

Quercis Pharma Secures USD 150 Million Investment Commitment from GEM as Company Seeks to Go Public

Company Exploring Multiple Capital Market Options

This Agreement with GEM helps secure funding as we embark on a route to go public and will provide certainty of capital upon listing on a public stock exchange. -
- Dr. Ilias Laeber, Chairman

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Quercis Pharma AG →

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ZUG, Switzerland, Dec. 9, 2021 /PRNewswire/ -- Quercis Pharma AG, a private, clinical stage biopharmaceutical company leveraging its novel antithrombotic platform, today announced that it has signed an Agreement with GEM Global Yield LLC SCS ("GEM"), the Luxembourg based private alternative investment group, to provide Quercis with a share subscription facility of up to USD 150 million for a 36-month term following a public listing. The share subscription facility will allow Quercis, subject to terms of the Agreement, to draw down funds by issuing shares of common stock to GEM. Quercis will control the timing and magnitude of such drawdowns and has no minimum drawdown obligation. Concurrent with a public listing of Quercis shares, Quercis will issue warrants to GEM to purchase up to 3% of the common stock of the company. The exercise of these warrants will act as another funding exercise for Quercis.

Management is considering a range of options to take the company public and is being advised on legal matters by Homberger AG, Zurich, and on patent matters by Troutman Pepper LLP in the United States.

Quercis is currently advancing its lead clinical candidate, Isoquercetin, designed to prevent thromboembolic events in metastatic pancreatic cancer patients, under a Special Protocol Agreement with the U.S. Food and Drug Administration, announced in May 2021.

"We believe that this agreement with GEM is among the largest single share subscription facilities for a Swiss based biotechnology company and will help secure critical funding as we embark on our strategy to go public, providing assurance of a strong capital position upon listing on a public exchange," stated Dr. Ilias Laeber, Chairman of the Board of Quercis. "We are now well positioned as we enter our next stage of development and look forward to progressing our pipeline programs."

About GEM

Global Emerging Markets ("GEM") is a \$3.4 billion, alternative investment group with offices in Paris, New York, and Nassau (Bahamas). GEM manages a diverse set of investment vehicles focused on emerging markets and has completed over 480 transactions in 70 countries. Each investment vehicle has a different degree of operational control, risk-adjusted return, and liquidity profile. The family of funds and investment vehicles provide GEM and its partners with exposure to: Small-Mid Cap Management Buyouts, Private Investments in Public Equities and select venture investments. For more information: <http://www.gemny.com>

About Quercis

Quercis is a biotech company with its main operations in Switzerland which uses a novel new patented technology with its Isoquercetin based investigational drug with the working name Kinisoquin™ to prevent thrombus formation by inhibiting protein disulphide isomerase (PDI), a novel antithrombotic therapeutic target in cardiovascular disease. Kinisoquin™ is based on a highly purified natural product extract. In a phase 2 multi-center clinical trial in late-stage cancer patients conducted in the United States, the oral administration of 1000 mg daily of Kinisoquin significantly reduced coagulation markers including D-Dimer, P-Selectin and Thrombin generation without evidence of increased risk of hemorrhage (Zwicker et al. *JCI Insight* 2019). Dr. Stefan Wohlfeil, Chief Medical Officer of Quercis said, "We are hopeful that this drug could be the future of thrombosis prevention in high-risk cancer patients as well as patients at high risk of thrombosis in general. This is a huge step forward as the product is orally administered, safe and has reduced bleeding risk. Preventing thrombosis without increasing the risk of bleeding represents the holy-grail of anticoagulants." Studies have been conducted

in collaboration with Harvard, University of Reading, Zurich University Hospital, National Institutes of Health (NIH), as well as other universities and hospital systems in the United States and Europe. Quercis owns a significant number of patents and holds licenses from Harvard, other universities, and the Canadian Government to additional patent properties. For more information: <http://www.quercis.com>

Forward-Looking Statements

This release includes forward-looking statements regarding Quercis (the Company) and its respective businesses. Such statements are based on the current expectations of the management of each entity. The forward-looking events and circumstances discussed in this release, including completion of the public offering, may not occur and could differ materially as a result of known and unknown risk factors and uncertainties affecting the Company, including risks affecting the Company, economic factors, and the equity markets generally. No forward-looking statement can be guaranteed. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and Quercis undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise. This is not an offer or solicitation to buy or sell any securities.

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