

Lipella Pharmaceuticals Announces Pricing of Initial Public Offering of Common Stock

PITTSBURGH, Dec. 19, 2022 /PRNewswire/ -- Lipella Pharmaceuticals, Inc. ("Lipella," "our," "us" or the "Company"), a clinical-stage biotechnology company focused on developing new drugs by reformulating the active agents in existing generic drugs and optimizing these reformulations for new applications, today announced the pricing of its initial public offering of 1,217,391 shares of its common stock at a price to the public of \$5.75 per share. The gross proceeds from the offering to Lipella, before deducting underwriting discounts and other offering expenses payable by Lipella, are expected to be approximately \$7 million. In addition, the underwriters have been granted a 45-day option to purchase up to an additional 182,608 shares of common stock, at the initial public offering price, less underwriting discounts.

The shares are expected to begin trading on The Nasdaq Capital Market on December 20, 2022, under the ticker symbol "LIPO" and the offering is expected to close on December 22, 2022, subject to customary closing conditions.

Spartan Capital Securities, LLC is acting as sole book-running manager for the offering. Northland Securities, Inc. is acting as the qualified independent underwriter for the offering.

The offering is being made only by means of a prospectus. Copies of the final prospectus, when available, will be filed with the U.S. Securities and Exchange Commission ("SEC") and will be available on the SEC's website at www.sec.gov and may be obtained from: Spartan Capital Securities, LLC, Attn.: Prospectus Department, 45 Broadway, 19th Floor, New York, NY 10006, by telephone at (212) 293-0123 or by email at investmentbanking@spartancapital.com.

The shares of common stock described above are being offered by Lipella pursuant to a registration statement on Form S-1, as amended (File No. 333-266397), declared effective by the SEC on December 19, 2022 (the "Registration Statement"). This press release shall not constitute an offer to sell or the solicitation of an offer to buy such shares, nor shall there be any sale of such shares 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 any such state or jurisdiction.

About Lipella Pharmaceuticals Inc.

Lipella is a clinical-stage biotechnology company focused on developing new drugs by reformulating the active agents in existing generic drugs and optimizing these reformulations for new applications. We believe that this strategy combines many of the cost efficiencies and risk abatements derived from using existing generic drugs with potential patent protections for our proprietary formulations; this strategy allows us to expedite, protect, and monetize our product candidates. Additionally, we maintain a therapeutic focus on diseases with significant, unaddressed morbidity and mortality where no approved drug therapy currently exists, believing that this focus can potentially help reduce the cost, time and risk associated with obtaining marketing approval.

Forward-Looking Statements

This press release contains forward-looking statements. These statements may be identified by words such as "aims," "anticipates," "believes," "could," "estimates," "expects," "forecasts," "goal," "intends," "may," "plans," "possible," "potential," "seeks," "will," and variations of these words or similar expressions that are intended to identify forward-looking statements. Any such statements in this press release that are not statements of historical fact may be deemed to be forward-looking statements. These forward-looking statements include, without limitation, statements regarding the completion, timing and anticipated size of Lipella's initial public offering and the expected commencement of trading on the Nasdaq Capital Market.

Any forward-looking statements in this press release are based on our current expectations, estimates and projections only as of the date of this release 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. These risks and uncertainties include, but are not limited to, completion of Lipella's proposed initial public offering on the anticipated terms, or at all, market conditions and the satisfaction of customary closing conditions related to such initial public offering. These and other risks concerning our product candidates and operations are described in additional detail in the Registration Statement on file with the SEC. We explicitly disclaim any obligation to update any forward-looking statements except to the extent required by law.