ALT5 Announces Plan to Separate Into Two Independent Publicly Traded Companies

written by Raj Shah | October 2, 2024

October 02, 2024 (Source) – ALT5 Sigma Corporation (NASDAQ:ALTS) ("ALT5" or the "Company"), a fintech innovator providing next-generation blockchain-powered technologies for tokenization, trading, clearing, settlement, payment, and secure storage of digital assets, has announced a strategic plan to separate into two distinct companies.

Following consummation of this plan, ALT5 will execute the separation of its Fintech and Biotech businesses, with ALT5 continuing as a leading fintech organization post-separation. The Biotech segment will emerge as Alyea Therapeutics Corporation, an independent firm dedicated to developing non-addictive pain management therapies. Upon separation, each company will present its own unique growth opportunities.

As standalone entities, both companies are expected to benefit from:

– Increased focus and agility within their respective industries

– Tailored capital allocation strategies to pursue differentiated strategic growth objectives

– Enhanced strategic flexibility for portfolio-enhancing mergers and acquisitions (M&A)

– Unique investment profiles appealing to diverse investor bases

– Distinct boards of directors and management teams dedicated to

creating and increasing value in their respective sectors

The plan has been unanimously approved by the Company's board, following a thorough evaluation of alternatives that have been underway since the acquisition of fintech innovator ALT5 Sigma (subsidiary) in May of this year.

Peter Tassiopoulos, CEO of ALT5 Sigma, stated, "This is an extraordinary opportunity to create long-term, sustainable stockholder value through the formation of two strong and unique companies. We believe this separation will unlock value for our stockholders and customers, while providing new opportunities for our employees. Importantly, each company will have the flexibility to pursue its own focused growth strategy, appropriate capital allocation, and portfolio-enhancing M&A."

ALT5 Sigma – Fintech

ALT5 will maintain its focus on blockchain-powered technologies that facilitate the transition to a new global financial paradigm. The Company offers two main platforms: "ALT5 Pay" and "ALT5 Prime." ALT5 Pay is a cryptocurrency payment gateway that enables registered and approved global merchants to accept and conduct cryptocurrency transactions or seamlessly integrate the ALT5 Pay platform into their applications or operations. ALT5 Prime is an electronic over-the-counter trading platform allowing registered and approved customers to buy and sell digital assets. It is accessible via browser-based applications, mobile apps, and through Broadridge Financial Solutions' NYFIX gateway for approved customers.

Both ALT5 Pay and ALT5 Prime are experiencing increased customer engagement, with transaction volumes now exceeding $2 billion on an annualized basis.

Alyea Therapeutics – Biotech

Alyea (“all-yee-ah”) Therapeutics Corporation (the renamed biotech arm of ALT5 Sigma) aims to become a leader in non-addictive pain management therapies. It intends to focus on indications of unmet medical needs and intends strategically to develop pathways to expedite approvals for its lead patented candidate, JAN123. This candidate is a Low Dose Naltrexone (LDN) with a biphasic release formulation that the company plans to pursue through the FDA 505(b)(2) pathway. It has received orphan drug designation from the FDA, and, as a late-stage asset, the company intends to initiate a large-scale multicenter clinical trial to facilitate FDA approval through a New Drug Application (NDA). Simultaneously, Alyea Therapeutics will explore additional technologies to enhance its portfolio of non-opioid-based pain products.

In connection with this realignment, the company is pleased to announce the appointment of Dr. Amol Soin as Chief Executive Officer of Alyea Therapeutics. Dr. Soin is the Chairman and founder of The Ohio Pain Clinic, a network of free-standing chronic pain management facilities in southwestern Ohio, focused on non-opioid treatments for chronic pain. He is widely recognized as a thought leader in pain management, having served in leadership roles as president of multiple national and state medical societies and authored several publications and a textbook. He also holds numerous patents on novel approaches to pain relief. Dr. Soin has been appointed three times by two different governors to serve as a member of the Ohio Medical Board. He has founded or contributed to the early-stage development of several biotech companies that have signed licensing deals, or exited, with a total transaction value exceeding $1 billion. He will leverage his expertise to guide Alyea’s future directions.

