

RNS Miscellaneous

Investment Commitment in C4X Discovery Holdings

ADAMS PLC

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Adams PLC

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Adams plc
("Adams" or the "Company")

Investment Commitment in C4X Discovery Holdings Plc ("C4XD")

The Directors announce that, on 21 October 2020, Adams entered into an agreement to subscribe £700,000 for 5,000,000 units in C4XD at 14 pence each under a conditional placing by C4XD to raise approximately £15.0 million ("Placing"). Each C4XD unit comprises 1 new C4XD ordinary share and 1 warrant. The warrants grant to the holders thereof rights to subscribe for 1 C4XD ordinary share for every warrant held at the exercise price of 28 pence per C4XD share during the exercise period commencing on 12 May 2021 (being the day after the date that is 6 months after expected admission of the new ordinary shares to trading on AIM) and ending on 11 November 2025 (being the date marking the 5-year anniversary of expected admission to AIM of the new ordinary shares).

Panmure Gordon (UK) Limited ("Panmure Gordon") is acting as nominated adviser and sole broker to C4XD.

The Placing is conditional upon, *inter alia*, the approval by C4XD shareholders at a general meeting convened for 11.00 a.m. on 9 November 2020.

It is expected that, subject to C4XD shareholder approval at the general meeting, admission of the C4XD shares that Adams is subscribing for will occur and dealings will commence on 11 November 2020 at 8.00 a.m. (or such later date as Panmure Gordon and C4XD may agree, being not later than 8.00 a.m. on 25 November 2020).

Assuming full completion of the Placing, Adams will hold 5,000,000 ordinary shares in C4XD, at a committed cost of £700,000 and which would represent approximately 2.2 per cent. of C4XD's enlarged issued ordinary share capital following the Placing, and warrants over a further 5,000,000 new C4XD ordinary shares.

About C4XD

C4X aims to create the world's most productive Drug Discovery engine by using cutting-edge technologies and expertise to efficiently deliver best-in-class small-molecule medicines to clinical partners for the benefit of patients. The Company's business model focuses on replenishing big pharma discovery pipelines and driving returns through revenue generating pre-clinical licensing deals. In 2018, C4XD successfully out-licensed a pre-clinical programme in addictive disorders to Indivior in a deal worth up to \$294m, which is now in a Phase I clinical study.

C4XD has a state-of-the-art suite of proprietary technologies across the Drug Discovery process and accesses further innovative capabilities and expertise through its growing network of partners. The Company is actively advancing its diverse pre-clinical discovery portfolio which is focused on inflammation, neurodegeneration and oncology (including immuno-oncology). Opportunities to maximise value from the portfolio are proactively driven by C4XD's commercial division. The Company is led by a highly experienced management team and Board who have delivered significant value creation within the healthcare sector.

The next stage of C4XD's development will focus on out-licensing assets for clinical development to leading pharma companies. To support execution of its strategy, C4XD is seeking to raise approximately £15 million by way of the Placing to further support corporate development and on-going commercial activities. In particular, C4XD intends to use the net proceeds of the Placing to:

- strengthen the balance sheet as partnering discussions and strategic collaborations progress;
- progress the core investment portfolio to near-term inflection points; and
- continue to apply C4XD's technologies to validate the next generation of commercially attractive targets and programmes.

On 29 April 2020, C4XD announced its interim results (unaudited) for the six months ended 31 January 2020, reporting no revenues and a loss after tax of £3.99 million for the six months. Investment in R&D was £3.6 million, down £1.3

million from the £4.9 million in the six months ended 31 January 2019. The Company had cash and cash equivalents at 31 July 2020 of approximately £5.5 million and net assets at that date of £10.3 million.

For additional information please go to: www.c4xdiscovery.com

Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement.

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