NEWS RELEASE

RedHill Biopharma Announces Registered Direct Offering and Warrant Exercise for $3.8 Million Gross Proceeds

7/21/2023

TEL AVIV, ISRAEL & RALEIGH, N.C., July 21, 2023 /PRNewswire/ -- **RedHill Biopharma Ltd.** (Nasdaq: RDHL) ("RedHill" or the "Company"), a specialty biopharmaceutical company, today announced that it has entered into definitive agreements with institutional investors for the purchase and sale of 1,301,923 of the Company's American Depositary Shares ("ADSs") (or ADS equivalents), each ADS representing four hundred (400) ordinary shares, at a purchase price of $1.35 per ADS (or ADS equivalent), in a registered direct offering.

The Company has also entered into a definitive agreement with a certain holder of its existing Class A warrants exercisable for 1,500,000 ADSs, in the aggregate, to exercise its warrants at a reduced exercise price of $1.35 per ADS, in exchange for new warrants as described below.

H.C. Wainwright & Co. is acting as the exclusive placement agent for the transactions.

The closing of the offering and warrant exercises is expected to occur on or about July 25, 2023, subject to the satisfaction of customary closing conditions. The gross proceeds to the Company from the transactions are expected to be approximately $3.8 million, before deducting the placement agent's fees and other offering expenses payable by the Company. The Company intends to use the net proceeds from these transactions for general working capital, acquisitions, research and development, and general corporate purposes.

The securities described above other than the new warrants are being offered by the Company, and the ADSs issuable upon exercise of the Class A warrants are registered, pursuant to a "shelf" registration statement on Form F-3 (File No. 333-258259) previously filed with the Securities and Exchange Commission (the "SEC") on July 29, 2021, and declared effective by the SEC on August 9, 2021. The offering of the securities in the registered direct offering is made only by means of a prospectus, including a prospectus supplement, forming a part of the effective registration statement. A final prospectus supplement and accompanying prospectus relating to the registered direct offering will be filed with the SEC. Electronic copies of the final prospectus supplement and accompanying prospectus may be obtained, when available, on the SEC's website at **http://www.sec.gov** or by contacting H.C. Wainwright & Co., LLC at 430 Park Avenue, 3rd Floor, New York, NY 10022, by phone at (212) 865-5711 or e-mail at **placements@hcwco.com.**

In consideration for the immediate exercise of the warrants for cash, the exercising holder (i) will receive new warrants to purchase ADSs in a private placement and (ii) have the exercise price of its existing Class B warrants exercisable for 1,500,000 ADSs, in the aggregate, reduced to $1.80 per ADS. The new warrants will be exercisable into an aggregate of up to 1,500,000 ADSs, at an exercise price of $1.80 per ADS and shall be exercisable until April 3, 2028. The new warrants described above are being offered in a private placement under Section 4(a)(2) of the Securities Act of 1933, as amended (the "Act"), and Regulation D promulgated thereunder and, along with the ADSs representing ordinary shares underlying such warrants, have not been registered under the Act, or applicable state securities laws. Accordingly, the new warrants and the ADSs underlying the warrants may not be offered or sold in the United States except pursuant to an effective registration statement or an applicable exemption from the registration requirements of the Act and such applicable state securities laws. As part of the transaction, the Company has agreed to file a resale registration statement on Form F-3 with the SEC within 15 days of the closing to register the resale of the ADSs underlying the new warrants issued in the private placement.

In connection with the registered direct offering, the Company also has agreed that (i) certain existing warrants to purchase up to an aggregate of 330,106 ADSs at an exercise price of $4.75 per ADS and (ii) certain existing warrants to purchase up to an aggregate of 971,817 ADSs at an exercise price of $4.6305 per ADS, will each be amended, effective upon the closing of the offering, so that the amended warrants will have a reduced exercise price of $1.80 per ADS.

This press release shall not constitute an offer to sell or a solicitation of an offer to buy any of the securities described herein, 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 RedHill Biopharma

RedHill Biopharma Ltd. (Nasdaq: RDHL) is a specialty biopharmaceutical company primarily focused on gastrointestinal and infectious diseases. RedHill promotes the gastrointestinal drugs **Talicia®**, for the treatment of Helicobacter pylori (H. pylori) infection in adults[1], and **Aemcolo®**, for the treatment of travelers' diarrhea in adults[2]. RedHill's key clinical late-stage development programs include: (i) **opaganib (ABC294640)**, a first-in-class oral broad-acting, host-directed SPHK2 selective inhibitor with potential for pandemic preparedness, targeting multiple indications with a U.S. Government collaboration for development for Acute Radiation Syndrome (ARS), a Phase 2/3 program for hospitalized COVID-19, and a Phase 2 program in oncology; (ii) **RHB-107** (**upamostat**), an oral broad-acting, host-directed, serine protease inhibitor with potential for pandemic preparedness is in late-stage development as a treatment for non-hospitalized symptomatic COVID-19, and is also targeting multiple other cancer and inflammatory gastrointestinal diseases; (iii) **RHB-102**, with potential UK submission for chemotherapy and radiotherapy induced nausea and vomiting, positive results from a Phase 3 study for acute gastroenteritis and gastritis and positive results from a Phase 2 study for IBS-D; (iv) **RHB-104**, with positive results from a first Phase 3 study for Crohn's disease; and (v) **RHB-204**, a Phase 3-stage program for pulmonary nontuberculous mycobacteria (NTM) disease. More information about the Company is available at **www.redhillbio.com**/ **twitter.com/RedHillBio**.