Tony Giordano has been appointed Chief Science Officer of Aleaya Therapeutics. Mr. Giordano has held senior management positions

at eight biotechnology companies, including four that successfully transitioned drug discovery efforts into clinical trials. As CEO of TheraVasc, he led the development of TV1001, and, at Sulfagenix, he oversaw the launch of a medical food product. Most recently, he served as Senior Director of Special Projects in Cleveland Clinic Innovations, where he collaborated with staff to advance programs toward clinical application and commercialization. Additionally, he has consulted for numerous venture funds and biotechnology companies, and was appointed by the Governor of Louisiana to his Innovation Council in 2008.

The company intends to hire additional management and appoint additional directors to both entities to bolster each respective company's teams with a focus on the unique specific needs for each entity.

About ALT5 Sigma Corporation

The Company is a unique Nasdaq-listed multidisciplinary organization with a focus on healthcare and fintech. The Company is one of the constituents of the Russell Microcap Index, as of June 28, 2024.

Launched in 2018, ALT5 Sigma Inc. (a wholly-owned subsidiary of ALT5 Sigma Corporation) is a fintech company that provides next generation blockchain-powered technologies to enable a migration to a new global financial paradigm. ALT5 Sigma Inc., through its subsidiaries, offers two main platforms to its customers: "ALT5 Pay" and "ALT5 Prime".

ALT5 Pay is a crypto-currency payment gateway that enables registered and approved global merchants to accept and make crypto-currency payments or to integrate the ALT5 Pay payment platform into their application or operations using the plugin with WooCommerce and or ALT5 Pay's checkout widgets and APIs. Merchants have the option to convert to fiat currency (s)

automatically or to receive their payment in digital assets.

ALT5 Prime is an electronic over-the-counter trading platform that enables registered and approved customers to buy and sell digital assets. Customers can purchase digital assets with fiat and, equally, can sell digital assets and receive fiat. ALT5 Prime is available through a browser-based access mobile phone application named “ALT5 Pro” that can be downloaded from the Apple App Store, from Google Play, through ALT5 Prime’s FIX API, as well as through Broadridge Financial Solutions’ NYFIX gateway for approved customers.

Through its biotech activities, the Company is developing innovative, actionable solutions intended to help end the opioid crisis. The Company is dedicated to funding resources toward innovation, technology, and education to find a key resolution to the national opioid epidemic, which is one of the deadliest and most widespread in the nation’s history. Its drugs in the clinical trial pipeline have shown promise for their innovative targeting of the causes of pain as a strategic option for physicians averse to exposing patients to addictive opioids.

Forward Looking Statements

This press release contains statements that are forward-looking statements as defined within the Private Securities Litigation Reform Act of 1995, including, but not limited to, statements relating to the profitability and prospective growth of ALT5’s platforms and business that may include, but are not limited to, international currency risks, third-party or customer credit risks, liability claims stemming from ALT5’s services, and technology challenges for future growth or expansion. This press release also contains statements relating to ALT5’s intention to become a leader in non-addictive pain management therapies in its focus on indications of unmet medical needs, its intention

to develop strategic pathways to expedite approvals for its JAN 123, the timing of the commencement of clinical trials for JAN 123, and that the FDA will permit approval through a 505(b)(2) pathway for JAN 123, and other statements, including words such as “continue”, “expect”, “intend”, “will”, “hope”, “should”, “would”, “may”, “potential”, and other similar expressions. Such statements reflect the Company’s current view with respect to future events, are subject to risks and uncertainties, and are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic, competitive, political, and social uncertainties, and contingencies.

Many factors could cause the Company’s actual results, performance, or achievements to be materially different from any future results, performance or achievements described in this press release. Such factors could include, among others, those detailed in the Company’s periodic reports filed with the Securities and Exchange Commission (the “SEC”). Should one or more of these risks or uncertainties materialize, or should the assumptions set out in the section entitled “Risk Factors” in the Company’s filings with the SEC underlying those forward-looking statements prove incorrect, actual results may vary materially from those described herein. These forward-looking statements are made as of the date of this press release and the Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by law. The Company cannot assure that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Individuals are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

Media Contact Investor Relations
IR@janone.com
1-800-400-2247

Contact Information

Investor Relations
Investor Relations
ir@alt5sigma.com
1-800-400-2247

SOURCE: ALT 5 Sigma