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**Phimedix Plc**  
("Phimedix" or "the Company")

### **Potential RTO candidate and Shareholder Loan**

The Board of Phimedix (AIM: PHM) is pleased to announce that it is in early-stage discussions with a company (the "Proposed Acquisition" or "RTO") in the life sciences' space, which is a sector the Directors had identified as an area of interest in a strategy update announcement in May 2020.

These discussions remain subject to contract, satisfactory completion of the necessary due diligence and additional equity fundraising. At this stage, there can be no guarantee that the Proposed Acquisition will complete.

### **Shareholder Loan**

In order to progress these discussions and undertake the necessary due diligence, Phimedix has increased its available cash resources by entering into a facility agreement ("Facility Agreement") with Christopher Potts, a substantial shareholder in the Company. Under the terms of the Facility Agreement, the Company will borrow up to £75,000, to be drawn down in three equal amounts over the next month. The loan is unsecured, interest free and repayable on completion of a reverse takeover by the Company.

### **Related Party Transaction**

As Christopher Potts is a substantial shareholder in Phimedix, as defined by the AIM Rules for Companies ("AIM Rules"), he is regarded as a related party under the AIM Rules; entering into the Facility Agreement is therefore treated as a related party transaction for the Company under AIM Rule 13. Having considered the terms of the Facility Agreement, current cash reserves and the likely costs to undertake necessary due diligence, the directors of the Company, all of whom are independent, having consulted with SPARK Advisory Partners Limited, the Company's nominated adviser, are of the view that the terms of the Facility Agreement are fair and reasonable, insofar as the Company's shareholders are concerned.

### **AIM Rule 15**

As previously announced, Phimedix became a "Rule 15 cash shell" under Rule 15 of the AIM Rules with effect from 11 March 2020. Since then, the Company has been hindered by the disruption caused by the COVID-19 pandemic, but nevertheless, has held discussions with several businesses, although none have progressed. The London Stock Exchange suspended trading in the Company's ordinary shares on AIM pursuant to AIM Rule 15 on 14 September 2020 as the Company had not made an acquisition or acquisitions which would constitute a reverse takeover under AIM Rule 14.

As previously announced by the Company, in the event that no reverse takeover is completed by 14 March 2021, being the date six months after trading in the Company's shares were suspended, the London Stock Exchange will cancel admission of Phimedix's ordinary shares to trading on AIM ("Cancellation") with effect from 7.30 a.m. on Monday 15 March 2021.

Given the status of the Company's progress with the Proposed Acquisition and the time needed to complete the necessary due diligence and relevant documentation to effect a reverse takeover, it is possible that the Company, even if it decided to proceed, may not be able to complete this process before Cancellation. In these circumstances, the Directors may decide complete the Proposed Acquisition after Cancellation and seek to re-apply to join AIM.

**Nicholas Nelson, Director, said;** *"This is a very positive development for Phimedix. The Board has worked hard throughout a challenging period in 2020 to try and secure an appropriate reverse takeover opportunity for the Company. We now have the necessary funding to engage advisers and to work actively towards completing our due diligence which may lead us to moving forward with the Proposed Acquisition."*

Further announcements will be made as appropriate.

For further information please contact:

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