

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K/A

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

Date of Report (Date of earliest event reported): November 10, 2022

IMARA INC.

(Exact name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-39247
(Commission
File Number)

81-1523849
(IRS Employer
Identification No.)

1309 Beacon Street, Suite 300, Office 341
Brookline, MA
(Address of Principal Executive Offices)

02446
(Zip Code)

Registrant's Telephone Number, Including Area Code: (617) 206-2020

N/A
(Former Name or Former Address, if Changed Since Last Report)

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	IMRA	The Nasdaq Stock Market LLC

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.

Explanatory Note

On November 10, 2022, Imara Inc., a Delaware corporation (the “Company”) filed a Current Report on Form 8-K (the “Initial Report”) with the Securities and Exchange Commission to report, among other things, the completion of the sale of tovinontrine (IMR-687) and all other assets of the Company related to its PDE9 program (the “Asset Sale”) pursuant to the Asset Purchase Agreement between the Company and Cardurion Pharmaceuticals, Inc. dated as of September 6, 2022.

As disclosed in the Initial Report, this Current Report on Form 8-K/A is being filed to amend the Initial Report to include the pro forma financial information required by Item 9.01(b) of Form 8-K. No other changes are being made to the Initial Report.

The pro forma financial information included in this Current Report on Form 8-K/A has been presented for informational purposes only and is not necessarily indicative of the pro forma financial position or results of operations that would have been realized had the Asset Sale occurred as of the dates indicated, nor is it meant to be indicative of any anticipated financial position or future results of operations that the Company will experience after the Asset Sale.

This Current Report on Form 8-K/A should be read in conjunction with the Initial Report, which provides a more complete description of the Asset Sale.

Item 9.01 Financial Statements and Exhibits.

(b) The unaudited pro forma condensed consolidated financial information of the Company as of and for the nine months ended September 30, 2022, and the unaudited pro forma condensed consolidated financial information of the Company for the fiscal year ended December 31, 2021 as required by Item 9.01(b) are attached as Exhibit 99.1 to this Current Report on Form 8-K/A and incorporated herein by reference.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Unaudited Pro Forma Condensed Consolidated Financial Information.
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.

IMARA INC.

Date: November 15, 2022

By: /s/ Rahul D. Ballal

Name: Rahul D. Ballal, Ph.D.

Title: President and Chief Executive Officer

UNAUDITED PRO FORMA FINANCIAL INFORMATION

On November 10, 2022 (the “Closing Date”), IMARA Inc. (the “Company”) completed the previously announced transaction providing for the sale of tovinontrine (IMR-687) and all other assets of the Company related to its PDE9 program (the “Asset Sale”) to Cardurion Pharmaceuticals, Inc. (“Cardurion”) pursuant to the Asset Purchase Agreement (the “Asset Purchase Agreement”) between the Company and Cardurion dated as of September 6, 2022. In addition to \$250,000 previously paid by Cardurion to the Company upon execution of a non-binding term sheet, the aggregate purchase price consisted of an upfront cash payment of \$34,750,000 upon closing of the Asset Sale, a \$10,000,000 potential future payment that may become payable if Cardurion achieves a proof of concept milestone or other specified clinical milestones and a \$50,000,000 potential future payment that may become payable if Cardurion achieves specified regulatory and/or commercial milestone events, in each case as described in the Asset Purchase Agreement and subject to the terms of the Asset Purchase Agreement. The Company will not have any further direct involvement in the development and commercialization of the technology that is subject to the Asset Purchase Agreement. Among other customary closing conditions, the Asset Purchase Agreement was contingent upon obtaining stockholder approval of the arrangement, which occurred on November 10, 2022.

