

SWK Holdings Provides Portfolio Update Highlighting Recent Achievements

Fourth Quarter and Full Year 2022 Financial Results to be Announced in March

DALLAS, Jan. 31, 2023 /PRNewswire/ -- SWK Holdings Corporation (Nasdaq: SWKH) ("SWK" or the "Company"), a life science-focused specialty finance company catering to small- and mid-sized commercial-stage companies, today provided an update on its team, portfolio, as well as the progress and achievements of its borrower partners.

"The fourth quarter was a productive period at SWK as we grew our team, increased the size of our credit facility to up to \$50.0 million, and closed a royalty transaction," stated Jody Staggs, President and CEO of SWK. "Portfolio highlights included the purchase of a two-asset royalty stream for \$15.4 million and an additional \$4.0 million advance to existing borrower, Aziyo Biologics, which was triggered by performance milestones. We also sold the remaining interest in our Narcan royalty for \$2.5 million compared with a September 30, 2022 GAAP value of approximately \$0.5 million."

Mr. Staggs continued: "Several of our borrower partners reported positive developments in late 2022 and early 2023 with many raising equity capital during one of the most challenging capital markets in the past decade. We believe this further validates SWK's underwriting as these companies possess life science products that are valued by clinicians, patients, the healthcare system, and investors."

Mr. Staggs concluded: "SWK is well positioned for what is expected to be an active 2023 based on heightened interest in our non-dilutive financial offerings. We are actively pursuing several financing opportunities while simultaneously working to optimize our balance sheet."

Human Resources Update

In January 2023, Jody Staggs was elevated from "interim" to "permanent" CEO, and Laurie Dotter was named Chair of the Board of Directors.

In November, Agha Abbas joined SWK as an Associate. Mr. Abbas was formerly employed in the Leveraged Credit department at JP Morgan.

Portfolio Additions

Duo Royalty Stream

SWK purchased a two-asset royalty stream for \$15.4 million, consisting of a royalty on U.S. sales of a cystic fibrosis drug and a royalty on Japanese sales of a women's health drug. SWK hedged the majority of yen exposure on the Japanese royalty stream.

Aziyo Biologics

In December, SWK funded the \$4.0 million second tranche of its existing \$25.0 million credit facility to Aziyo Biologics. The funding was triggered by Aziyo achieving certain performance milestones coupled with an equity raise.

Portfolio Divestments

Narcan Royalty

In November, SWK received a \$2.5 million payment in connection with a legal settlement between Opiant and Emergent BioSolutions. SWK has no further economic interest in Narcan.

Bioventus and Harrow Health Equity

During the fourth quarter SWK sold all its shares in Harrow Health and Bioventus for proceeds totaling \$3.8 million.

SWK Holdings Portfolio Updates

Acer Therapeutics

Acer (Nasdaq: ACER) is a pharmaceutical company focused on the acquisition, development, and commercialization of therapies for serious rare and life-threatening diseases with significant unmet medical needs.

- In December, Acer Therapeutics reported the FDA approval of Olpruva, an oral suspension for the treatment of patients with certain urea cycle disorders.

Aziyo Biologics Inc.

Aziyo Biologics (Nasdaq: AZYO) is a biologics company with a portfolio of regenerative products aimed at improving compatibility between medical devices and the patients they treat.

- In December, Aziyo announced the pricing of an underwritten public common equity offering that resulted in gross proceeds of \$11.2 million.
- Aziyo announced in January that it anticipates fourth quarter net sales of \$12.5-\$12.7 million, an increase of 15-17% compared to the same prior year period.
- As previously mentioned, in December SWK advanced the \$4.0 million second tranche of its existing \$25.0 million credit facility in connection with the aforementioned equity raise and as a result of fulfillment of certain performance milestones.

Biolase, Inc.

Biolase, Inc. (Nasdaq: BIOL) is a global leader in dental lasers.

- In January 2023, Biolase announced a public offering of stock and warrants that raised approximately \$9.8 million, before underwriting discounts and commissions.
- In January 2023, Biolase announced fourth quarter revenue was expected to increase 13%-16% year-over-year to \$14.0-\$14.4 million.
- In November, Biolase announced third quarter revenue increased 26% year-over-year to \$12.0 million.

Biotricity

Biotricity is a medical diagnostic and consumer healthcare technology company specializing in the development of comprehensive remote health monitoring solutions for the medical and consumer markets.

- In January 2023, Biotricity signed a distribution agreement with a top-5 distributor for its cardiac monitoring solutions, Bioflux® and Biotres™.
- In January 2023, Biotricity signed an agreement with a leading group purchasing organization for national distribution of its cardiac monitoring solutions, Bioflux® and Biotres™.

Eton Pharmaceuticals

Eton Pharmaceuticals, Inc. (Nasdaq: ETON) is a specialty pharmaceutical company focused on developing innovative products utilizing the FDA's 505(b)(2) regulatory pathway.

- In January, Eton announced that the FDA has accepted the company's New Drug Application response for dehydrated alcohol injection for treating methanol poisoning. The FDA has assigned a PDUFA target action date of June 27, 2023.

About SWK Holdings Corporation

SWK Holdings Corporation is a life science focused specialty finance company partnering with small- and mid-sized commercial-stage healthcare companies. SWK provides non-dilutive financing to fuel the development and commercialization of lifesaving and life-enhancing medical technologies and products. SWK's unique financing structures provide flexible financing solutions at an attractive cost of capital to create long-term value for all SWK stakeholders. SWK's solutions include structured debt, traditional royalty monetization, synthetic royalty transactions, and asset purchases typically ranging in size from \$5.0 million to \$25.0 million. SWK also owns Enteris BioPharma, whose Peptelligence® and ProPerma® drug delivery technologies create oral formulations of peptide-based and BCS class II, III, and IV small molecules. Additional information on the life science finance market is available on the Company's website at www.swkhold.com.

Safe Harbor Statement

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Statements including words such as "believes," "expects," "anticipates," "intends," "estimates," "plan," "will," "may," "look forward," "intend," "guidance," "future" or similar expressions are forward-looking statements. Because these statements reflect SWK's current views, expectations and beliefs concerning future events, these forward-looking statements involve risks and uncertainties. Investors should note that many factors, as more fully described under the caption "Risk Factors" and elsewhere in SWK's Form 10-K, Form 10-Q and Form 8-K filings with the Securities and Exchange Commission and as otherwise enumerated herein, could affect the Company's future financial results and could cause actual results to differ materially from those expressed in such forward-looking statements. The forward-looking statements in this press release are qualified by these risk factors. These are factors which, individually or in the aggregate, could cause the Company's actual results to differ materially from expected and historical results. You should not place undue reliance on any forward-looking statements, which speak only as of the date they are made. We assume no obligation to publicly update any forward-looking statements, whether as a result of new information, future developments or otherwise.

SOURCE SWK Holdings Corporation

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