering's registration statement. Given Lead Counsel's assessment of the relative risks of the Securities Act and Exchange Act claims in this lawsuit, the Recognized Loss calculation under the Securities Act assumes that the Company-specific declines in the price of Portola Common Stock on the Corrective Disclosure Impact Dates alleged by Lead Plaintiff are the only compensable losses.

The "90-day lookback" provision of the PSLRA is incorporated into the calculation of the Recognized Loss for Portola Common Stock under the Exchange Act. The limitations on the calculation of the Recognized Loss imposed by the PSLRA are applied such that losses on Portola Common Stock purchased during the Settlement Class Period and held as of the close of the 90-day period subsequent to the Settlement Class Period (the "90-Day Lookback Period") cannot exceed the difference between the purchase price paid for such stock and its average price during the 90-Day Lookback Period. The Recognized Loss on Portola Common Stock purchased during the Settlement Class Period and sold during the 90-Day Lookback Period cannot exceed the difference between the purchase price paid for such stock and its rolling average price during the portion of the 90-Day Lookback Period elapsed as of the date of sale.

In the calculations below, all purchase and sale prices shall exclude any fees, taxes, and commissions. If a Recognized Loss amount is calculated to be a negative number, that Recognized Loss shall be set to zero. Any transactions in Portola Common Stock executed outside of regular trading hours for the U.S. financial markets shall be deemed to have occurred during the next regular trading session for the U.S. financial markets.

A Recognized Loss will be calculated as set forth below for each share of Portola Common Stock purchased or otherwise acquired during the Settlement Class Period that is listed in the Claim Form and for which adequate documentation is provided.

Please note that the approval of the Settlement is separate from and not conditioned on the Court's approval of the Plan of Allocation. You do not need to make any of these calculations yourself. The Claims Administrator will make all of these calculations for you.

B. Calculating Recognized Loss Per Share Under The Exchange Act

For each share of Portola Common Stock purchased or otherwise acquired during the Settlement Class Period, *i.e.*, January 8, 2019, through February 28, 2020, inclusive, the Recognized Loss per share under the Exchange Act shall be calculated as follows:

- I. For each share of Portola Common Stock that was sold prior to January 10, 2020, the Recognized Loss per share is \$0.00.
- II. For each share of Portola Common Stock that was sold during the period January 10, 2020 through February 28, 2020, inclusive, the Recognized Loss per share is *the lesser of*:
 - a. price inflation alleged by Plaintiffs on the date of purchase *minus* price inflation on the date of sale, as shown in Table 1 above; or
 - b. the purchase price *minus* the sale price.

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- III. For each share of Portola Common Stock that was sold during the period March 2, 2020 through May 28, 2020, inclusive, the Recognized Loss per share is *the lesser of*:
- a. price inflation alleged by Plaintiffs on the date of purchase as shown in Table 1 above; or
 - b. the purchase price *minus* the “90-Day Lookback Value” on the date of sale as provided in Table 2 below; or
 - c. the purchase price *minus* the sale price.
- IV. For each share of Portola Common Stock that was still held as of the close of trading on May 28, 2020, the Recognized Loss per share is *the lesser of*:
- a. price inflation alleged by Plaintiffs on the date of purchase as shown in Table 1 above; or
 - b. the purchase price *minus* the average closing price for Portola Common Stock during the 90-Day Lookback Period, which is \$10.25.

Table 2					
90-Day Lookback Value by Sale/Disposition Date					
Sale / Disposition Date	90-Day Lookback Value	Sale / Disposition Date	90-Day Lookback Value	Sale / Disposition Date	90-Day Lookback Value
3/2/2020	\$9.83	3/31/2020	\$7.80	4/30/2020	\$7.38
3/3/2020	\$9.79	4/1/2020	\$7.74	5/1/2020	\$7.38
3/4/2020	\$9.95	4/2/2020	\$7.72	5/4/2020	\$7.38
3/5/2020	\$9.98	4/3/2020	\$7.67	5/5/2020	\$7.61
3/6/2020	\$9.85	4/6/2020	\$7.64	5/6/2020	\$7.83
3/9/2020	\$9.62	4/7/2020	\$7.60	5/7/2020	\$8.04
3/10/2020	\$9.56	4/8/2020	\$7.58	5/8/2020	\$8.24
3/11/2020	\$9.44	4/9/2020	\$7.56	5/11/2020	\$8.43
3/12/2020	\$9.16	4/13/2020	\$7.56	5/12/2020	\$8.61
3/13/2020	\$9.00	4/14/2020	\$7.55	5/13/2020	\$8.79
3/16/2020	\$8.72	4/15/2020	\$7.53	5/14/2020	\$8.96
3/17/2020	\$8.48	4/16/2020	\$7.50	5/15/2020	\$9.13
3/18/2020	\$8.33	4/17/2020	\$7.47	5/18/2020	\$9.28
3/19/2020	\$8.25	4/20/2020	\$7.45	5/19/2020	\$9.43
3/20/2020	\$8.17	4/21/2020	\$7.43	5/20/2020	\$9.58
3/23/2020	\$8.07	4/22/2020	\$7.41	5/21/2020	\$9.72
3/24/2020	\$8.02	4/23/2020	\$7.40	5/22/2020	\$9.86
3/25/2020	\$7.96	4/24/2020	\$7.40	5/26/2020	\$9.99
3/26/2020	\$7.91	4/27/2020	\$7.40	5/27/2020	\$10.12
3/27/2020	\$7.86	4/28/2020	\$7.39	5/28/2020	\$10.25
3/30/2020	\$7.83	4/29/2020	\$7.39		

C. Calculating Recognized Loss Per Share Under The Securities Act

For each share of Portola Common Stock purchased in and/or traceable to the Company’s August 2019 Offering, the Recognized Loss per share under the Securities Act shall be calculated as follows:

- I. For each share that was sold prior to January 10, 2020, the Recognized Loss per share is \$0.

