



KemPharm Announces Exercise of Existing Warrants and Issuance of Warrants in Private Placement

June 18, 2021 1:15 PM EDT

CELEBRATION, Fla., June 18, 2021 (GLOBE NEWSWIRE) -- KemPharm, Inc. (NASDAQ: KMPH), a specialty pharmaceutical company focused on the discovery and development of proprietary prodrugs, today announced it has entered into agreements with certain of its holders of its existing warrants exercisable for 6,117,509 shares of its common stock, in the aggregate, pursuant to which such holders agreed to exercise their warrants for cash in exchange for the Company's agreement to issue in a private placement new warrants to purchase up to 1,529,379 shares of its common stock. The new warrants are immediately exercisable and have substantially the same terms as the existing warrants, except that the new warrants have an exercise price of \$16.50 per share and expire on December 31, 2026. The aggregate gross proceeds from the exercise of the existing warrants and the issuance of the new warrants are expected to total approximately \$39.1 million, before deducting the financial advisory fees.

Roth Capital Partners is acting as a financial advisor in connection with the private placement.

The securities offered in the private placement have not been registered under the Securities Act of 1933, as amended, or applicable under state securities laws. Accordingly, the securities may not be offered or sold in the United States except pursuant to an effective registration statement or an applicable exemption from the registration requirements of the Securities Act and such applicable state securities laws. As part of the transaction, the Company has agreed to file a resale registration statement on Form S-3 with the Securities and Exchange Commission within 10 days of the closing to register the resale of the shares of common stock underlying the warrants issued in the private placement.

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

About KemPharm:

KemPharm is a specialty pharmaceutical company focused on the discovery and development of proprietary prodrugs to treat serious medical conditions through its proprietary LAT[®] (Ligand Activated Therapy) technology. KemPharm utilizes its proprietary LAT[®] technology to generate improved prodrug versions of FDA-approved drugs as well as to generate prodrug versions of existing compounds that may have applications for new disease indications. KemPharm's prodrug product candidate pipeline is focused on the high need areas of attention deficit hyperactivity disorder, or ADHD, stimulant use disorder (SUD) and CNS rare diseases, including idiopathic hypersomnia (IH). KemPharm's lead clinical development candidate for the treatment of SUD, KP879, is based on its prodrug of d-methylphenidate, known as serdexmethylphenidate (SDX). In addition, KemPharm has received FDA approval for AZSTARYS[™], a new once-daily treatment for ADHD in patients age six years and older, and for APADA[®], an immediate-release combination product containing benzhydrocodone, a prodrug of hydrocodone, and acetaminophen.

Caution Concerning Forward Looking Statements:

This press release may contain forward-looking statements made in reliance upon the safe harbor provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include all statements that do not relate solely to historical or current facts and can be identified by the use of words such as "may," "will," "expect," "project," "estimate," "anticipate," "plan," "believe," "potential," "should," "continue" or the negative versions of those words or other comparable words. Forward-looking statements are not guarantees of future actions or performance. These forward-looking statements, including the expected gross proceeds and closing of the private placement, are based on information currently available to KemPharm and its current plans or expectations and are subject to a number of uncertainties and risks that could significantly affect current plans. Risks concerning KemPharm's business are described in detail in KemPharm's Annual Report on Form 10-K for the year ended December 31, 2020, KemPharm's Quarterly Report on Form 10-Q for the quarter ended March 31 2021, and KemPharm's other Periodic and Current Reports filed with the Securities and Exchange Commission from time to time. KemPharm is under no obligation to, and expressly disclaims any such obligation to, update or alter its forward-looking statements, whether as a result of new information, future events or otherwise.

KemPharm Contacts:

Jason Rando / Maureen McEnroe
[Tiberend Strategic Advisors, Inc.](http://TiberendStrategicAdvisors.Inc)
212-375-2665 / 2664
jrando@tiberend.com
mmcenroe@tiberend.com



Source: KemPharm