Forward Looking Statements

This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements, including, but not limited to, statements regarding the completion of the registered direct offering [and concurrent private placement], the satisfaction of customary closing conditions related thereto and the intended use of net proceeds therefrom, may be preceded by the words "intends," "may," "will," "plans," "expects," "anticipates," "projects," "predicts," "estimates," "aims," "believes," "hopes," "potential" or similar words and include statements regarding anticipated the addition of new revenue generating products, out-licensing of the Company's development pipeline assets, timing of opaganib's development for Acute Radiation Syndrome, non-dilutive development funding from RHB-107 and its inclusion in a key platform study. Forward-looking statements are based on certain assumptions and are subject to various known and unknown risks and uncertainties, many of which are beyond the Company's control and cannot be predicted or quantified, and consequently, actual results may differ materially from those expressed or implied by such forward-looking statements. Such risks and uncertainties include, without limitation, market and other conditions, the ability of the Company to satisfy all conditions precedent to the closing of the registered direct offering [and the concurrent private placement], the risk that the addition of new revenue generating products or out-licensing transactions will not occur; the risk that acceptance onto the RNCP Product Development Pipeline will not guarantee ongoing development or that any such development will not be completed or successful; the risk that the FDA does not agree with the Company's proposed development plans for opaganib for any indication, the risk that observations from preclinical studies are not indicative or predictive of results in clinical trials; the risk that the FDA pre-study

requirements will not be met and/or that the Phase 3 study of RHB-107 in COVID-19 outpatients will not be approved to commence or if approved, will not be completed or, should that be the case, that we will not be successful in obtaining alternative non-dilutive development funding for RHB-107, the risk that HB-107's late-stage development for non-hospitalized COVID-19 will not benefit from the resources redirected from the terminated RHB-204 Phase 3 study, that the Phase 2/3 COVID-19 study for RHB-107 may not be successful and, even if successful, such studies and results may not be sufficient for regulatory applications, including emergency use or marketing applications, and that additional COVID-19 studies for opaganib and RHB-107 are likely to be required, as well as risks and uncertainties associated with the risk that the Company will not successfully commercialize its products; as well as risks and uncertainties associated with (i) the initiation, timing, progress and results of the Company's research, manufacturing, pre-clinical studies, clinical trials, and other therapeutic candidate development efforts, and the timing of the commercial launch of its commercial products and ones it may acquire or develop in the future; (ii) the Company's ability to advance its therapeutic candidates into clinical trials or to successfully complete its pre-clinical studies or clinical trials or the development of a commercial companion diagnostic for the detection of MAP; (iii) the extent and number and type of additional studies that the Company may be required to conduct and the Company's receipt of regulatory approvals for its therapeutic candidates, and the timing of other regulatory filings, approvals and feedback; (iv) the manufacturing, clinical development, commercialization, and market acceptance of the Company's therapeutic candidates and Talicia®; (v) the Company's ability to successfully commercialize and promote Talicia® and Aemcolo®; (vi) the Company's ability to establish and maintain corporate collaborations; (vii) the Company's ability to acquire products approved for marketing in the U.S. that achieve commercial success and build its own marketing and commercialization capabilities; (viii) the interpretation of the properties and characteristics of the Company's therapeutic candidates and the results obtained with its therapeutic candidates in research, pre-clinical studies or clinical trials; (ix) the implementation of the Company's business model, strategic plans for its business and therapeutic candidates; (x) the scope of protection the Company is able to establish and maintain for intellectual property rights covering its therapeutic candidates and its ability to operate its business without infringing the intellectual property rights of others; (xi) parties from whom the Company licenses its intellectual property defaulting in their obligations to the Company; (xii) estimates of the Company's expenses, future revenues, capital requirements and needs for additional financing; (xiii) the effect of patients suffering adverse experiences using investigative drugs under the Company's Expanded Access Program; (xiv) competition from other companies and technologies within the Company's industry; and (xv) the hiring and employment commencement date of executive managers. More detailed information about the Company and the risk factors that may affect the realization of forward-looking statements is set forth in the Company's filings with the Securities and Exchange Commission (SEC), including the Company's Annual Report on Form 20-F filed with the SEC on April 28, 2023. All forward-looking statements included in this press release are made only as of the date of this press release. The Company assumes no obligation to update any written or oral forward-looking statement, whether as a result of new information, future events or otherwise unless required by law.

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[1] Talicia® (omeprazole magnesium, amoxicillin and rifabutin) is indicated for the treatment of H. pylori infection in adults. For full prescribing information see: **www.Talicia.com**.

[2] Aemcolo® (rifamycin) is indicated for the treatment of travelers' diarrhea caused by noninvasive strains of Escherichia coli in adults. For full prescribing information see: **www.aemcolo.com**.

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