

Satsuma Pharmaceuticals Announces \$80 Million Private Placement Financing

South San Francisco, CA, March 1, 2021 – [Satsuma Pharmaceuticals, Inc.](#) (Nasdaq: STSA) a clinical-stage biopharmaceutical company, today announced that it has agreed to sell 14,084,507 shares of its common stock to certain institutional investors in a private investment in public equity (PIPE) financing. The Company anticipates gross proceeds from the PIPE will be approximately \$80 million, before deducting fees to the placement agents and other estimated offering expense payable by the Company, based on the offering price of \$5.68 per share, the last reported sale price of our common stock on The Nasdaq Global Market on February 26, 2021. The financing was led by Commodore Capital and New Enterprise Associates, L.P. with participation from new and existing investors including RA Capital Management, Vivo Capital, Samlyn Capital, Surveyor Capital (a Citadel company), Aspire Capital Fund, funds managed by Ghost Tree Capital Group, LP, Point72 Asset Management and Logos Capital as well as Satsuma co-founder, Shin Nippon Biomedical Laboratories Ltd.

The financing is subject to standard closing conditions and the Company anticipates the closing to occur on March 3, 2021. In addition the financing was executed in compliance with applicable Nasdaq rules and priced at the “Minimum Price” (as defined in the Nasdaq rules).

SVB Leerink served as Satsuma's exclusive financial advisor in connection with the PIPE financing.

“We are pleased to have the continued support of leading healthcare investors as we continue Phase 3 clinical development of STS101 as outlined in our separate press release also announced today,” said John Kollins, President & Chief Executive Officer of Satsuma. “We believe there is a compelling rationale for continuing development of STS101, and the proceeds from this financing better position us to deliver this potential migraine treatment to market.”

The securities sold in this private placement have not been registered under the Securities Act of 1933, as amended, and may not be offered or sold in the U.S. except pursuant to an effective registration statement or an applicable exemption from the registration requirements. Satsuma has agreed to file a registration statement with the Securities and Exchange Commission registering the resale of the shares of common stock issued in these private placements.

This press release shall not constitute an offer to sell or a 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 Satsuma Pharmaceuticals and STS101

Satsuma Pharmaceuticals is a clinical-stage biopharmaceutical company developing a novel therapeutic product candidate for the acute treatment of migraine. Its product candidate, STS101, is a drug-device combination of a proprietary dry-powder formulation of dihydroergotamine mesylate, or DHE, which is designed to be quickly and easily self-administered with a proprietary pre-filled, single-use, nasal delivery device. DHE products have long been recommended as a first-line therapeutic option for the acute treatment of migraine and have significant advantages over other therapeutics for many patients. However, broad use has been limited by invasive and burdensome administration and/or sub-optimal clinical performance of available injectable and liquid nasal spray products. STS101 is in Phase 3 development and specifically designed to deliver the clinical advantages of DHE while overcoming these shortcomings.

Satsuma is headquartered in South San Francisco, California with operations in both California and Research Triangle Park, North Carolina. For further information, please visit www.satsumarx.com.

Cautionary Note on Forward-Looking Statements

This press release includes forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that are difficult to predict, may be beyond our control, and may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied in such statements. Accordingly, you should not rely on any of these forward-looking statements, including statements regarding the size, timing or completion of the financing. Additional applicable risks and uncertainties include those identified in the Company's current and future reports filed with the SEC, including its Quarterly Report on Form 10-Q filed with the SEC on November 10, 2020. The forward-looking statements contained in this press release are based on information currently available to Satsuma and speak only as of the date on which they are made. Satsuma does not undertake and specifically disclaims any obligation to update any forward-looking statements, whether as a result of any new information, future events, changed circumstances or otherwise, except as required by law.

This press release discusses STS101, a product candidate that is in clinical development, and which has not yet been approved for marketing by the U.S. Food and Drug Administration. No representation is made as to the safety or effectiveness of STS101

for the therapeutic use for which STS101 is being studied.

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