

August 10, 2020



180 Degree Capital Corp. Reports +27.4% Growth and \$2.70 Per Share NAV as of June 30, 2020, and Developments From Q3 2020

MONTCLAIR, N.J., Aug. 10, 2020 (GLOBE NEWSWIRE) -- 180 Degree Capital Corp. (NASDAQ:TURN) ("180" and the "Company"), today reported its financial results as of June 30, 2020, and additional developments from the third quarter of 2020. The Company also published a letter to shareholders that can be viewed at <https://ir.180degreecapital.com/financial-results>.

"The second quarter of 2020 was an important step forward for 180," said Kevin M. Rendino, Chief Executive Officer of 180. "Our NAV rebounded significantly after our tough first quarter through material contributions from our public and private portfolios. On the public side, our gross total return of +23.9% was solid on an absolute return basis, was mixed in relation to the Russell Microcap Index total return of +30.5% and the Russell Microcap Value Index total return of +22.7%. On the private side, the +30.6% gross return was driven largely by the acquisition of one of our life science company, Petra Pharma Corporation, by an undisclosed acquirer. We also began managing a \$25 million allocation from a publicly traded company's pension fund. This allocation 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."

"The third quarter has started off positively as well," added Daniel B. Wolfe, President of 180. "We generated a gross total return of +11.7% in July 2020, and this strong performance has continued into August. Our public portfolio gross total return for the third quarter through August 7, 2020 was +19.1%, which equates to an increase in value of \$8.5 million or \$0.27 per share. Our total cash plus securities of public companies as of August 7, 2020, is \$1.70 per share. With this increase in value, we note that our public portfolio gross total return through August 7, 2020, is now positive for the year. We are also pleased with the performance of the \$25 million separately managed account that we began investing on June 2, 2020. Through August 7, 2020, the gross total return of this account is +12.9%. While it is too early to know where NAV will end up as of the end of the third quarter or the full year, we are encouraged by our performance through the beginning of August."

Review of Q2 2020

	Q2 2020
Stock Price	\$1.3582 -> \$1.74 (28.1%)
Net Asset Value per Share ("NAV")	\$2.12 -> \$2.70 (27.4%)

Stock Price / NAV	64% -> 64%
Cash + Liquid Securities*	\$32.4 million -> \$44.6 million (37.7%)

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

- Public portfolio gross total return was +23.9% versus the Russell Microcap Index of +30.5%. Public portfolio increased in value by approximately \$8.3 million, or \$0.27 per share.
- Private portfolio increased in value by approximately \$10.6 million, or \$0.34 per share.

Acquisition of Life Science Private Portfolio Company

- On May 14, 2020, the acquisition of Petra Pharma Corporation by an undisclosed acquirer closed. The terms of the deal are confidential, so we can only disclose what 180 received from the transaction. 180 received approximately \$4.4 million in cash at closing. In addition, we received \$305,000 in cash from 180's ownership in an entity affiliated with Petra, Accelerator IV-New York Corporation. Also, approximately \$350,000 will be held in escrow for one year from the date of closing. 180 is also eligible, through its ownership of Petra and Accelerator, to receive up to approximately \$86.9 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 10-20 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 were used to develop a fair market value based on a probability-weighted net present value analysis of the potential future milestone payments of approximately \$6.4 million. We note that successful completion of the first milestone would result in payment of approximately \$6.8 million to 180. Lastly, simultaneous with the close of the transaction, Petra spun out certain assets into a new company. We own shares of this new company, Revanna Pharmaceuticals, Inc.

Q3 2020 Developments

- Public portfolio gross total return in July 2020 was +11.7%, increasing in value by \$5.2 million, or \$0.17/share. The Russell Microcap Index total return during July 2020 was +1.1%.

Mr. Rendino and Daniel Wolfe, President, Chief Financial Officer and Portfolio Manager, will host a conference call tomorrow, Tuesday, August 11, 2020, at 9am Eastern Time, to discuss the results from Q2 2020 and the developments during Q3 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.