Celsion Corporation Restructures its Strategic Loan Facility

September 2, 2020

Completes New $5 Million Loan Agreement with Market Competitive Terms and Debt Reduction Consistent with Celsion's Capitalization

New Agreement Ensures A Strong Balance Sheet and Additional Operating Runway

LAWRENCEVILLE, N.J., Sept. 02, 2020 (GLOBE NEWSWIRE) -- Celsion Corporation (NASDAQ: CLSN) ("Celsion" or "the Company"), an oncology drug development company, today announced that on August 28, 2020 it entered into an amendment to its existing $10 million loan agreement with Horizon Technology Finance Corporation (NASDAQ: HRZN) ("Horizon"). Consistent with its target to leverage equity capital, the Company elected to reduce its outstanding debt under the loan by $5 million and restructure the terms of the remaining $5 million loan balance.

The Company's new $5 million loan is in the form of secured indebtedness bearing interest at a calculated LIBOR-based variable rate. Payments under the loan agreement are interest only for the first 12 months through July 2021, followed by a 21-month amortization period of principal and interest through the scheduled maturity date of April 2023. In conjunction with the amended loan agreement, Celsion issued to Horizon warrants exercisable into 247,525 shares of Celsion's common share at an exercise price of $1.01 per share. Warrants previously issued to Horizon exercisable into 95,057 shares at an exercise price of $2.63 per share were cancelled.

The Company plans to use the proceeds from this loan for working capital and advancement of its product pipeline, including GEN-1 for the treatment of newly diagnosed ovarian cancer, as well as other strategic initiatives designed to broaden its product pipeline.

"This new loan wisely leverages our equity capital and supports our product development initiatives with far less dilution to our stockholders. Reducing our debt substantially lowers our debt service," said Michael H. Tardugno, Celsion's chairman, president and chief executive officer. "Adjusting for the debt repayment, Celsion's cash position at the end of the second quarter of 2020 was $20.5 million. Proceeds from the sale of our New Jersey net operating losses will add an additional $1.8 million to cash resources, now expected later this year. Along with the restructured loan we have the financial flexibility to meet several key, value-driving milestones, including the completion of enrollment of our Phase I/II ovarian cancer trial with GEN-1 (the OVATION 2 Study). We appreciate Horizon's support and its belief in the Celsion management team."

Jerry Michaud, President of Horizon, said, "We look forward to watching the Company's progress in achieving its critical milestones, including the future clinical development of GEN-1 for ovarian cancer, and its efforts to expand its product portfolio."

About Celsion Corporation

Celsion is a fully integrated oncology company focused on developing a portfolio of innovative cancer treatments, including immunotherapies, DNA-based therapies and directed chemotherapies. The Company's product pipeline includes GEN-1, a DNA-based immunotherapy for the localized treatment of ovarian cancer and ThermoDox®, a proprietary heat-activated liposomal encapsulation of doxorubicin, currently in Phase III development for the treatment of primary liver cancer and in development for other cancer indications. Celsion has two feasibility stage platform technologies for the development of novel nucleic acid-based immunotherapies and other anti-cancer DNA or RNA therapies. Both are novel synthetic, non-viral vectors with demonstrated capability in nucleic acid cellular transfection. For more information on Celsion, visit: http://www.celsion.com. (CLSN-FIN).

About Horizon Technology Finance

Horizon Technology Finance Corporation is a leading specialty finance company that provides capital in the form of secured loans to venture capital backed companies in the technology, life science, healthcare information and services, and cleantech industries. The investment objective of Horizon is to maximize its investment portfolio's return by generating current income from the debt investments it makes and capital appreciation from the warrants it receives when making such debt investments. Headquartered in Farmington, Connecticut, Horizon has regional offices in Pleasanton, California, Reston, Virginia and Boston, Massachusetts. Horizon's common stock trades on the NASDAQ Global Select Market under the ticker symbol "HRZN". To learn more, please visit www.horizontechfinance.com.

Forward-looking Statements

Celsion wishes to inform readers that forward-looking statements in this release are made pursuant to the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Readers are cautioned that such forward-looking statements involve risks and uncertainties including, without limitation, unforeseen changes in the course of research and development activities and in clinical trials; the uncertainties of and difficulties in analyzing interim clinical data; the significant expense, time, and risk of failure of conducting clinical trials; the need for Celsion to evaluate its future development plans; possible acquisitions or licenses of other technologies, assets or businesses; possible actions by customers, suppliers, competitors, regulatory authorities; and other risks detailed from time to time in Celsion's periodic reports and prospectuses filed with the Securities and Exchange Commission. Celsion assumes no obligation to update or supplement forward-looking statements that become untrue because of subsequent events, new information or otherwise.

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Source: Celsion CORP