The following unaudited pro forma consolidated financial statements are intended to show how the Asset Sale might have affected the historical financial statements of the Company if the Asset Sale had been completed at an earlier time as indicated therein, and such unaudited pro forma consolidated financial statements are derived from, and should be read in conjunction with, the Company’s historical condensed consolidated financial statements and notes thereto, as presented in the Company’s Quarterly Report on Form 10-Q for the nine months ended September 30, 2022 filed with the Securities and Exchange Commission (“SEC”) on October 25, 2022 (the “Form 10-Q”) and the Company’s historical financial statements and notes thereto, as presented in the Company’s Annual Report on Form 10-K filed for the fiscal year ended December 31, 2021 filed with the SEC on March 15, 2022 (the “Form 10-K”).

The unaudited pro forma consolidated financial information has been prepared in accordance with Article 11 of Regulation S-X. The unaudited pro forma condensed consolidated balance sheet as of September 30, 2022 assumes the transaction had occurred on September 30, 2022. The unaudited pro forma condensed consolidated statements of operations for the nine months ended September 30, 2022 and the year ended December 31, 2021 give effect to the transaction as if it had occurred as of January 1, 2021.

In addition, Regulation S-X permits registrants to reflect adjustments that depict synergies and dis-synergies of the acquisitions and dispositions for which pro forma effect is being given in the Company’s disclosures as management adjustments. The Company has determined not to disclose such adjustments because it does not believe that presentation of such adjustments would enhance an understanding of the pro forma effects of the Asset Sale.

The accounting adjustments to reflect the Asset Sale in the unaudited pro forma consolidated financial statements include:

- the sale of the assets related to the PDE9 program (including tovinontrine) pursuant to the Asset Purchase Agreement; and
- receipt of the cash proceeds that were payable on the Closing Date in connection with the Asset Sale.

The effects of recording certain adjustments associated with contingent consideration contemplated by the Asset Sale have been excluded because of the uncertainty of payments which were not considered probable of occurring at the time of the Closing Date.

The unaudited pro forma consolidated financial statement information is presented for informational purposes only and is based upon estimates by the Company’s management, which are based upon available information and certain assumptions that the Company’s management believes are reasonable as of the date of this filing. The unaudited pro forma consolidated financial statements are not intended to be indicative of the actual financial position or results of operations that would have been achieved had the Asset Sale been consummated as of the periods indicated, nor does it purport to indicate results which may be attained in the future. Actual amounts could differ materially from these estimates.

The unaudited pro forma consolidated balance sheet as of September 30, 2022 and the unaudited pro forma consolidated statements of operations for nine months ended September 30, 2022 and the year ended December 31, 2021 should be read in conjunction with the notes thereto.

Imara Inc.
Unaudited Pro Forma Condensed Consolidated Balance Sheet
As of September 30, 2022
(in thousands, except share and per share data)

	Historical Imara (a)	Transaction Accounting Adjustments		Pro Forma Imara
		Operations of Sold Assets (b)	Pro Forma Adjustments (c)	
Assets				
Current assets:				
Cash and cash equivalents	\$ 49,491	\$ —	\$ 32,750 (e)	\$ 82,241
Short-term investments	6,813	—	—	6,813
Prepaid expenses and other current assets	2,800	(566) (d)	—	2,234
Total current assets	<u>59,104</u>	<u>(566)</u>	<u>32,750</u>	<u>91,288</u>
Total assets	<u>\$ 59,104</u>	<u>\$ (566)</u>	<u>\$ 32,750</u>	<u>\$ 91,288</u>
Liabilities and stockholder's equity				
Current liabilities:				
Accounts payable	\$ 767	\$ —	\$ —	\$ 767
Accrued expenses and other current liabilities	1,051	—	—	1,051
Total current liabilities	<u>1,818</u>	<u>—</u>	<u>—</u>	<u>1,818</u>
Total liabilities	<u>1,818</u>	<u>—</u>	<u>—</u>	<u>1,818</u>
Common stock, \$0.001 par value per share; 200,000,000 shares authorized as of September 30, 2022; 26,287,264 shares issued and outstanding as of September 30, 2022				
	27	—	—	27
Additional paid-in capital	235,457	—	—	235,457
Accumulated other comprehensive loss	(4)	—	—	(4)
Accumulated deficit	<u>(178,194)</u>	<u>(566)</u>	<u>32,750</u>	<u>(146,010)</u>
Total stockholders' equity	<u>57,286</u>	<u>(566)</u>	<u>32,750</u>	<u>89,470</u>
Total liabilities and stockholders' equity	<u>\$ 59,104</u>	<u>\$ (566)</u>	<u>\$ 32,750</u>	<u>\$ 91,288</u>

