



WILLOW ANNOUNCES INITIATION OF STRATEGIC REVIEW PROCESS

SUNNYVALE, Calif., Jan. 20, 2025 /CNW/ - Willow Biosciences Inc. ("**Willow**" or the "**Company**") (TSX: WLLW) (OTCQB: CANSF), a leading biotechnology company focused on revolutionizing industrial manufacturing of pure, consistent, and sustainable ingredients, announces that it has initiated a formal strategic review process to identify, assess and evaluate a broad range of potential strategic alternatives.

Willow's board of directors has determined it is timely, prudent and in the best interests of the Company and its stakeholders to commence a formal process to explore strategic alternatives. To date, the Company has been unsuccessful in procuring any form of financing on terms that are in the best interest of shareholders. Given the challenging capital market conditions, the Company has initiated a review of available strategic alternatives with a view to maximizing and accelerating the value of Willow's assets. Strategic alternatives may include, but are not limited to, a sale of all or a material portion of Willow's business and assets, either in one transaction or in a series of transactions, the outright sale of Willow, a merger or other transaction involving Willow and a third party, joint ventures, royalty or licensing arrangements, introduction of a new significant strategic shareholder, various financing alternatives or other significant transaction.

There are no assurances that a transaction will be undertaken as a result of this strategic review process. It is Willow's current intention not to disclose developments with respect to the process, periodically or otherwise, unless and until the board of directors has approved a definitive transaction or strategic alternative or otherwise determines that disclosure is necessary or appropriate. Willow cautions that there are no assurances or guarantees that the process will result in a transaction or, if a transaction is undertaken, the terms or timing of such a transaction. Willow has not yet set a definitive schedule to complete its identification, examination and consideration of strategic alternatives. The board and management team of Willow believe that this strategic review process will ultimately benefit shareholders.

Willow has created a virtual data room, which is available for review by interested parties upon execution of a confidentiality agreement.

About Willow Biosciences Inc.

Willow develops biomanufacturing processes for producing high value ingredients in pharmaceutical, food and beverage, agriculture, and consumer markets. Willow's FutureGrown™ and BioOxi™ platforms enable large-scale production with sustainability at its core. Willow's R&D team has a proven track record of developing and commercializing bio-based manufacturing processes and products to benefit our B2B partners and their customers. For more information, visit www.willowbio.com.


FutureGrown™ and BioOxi™ are registered trademarks of Willow Biosciences Inc.

Forward-Looking Statements

This news release may include forward-looking statements including opinions, assumptions, estimates and the Company's assessment of future plans, platforms and operations, and, more particularly, without limitation, statements concerning the strategic process and any transaction or transactions resulting from the strategic process, including the expectation that the strategic process may elicit change and enhance shareholder value. When used in this news release, the words "will," "anticipate," "believe," "estimate," "expect," "intent," "may," "project," "should," and similar expressions are intended to be among the statements that identify forward-looking statements. The forward-looking statements are founded on the basis of expectations and assumptions made by the Company which include, but are not limited to: the success of the strategic process; the availability of alternative financing sources to the Company; the success of Willow's strategic partnerships and the development of future strategic partnerships; the success of Willow's development programs and anticipated demand and benefits thereof; the financial strength of the Company; the ability of the Company to fund its business plan using cash on hand and existing resources; the market for Willow's products; the ability of the Company to obtain and retain applicable licences; the ability of the Company to obtain suitable manufacturing partners and other strategic relationships; and the successful implementation of Willow's commercialization and production strategy, generally. Forward-looking statements are subject to a wide range of risks and uncertainties, and although the Company


believes that the expectations represented by such forward-looking statements are reasonable, there can be no assurance that such expectations will be realized. Any number of important factors could cause actual results to differ, including, but not limited to: risks inherent in the biotechnology industry in general; the failure to achieve the anticipated benefits of the strategic process or any transactions undertaken pursuant to the strategic process; the success of the Company's research and development strategies; infringement on intellectual property; failure to benefit from partnerships; the risk that financing alternatives may not be available on favourable terms or at all; actions and initiatives of federal, state and provincial governments and changes to government policies and the execution and impact of these actions, initiatives and policies; competition from other industry participants; adverse U.S., Canadian and global economic conditions; adverse global events and public-health crises; failure to comply with certain regulations; departure of key management personnel or inability to attract and retain talent; and other factors more fully described from time to time in the reports and filings made by the Company with securities regulatory authorities. Please refer to the Company's most recent annual information form and management's discussion and analysis for additional risk factors relating to Willow, which can be accessed either on Willow's website at www.willowbio.com or under the Company's profile on www.sedarplus.ca.

The forward-looking statements contained in this news release are made as of the date hereof and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, except as required by applicable law. The forward-looking statements contained herein are expressly qualified by this cautionary statement.

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