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## BUSINESS

# I left one of pharma's big fish to save a floundering minnow

Lisa Anson had the top UK job at Astra Zeneca. She chucked it in to turn around a bust biotech start-up

### INTERVIEW SABAH MEDDINGS



In July 2017, the team of scientists at Redx Pharma, a small drugs developer in Cheshire, were told that their star cancer treatment was being sold for \$40m to an American rival. The deal, hastily agreed in an attempt to pull Redx out of administration, meant that they would have to watch another company reap the rewards of their work.

"Some of the guys had worked on that [drug] for years," says Lisa Anson, who joined Redx as chief executive a year later. "There was a sense of frustration from the scientific team that the value of that hadn't been recognised because of the circumstances."

Three years on, Redx's star is again in the ascendant. In August, it announced a deal worth up to \$377m (£292m) with Astra Zeneca, and last month it agreed a partnership with US developer Jazz Pharmaceuticals, worth up to \$420m.

If you had bought shares in Redx at the start of this year – 8p at the time – you would be sitting on almost seven times your money. They closed at 54.90p on Friday, valuing the company at a little over £100m. Big blocks of shares are hard to come by, however: Redx is 90% owned by US investor Redmile, with a 10% free float. Redx owes its turnaround partly to Anson, a former Astra executive who jumped from Big Pharma to the biotech start-up after the market had all but written it off. Under her stewardship, Redx has recently raised £24m from new investors and hired 30 scientists, helping to secure the two big deals that sent its shares soaring.

"People didn't believe in it [the company]," admits Anson, talking in a laboratory at Redx's headquarters on the Alderley Park life sciences campus. "Great science isn't enough to make a great company. You need to be well-funded, well-led, and you need to let the scientists really focus on the science."

Redx's resurrection tells a wider story about the travails of early-stage drug developers. Its previous board had failed to keep control of its finances and it went into administration after a dispute with Liverpool city council over a £3.5m loan. Redx had struggled to drum up cash to bankroll its research, limping from one AIM fundraising to another.

Anson, 52, has sought to bring some of her corporate experience to Redx, which is working on drugs to treat cancer and fibrosis. She has made it her mission to prove that a small UK company can be a player on the world stage alongside giants such as Glaxo Smith Kline and Astra. "You see what a fantastic science base the UK and lots of small companies with leading-edge science have, and it was a frustration for me that you didn't see real success come out of that," Anson says.

Being in charge suits Anson, who speaks warmly and with the assured manner that comes from an education at Cheltenham Ladies' College and Cambridge. Her appointment was welcome in an industry that has, historically, had few female bosses, even though women make up 65% of the workforce. In 2018, women held just 34 of the 133 executive committee posts at the 10 top companies.

Redx was founded in 2010 and listed on the junior market in 2015, raising £15m at a valuation of £55m. Backers included private equity veteran Jon Moulton. It was part of efforts by regional leaders to build a research hub south of Manchester, after Astra moved from Alderley Park to a £1bn facility in Cam-



Redx's boss says Astra Zeneca's battle with rival Pfizer taught her to 'believe in the value of what you've got'

bridge. In 2015 George Osborne, then chancellor, visited Redx's labs to unveil a £5m investment in Alderley Park, speaking of putting "science and innovation right at the heart of the Northern Powerhouse". Redx's loan row threatened to turn off the lab lights for good.

The company had just raised £12m from investors in February 2017 when a

war of words erupted between it and Liverpool council, which had provided a loan in 2012 to help the start-up expand in the city. Redx moved to Alderley Park, and missed a deadline to repay the loan.

Redx's shares were suspended in the May. It scrambled back onto the stock market six months later after administrators sold its best asset to Loxo Oncology. The US firm was later bought by pharma giant Eli Lilly for \$8bn.

Moulton, who sold his 39% holding to new investor Redmile this March, describes the loan fiasco as a "self-in-

flicted wound", blaming auditors and board for approving the company as a going concern days before the administrators were called in. "What happened around that still remains a mystery," says Moulton, who still cannot understand why the board failed to repay the loan.

He nonetheless made 1.7 times his money, and appreciates the "really good job" done by Anson. "She's highly intelligent, with high integrity," he says.

Anson was born in Amersham, Buckinghamshire, and studied natural sciences at Cambridge before joining KPMG as

### Great science isn't enough. You need to be well funded and well led, too

a management consultant. She moved to California to work for Salick Health Care, then joined Zeneca Pharmaceuticals in 1998. Zeneca merged with Sweden's Astra a year later, and she worked her way up to UK president in 2012.