See accompanying notes to the pro forma consolidated financial statements

Imara Inc.
Unaudited Pro Forma Condensed Consolidated Statement of Operations
For the Nine Months Ended September 30, 2022
(in thousands, except share and per share data)

	Historical Imara (a)	Transaction Accounting Adjustments		Pro Forma Imara
		Operations of Sold Assets (b)	Pro Forma Adjustments (c)	
Operating expenses:				
Research and development	\$ 18,760	\$ (17,692)	(d)	\$ 1,068
General and administrative	12,253	—	—	12,253
Total operating expenses	31,013	(17,692)	—	13,321
Loss from operations	(31,013)	17,692	—	(13,321)
Total other income, net:				
Other expense	(114)	—	—	(114)
Interest income	430	—	—	430
Total other income, net	316	—	—	316
Net loss	\$ (30,697)	\$ 17,692	\$ —	\$ (13,005)
Net loss per share attributable to common stockholders, basic and diluted	\$ (1.17)	\$ —	\$ —	\$ (0.49)
Weighted-average common shares outstanding, basic and diluted	26,287,264	—	—	26,287,264

See accompanying notes to the pro forma consolidated financial statements

Imara Inc.
Unaudited Pro Forma Condensed Consolidated Statement of Operations
For the Year Ended December 31, 2021
(in thousands, except share and per share data)

	Historical Imara (a)	Transaction Accounting Adjustments		Pro Forma Imara
		Operations of Sold Assets (b)	Pro Forma Adjustments (c)	
Operating expenses:				
Research and development	\$ 38,442	\$ (36,603)	(d) \$ —	\$ 1,839
General and administrative	13,000	—	—	13,000
Total operating expenses	51,442	(36,603)	—	14,839
Loss from operations	(51,442)	36,603	—	(14,839)
Total other income, net:				
Other expense	(175)	—	—	(175)
Interest income	233	—	—	233
Sale of IPR&D asset	—	—	32,750	(e) 32,750
Total other income, net	58	—	32,750	32,808
Net (loss) income	\$ (51,384)	\$ 36,603	\$ 32,750	\$ 17,969
common stockholders, basic and diluted	\$ (2.37)	\$ —	\$ 32,750	\$ 0.83
Weighted-average common shares outstanding, basic and diluted	21,661,450	—	—	21,661,450

See accompanying notes to the pro forma consolidated financial statements

Notes to the Unaudited Pro Forma Condensed Consolidated Financial Statements

The unaudited pro forma condensed consolidated financial statements reflect the following notes and adjustments:

- (a) Reflects the condensed consolidated balance sheet as of September 30, 2022 and condensed consolidated statement of operations for the nine months ended September 30, 2022 in the Form 10-Q and the consolidated statement of operations for the year ended December 31, 2021 in the Form 10-K.
- (b) Reflects the consummation of the Asset Sale in accordance with the terms of the Asset Purchase Agreement.
- (c) Reflects the additional transaction accounting adjustments which show how the Asset Sale might have affected the Company's historical financial statements if the sale had been completed at an earlier time.
- (d) Adjustments represent the elimination of assets to the Asset Sale and the disposed operations. Note that liabilities are not eliminated as liabilities incurred by the Company prior to the Closing Date are excluded from the transaction and not transferred to Cardurion, per the Asset Purchase Agreement.
- (e) To record the net cash proceeds from the Asset Sale paid on the Closing Date of \$34.8 million, less estimated closing costs of \$2.0 million that are likely to be incurred as part of the consummation of the Asset Sale.