

May 5, 2020



180 Degree Capital Corp. Reports Q1 2020 Results and Developments From Q2 2020

MONTCLAIR, N.J., May 05, 2020 (GLOBE NEWSWIRE) -- 180 Degree Capital Corp. (NASDAQ:TURN) ("180" and the "Company"), today reported its financial results as of March 31, 2020, that one of 180's life science privately held portfolio companies has entered into a definitive agreement to be acquired by an undisclosed party, and additional developments from the second quarter of 2020. The Company also published a letter to shareholders that can be viewed at <https://ir.180degreecapital.com/financial-results>.

"While the first quarter was challenging amidst the backdrop of the COVID-19 pandemic, we are excited to share some material developments in Q2 2020 with our shareholders," said Kevin M. Rendino, Chief Executive Officer of 180. "The closing of the sale of one of our privately held life science portfolio companies will be a very meaningful event for TURN and its shareholders. Following the close, the combination of the upfront payment, the escrow, and the fair value of the potential future milestone payments will have a material and positive impact on net asset value per share in the second quarter of 2020. We are also excited to have been selected by a pension fund to manage \$25 million of capital alongside 180's permanent capital. This announcement marks our first big win in our efforts to manage additional capital, but we are determined to not have it be our last. We will continue to build our asset base for those that want to invest in our strategy. In addition to these two material events, our public portfolio rebounded in April 2020 from a tough Q1 2020, rising in value by 18.9%. Q2 2020 at 180 is off to a sensational start."

Review of Q1 2020

	Q1 2020
Stock Price	\$2.15 -> \$1.3582 (-36.8%)
Net Asset Value per Share ("NAV")	\$3.06 -> \$2.12 (-30.7%)
Stock Price / NAV	70% -> 64%
Cash + Liquid Securities*	\$51.2 million -> \$32.4 million (-36.7%)

*Net of unsettled trades as of the end of the period.

- During Q1 2020:
 - Public portfolio gross total return was -30.8% versus the Russell Microcap Index of -32.0%. Public portfolio decreased in value by approximately \$15.8 million, or \$0.51 per share.
 - Private portfolio declined in value by approximately \$12.9 million, or \$0.42 per share.

Acquisition of Life Science Private Portfolio Company

- On April 30, 2020, one of our life science private portfolio companies entered into a definitive agreement to be acquired by an undisclosed party. The transaction is currently expected to close in mid-to-late May 2020. The terms of the acquisition are

confidential. 180 notes, however, that upon closing, it will receive approximately \$4.4 million in cash for its position in the company. Approximately \$400,000 in additional proceeds will be held in escrow for one year. 180 will also be eligible to receive up to approximately \$81 million in potential future payments upon the achievement of undisclosed development and commercial milestones. 180 currently estimates that the first milestone payment could occur in 2-3 years, and subsequent milestone payments could occur at various points over the subsequent 10-15 years. The timing and likelihood of the acquirer achieving these milestones is highly uncertain and if these milestones are achieved, the timing may be materially different than current estimates. These factors will be used to develop a fair market value based on a probability-weighted net present value analysis of the potential future milestone payments as of 180's next valuation date, which is June 30, 2020. In addition, simultaneous with the close of the transaction, the company will spin out certain assets into a new entity. 180 will own shares of this new entity. 180's securities of this privately held life science portfolio company were fair valued as of March 31, 2020, at approximately \$2.2 million.

Additional Q2 2020 Developments

- In April 2020, 180 was selected by a pension fund to manage \$25 million in a separately managed account. This selection is subject to negotiation and execution of a definitive investment advisory agreement and the effectiveness of 180's registration as a Registered Investment Adviser with the Securities and Exchange Commission. 180 currently expects to complete these steps and begin management of the funds in mid-to-late Q2 2020.
- Public portfolio gross total return in April 2020 was +18.9%, increasing in value by \$6.1 million, or \$0.20/share. The Russell Microcap Index total return during April 2020 was +15.2%.

The Company also published a letter to shareholders that can be viewed at <https://ir.180degreecapital.com/financial-results>.

Mr. Rendino and Daniel Wolfe, President, Chief Financial Officer and Portfolio Manager, will host a conference call tomorrow, Wednesday, May 6, 2020, at 9am Eastern Time, to discuss the results from Q1 2020 and the developments during Q2 2020. The call can be accessed by phone at (712) 770-4598 passcode 415049 or via the web at <https://www.freeconferencecall.com/wall/180degreecapital>. Additionally, slides that will be referred to during the presentation can be found on 180's investor relations website at <https://ir.180degreecapital.com/ir-calendar>.

About 180 Degree Capital Corp.

180 Degree Capital Corp. is a publicly traded registered closed-end fund focused on investing in and providing value-added assistance through constructive activism to what we believe are substantially undervalued small, publicly traded companies that have potential for significant turnarounds. Our goal is that the result of our constructive activism leads to a reversal in direction for the share price of these investee companies, i.e., a 180-degree turn. Detailed information about 180 and its holdings can be found on its website at www.180degreecapital.com.

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Forward-Looking Statements

This press release may contain statements of a forward-looking nature relating to future events. These forward-looking statements are subject to the inherent uncertainties in predicting future results and conditions. These statements reflect the Company's current beliefs, and a number of important factors could cause actual results to differ materially from those expressed in this press release. Please see the Company's securities filings filed with the Securities and Exchange Commission for a more detailed discussion of the risks and uncertainties associated with the Company's business and other significant factors that could affect the Company's actual results. Except as otherwise required by Federal securities laws, the Company undertakes no obligation to update or revise these forward-looking statements to reflect new events or uncertainties. The reference and link to the website www.180degreecapital.com has been provided as a convenience, and the information contained on such website is not incorporated by reference into this press release. 180 is not responsible for the contents of third-party websites.



Source: 180 Degree Capital Corp.