Chiasma Announces Pricing of a Public Offering of $70 Million of Common Stock and Pre-Funded Warrants

July 1, 2020

NEEDHAM, Mass., July 01, 2020 (GLOBE NEWSWIRE) -- Chiasma, Inc. (NASDAQ: CHMA), a commercial biopharmaceutical company focused on developing and commercializing oral therapies utilizing its proprietary Transient Permeability Enhancer (TPE®) delivery platform technology to reduce the burden of chronic injections for people with rare diseases, today announced the pricing of its previously announced underwritten public offering of 12,500,000 shares of its common stock and, to certain investors in lieu thereof, pre-funded warrants to purchase up to 5,000,000 shares of its common stock at an exercise price of $0.0001 per share. The public offering price of each share of common stock is $4.00 and the public offering price of each pre-funded warrant is $3.9999 per underlying share. In addition, Chiasma has granted the underwriters a 30-day option to purchase up to an additional 2,625,000 shares of its common stock at the public offering price, less underwriting discounts and commissions. This offering is expected to close on or about July 6, 2020, subject to satisfaction of customary closing conditions.

Jefferies, Piper Sandler & Co. and Cantor are acting as book-running managers for the offering. H.C. Wainwright & Co. is acting as lead manager for the offering and Brookline Capital Markets, a division of Arcadia Securities, LLC is acting as co-manager for the offering.

Chiasma expects to receive gross proceeds of $70 million, before deducting underwriting discounts and offering expenses (without giving effect to any exercise of the underwriters' option to purchase additional shares, if any). Chiasma intends to use the net proceeds from the offering primarily for advancing the ongoing commercialization of MYCAPSSA® in the United States for the treatment of acromegaly; activities to support the planned submission of a marketing authorization application to the European Medicines Agency for regulatory approval of MYCAPSSA in the European Union for acromegaly, assuming positive data from the MPOWERED Phase 3 trial; early clinical development of one or more potential pipeline candidates using its TPE platform technology; and working capital and other general corporate purposes.

The securities are offered pursuant to a shelf registration statement on Form S-3 (File No. 333-233654), including a base prospectus, filed by Chiasma on September 18, 2019 and declared effective by the Securities and Exchange Commission, or the SEC, on September 25, 2019. The offering will be made only by means of a prospectus. A preliminary prospectus supplement related to the offering has been filed with the SEC and a final prospectus supplement related to the offering will be filed with the SEC and will be available on the SEC's website at www.sec.gov. When available, copies of the final prospectus supplement and the accompanying prospectus relating to the offering may also be obtained from the offices of Jefferies LLC, Attention: Equity Syndicate Prospectus Department, 520 Madison Avenue, 2nd Floor, New York, NY 10022, by telephone at 877-821-7388 or by email at Prospectus_Department@Jefferies.com; Piper Sandler & Co., Attention: Prospectus Department, 800 Nicollet Mall, J12S03, Minneapolis, MN 55402, via telephone at (800) 747-3924 or via email at prospectus@psc.com; or Cantor Fitzgerald & Co., Attention: Capital Markets, 499 Park Ave., 6th Floor, New York, New York 10022, or by email at prospectus@cantor.com.

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

About Chiasma

Chiasma is focused on developing and commercializing oral therapies to improve the lives of patients who face challenges associated with their existing treatments for rare and serious chronic diseases. Employing its Transient Permeability Enhancer (TPE®) technology platform, Chiasma seeks to develop oral medications that are currently available only as injections. On June 26, 2020, Chiasma received FDA approval of MYCAPSSA for long-term maintenance therapy in acromegaly patients who have responded to and tolerated treatment with octreotide or lanreotide. MYCAPSSA is the first and only oral somatostatin analog approved by the FDA. Chiasma is headquartered in Needham, MA with a wholly owned subsidiary in Israel. MYCAPSSA, TPE and CHIASMA are registered trademarks of Chiasma. For more information, please visit the company's website at www.chiasma.com.

Forward-Looking Statements

This release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including, but not limited to, statements regarding Chiasma's public offering, future expectations, plans and prospects for Chiasma. Such statements are subject to numerous important factors, risks and uncertainties, many of which are beyond the company's control, that may cause actual events or results to differ materially from the company's current expectations. Any forward-looking statements in this press release are based on management's current expectations of future events and are subject to a number of risks and uncertainties that could cause actual results to differ materially and adversely from those set forth in or implied by such forward-looking statements. For a discussion of these and other risks and uncertainties, and other important factors, any of which could cause the company's actual results to differ from those contained in the forward-looking statements, see the section entitled "Risk Factors" in Chiasma's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, and in subsequent filings with the Securities and Exchange Commission. All information in this press release is as of the date of the release, and Chiasma undertakes no duty to update this information unless required by law.

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