

## **Iterum Therapeutics Bermuda Limited**

August 13, 2024

Cede & Co.  
PO Box 20  
Bowling Green Stn,  
New York,  
NY, 10274

**Re: Notice pursuant to Section 14.10 of the Indenture (the “Indenture”) dated as of January 21, 2020 among Iterum Therapeutics Bermuda Limited, as Notes issuer (the “Company”), Iterum Therapeutics plc (“Iterum”), as guarantor, Iterum Therapeutics International Limited, as guarantor, Iterum Therapeutics US Limited, as guarantor, Iterum Therapeutics US Holding Limited, as guarantor, and U.S. Bank National Association, as trustee, for the Company’s 6.500% Exchangeable Senior Subordinated Notes due 2025 (the “Notes”)**

Dear Holder of 6.500% Exchangeable Senior Subordinated Notes due 2025:

Notice is hereby provided that an action pursuant to Section 14.04 of the Indenture, as described in more detail below, has been made with respect to the Notes. Capitalized terms used but not defined in this Notice shall have the same meanings ascribed thereto in the Indenture.

### **Background**

The anti-dilution adjustment was triggered in accordance with Section 14.04(f) of the Indenture (*Adjustment of Exchange Rate Upon Issuance of Additional Ordinary Shares*) by the completion of a rights offering (the “Rights Offering”) pursuant to a Form S-1 (File No. 333-280045) (as amended, the “Registration Statement”) filed with and declared effective by the U.S. Securities and Exchange Commission and the related prospectus dated July 19, 2024 (the “Prospectus”, and together with the Registration Statement, the “Offering Documents”), whereby Iterum distributed subscription rights to its shareholders and certain holders of Iterum warrants on July 16, 2024 (together, the “Eligible Participants”), non-transferable subscription rights to purchase an aggregate of 8,503,800 units (“Units”) at a subscription price of \$1.21 per whole unit (the “Subscription Price”). Each whole Unit consisted of (a) one ordinary share (“Ordinary Shares”), (b) a warrant to purchase 0.50 Ordinary Shares, at an exercise price of \$1.21 per whole Ordinary Share from the date of issuance through its expiration one year from the date of issuance (the “1-Year Warrants”) and (c) a warrant to purchase one Ordinary Share, at an exercise price of \$1.21 per whole ordinary share from the date of issuance through its expiration five years from the date of issuance (the “5-Year Warrants”).

During the subscription period of the Rights Offering, which commenced on July 22, 2024, and ended on August 6, 2024 in accordance with the Offering Documents, Eligible

Participants validly subscribed for 6,121,965 Units at the Subscription Price. Accordingly, on August 9, 2024, Iterum delivered 6,121,965 Ordinary Shares underlying the Units to rights holders together with, 6,121,965 one 1-Year Warrants and 6,121,965 one 5-Year Warrants (the “Rights Offering Issuance”).

The 6,121,965 Ordinary Shares underlying the Units together with 3,060,982 Ordinary Shares issuable on exercise of the 1-Year Warrants and 6,121,965 Ordinary Shares issuable on exercise of the 5-Year Warrants are referred to herein as the “Additional Ordinary Shares”.

The consideration per Additional Ordinary Shares in the Rights Offering Issuance was less than the then-current Exchange Price of the Notes, thus triggering an anti-dilution adjustment pursuant to Section 14.04(f) of the Indenture.

In accordance with Section 14.04(f)(i) of the Indenture, the Exchange Rate shall be adjusted, effective on August 15, 2024, being the fourth Trading Day immediately following the issuance of the Additional Ordinary Shares, and the notice herein is being provided in accordance with Section 14.04(l) of the Indenture.

### **Adjusted Exchange Rate and Exchange Price**

The following are the adjusted Exchange Rate of the Notes and Exchange Price per Ordinary Share, effective on August 15, 2024, in accordance with the Indenture. The adjusted amounts were calculated in accordance with Section 14.04(f) of the Indenture, as described further below:

- (a) **Exchange Rate**: 175.2191 shares per \$1,000 of principal and interest on the Notes (which may be subject to future adjustments under Article 14 of the Indenture)
- (b) **Exchange Price**: \$5.7071 per Ordinary Share (which may be subject to future adjustments under Article 14 of the Indenture)

### **Supporting Facts and Calculations**


The Company calculated the adjusted Exchange Rate and Exchange Price based on the facts and calculations described below:

- (a) At the closing of the Rights Offering Issuance,
  - i. The Exchange Rate in effect prior to the issuance of the Additional Ordinary Shares under the Rights Offering Issuance was 105.0398 shares per \$1,000 of principal and interest on the Notes;
  - ii. There were 18,050,695 Ordinary Shares outstanding immediately prior to the Rights Offering Issuance, including shares issuable upon exercise, exchange or conversion of all Options and Convertible Securities outstanding as of such date;

- iii. The consideration for the Additional Ordinary Shares issued pursuant to the Rights Offering Issuance, in accordance with the Indenture, is equal to \$18,518,943.50; and
  - iv. There were 15,304,912 Additional Ordinary Shares issued in the Rights Offering Issuance.
- (b) In accordance with Section 14.04(f) of the Indenture, the adjusted Exchange Rate was calculated by multiplying (x) the Exchange Rate that was in effect immediately prior to the Rights Offering Issuance by (y) the fraction equal to (i) the sum of (a) the number of Ordinary Shares outstanding immediately prior to the Rights Offering Issuance (treating for this purpose as outstanding all Ordinary Shares issuable upon exercise of Options outstanding immediately prior to such issuance or deemed issuance or upon conversion or exchange of Convertible Securities outstanding (assuming exercise of any outstanding Options therefor) immediately prior to such issue) (the “Outstanding Shares”), and (b) the aggregate number of Additional Ordinary Shares issued in the Rights Offering Issuance divided by (ii) the sum of (a) the Outstanding Shares and (b) the number of Ordinary Shares that would have been issued if such Additional Ordinary Shares had been issued or deemed issued at a price per share equal to the Exchange Price in effect immediately prior to the Rights Offering Issuance (determined by dividing the aggregate consideration received by Iterum in respect of such issue by such Exchange Price).
- (c) In accordance with the definition of Exchange Price in the Indenture, the adjusted Exchange Price will be calculated by dividing \$1,000 by the adjusted Exchange Rate.

Should you have any questions, please contact Louise Barrett, Iterum’s Senior Vice President Legal Affairs, at [lbarrett@iterumtx.com](mailto:lbarrett@iterumtx.com) or +353-1-9038354

Sincerely,

DocuSigned by:  
  
1197C8D48D124DA...

Judy Matthews  
Chief Financial Officer