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Shield Therapeutics PLC
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Shield Therapeutics plc
("Shield" or the "Company" or the "Group")

Shield Enters into $5.7 million Milestone Monetization Agreement with AOP
Dr. Rudolf Widmann, Founder of AOP, joins the Shield Board as Non-Executive Director

London, UK,—July 3 2024: Shield Therapeutics plc (LSE: STX), a commercial stage pharmaceutical company that delivers Accrufer®/Feraccru® (ferric maltol), an innovative and differentiated specialty pharmaceutical product, to address a significant unmet need for patients suffering from iron deficiency (with or without anaemia) announces it has entered into a $5.7 million monetization agreement (the "Milestone Monetization Agreement" or "the Agreement") with AOP Health International Management AG ("AOP"), the largest shareholder in the Company, owning c. 39.8% of the Company's issued share capital. The Company also announces that AOP's founder, Dr. Rudolf Widmann, will join the Shield Board as a Non-Executive Director, effective immediately.

Under the terms of the Agreement, AOP will provide Shield $5.7 million (the "Advance") in cash, in exchange for the right to receive the $11.4 million China approval milestone payment (the "Approval Milestone") that may be paid to Shield by Jiangsu Aosaikang Pharmaceutical Co., Ltd (ASK Pharma, Shield's commercial partner for Accrufer® in China). ASK Pharma continues to enroll patients into a Phase 3 study and enrollment is expected to complete late in 2024. Subject to the Phase 3 reading out successfully and regulatory approval by the Chinese regulator Shield believes the Approval Milestone may be payable by the year ending 2026. Further details of the Milestone Monetization Agreement are set out below.

Greg Madison, Shield CEO, commented: *"We are pleased to work with AOP on this Milestone Monetization Agreement to bring in additional capital to support our growing business. We are encouraged by the recent Accrufer® commercial trends in the US and will continue to be opportunistic to further support our growing business. This agreement, following our recently announced Sallyport deal, provides us with additional operational and financial flexibility. The $5.7 million, along with approximately $8 million cash on hand at the end of May 2024 allows us to further fortify our balance sheet and expand our working capital.*

"It is also a pleasure to welcome AOP's Founder, Dr. Rudolf Widmann, to the Shield Board of Directors. I believe that Rudi's strong track record of building a successful pharmaceutical business and strategic perspective will complement Shield 's current Board of Directors."

Dr. Widmann, Founder of AOP, commented: *"I have long believed in Accrufer®'s global growth potential and what it could do for patients worldwide suffering from iron deficiency, with or without anaemia. We are pleased to expand our stake in the Company's success through the Agreement announced today.*

"I am delighted to join the Board of Directors and look forward to working closely with Shield's leadership team and the Board to achieve the Company's mission of making Accrufer®/Feraccru® the oral iron of choice."

Further details of the Milestone Monetization Agreement

Under the terms of the Agreement, in the event that the Approval Milestone falls due Shield is required to pay its full value to AOP 30 days after the Approval Milestone has been achieved.

Further, if the Approval Milestone has not been triggered by 31 December 2026, or in the event the Agreement is terminated, including at Shield's election or due to a breach by Shield of its terms, the Advance plus accrued interest and fees at the interest rate of SOFR+9.25% (calculated from the date of the Advance until the day of payment) and an exit fee of 6.5% of the Advance will be payable by Shield to AOP. The Advance will be secured inter alia by AOP's right to receive the ASK Approval Milestone.

Related Party Transaction

In view of the size of the Milestone Monetization Agreement and the fact that AOP is a substantial shareholder in Shield for the purposes of the AIM Rules for Companies (in that AOP currently has an interest of more than 10 per cent. of the Company's issued share capital), the Company's entry into the Agreement constitutes a related party transaction for the purposes of Rule 13 of the AIM Rules for Companies. The Directors consider, having consulted with Peel Hunt LLP, the Company's Nominated Adviser, that the terms of the Milestone Monetization Agreement are fair and reasonable insofar as its shareholders are concerned.