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- II. For each share that was sold during the period January 10, 2020 through February 27, 2020, inclusive, the Recognized Loss per share is *the lesser of*:
- price inflation alleged by Plaintiffs on the date of purchase *minus* price inflation on the date of sale, as shown in Table 1 above; or
 - \$28 (*i.e.*, the offering price) *minus* the sale price.

- III. For each share that was sold on February 28, 2020,³ the Recognized Loss per share is *the lesser of*:

- price inflation alleged by Plaintiffs on the date of purchase *minus* price inflation on the date of sale, as shown in Table 1 above; or
- \$28 (*i.e.*, the offering price) *minus* the greater of the sale price or \$10.11.

³February 28, 2020 is the date of the first complaint filed in this action that states a claim under the Securities Act for the August 2019 Offering. The closing price for Portola Common Stock that day was \$10.11.

- IV. For each share that was sold during the period March 2, 2020 through July 1, 2020,⁴ inclusive, the Recognized Loss per share is *the lesser of*:

- price inflation alleged by Plaintiffs on the date of purchase as shown in Table 1 above; or
- \$28 (*i.e.*, the offering price) *minus* the greater of the sale price or \$10.11.

⁴Following the Settlement Class Period, in July 2020, Portola Inc. was acquired by Alexion Pharmaceuticals, Inc. (“Alexion”) through a tender offer and subsequent merger with a wholly owned subsidiary of Alexion. The tender offer was to purchase all issued and outstanding shares of Portola Common Stock at a price of \$18.00 per share in cash. The offer expired one minute following 11:59 p.m., New York City time, on July 1, 2020. As a result of the merger, as of July 2, 2020, Portola Common Stock ceased trading on the NASDAQ Global Select Market.

- V. For each share that was retained through the close of the U.S. financial markets on July 1, 2020, the Recognized Loss per share is *the lesser of*:

- price inflation alleged by Plaintiffs on the date of purchase as shown in Table 1 above; or
- \$10.

D. General Provisions Applicable to the Plan of Allocation

The payment you receive will reflect your proportionate share of the Net Settlement Fund. Such payment will depend on the number of eligible securities that participate in the Settlement, and when those securities were purchased and sold. The number of Claimants who send in Claims varies widely from case to case.

A purchase or sale of Portola Common Stock shall be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” date.

Acquisition by Gift, Inheritance, or Operation of Law: If a Settlement Class Member acquired Portola Common Stock during the Settlement Class Period by way of gift, inheritance, or operation of law, such a claim will be computed by using the date and price of the original purchase and not the date and price of transfer. Notwithstanding any of the above, receipt of Portola Common Stock during the Settlement Class Period in exchange for securities of any other corporation or entity shall not be deemed a purchase or sale of Portola

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Common Stock.

If a Settlement Class Member made more than one purchase/acquisition or sale of Portola Common Stock during the Settlement Class Period, all purchases/acquisitions and sales shall be matched on a First In, First Out (“FIFO”) basis such that Settlement Class Period sales will be matched against previous purchases/acquisitions in chronological order, beginning with the earliest purchase/acquisition made during the Settlement Class Period.

The date of covering a “short sale” of Portola Common Stock is deemed to be the date of purchase of Portola shares. The date of a “short sale” of Portola Common Stock is deemed to be the date of sale of Portola shares. In accordance with the Plan of Allocation, however, the Recognized Loss on “short sales” is zero. In the event that a claimant has a short position in Portola Common Stock, the earliest subsequent Settlement Class Period purchases shall be matched against such short position and not be entitled to a recovery until that short position is fully covered.

Payment according to the Plan of Allocation will be deemed conclusive against all Authorized Claimants. A Recognized Loss will be calculated as defined herein and cannot be less than zero. The Claims Administrator shall allocate to each Authorized Claimant a *pro rata* share of the Net Settlement Fund based on his, her, or its total Recognized Losses as compared to the total Recognized Losses of all Authorized Claimants. No distribution will be made to Authorized Claimants who would otherwise receive a distribution of less than \$10.00.

Settlement Class Members who do not submit an acceptable Claim Form will not share in the Settlement proceeds. The Stipulation and Judgment dismissing this Action will nevertheless bind Settlement Class Members who do not submit a request for exclusion or submit an acceptable Claim Form.

Defendants, their respective counsel, and all other Defendants’ Releasees will have no responsibility for, interest in, or liability whatsoever for the investment of the Settlement Fund; the distribution of the Net Settlement Fund; the Plan of Allocation; the determination, administration, or calculation of Claims; the payment of any Claim; the payment or withholding of Taxes or Tax Expenses; or any losses incurred in connection therewith. Lead Plaintiff, the Escrow Agent, Plaintiff’s Counsel, or any Claims Administrator likewise will have no liability for their reasonable efforts to execute, administer, and distribute the Settlement.

No Authorized Claimant will have any claim against Lead Plaintiff, Additional Named Plaintiff OFPRS, Lead Counsel, OFPRS’ counsel, the Claims Administrator, or any other agent designated by Lead Counsel based on the distributions made substantially in accordance with the Stipulation, the Plan of Allocation, or further orders of the Court. In addition, in the interest of achieving substantial justice, Lead Counsel will have the right, but not the obligation, to waive what they deem to be formal or technical defects in any Claim Forms filed.