Ionis announces proposed private placement of convertible notes

June 6, 2023

CARLSBAD, Calif., June 6, 2023 /PRNewswire/ -- Ionis Pharmaceuticals, Inc. (NASDAQ: IONS) announced today that it intends to offer, subject to market conditions and other factors, $500.0 million aggregate principal amount of Convertible Senior Notes due 2028 (the "notes") in a private placement (the "offering") to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"). Ionis also intends to grant the initial purchasers of the notes an option to purchase, within the 13-day period beginning on, and including, the first date on which the notes are issued, up to an additional $75.0 million principal amount of notes.

The notes will be general unsecured obligations of Ionis and will accrue interest payable semiannually in arrears. Upon conversion, Ionis will pay or deliver, as the case may be, cash, shares of its common stock or a combination of cash and shares of its common stock, at its election. The interest rate, initial conversion rate and other terms of the notes will be determined at the time of pricing of the offering.

Ionis expects to use a portion of the net proceeds from the offering to repurchase for cash certain of its 0.125% Convertible Senior Notes due 2024 (the "2024 notes") in privately negotiated transactions. Ionis expects to use the remaining net proceeds from the offering for additional repurchases of the 2024 notes from time to time following the offering, including the repayment of any remaining 2024 notes at maturity, and for general corporate purposes.

In connection with any repurchase of the 2024 notes, Ionis expects that holders of the 2024 notes who agree to have their 2024 notes repurchased and who have hedged their equity price risk with respect to such notes (the "hedged holders") will unwind all or part of their hedge positions by buying Ionis' common stock and/or entering into or unwinding various derivative transactions with respect to Ionis' common stock. The amount of Ionis' common stock to be purchased by the hedged holders or in connection with such derivative transactions may be substantial in relation to the historic average daily trading volume of Ionis' common stock. This activity by the hedged holders could increase (or reduce the size of any decrease in) the market price of Ionis' common stock, including concurrently with the pricing of the notes, resulting in a higher effective conversion price of the notes. Ionis cannot predict the magnitude of such market activity or the overall effect it will have on the price of the notes or Ionis' common stock.

The notes and any shares of Ionis' common stock issuable upon conversion of the notes have not been and will not be registered under the Securities Act, any state securities laws or the securities laws of any other jurisdiction, and unless so registered, may not be offered or sold in the United States absent registration or an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and other applicable securities laws.

This press release is neither an offer to sell nor a solicitation of an offer to buy any of these securities nor shall there be any sale of these securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to the registration or qualification thereof under the securities laws of any such state or jurisdiction.

About Ionis Pharmaceuticals

For more than 30 years, Ionis has been a leader in RNA-targeted therapy, pioneering new markets and changing standards of care. Ionis currently has four marketed medicines and a promising late-stage pipeline highlighted by cardiovascular and neurological franchises. Our scientific innovation began and continues with the knowledge that sick people depend on us, which fuels our vision to become the leader in genetic medicine, utilizing a multi-platform approach to discover, develop and deliver life-transforming therapies.

Ionis' Forward-looking Statement

This press release includes forward-looking statements regarding the proposed offering, including statements regarding the anticipated terms of the proposed offering and Ionis' expected use of proceeds from the proposed offering. Any statement describing Ionis' expectations, intentions or beliefs is a forward-looking statement and should be considered an at-risk statement. Such statements are subject to certain risks and uncertainties, including, without limitation, changes in market conditions, Ionis' ability to complete the proposed offering on the expected terms, or at all, whether Ionis will be able to satisfy closing conditions related to the proposed offering, whether and on what terms Ionis may repurchase any of the 2024 notes and unanticipated uses of capital. Ionis' forward-looking statements also involve assumptions that, if they never materialize or prove correct, could cause its results to differ materially from those expressed or implied by such forward-looking statements. Although Ionis' forward-looking statements reflect the good faith judgment of its management, these statements are based only on facts and factors currently known by Ionis. As a result, you are cautioned not to rely on these forward-looking statements. These and other risks concerning Ionis' programs are described in additional detail in Ionis' annual report on Form 10-K for the year ended December 31, 2022 and most recent Form 10-Q, which are on file with the Securities and Exchange Commission. Copies of these and other documents are available from the Company.

In this press release, unless the context requires otherwise, "Ionis," "Company," "we," "our," and "us" refers to Ionis Pharmaceuticals and its subsidiaries.

Ionis Pharmaceuticals® is a trademark of Ionis Pharmaceuticals, Inc.

View original content to download multimedia:https://www.prnewswire.com/news-releases/ionis-announces-proposed-private-placement-of-convertible-notes-301844173.html

SOURCE Ionis Pharmaceuticals, Inc.

Ionis Investor Contact: D. Wade Walke, Ph.D., info@ionisph.com, 760-603-2331, Ionis Media Contact: David Polk, J.D., ionis_ca@ionisph.com, 760-603-4679