UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **October 6, 2022**

REPLIMUNE GROUP, INC.

(Exact name of registrant as specified in its charter)

Delaware	**001-38596**	**82-2082553**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification Number)

500 Unicorn Park Drive
Woburn, MA 01801
(Address of principal executive offices, including Zip Code)

Registrant's telephone number, including area code: **(781) 222-9600**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.001 per share	REPL	The Nasdaq Stock Market LLC (Nasdaq Global Select Market)

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☒

Item 1.01 Entry into a Material Definitive Agreement.

On October 6, 2022 (the "Closing Date"), Replimune Group, Inc. (the "Company") and certain subsidiaries of the Company (collectively, the "Borrowers") entered into a Loan and Security Agreement (the "Loan Agreement") with Hercules Capital, Inc. ("Hercules"), in its capacity as administrative agent and collateral agent (the "Agent") and as a lender, and certain other financial institutions that from time to time may become parties to the Loan Agreement as lenders (collectively, the "Lenders"). The Loan Agreement provides for term loans in an aggregate principal amount of up to $200.0 million under multiple tranches (the "Term Loan Facility"), available to be drawn during the specified time period at the Borrowers' option, which includes (i) an initial term loan advance of $30.0 million on the Closing Date with an additional $30.0 million available to be drawn on or prior to September 30, 2023, (ii) subject to the Borrower achieving certain performance milestones, additional term loan advances in an aggregate principal amount of up to $115.0 million during the term of the Term Loan Facility, and (iii) subject to approval by the applicable Lenders' investment committees in their discretion, up to two term loan advances in an aggregate principal amount of up to $25.0 million, on or prior to the end of the interest-only period referred to below. The Borrowers have agreed to use the proceeds of the Term Loan Facility for working capital and general corporate purposes.

The Term Loan Facility will mature on October 1, 2027 (the "Maturity Date"). The outstanding principal balance of the Term Loan Facility bears interest payable in cash at a floating rate per annum equal to the greater of (i) 7.25% and (ii) the sum of the Prime Rate (which is capped at 7.25%) and 1.75%. In addition, the principal balance of the Term Loan Facility will bear "payment-in-kind" interest at the rate of 1.50% ("PIK Interest"), which PIK Interest will be added to the outstanding principal balance of the Term Loan Facility on each interest payment date. Accrued interest is payable monthly following the funding of each term loan advance.

The Borrowers may make payments of interest only, without any loan amortization payments, for a period of forty-eight (48) months following the Closing Date, which interest-only period may be extended to (i) the date which is fifty-four (54) months following the Closing Date if certain performance milestones have been achieved, and (ii) the Maturity Date if certain additional performance milestones have been achieved. At the end of the interest-only period, the Borrowers are required to begin repayment of the outstanding principal of the Term Loan Facility in equal monthly installments (or, in a single installment, if the interest-only period has been extended to the Maturity Date).

The Loan Agreement contains customary facility fees, events of default and representations, warranties and affirmative and negative covenants, including a financial covenant requiring the Borrowers to maintain certain levels of cash in accounts subject to a control agreement in favor of the Agent (the "Unrestricted Cash") at all times commencing on January 1, 2024. In addition, the Loan Agreement also contains a financial covenant that beginning on the later of (i) July 1, 2024 and (ii) the date on which the aggregate outstanding principal amount of the Term Loan Facility is equal to or greater than $100.0 million, the Borrowers are required to satisfy one of the following requirements: (1) achieve a minimum amount of trailing three-month net product revenue tested on a monthly basis, (2) maintain a market capitalization in excess of $1.2 billion and Unrestricted Cash in an amount no less than 50% of the outstanding amount under the Term Loan Facility, or (3) maintain Unrestricted Cash in an amount no less than 85% of the outstanding amount under the Term Loan Facility.

The Company plans to file the Loan Agreement as an exhibit to its Quarterly Report on Form 10-Q for the quarter ended on September 30, 2022, and intends to seek confidential treatment for the Loan Agreement. The foregoing description of the Loan Agreement is qualified in its entirety by reference to the complete text of the Loan Agreement when filed.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation Under an Off-Balance Sheet Arrangement of the Registrant.

The information set forth in Item 1.01 of this report is incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

On October 7, 2022, the Company issued a press release regarding the Loan Agreement, a copy of which is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information contained in this Item 7.01 and in the accompanying Exhibit 99.1 shall not be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing, unless expressly incorporated by specific reference to such filing. The information in this Item 7.01 and the accompanying Exhibit 99.1 shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section or Sections 11 and 12(a)(2) of the Securities Act of 1933, as amended.

Item 9.01 Financial Statements and Exhibits.

Exhibit No.	Description
99.1	News Release dated October 7, 2022
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

REPLIMUNE GROUP, INC.

