



27 January 2021

**Motif Bio plc**  
("Motif" or the "Company")

### **Update re proposed Reverse Takeover**

Motif Bio plc (AIM: MTFB), which has been reclassified as an AIM Rule 15 cash shell, provides a further update regarding the proposed reverse takeover pursuant to AIM Rule 14 ("**Reverse Takeover**") that was outlined in the Company's announcement of 5 January 2021.

Motif announces that it continues to progress a Reverse Takeover under a Heads of Terms Agreement ("**HOT**") with a UK based candidate in the healthcare sector (the "**Target**"), as a result of which, subject to, among other matters, the execution of a Sale and Purchase Agreement (the "**SPA**"), Motif would acquire the entire issued share capital of the Target (the "**Proposed Transaction**"). Motif will remain suspended from trading while the Proposed Transaction is negotiated and advanced, and the Company will provide shareholders with further updates as appropriate.

#### **The Target**

The Target is a UK-based ADC (Antibody-Drug Conjugate) discovery and development company, which uses front-line clinical experience to develop next generation therapeutics for the treatment of various cancers.

#### **The Proposed Transaction**

The Proposed Transaction will be classified as a Reverse Takeover. Completion of the Proposed Transaction is therefore subject to certain matters including the completion of an appropriate SPA, approval by Motif's shareholders at a general meeting to be convened in due course ("**General Meeting**"), the raising of an appropriate level of equity (the "**Fundraising**") to accelerate the Target's development programmes, the grant of a Rule 9 waiver by the UK Takeover Panel ("**Rule 9 Waiver**") in respect of the proposed issue of new shares to the Target and the admission of the enlarged group to trading on AIM.

In order to convene the General Meeting, the Company is required to publish an AIM Admission Document which details, *inter alia*, the terms of the Proposed Transaction. As per the HOT, consideration for the Proposed Transaction will be paid in ordinary shares of Motif. In addition to the Fundraising, it is intended that the Company will carry out an appropriate share consolidation and that Motif will change its name.

Should the Proposed Transaction proceed, it is currently expected that the AIM Admission Document will be published before the end of March 2021. At present there can be no assurances that Motif will be able to complete the Proposed Transaction and as a consequence the Company's admission to trading on AIM may be cancelled.

The AIM Admission Document will include a Technical Expert's report which is being prepared in respect of the Target's technology and assets.

**Jonathan Gold, Motif's President and Chief Business Officer, commented:** *"The Motif Directors are encouraged by the way the Proposed Transaction is progressing and I look forward to providing our shareholders with further updates and additional information regarding the Target in due course."*

The person responsible for the release of this announcement on behalf of Motif is Jonathan Gold, President and Chief Business Officer.

*This announcement contains inside information for the purposes of Article 7 of Regulation (EU) 596/2014.*

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***Forward-Looking Statements***

*This announcement may contain forward looking statements. Words such as “expects”, “anticipates”, “may”, “should”, “would”, “could”, “will”, “intends”, “plans”, “believes”, “targets”, “seeks”, “estimates”, “aims”, “projects”, “pipeline” and variations of such words and similar expressions are intended to identify such forward looking statements and expectations. These statements are not guarantees of future performance or the ability to identify and consummate transactions and involve certain risks, uncertainties, outcomes of negotiations and due diligence and assumptions that are difficult to predict, qualify or quantify. Therefore, actual outcomes and results may differ materially from what is expressed in such forward looking statements or expectations. Among the factors that could cause actual results to differ materially are: the general economic climate, competition, interest rate levels, loss of key personnel, the result of legal and commercial due diligence and changes in the legal or regulatory environment.*