

Redx agrees funding from Redmile Group, LLC & Sofinnova Partners

28 Feb 2020

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For immediate release

Redx Pharma plc

(“Redx” or the “Company”)

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Alderley Park, 28 February 2020 Redx Pharma (AIM: REDX), the drug discovery and development company focused on cancer and fibrosis is pleased to confirm Redmile Group, LLC (“**Redmile**”), a large and well-funded US based specialist healthcare and life sciences investment firm, has confirmed to the Board that it, together with Sofinnova Partners, will provide up to £26.3 million of funding to Redx. The funding will be in several tranches as follow:

- Redmile has agreed to subscribe for 11,500,000 new ordinary shares at a price value of 11.2 pence per share. Application has been made for the 11,500,000 new ordinary shares to be admitted to trading on AIM

(“**Admission**”) and it is expected that Admission will become effective and that dealings will commence at 8.00 a.m. on 4 March 2020.

- In addition, Redmile will provide Redx with £5 million of short-term debt funding (“**Loan**”), based on outline terms which have been agreed in principle with the Company. It is the Board’s intention to finalise this Loan as soon as practicable.
- Furthermore, Redmile and Sofinnova Partners intend to commit further investment into the Company which is expected to take the form of a c.£20 million convertible loan (“**Convertible Loan**”) to support the Company’s strategy and business plan. As with the Loan, the Board has agreed the outline terms and will progress this as quickly as possible and will, where applicable, seek the requisite shareholder and regulatory approvals including *inter alia* in relation to seeking dispensation from any obligations under Rule 9 of the Takeover Code.

The immediate subscription proceeds of £1.3 million for new ordinary shares will serve to extend the Company’s cash runway until the end of April 2020 and will be used for general working capital purposes.

There can be no certainty that the Board will reach satisfactory agreement with Redmile regarding the terms of the Loan and / or Convertible Loan, although the Board is greatly encouraged by the positive discussions to date with Redmile and their agreement to subscribe for new ordinary shares.

Chairman of the Board of Redx, Iain Ross commented, “The Board is pleased that it is able to bring this period of uncertainty regarding an offer for the Company to an end. We believe that with Redmile and Sofinnova Partners support we will be able to secure a way forward for the Company that delivers better value for shareholders. We are delighted that MGL, which has provided the Company with robust support particularly throughout the last 3 years, continues to share our vision to build a significant enterprise and that Redmile and Sofinnova Partners, both established and sophisticated investors in the healthcare / biotech sector wish to support the Company.”

Jeremy Green, Founder and Portfolio Manager of Redmile Group, LLC commented, “Redx, with its deep expertise in medicinal chemistry, has a proven track record of designing high quality, commercially attractive molecules that have the potential to be effective drugs to treat significant unmet medical conditions. We are delighted to partner with Redx in the next phase of growth of the Company.”

Further announcements will be made in due course.

Total Voting Rights

Following Admission, the Company's issued share capital will comprise 190,008,703 Ordinary Shares. The total number of voting rights in the Company will be 190,008,703. This figure may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority.

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About Redx Pharma Plc

Redx is a UK based biotechnology company whose shares are traded on AIM ([AIM:REDX](#)). Redx's vision is to become a leading biotech focused on the development of novel precision medicines that have the potential to transform treatment in oncology and fibrotic diseases.

If you would like to sign up to regular alerts from Redx Pharma, please follow this link <https://www.redxpharma.com/investors/email-alerts/>

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