



# **Preliminary Results**

## **For the year ended 31 December 2006**

### Presentation Team

Mr Tim McCarthy, Chief Executive Officer  
Mr David Campbell, Finance Director  
Mr Roger Hickling, R&D Director

This presentation has been organised by Alizyme plc (the “Company”) in order to provide general information on the Company. This material has been prepared solely by the Company and is (i) for your private information, and the Company is not soliciting any action based upon it; (ii) not to be construed as an offer to sell or a solicitation of an offer to buy any security and (iii) based upon information that the Company considers reliable. The Company does not represent that the information contained in this material is accurate or complete, and it should not be relied upon as such. No representation, warranty or undertaking, express or implied, is or will be made with respect to the fairness, accuracy or completeness of any of the information or statement of opinion or expectation contained herein or stated in the presentation or any other such information nor shall you be entitled to rely upon it. In furnishing you with this information no obligation is undertaken to provide you with any further information, to update this information nor any other information nor to correct any information contained herein or any omission therefrom.

The Company’s securities have not been registered under the U.S. Securities Act of 1933 (as amended), and may not be offered or sold in the United States or to U.S. persons unless they have been registered under such Act, or except in compliance with an exemption from the registration requirements of such Act.

No part of this material may be (i) copied, photocopied, or duplicated in any form, by any means, or (ii) redistributed, published, or disclosed by recipients to any other person, in each case without the Company’s prior written consent. This material is only being provided to persons who are authorised persons or exempted persons within the meaning of the Financial Services and Markets Act 2000 or any order made thereunder or to other persons of a kind described in Articles 19 and 49 of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 or who are otherwise permitted by law to receive it.

In relation to information about the price at which securities in the Company have been bought or sold in the past, note that past performance cannot be relied upon as a guide to future performance. In addition, the occurrence of some of the events described in this document and the presentation that will be made, and the achievement of the intended results, are subject to the future occurrence of many events, some or all of which are not predictable or within the Company’s control; therefore, actual results may differ materially from those anticipated in any forward looking statements. The Company disclaims any obligation to update these forward looking statements.

The financial information does not constitute statutory financial statements within the meaning of section 240 of the Companies Act 1985. The results for the period ended 31 December 2006 have been extracted from the unaudited preliminary statement. The results for the year ended 31 December 2005 have been extracted from the statutory financial statements, which have been filed with the Registrar of Companies in England and Wales and upon which the auditors reported without qualification.

**Cetilistat** (obesity and diabetes)

- ◆ Successful 'End of Phase II' meeting and follow up with FDA including agreement of the outline Phase III development programme
- ◆ Takeda commenced Phase II clinical development in up to 450 clinically obese Japanese patients with associated co-morbidities; development milestone achieved and US\$2 million received by Alizyme

**Renzapride** (irritable bowel syndrome)

- ◆ Progressed recruitment for US Phase III clinical trial in up to 1,700 female IBS-C patients

**COLAL-PRED<sup>®</sup>** (ulcerative colitis)

- ◆ Progressed recruitment for EU Phase III registration clinical trial in up to 750 patients with active moderate to severe ulcerative colitis

**ATL-104** (mucositis)

- ◆ Successful Phase IIa 'proof of concept' clinical trial involving 64 patients with lymphoma and myeloma

- ◆ **Revenues of £1.1 million (2005:nil)**
- ◆ **Loss after tax of £18.0 million (2005:£16.7 million)**
- ◆ **£14.5 million gross (£13.9 million net) raised in placing in December 2006**
- ◆ **Cash and money market investments of £27.7 million at 31 December 2006 (2005: £30.8 million)**

	FY 2006 £'000	FY 2005 £'000
<b>Turnover</b>	<u>1,135</u>	<u>-</u>
<b>Research and development</b>	<b>(18,329)</b>	<b>(17,052)</b>
Management and administration	(1,493)	(1,366)
Share-based payment	(989)	(486)
<b>Operating loss</b>	<u><b>(20,811)</b></u>	<u><b>(18,904)</b></u>
<b>Loss for the period</b>	<b>(17,964)</b>	<b>(16,708)</b>
<b>Cash &amp; Liquid Resources (£m)</b>	<b>27.7</b>	<b>30.8</b>

- ◆ Raised £14.5m through a Placing in December 2006

- ◆ **£14.5m raised at 80p in December 2006**
- ◆ **Provides financial stability into H2 2008**
- ◆ **Strong support from institutional shareholders**
- ◆ **Provides continued funding for:**
  - **Boosting patient recruitment into the Phase III trials for renzapride and COLAL-PRED® in order to report results around the end of 2007**
  - **Continuing preparation of cetilistat for entry into Phase III in 2007**
  - **Progressing ATL-104 for preparation into its next stage of clinical development in 2007**

- ◆ **Additional business development resources being introduced to enhance our partnering and licensing activities**
- ◆ **NovaQuest collaboration accelerating the commercialisation process**
- ◆ **Looking to complete a number of transforming deals this year**

**Current Development**

PHASE II

**Cetilistat obesity (Japan)**

**ATL-104 mucositis**

PRE-PHASE III

**Cetilistat obesity**

**Cetilistat obese diabetics**

PHASE III

**Renzapride IBS-C (USA)**

**COLAL-PRED® active UC (EU)**

**Future Potential Development**

**Renzapride chronic constipation  
gastroparesis  
dyspepsia  
GERD**

**Renzapride IBS-M**

**COLAL-PRED® remission of UC**

**COLAL-PRED® Crohn's colitis  
steroid dependent UC**

**Metabolic**  
**Gastrointestinal**  
**Supportive Care**

**Phase II in Japan (Takeda)  
Pre-Phase III in RoW**



- ◆ **Clearly differentiated from all other weight loss treatments**
- ◆ **FDA agreement of Phase III clinical development programme**
  - SPA process ongoing
  - 1,000 patients treated for 1 year only
  - Studies ready to commence 2007

### **Competitive environment**

- ◆ **Sanofi aventis Acomplia – FDA delay to July 2007**
- ◆ **Orlistat OTC granted (“Alli”)**

**Phase III in USA  
Pre-Phase III in Europe**



- ◆ Enrolling up to 1,700 female IBS-C patients into US Phase III clinical trial under SPA
- ◆ Results expected around end 2007 (subject to patient recruitment)
- ◆ EU Phase III trial design in preparation



## **Competitive environment**

- ◆ Zelnorm 2006 sales : \$561m

**Phase III in the EU**

- ◆ **Enrolling up to 750 UC patients into EU Phase III clinical trial**
- ◆ **Results expected around end 2007 (subject to patient recruitment)**
- ◆ **EU Marketing Authorisation Application in 2008**

**Successful Phase IIa 'proof of concept' clinical trial**

- ◆ **Phase IIa 'Proof of Concept' study**
  - Reduction in duration of severe mucositis
  
- ◆ **Next step**
  - Programme for registration being agreed with authorities



## Near term R&D milestones

Cetilistat – start of Phase III development

ATL-104 – agree regulatory pathway with authorities

Renzapride – US IBS-C Phase III preliminary results

COLAL-PRED® - EU UC Phase III preliminary results

**Conclusion of commercial deals**

- ◆ **Strong cash position**
- ◆ **Diversified late stage pipeline**
- ◆ **New management team**
- ◆ **Focus on realising inherent value of each of the products**
- ◆ **Confident of concluding a number of transforming deals in 2007**