



AcelRx Pharmaceuticals Announces Closing of Previously Announced Private Placement Priced At-The-Market Under Nasdaq Rules

Jul 21, 2023

Transformative capital raise, led by new investors including Nantahala Capital Management

The private placement provides access to up to \$26.3 million of gross proceeds upon the exercise of the milestone-affected warrants

HAYWARD, Calif., July 21, 2023 /PRNewswire/ -- AcelRx Pharmaceuticals, Inc. (Nasdaq: ACRX), ("AcelRx" or the "Company"), a specialty pharmaceutical company focused on the development and commercialization of innovative therapies for use in medically supervised settings, today announced the closing of its previously announced private placement of common stock, pre-funded warrants and common warrants for aggregate gross proceeds to the Company of \$10 million, before deducting the placement agent's fees and other offering expenses payable by the Company, with an additional potential \$16.3 million upon the exercise of the common warrants, which include an acceleration feature should the Company achieve certain performance milestones.

"We are appreciative of the new and existing investors' confidence in AcelRx's transformation with Niyad as the lead value driver. We remain on track to move the Niyad™ clinical study forward this year with our planned PMA submission next year. The proceeds received, along with the exercise of the milestone-affected warrants, will provide us the capital needed to advance Niyad towards an FDA approval," said Vince Angotti, CEO of AcelRx.

Investors purchased an aggregate of 5,340,591 shares of common stock, at a purchase price of \$1.36 per share of common stock, and pre-funded warrants to purchase 2,012,356 shares of common stock at a purchase price of \$1.359 per pre-funded warrant (the "Pre-Funded Warrants"). The exercise price of the Pre-Funded Warrants is \$0.001 per share. Each share of common stock and Pre-Funded Warrant is accompanied by a Series A common warrant, the term of which will be accelerated upon the Company's receipt of an emergency use authorization from the FDA, or PMA approval, and a Series B common warrant to purchase up to an equal number of shares of common stock, the term of which will be accelerated upon the Company's achievement of a positive outcome of its Niyad clinical study or PMA approval for Niyad. The Series A common warrants are exercisable for 7,352,947 shares of common stock and the Series B common warrants are exercisable for 7,352,947 shares of common stock (the Series A common warrants and the Series B common warrants are collectively, the "Warrants"). The Warrants have an exercise price of \$1.11 per share, are immediately exercisable upon issuance, and expire five years from the date of issuance; provided that such expiration date will, upon the public announcement by the Company of the occurrence of certain milestone events, be accelerated to the date that is 45 days following the date of such public announcement. No assurance can be given that any of the Warrants will be exercised. The Company intends to use the net proceeds for working capital and general corporate purposes, including general and administrative expenses, research and development expenses and capital expenditures.

Additional information regarding the private placement will be included in a Form 8-K to be filed by the Company with the Securities and Exchange Commission, and this press release is subject to the further detail provided in the Form 8-K.

H.C. Wainwright & Co. acted as the exclusive placement agent for the private placement.

The securities were offered in a private placement under Section 4(a)(2) of the Securities Act of 1933, as amended (the "Act"), and Regulation D promulgated thereunder, and have not been registered under the Act, or applicable state securities laws. Accordingly, such securities may not be reoffered or resold in the United States except pursuant to an effective registration statement or an applicable exemption from the registration requirements of the Act and such applicable state securities laws.

The Company has agreed to file a registration statement under the Act with the Securities and Exchange Commission (the "SEC"), covering the resale of the shares of common stock issued in the private placement and the shares of common stock underlying the Pre-Funded Warrants and Warrants no later than 15 days following the date of the definitive agreement, and to use reasonable best efforts to have the registration statement declared effective as promptly as practical thereafter, and in any event no later than 90 days following the date of the definitive agreement in the event of a "full review" by the SEC.

This press release does not constitute an offer to sell or the solicitation of an offer to buy any of the securities described herein, nor shall there be any sale of these securities in any state or other jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or other jurisdiction.

About AcelRx Pharmaceuticals, Inc.

AcelRx Pharmaceuticals, Inc. is a specialty pharmaceutical company focused on the development and commercialization of innovative therapies for use in medically supervised settings. AcelRx's lead product candidate, Niyad, is a lyophilized formulation of nafamostat and is currently being studied under an investigational device exemption ("IDE"), as an anticoagulant for the extracorporeal circuit, and has received Breakthrough Device Designation Status from the U.S. Food and Drug Administration. AcelRx is also developing two pre-filled syringes in-licensed from its partner Aguetant: Fedsyra™, a pre-filled ephedrine syringe, with an expected NDA filing in 2023, and PFS-02, a pre-filled phenylephrine syringe with an expected NDA filing in 2024. For additional information about AcelRx, please visit www.acerlx.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Act and Section 21E of the Securities Exchange Act of 1934, as amended. All statements pertaining to the Company's expectations regarding the completion of the offerings, the satisfaction of customary closing conditions related to the offerings, the intended use of proceeds from the offerings in this press release constitute forward-looking statements.

These statements may be identified by the use of forward-looking expressions, including, but not limited to, "expect," "anticipate," "intend," "plan," "believe," "estimate," "potential," "predict," "project," "should," "would" and similar expressions and the negatives of those terms. These statements relate to future events or our financial performance and involve known and unknown risks, uncertainties, and other factors, such as market and other conditions, which may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include market conditions, the ability of the Company to achieve

certain milestone events, and the exercise of the Warrants in connection with the acceleration of the expiration date upon the achievement of such milestone events, as well as those set forth in the Company's annual, quarterly and current reports (i.e., Form 10-K, Form 10-Q and Form 8-K) as filed or furnished with the SEC and any subsequent public filings. Prospective investors are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date of this press release. The Company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by law.



View original content to download multimedia: <https://www.prnewswire.com/news-releases/accelrx-pharmaceuticals-announces-closing-of-previously-announced-private-placement-priced-at-the-market-under-nasdaq-rules-301882640.html>

SOURCE AcelRx Pharmaceuticals, Inc.

AcelRx, Raffi Asadorian, CFO, 650-216-3500, investors@accelrx.com; LifeSci Advisors, Kevin Gardner, 617-283-2856, kgardner@lifesciadvisors.com; Chris Calabrese, 917-680-5608, ccalabrese@lifesciadvisors.com