

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934**

Date of Report (date of earliest event reported): April 19, 2024

**TARSUS PHARMACEUTICALS, INC.
(Exact name of registrant as specified in its charter)**

Delaware <small>(State or other jurisdiction of incorporation)</small>	001-39614 <small>(Commission File Number)</small>	81-4717861 <small>(I.R.S. Employer Identification No.)</small>
15440 Laguna Canyon Road, Suite 160 Irvine, CA 92618 <small>(Address of principal executive offices, including Zip Code)</small>		

Registrant's telephone number, including area code: (949) 418-1801

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.0001 par value per share	TARS	The Nasdaq Stock Market LLC Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement.

On April 19, 2024, Tarsus Pharmaceuticals, Inc., a Delaware corporation (the “Company”) entered into an agreement with funds managed by Pharmakon Advisors LP, BioPharma Credit Investments V (Master) LP and BPCR Limited Partnership, as lenders, and BioPharma Credit PLC, as collateral agent for the lenders, and the guarantors party to such agreement (the “Loan Agreement”). The Loan Agreement provides for an initial term loan in the principal amount of \$75 million (the “Tranche A Loan”) which was funded on April 19, 2024 (the “Tranche A Closing Date”). The Company utilized a portion of the proceeds from the Tranche A Loan to repay all outstanding indebtedness under its existing loan and security agreement with Hercules Capital, Inc. and Silicon Valley Bank, to pay transaction costs and fees, and the Company intends to use the remaining net proceeds for other general corporate purposes. The Loan Agreement also provides for three potential additional term loan tranches, to be drawn at the Company’s option, in principal amounts up to \$25 million, \$50 million and \$50 million, respectively, subject to customary conditions to funding and, in the case of the last two tranches, achieving minimum net sales milestones (each such additional term loan, a “Subsequent Tranche Loan” and, collectively with the Tranche A Loan, the “Term Loans” and each, a “Term Loan”), which may be requested on or prior to December 31, 2024, June 30, 2025 and December 31, 2025, respectively. The Term Loans will mature on April 19, 2029 (the “Maturity Date”).

Interest on the funded Term Loans is paid quarterly in arrears until the Maturity Date, with the unpaid principal amount of outstanding Term Loans due and payable on the Maturity Date. The funded Term Loans will bear interest at a floating rate based upon the 90-day average secured overnight financing rate (“SOFR”), plus a margin of 6.75% per annum. SOFR is subject to a 3.75% floor.

The Company is required to prepay the funded Term Loans in full upon the occurrence of a change of control. The Company may voluntary prepay the funded Term Loan in whole at any time. Prepayments are subject to customary makewhole and prepayment premiums. In addition, upon the drawing of any Term Loan, certain funding fees are owed. The Term Loans will be a non-dilutive and there is no obligation for the Company to issue warrants to the lenders.

The Loan Agreement contains representations and warranties, affirmative and negative covenants in each case customary for financings of this type. Certain of the customary negative covenants limit the ability of the Company to, among other things, dispose of assets, engage in mergers, acquisitions, and similar transactions, incur additional indebtedness, grant liens, make investments, pay dividends or make distributions or certain other restricted payments in respect of equity, prepay other indebtedness, enter into restrictive agreements, undertake fundamental changes or amend certain material contracts, in each case subject to certain customary exceptions and negotiated carve outs. However, there are no financial covenants.

The Loan Agreement contains default provisions customary for facilities of this type, which are subject to customary grace periods and materiality thresholds, including, among others, defaults related to payment failures, failure to comply with covenants, material misrepresentations, defaults under other material agreements, the occurrence of a “change in control”, bankruptcy and related events. If an event of default occurs under the Loan Agreement, the lenders may, among other things, declare all outstanding Term Loans to be immediately due and payable and terminate any commitment to advance Subsequent Tranche Loans. The Company’s obligations under the Loan Agreement are secured by a lien in substantially all assets of the Company, subject to certain exclusions.

The foregoing description of the material terms of the Loan Agreement does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the full text of the Loan Agreement, which will be filed as an exhibit to the Company’s Quarterly Report on Form 10-Q for the quarterly period ending June 30, 2024.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information set forth under Item 1.01 is incorporated into this Item 2.03 by reference.

Item 7.01 Regulation FD Disclosure.

On April 23, 2024, the Company issued a press release announcing the Loan Agreement. A copy of the press release is furnished as Exhibit 99.1 hereto and is incorporated herein by reference.

