



Intersect ENT Announces \$65 Million Convertible Notes Investment from Deerfield Management

May 11, 2020

MENLO PARK, Calif.--(BUSINESS WIRE)--May 11, 2020-- Intersect ENT, Inc. (Nasdaq: XENT), a company transforming care for patients with ear, nose and throat ("ENT") conditions, today announced that it has closed a \$65 million convertible notes financing with a fund managed by Deerfield Management Company L.P. ("Deerfield"). The Company intends to use the proceeds from this financing for its commercial activities as well as general corporate purposes.

Under the terms of the financing, the notes are unsecured and accrue interest at a rate of 4.0% per annum until maturity in May 2025. The notes are convertible at an initial conversion price representing a 25% premium over Intersect ENT's volume weighted average price for the trailing five (5) trading day period ending on May 8, 2020, or an approximately 15% premium over Intersect ENT's closing stock price of \$13.49 per share on May 8, 2020.

Thomas A. West, President and Chief Executive Officer of Intersect ENT, commented, "This financing will enable us to continue building on the success of our commercial execution and market access improvement initiatives in both our PROPEL and SINUVA businesses. As elective sinus procedures resume, we plan to aggressively deploy our sales and marketing resources, and believe we will be well-positioned to achieve renewed revenue growth. We thank Deerfield for their support in achieving this goal."

Goldman Sachs acted as a financial advisor to the Company for the financing.

This press release shall 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 state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state or other jurisdiction.

About Intersect ENT

Intersect ENT is a company transforming care for patients with ear, nose and throat conditions. The Company's steroid-releasing implants are designed to provide mechanical spacing and deliver targeted therapy to the site of disease. In addition, Intersect ENT is continuing to expand its portfolio of products based on the Company's unique localized steroid releasing technology and is committed to broadening patient access to less invasive and more cost-effective care.

For additional information on the Company or the products including risks and benefits please visit www.IntersectENT.com. For more information about PROPEL[®] (mometasone furoate) sinus implants and SINUVA[®] (mometasone furoate) sinus implant, please visit www.PROPELOPENS.com and www.SINUVA.com.

Intersect ENT[®], PROPEL[®] and SINUVA[®] are registered trademarks of Intersect ENT, Inc.

About Deerfield Management Company

Deerfield is a leading investment management firm, committed to advancing healthcare through investment, information and philanthropy. For more information, please visit www.deerfield.com.

Forward-Looking Statements

The statements in this press release contains "forward-looking" statements, including statements regarding the use of proceeds from the issuance of the notes and in Mr. West's quote regarding the Company's expectations for the future. These forward-looking statements are based on Intersect ENT's current expectations and inherently involve significant risks and uncertainties. These statements and risks include: the duration and severity of the COVID-19 pandemic is unknown and could continue, and be more severe, than Intersect ENT currently expects; the unknown state of the U.S. economy following the pandemic; the level of demand for Intersect ENT's products as the pandemic subsides; the ability of Intersect ENT to effectively and efficiently resume full commercial and manufacturing operations; the time it will take for the economy to recover from the pandemic; and the sufficiency of capital to run the Company through 2022. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of these risks and uncertainties, and others which are described in the Company's latest Form 10-K filed with the Securities and Exchange Commission (SEC) available at the SEC's Internet site (www.sec.gov). Intersect ENT does not undertake any obligation to update forward-looking statements and expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein, except as required by law.

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