Date: October 7, 2022

By: /s/ Jean Franchi
Jean Franchi
Chief Financial Officer

Exhibit 99.1

Replimune Secures $200 Million in Non-Dilutive Debt Financing from Hercules Capital, Inc.

Woburn, MA, October 7, 2022 – Replimune Group, Inc. (NASDAQ: REPL), a clinical stage biotechnology company pioneering the development of a novel class of tumor-directed oncolytic immunotherapies, today announced that it has obtained a $200 million non-dilutive term loan facility from Hercules Capital, Inc. (NYSE:HTGC), a leader in customized debt financing for companies in the life sciences and technology-related markets. This non-dilutive capital extends cash runway into 2025 ahead of key catalysts from the Company's registration-directed CERPASS and IGNYTE trials in cutaneous squamous cell carcinoma (CSCC) and anti-PD1 failed melanoma inclusive of the costs of funding commercial infrastructure and the running of a confirmatory study to support a potential BLA filing in anti-PD1 failed melanoma.

"This non-dilutive financing option provides Replimune with significant flexibility as we prepare for key RP1 skin franchise data catalysts and related commercial preparations of our novel tumor-directed oncolytic immunotherapies as well as the advancement of RP2/3 into Phase 2 studies," said Jean Franchi, Chief Financial Officer of Replimune. "Not only does this non-dilutive financing strengthen what we believe to be an already strong financial position, it creates optionality in future capital formation and enables us to choose when, and to what extent, we access available funding in order to help manage future cost of capital and dilution."

"Hercules strives to align with some of the best and brightest companies in the life sciences industry to provide them with long-term capital commitments to help them achieve their ambitious goals. We are excited to collaborate with Replimune and their team ahead of numerous data, regulatory, and commercial milestones," said Bryan Jadot, Senior Managing Director and Group Head at Hercules Capital.

The loan facility consists of up to six tranches, five of which can be drawn at Replimune's option and each maturing in October 2027. The loan facility provides for at least 48-months of interest-only at close, which interest-only period can be extended up to 60 months upon satisfaction of certain milestones. An initial $30 million tranche was funded at closing with an additional $30 million available to be drawn at Replimune's option prior to September 30, 2023. An additional $115 million is available subject to the Company's achievement of specified performance milestones relating to clinical, regulatory, and commercial events. The final $25 million tranche is available for draw, at Replimune's option and subject to Hercules consent during the interest-only period.

Armentum Partners acted as the Company's exclusive financial advisor on this transaction.

Additional details of the loan agreement will be filed with the Securities and Exchange Commission on a Current Report on Form 8-K.

About Replimune

Replimune Group, Inc., headquartered in Woburn, MA, was founded in 2015 with the mission to transform cancer treatment by pioneering the development of novel tumor-directed oncolytic immunotherapies. Replimune's proprietary RPx platform is based on a potent HSV-1 backbone with payloads added to maximize immunogenic cell death and the induction of a systemic anti-tumor immune response. The RPx platform has a unique dual local and systemic mechanism of action (MOA) consisting of direct selective virus-mediated killing of the tumor resulting in the release of tumor derived antigens and altering of the tumor microenvironment (TME) to ignite a strong and durable systemic response. This MOA is expected to be synergistic with most established and experimental cancer treatment modalities, and, with an attractive safety profile the RPx platform has the versatility to be developed alone or combined with a variety of other treatment options. For more information, please visit www.replimune.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including statements regarding the strength of our financial position, our expectations about our cash runway, the design and advancement of our clinical trials, the timing and sufficiency of our clinical trial outcomes to support potential approval of any of our product candidates, our goals to develop and commercialize our product candidates, patient enrollments in our existing and planned clinical trials and the timing thereof, and other statements identified by words such as "could," "expects," "intends," "may," "plans," "potential," "should," "will," "would," or similar expressions and the negatives of those terms. Forward-looking statements are not promises or guarantees of future performance, and are subject to a variety of risks and uncertainties, many of which are beyond our control, and which could cause actual results to differ materially from those contemplated in such forward-looking statements. These factors include risks related to our limited operating history, our ability to generate positive clinical trial results for our product candidates, the costs and timing of operating our in-house manufacturing facility, the timing and scope of regulatory approvals, changes in laws and regulations to which we are subject, competitive pressures, our ability to identify additional product candidates, political and global macro factors including the impact of the coronavirus as a global pandemic and related public health issues, and other risks as may be detailed from time to time in our Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q and other reports we file with the Securities and Exchange Commission. Our actual results could differ materially from the results described in or implied by such forward-looking statements. Forward-looking statements speak only as of the date hereof, and, except as required by law, we undertake no obligation to update or revise these forward-looking statements.

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