The information contained in this Item 7.01 shall not be deemed “filed” for purposes of Section 18 of the Exchange Act, or incorporated by reference in any filing under the Securities Act or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	Press Release dated April 23, 2024
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TARSUS PHARMACEUTICALS, INC.

Date: April 23, 2024

/s/ Jeffrey S. Farrow
Jeffrey S. Farrow
Chief Financial Officer and Chief Strategy Officer
(Principal Financial Officer and Principal Accounting Officer)



Tarsus Strengthens Financial Position and Refinances Existing Debt with \$200 Million Non-dilutive Financing Commitment from Pharmakon

IRVINE, Calif., April 23, 2024 (GLOBE NEWSWIRE) – Tarsus Pharmaceuticals, Inc. (NASDAQ: TARS), whose mission is to focus on unmet needs and apply proven science and new technology to revolutionize treatment for patients, starting with eye care, today announced that it has secured \$200 million in committed capital from funds associated with Pharmakon Advisors, LP. Tarsus has elected to draw \$75 million on the closing date, April 19, 2024, with the remaining \$125 million of committed capital available at the company's option in three tranches through specified time windows, the last ending in December 2025.

Net proceeds to the Company at closing will be approximately \$40 million following the repayment of the existing credit facility, as well as fees and expenses associated with the transaction.

The new five-year interest-only credit facility with Pharmakon provides for three potential additional loan tranches, to be drawn at the Company's option, in principal amounts up to \$25 million, \$50 million and \$50 million, respectively, the latter two tranches available upon achievement of certain revenue thresholds. The credit facility bears interest at a floating rate based upon the secured overnight financing rate (SOFR), plus a margin of 6.75% per annum. SOFR is subject to a 3.75% floor. Interest on the funded loan is paid quarterly in arrears until April 19, 2029, the Maturity Date, with the unpaid principal amount of the outstanding loan due and payable on the Maturity Date. There is no warrant coverage to the lenders and no financial covenants associated with the financing.

Pharmakon Advisors, LP is a leading investor in non-dilutive debt for the life sciences industry and is the investment manager of the BioPharma Credit funds. Established in 2009, funds managed by Pharmakon Advisors, LP have committed \$7.8 billion across 51 investments.

Armentum Partners served as Tarsus' financial advisor on this transaction.

Additional details on the agreement are filed in a Form 8-K with the Securities and Exchange Commission.

About Tarsus Pharmaceuticals, Inc.

Tarsus Pharmaceuticals, Inc. applies proven science and new technology to revolutionize treatment for patients, starting with eye care. Tarsus is advancing its pipeline to address several diseases with high unmet need across a range of therapeutic categories, including eye care, dermatology and infectious

disease prevention. XDEMVY® (lotilaner ophthalmic solution) 0.25% is FDA approved in the United States for the treatment of *Demodex* blepharitis. Tarsus is also developing TP-03 as an investigational therapy for the treatment of Meibomian Gland Disease, TP-04 for the treatment of rosacea and TP-05 as an oral tablet for the prevention of Lyme disease, all of which are in Phase 2.

Forward-Looking Statements

Statements in this press release about future expectations, plans and prospects, as well as any other statements regarding matters that are not historical facts, may constitute “forward-looking statements.” These statements include statements regarding Tarsus’ financial position, ability to maintain and access additional tranches of its credit facility, and future business development flexibility. The words, without limitation, “believe,” “contemplate,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “might,” “plan,” “potential,” “predict,” “project,” “should,” “target,” “will,” or “would,” or the negative of these terms or other similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these or similar identifying words. Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors. Further, there are other risks and uncertainties that could cause actual results to differ from those set forth in the forward-looking statement and they are detailed from time to time in the reports Tarsus files with the Securities and Exchange Commission, including Tarsus’ Form 10-K for the year ended December 31, 2023 filed on February 27, 2024, which Tarsus incorporates by reference into this press release, copies of which are posted on its website and are available from Tarsus without charge. However, new risk factors and uncertainties may emerge from time to time, and it is not possible to predict all risk factors and uncertainties. Accordingly, readers are cautioned not to place undue reliance on these forward-looking statements. Any forward-looking statements contained in this press release are based on the current expectations of Tarsus’ management team and speak only as of the date hereof, and Tarsus specifically disclaims any obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise.

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