



## Mithra initiates monetization process, receives bridge loan from existing lenders

- Mithra appoints advisors and initiates a process to monetize its assets or execute a sale of its business
- Mithra has entered into a new secured bridge loan facility in a committed amount of up to EUR 13.5 million, subject to milestones; with an uncommitted facility of a further EUR 5 million
- Bridge loan facility provides expected liquidity runway to fund the monetization process with respect to key assets through 30 April
- Secured lenders to certain key Mithra operating entities agree to standstill and forbear all debt service (including by extending maturity) in support of the monetization process

**Liege, Belgium, 05 March 2024 – 07:00 CET** – Mithra (Euronext Brussels: MITRA), a company dedicated to women's health, today announces the initiation of a monetization process and signing of a new secured bridge loan facility (the "**Facility**") expected to fund that process through 30 April. The monetization process and Facility are further to Mithra's [06 February 2024 announcement on its cash position](#).

### Monetization Process

In an effort to maximize value for all of Mithra's stakeholders, the Company has initiated a monetization process to realize value from its assets involving the sale of various selected assets, particularly Estetra SRL, and/or the business as a whole (the "**Monetization Process**"). The Company is finalizing negotiations with an internationally recognized investment bank to help conduct the Monetization Process in collaboration with DC Advisory and Alvarez & Marsal, who are advising on liquidity management and advising on monetization, among other things.

As is described below, the Monetization Process with respect to key assets is being funded under the Facility, subject to achievement of milestones.

Parties interested in participating in the Monetization Process should contact Ed Kulik of DC Advisory ([Ed.Kulik@dcadvisory.com](mailto:Ed.Kulik@dcadvisory.com)) and Thomas Dillenseger of Alvarez & Marsal ([TDillenseger@alvarezandmarsal.com](mailto:TDillenseger@alvarezandmarsal.com)).

**Liquidity / Terms of Facility**

The Facility provides up to EUR 13.5 million to be drawn in multiple tranches upon the satisfaction of certain milestones, as well as an uncommitted EUR 5 million "accordion" facility (which can be used once the committed amount has been fully drawn and only if the lenders consent).

The cash received under the Facility, if received in full, creates expected cash runway intended to fund the business through 30 April, permitting a focus on the Monetization Process.

The borrower under the Facility is Estetra SRL with a guarantee from Mithra Pharmaceuticals SA (such guarantee being limited in recourse to the secured assets). The Facility is secured on all of the assets of Estetra SRL, a share pledge over shares in Estetra SRL and a pledge on intercompany receivables of Mithra Pharmaceuticals SA on Estetra SRL.

The maturity date of the Facility is sixty days from the first utilization date of the Facility. The initial conditions precedent have been met, and the first drawdown of EUR 9 million is expected to be drawn on 6 March 2024.

The remaining tranches can be drawn during successive periods of ten business days (starting within ten business days after signing) each time for an amount not exceeding EUR 2.5 million (and, for the avoidance of doubt, never exceeding in aggregate the total committed amount). Drawdowns under the remaining tranches are conditional upon additional milestones having been met, which primarily include various data and plans being provided to the Lenders in relation to the implementation of the Monetization Process, the appointment of (an) investment bank(s) to advise on the Monetization Process, the entry into an intercreditor agreement with other secured lenders, including receipt of third-party guarantor consent, and the actual implementation of the Monetization Process. The Facility is subject to mandatory prepayment in full upon a change of control over Estetra SRL and the proceeds of sales of assets of Estetra SRL will also be applied to a mandatory prepayment. The Facility contains various undertakings and events of default.

The lenders under the Facility consist of funds managed by Highbridge Capital Management, LLC and funds managed by Whitebox Advisors, LLC (each a "Lender"). The Lenders under the Facility will enter into an intercreditor agreement with ING Belgium NV/SA and Belfius Bank NV/SA, the other existing secured creditors to Estetra SRL, who have agreed in principle to forebear and standstill with respect to any defaults under their agreements.

The Facility does not bear interest; however, the Facility provides for a forbearance fee of 2% on the amounts outstanding under Mithra's existing senior secured convertible facility with the Lenders (which is in consideration of the waivers and forbearance that the Lenders have provided to Mithra under that facility while Mithra explored strategic alternatives to maximize value for all of its stakeholders, as referenced in Mithra's 6 February 2024 announcement on its cash position) and a 5% commitment fee on the committed amounts (including the accordion when and if it becomes committed). Both fees will be paid in kind by compounding these amounts with the principal amount of the Facility. The Facility also provides for an exit fee of 5% (or 10% in the absence of third party guarantor consent) of any amounts paid, repaid or cancelled under the Facility and a make-whole fee equal to the amount necessary to ensure that the total return on investment of the Lenders (including the funded amounts and compounded fees and interest, but excluding the commitment fee) is equal to 20% (or 30%

in the absence of third party guarantor consent ) of the Facility. The exit fee and make-whole fee are payable in cash upon any repayment, prepayment or cancellation of the Facility.

The EUR 12.8 million of cash currently held in escrow as described in the Mithra's 15 February announcement regarding the sale of its holding in Mayne Pharma is expected to be used to repay indebtedness owed to the Lenders under the existing facility.

However, there is a risk that Mithra will not be able to draw the full amount, for instance if it is not able to initiate a Monetization Process. Even if a Monetization Process is initiated, there is a material risk that that process will not be successful, in whole or in part, or may not be sufficient to repay Mithra's existing indebtedness. If Mithra is not able to draw funds under the Facility or is otherwise not able to raise or generate sufficient cash, this will adversely affect Mithra's continued operations and ability to operate as a going concern.

For more information, please contact:

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## About Mithra

*Mithra Pharmaceuticals SA (Euronext: MITRA) is a Belgian biopharmaceutical company dedicated to transforming women's health by offering new choices through innovation, with a particular focus on contraception and menopause. Mithra's goal is to develop products offering better efficacy, safety and convenience, meeting women's needs throughout their life span. Mithra explores the potential of the unique native estrogen estetrol in a wide range of applications in women health and beyond. After having successfully launched the first estetrol-based product in 2021, the contraceptive pill ESTELLE<sup>®</sup>, Mithra is now focusing on its second product DONESTA<sup>®</sup>, the next-generation hormone therapy. Mithra also offers partners a complete spectrum of solutions from early drug development, clinical batches and commercial manufacturing of complex polymeric products (vaginal ring, implants) and complex liquid injectables and biologicals (vials, pre-filled syringes or cartridges) at its technological platform Mithra CDMO. Active in more than 100 countries around the world, is headquartered in Liège, Belgium. [www.mithra.com](http://www.mithra.com)*

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## Important information

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