Her role thrust her into the takeover tussle between Astra and Pfizer in 2014. The US rival's £55-a-share offer turned into a political battle, and Astra boss Pascal Soriot declared that lives would be lost due to delays in delivering critical drugs as he battled to maintain the company's independence. Pfizer backed off.

"As a business leader, it taught me that you've got to believe in the value of what you've got," says Anson.

In 2018, she decided to leave rather than take a new role with Astra in Japan or America. "There's a lot of travel at senior levels," says Anson, whose husband, Andy, is chief executive of the British Olympic Association. "I don't mind travel, but I have three kids and a husband who works away a lot. I wanted to take a stab at something really challenging for me in the UK," she says.

Her decision to join Redx led to raised eyebrows, not least among its investors. The shares jumped more than 40% on news of her appointment.

A key part of her strategy has been research partnerships. With Astra, it is developing a treatment for lung fibrosis using a "porcupine inhibitor". Astra has agreed to pay \$17m if the drug reaches early stage trials, and up to an extra \$360m should it be more successful. The partnership with Jazz involves tumour therapies. Redx is also developing its own drugs, including one for Crohn's disease.

"We decided to show that we can go and do business development, we can be a commercial organisation, and the science we've got is good enough that other big companies are interested in it," she says.

Anson is frustrated at the scant number of UK investors prepared to plough money into healthcare. Redx, which reported sales of £3.1m in the year to last September and pre-tax losses of £6.3m, is typical of biotech firms whose growth is limited by their inability to raise cash.

"If you under fund these [research] programmes, you just cut corners and they fail," she says.

Science, according to Anson, should be a "real success story" for the UK, but is one that is not always told well as small companies, starved of cash, often list too early on AIM or skip the London market altogether and head for Nasdaq.

"A lot of investors I talked to in the London market in the past year were like, 'Well, yeah, I don't know enough about it, I'm not a specialist. I don't know enough about biotech,'" she explains. I point out that these specialists can be counted on one hand. "It's the same faces. There's a handful of people who really understand the funding," she says.

Redx's share register speaks to that point. About 90% of its stock is now owned by Redmile, based in San Francisco. It was among a number of investors vying to take control of Redx, including venture firm Abingworth.

Bali Muralidhar, a partner at Abingworth, looked closely before deciding against a deal. "It's one of those UK companies that perhaps go public too early, and it sort of became orphaned on a public market," he says. He adds, though, that Anson has been "very smart" in targeting deals with Big Pharma. "She's certainly one of the best UK-focused chief executives in biotech and pharma that we've seen."

Redx once looked set to join the scrapheap of UK biotech failures. Anson is confident that it has shaken off its past: "The outside world is starting to realise that we're a very different company than we were three years ago, or even two years."

## THE LIFE OF LISA ANSON

### VITAL STATISTICS

**Born:** April 26, 1968

**Status:** married to Andy, who is chief executive of the British Olympic Association and the former boss of Goals Soccer Centres. The couple have three children, aged between 17 and 20

**School:** Cheltenham Ladies' College

**University:** natural sciences at Cambridge and an MBA from Insead

**Home:** Cheshire

**First job:** running a café

at the Edinburgh Fringe **Pay:** last year she picked up £439,006 in pay, bonuses and benefits

**Car:** Volvo hybrid

**Favourite book:** A Suitable Boy, by Vikram Seth

**Film:** The Shawshank Redemption

**Music:** Coldplay

**Gadget:** Sage coffee machine: "It was a lockdown present to ourselves"

**Charity:** mountain rescue charities. Her brother, Rupert Whewell, was



Favourite band: Coldplay

among climbers killed in an avalanche in May last year in the Nanda Devi area of the Himalayas. He had arranged the trip to mark his 50th birthday **Last holiday:** Portugal

### WORKING DAY

The chief executive of Redx Pharma wakes at about 7am at her Cheshire home and makes the 10-minute drive to its office at Alderley Park for 8am. In normal times, Lisa Anson would be in London at least once a

week for meetings. She often works on weekends but is equally prepared to "pick up the kids in the middle of the week, because you do what you need to do".

### DOWNTIME

Anson enjoys walking her nine-year-old golden retriever, Hallie, and making regular trips to Scotland, where she has family. Her daughter, Natasha, 20, is a keen equestrian, so Anson often goes to competitions.