

Alis Biosciences launches fund to free over USD\$30 billion of capital trapped in listed development-stage life sciences and biotech companies

- *Significant market inefficiencies have left over USD\$30 billion of capital trapped in c.300 listed biotech companies worldwide that have experienced clinical or regulatory setbacks*
- *Fund provides efficient mechanism to help investors recoup and recycle trapped cash, while allowing residual science and IP to be developed*
- *Fund to be listed on public markets in due course*
- *Led by highly experienced industry and investment executives Annalisa Jenkins and Nicholas Johnston*

London, UK – 18 April 2025: Alis Biosciences (“Alis”), an investment fund focused on returning capital to investors that is currently trapped in listed, development-stage biotech companies, today formally launches. Founded by highly experienced industry and investment executives, Alis’ goal is to protect public shareholders’ funds while still supporting company management and boards.

Currently, there are nearly 300 listed, development stage life sciences and biotech companies worldwide that have experienced clinical, regulatory or commercial setbacks. These have trapped capital worth over USD\$30 billion on their balance sheets, with market caps ranging from USD\$5 million to USD\$100 million and cash reserves ranging from USD\$10 million to USD\$400 million.

Alis offers public companies a range of innovative and adaptable structures to return capital to their shareholders, while providing a chance for any residual science and IP to be developed if appropriate. Alis will approach the board and management of each target company and mutually agree the optimum Alis structure to deploy. Alis will then seek to delist the company from the public market with the agreement of its shareholders in the normal way. Each delisted company’s cash and IP will be held in individual Special Purpose Vehicles (“SPV”) which are managed by Alis. Applicable cash will then be returned to shareholders immediately, with the IP either developed or sold using one of the following structures.

- **Structure A** returns most of the uncommitted cash to shareholders (e.g. 97%), with the company then sold back to certain shareholders or stakeholders who wish to further develop any residual science. Alis will retain a small stake with any upside from its stake shared across these shareholders.
- **Structure B** returns the vast majority of uncommitted cash to shareholders (e.g. 95%), leaving just enough to manage the structured wind-down of the company. Alis keeps the IP associated with this company. This process will be far quicker than any bankruptcy process.

In the near term, Alis will seek a public market listing that will allow it to offer a further Structure:

Structure C leaves enough cash in the acquiring vehicle (e.g. 40% of cash balance), to allow Alis to fund further clinical programmes, with the remaining 60% of cash immediately returned to shareholders along with an equity interest in Alis. The proceeds from any clinical success will then be retained by participating contingent value rights and by retaining shares in Alis.

Nicholas Johnston, Board Member and Founder of Alis Biosciences, commented: *"We founded Alis Biosciences to alter the status quo, where tens of billions of dollars of investors' funds are trapped in moribund listed life sciences and biotech companies. Our highly experienced team work collaboratively with shareholders, management, and boards, to provide the optimum mechanism to return capital to shareholders, while also allowing stakeholders the option to further develop residual science and IP where there is potential to do so. This is too big a problem to ignore and Alis is committed to providing a fresh solution."*

Annalisa Jenkins, Chair of Alis Biosciences added: *"In this challenging financial market environment, there is a need for greater creativity to find answers to this USD\$30 billion problem. This needs to be solved if capital is to be effectively recycled within the capital market ecosystem to finance exciting new science that has the potential to succeed and deliver investor returns."*

"Public and private investors have expressed strong support for Alis Biosciences' tailored approach, reflecting demand for a new solution to this longstanding problem. We firmly believe that our highly experienced and scientifically knowledgeable investment team can not only help to return value to shareholders but also develop any viable residual science."

Frequently, following a clinical or regulatory set back, publicly listed life sciences and biotech companies experience an often immediate and sharp decline in their stock price, coupled with the immediate and consequent loss of stock liquidity. This leaves cash on their balance sheet far in excess of their current market capitalisation, no commensurate growth or limited alternative near-term clinical development prospects of success, and no efficient and timely mechanism to return cash to shareholders.

These companies often hope to develop another compound or product in their pipeline or merge with a private company, thereby heavily diluting shareholder equity. These alternatives typically have a very different investment case from the original programme, but investors are left with no option but to follow the direction of management or the board, while tens of millions of dollars of investor capital remains on the balance sheet. Even when a company files for bankruptcy, this process is time consuming and expensive, and further delays the return of any cash to shareholders while failing to adequately capture any residual value in the company's IP.

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About Alis Biosciences

Alis Biosciences ("Alis") is an investment fund focused on returning capital to investors that is currently trapped in listed, development-stage biotech companies. Alis protects the interests of acquired company shareholders by providing a mechanism to return capital and resuscitate viable science,

creating a novel and much-needed market safety net that may end up boosting investment in high tech healthcare.

Significant market inefficiencies have left over USD\$30 billion of capital trapped in c.300 biotechs all of which have experienced setbacks – typically a failure in clinical trials of their lead programme or unsuccessful commercial launch. Following a sharp decline in their stock price, with the concurrent reduction in liquidity, these companies are left with cash on their balance sheet far in excess of their market capitalization, no commensurate growth or limited alternative near-term clinical development prospects of success; and importantly with no efficient and timely mechanism to return cash to shareholders.

Alis has a highly experienced and scientifically knowledgeable team that works collaboratively with shareholders, management, and boards. It has a flexible approach, with different innovative structures, all adaptable, which provide a mechanism to return capital to shareholders, while also allowing stakeholders the option to further develop residual IP if enough stakeholders, in collaboration with external advisors, suggest there is potential.

Multiomic analysis will be used to validate the residual IP within companies to determine whether a positive outcome is achievable. The feedback from this work, carried out over a relatively short period of time, will then be used to determine whether a different path forward is possible for any of the residual IP left within a particular company.

For more information, please visit: www.alisbiosciences.com