



Ocular Therapeutix™ Prices \$37.5 Million Subordinated Convertible Debt Financing

February 22, 2019

BEDFORD, Mass.--(BUSINESS WIRE)--Feb. 21, 2019-- Ocular Therapeutix™, Inc.(NASDAQ: OCUL), a biopharmaceutical company focused on the formulation, development, and commercialization of innovative therapies for diseases and conditions of the eye, today announced that it has entered into a note purchase agreement with an accredited investor to issue \$37.5 million aggregate principal amount of 6.00% subordinated convertible notes due 2026 pursuant to Regulation D promulgated under the Securities Act of 1933, as amended (the "Securities Act"). The offering is expected to close on or about March 1, 2019, subject to customary closing conditions.

The notes will be senior unsecured subordinated obligations of the Company and will mature on March 1, 2026, unless earlier converted, repurchased or redeemed in accordance with their terms. The notes will bear interest at a rate of 6.00% annually, payable at maturity. The notes will be convertible at any time, provided that no conversion results in a holder owning more than 19.99% of the Company's issued and outstanding common stock. The initial conversion rate of the notes will be 153.8462 shares of Ocular Therapeutix common stock per \$1,000 principal amount of notes, which is equivalent to an initial conversion price of \$6.50 per share of Ocular Therapeutix common stock. The initial conversion price represents a premium of approximately 80% over the last reported sale price of Ocular's common stock on February 21, 2019 of \$3.61. In connection with a conversion following certain corporate transactions, the Company will, make an additional "make-whole" cash payment to holders upon conversion. Ocular Therapeutix may redeem for cash all or part of the notes, at its option, on or after the third anniversary of the Closing Date, at a redemption price equal to 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest, provided that the common stock has traded at a premium of 130% of the conversion price then in effect for at least 20 days during any 30 consecutive trading day period. Upon the occurrence of certain corporate transactions, noteholders may require the Company to repurchase all or part of the outstanding principal amount of such Note at a repurchase price equal to 100% of the outstanding principal amount of the note to be repurchased, plus accrued and unpaid interest.

Ocular anticipates that the aggregate net proceeds from the offering will be approximately \$37.1 million, after deducting the estimated fees and expenses of the offering. The Company intends to use the net proceeds from the offering to fund the launch of DEXTENZA®, to advance the Company's late-stage pipeline, and for general corporate purposes.

The notes and the shares of Ocular's common stock into which the notes may be converted have not been registered under the Securities Act, or the securities laws of any other jurisdiction and may not be offered or sold in the United States without registration or an applicable exemption from registration requirements. This press release does not constitute an offer to sell or an offer to buy any securities, nor shall it constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale is unlawful.

At the closing of the offering, Ocular and the purchasers of the notes will enter into a registration rights agreement pursuant to which, among other things, Ocular will agree to prepare and file one or more registration statements with the Securities and Exchange Commission (the "SEC") for the purpose of registering for resale the shares issuable upon conversion of the notes. Under the registration rights agreement, Ocular will agree to use commercially reasonable efforts to file a registration statement with the SEC registering all of shares issuable upon conversion of the notes for resale by no later than the date 30 days after the closing of the offering.

Piper Jaffray & Co. acted as sole placement agent in the transaction.

Forward Looking Statements

Any statements in this press release about future expectations, plans, and prospects for the Company, including the anticipated terms of the notes and the closing of the offering, the Company's anticipated use of proceeds of the offering, the commercialization of ReSure Sealant, DEXTENZA® or any of the Company's product candidates; the development and regulatory status of the Company's product candidates, such as the Company's regulatory submissions for and the timing and conduct of, or implications of results from, clinical trials of DEXTENZA for the treatment of post-surgical ocular inflammation and the prospects for approvability of DEXTENZA for post-surgical ocular inflammation or any other indications, OTX-TP for the treatment of primary open-angle glaucoma and ocular hypertension, OTX-TIC for the treatment of primary open-angle glaucoma and ocular hypertension, OTX-TKI for the treatment of retinal diseases including wet AMD, and OTX-IVT as an extended-delivery formulation of the VEGF trap aflibercept for the treatment of retinal diseases including wet AMD; the Company's post-approval studies of ReSure® Sealant and the Company's ongoing communications with the U.S. Food and Drug Administration regarding the Company's appeal of the warning letter it received regarding ReSure Sealant; the ongoing development of the Company's extended-delivery hydrogel depot technology; the potential utility of any of the Company's product candidates; the potential benefits and future operation of the collaboration with Regeneron Pharmaceuticals, including any potential future payments thereunder; the sufficiency of the Company's cash resources and other statements containing the words "anticipate," "believe," "estimate," "expect," "intend," "goal," "may," "might," "plan," "predict," "project," "target," "potential," "will," "would," "could," "should," "continue," and similar expressions, constitute forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995. Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors. Such forward-looking statements involve substantial risks and uncertainties that could cause the Company's clinical development programs, future results, performance or achievements to differ significantly from those expressed or implied by the forward-looking statements. Such risks and uncertainties include, among others, those related to the timing and costs involved in commercializing ReSure Sealant, DEXTENZA or any product candidate that receives regulatory approval, including the conduct of post-approval studies, the ability to retain regulatory approval of ReSure Sealant, DEXTENZA or any product candidate that receives regulatory approval, the initiation, timing and conduct of clinical trials, availability of data from clinical trials and expectations for regulatory submissions and approvals, the Company's scientific approach and general development progress, the availability or commercial potential of the Company's product candidates, the sufficiency of cash resources, the Company's existing indebtedness, the ability of the Company's creditors to accelerate the maturity of such indebtedness upon the occurrence of certain events of default, the outcome of the Company's ongoing legal proceedings and need for additional financing or other actions and other factors discussed in the "Risk Factors" section contained in the Company's quarterly and annual reports on file with the Securities and Exchange Commission. In addition, the forward-looking statements included in this press release represent the Company's views as of the date of this release. The Company anticipates that subsequent events and developments

will cause the Company's views to change. However, while the Company may elect to update these forward-looking statements at some point in the future, the Company specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing the Company's views as of any date subsequent to the date of this release.

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Source: Ocular Therapeutix

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