Biography of Dr. Rudolf Widmann

Dr. Rudolf Widmann is an experienced pharmaceutical scientist, seasoned executive and entrepreneur who has devoted his career to advancing the care of patients with rare diseases. He founded AOP Health (AOP Orphan Pharmaceuticals GmbH) in 1996, starting as Chief Executive Officer and Chief Therapeutics Development Officer and later elected to serve as a governing Board Member of the AOP Health Group. Dr. Widmann holds a degree in pharmacy studies and a PhD in pharmacology from the University of Innsbruck.

Shield also discloses the following information in accordance with Schedule 2(g) of the AIM Rules for Companies.

Full name: Dr. Rudolf Stefan Widmann
Age: 67 years
Current directorships/partnerships:

- AOP Health International Management AG
- Wirucon GmbH

Previous directorships/partnerships held in the past 5 years:

- AOP Orphan Limited
- Irorph GmbH
- Orphanidis Pharma Research GmbH
- OrphaCare GmbH

Dr. Widmann does not hold any ordinary shares in Shield.

There are no other disclosures required in connection with the appointment Dr Widmann under Schedule 2(g) of the Aim Rules for Companies.

The following details are disclosed regarding the Letter of Appointment for Dr Widmann:

- Non-Executive Directors (including Dr Widmann) receive the same base fee of £40,000 together with additional fees for chairmanship of a Board Committee (if applicable).
- All Non-Executive Directors may be reimbursed for expenses reasonably incurred in the performance of their duties.

- As a Non-Executive Director Dr Widmann is not eligible to participate in the Group's incentive arrangements.
- Dr Widmann's Letter of Appointment is for an initial term of three years subject to annual reappointment at each AGM and contains a notice period of 3 months.

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 (as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018). Upon the publication of this announcement via the Regulatory Information Service, this inside information is now considered to be in the public domain.

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About Iron Deficiency and Accrufer®/Feraccru®

Clinically low iron levels (aka iron deficiency, ID) can cause serious health problems for adults of all ages, across multiple therapeutic areas. Together, ID and ID with anaemia (IDA) affect about 20 million people in the U.S. and represent a $2.3B market opportunity. As the first and only FDA approved oral iron to treat ID/IDA, Accrufer® has the potential to meet an important unmet medical need for both physicians and patients.

Accrufer®/Feraccru® (ferric maltol) is a novel, stable, non-salt-based oral therapy for adults with ID/IDA. Accrufer®/Feraccru® has a novel mechanism of absorption compared to other oral iron therapies and has been shown to be an efficacious and well-tolerated therapy in a range of clinical trials. More information about Accrufer®/Feraccru®, including the product label, can be found at: www.accrufer.com and www.feraccru.com.

About Shield Therapeutics plc

Shield is a commercial-stage specialty pharmaceutical company that delivers Accrufer®/Feraccru® (ferric maltol), an innovative and differentiated pharmaceutical product, to address a significant unmet need for patients suffering from iron deficiency, with or without anaemia. The Company has launched Accrufer® in the U.S. with an exclusive, multi-year commercial agreement with Viatris Inc. (Viatris). Outside of the U.S., the Company has licensed the rights to four specialty pharmaceutical companies. Feraccru® is commercialised in the UK and European Union by Norgine B.V. (Norgine), which also has marketing rights in Australia and New Zealand. Shield also has an exclusive license agreement with Beijing Aosaikang Pharmaceutical Co., Ltd. for the development and commercialisation of Accrufer®/ Feraccru® in China, Hong Kong, Macau and Taiwan; with Korea Pharma Co., Ltd. for the Republic of Korea (Korea Pharma); and with KYE Pharmaceuticals Inc. for Canada. To learn more about Shield Therapeutics, see our website at www.shieldtherapeutics.com or follow us on LinkedIn.

Accrufer®/Feraccru® has patent coverage until the mid-2030s.
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