

Redx Pharma Plc

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Redx Pharma gets near £870,000 boost to working capital after repayment of loan previously written-off

Redx Pharma PLC (LON:REDX) has received an unexpected cash injection following the repayment of a loan it made which had previously been written off in its accounts, giving it a near £870,000 boost to working capital.

The AIM-listed drug discovery and development company, focused on cancer and fibrosis, said that following the sale of significant assets by Redag Crop Protection Ltd (Redag), the repayment criteria for a loan previously granted to Redag by the company in October 2014 has been met.

READ: Redx Pharma exploring options with interested parties for its NBTI programme after Deinove declines to exercise option
As a result, the group confirmed, it has now received a full cash repayment of £869,126, representing the original capital amount of £713,948 plus outstanding interest to date.

The group said, as disclosed in its accounts for the year ended 30 September 2018, the loan was originally treated as a non-current receivable, subsequently impaired, and ultimately derecognised as an asset in the accounts for the year ended 30 September 2017, as a result of the conditionality attached to the repayment.

Notwithstanding this, it added, the directors continued to seek repayment and are pleased that this has now been achieved.

The funds will be used to augment working capital and, accordingly, the cash receipt will be disclosed in the group's statement of comprehensive income for the year ending 30 September 2019.

Price: 8.22p
Market Cap: £10.4M

Share Information

Code: REDX
Listing: AIM
52 week **High** **Low**
14.84p **4.75p**

Sector: Pharma & Biotech
Website: www.redxpharma.com

Company Synopsis:

Focused on the development of novel medicines to validated anti-cancer and fibrosis targets in areas of unmet need

Redx Pharma uses its proven drug discovery expertise to generate development candidates that it will take into the clinic and then partner.

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