

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 15, 2022

Talis Biomedical Corporation

(Exact name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-40047
(Commission File Number)

46-3122255
(IRS Employer
Identification No.)

230 Constitution Drive
Menlo Park, California
(Address of Principal Executive Offices)

94025
(Zip Code)

Registrant's Telephone Number, Including Area Code: (650) 433-3000

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|--|----------------------|---|
| Common Stock, \$0.0001 par value per share | TLIS | The NASDAQ Stock Market LLC |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On March 15, 2022, Talis Biomedical Corporation (the “Company”) issued a press release announcing its financial results for the fiscal year ended December 31, 2021. A copy of the press release is attached hereto as Exhibit 99.1.

The information contained under this Item 2.02, including Exhibit 99.1 attached hereto are being furnished and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liability of that section, nor shall they be deemed to be incorporated by reference in any filing under the Securities Act of 1933, as amended, or under the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On March 15, 2022, the Company announced that Douglas Liu will be stepping down as the Company’s Chief Operating Officer, effective April 15, 2022. Mr. Liu will receive severance benefits in accordance with the Company’s Severance and Change in Control Plan and will enter into a separation agreement with the Company, whereby, among other things, Mr. Liu will agree to a general release of claims in favor of the Company, as well as customary confidentiality provisions. Mr. Liu’s separation from the Company is not as a result of any disagreement with the Company.

The Company presently does not intend to fill the position of Chief Operating Officer. Instead, upon Mr. Liu’s departure, his responsibilities will be transitioned to other parts of the Company’s organization, each of which will ultimately report to the Company’s Chief Executive Officer.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

| Exhibit Number | Description |
|-----------------------|--|
| 99.1 | Press release dated March 15, 2022. |
| 104 | Cover Page Interactive Data File (Embedded within the Inline XBRL document). |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TALIS BIOMEDICAL CORPORATION

Date: March 15, 2022

By: /s/ J. Roger Moody, Jr.
J. Roger Moody, Jr.
Chief Financial Officer



Talis Biomedical Provides Business Update and Reports Fourth Quarter and Full Year 2021 Financial Results

Conference call and webcast today at 4:30pm Eastern/1:30pm Pacific

MENLO PARK, Calif. – March 15, 2022 – Talis Biomedical Corporation (Nasdaq: TLIS), a company dedicated to advancing health equity and outcomes through the delivery of accurate infectious disease testing in the moment of need, at the point of care, today provided a business update and reported financial results for the fourth quarter and full year ended December 31, 2021.

Talis has not started its phased launch of the Talis One™ COVID-19 Test System due to challenges with manufacturing. The company has engaged in a manufacturing review process to determine appropriate next steps and undertaken initiatives to align resources and preserve cash.

“Since assuming the role of CEO in December, I have spent the past three months diving into specific areas of our business to better understand the issues we are facing,” said Rob Kelley, chief executive officer of Talis. “With the information that we have today and guidance from our Board, we are taking immediate action to address these challenges and deploy our capital in the most effective manner to position Talis for future success.”

Business Update

- Talis leadership has engaged in a manufacturing review process, with involvement from the Board of Directors, and external consultants, to assess product design for manufacturing at scale, evaluate current processes and partners, and to determine appropriate next steps and timing for bringing the Talis One system to market.
- The company is undertaking an approximately 25 percent reduction in workforce and implementing additional cost measures to align resources and extend cash runway.
 - o Actions are expected to result in annualized operating expense savings of \$10 million in compensation expenses and \$26 million in other expenses.
- Doug Liu will be stepping down as chief operating officer and is transitioning his manufacturing and R&D responsibilities over the next several weeks.

Fourth Quarter 2021 Financial Results

Grant revenue was \$0.9 million for the fourth quarter of 2021, as compared to \$0.2 million for the same period in 2020. The revenue for the fourth quarter of 2021 was related to an NIH grant and a RADx contract with the NIH.

Operating expenses were \$29.4 million in the fourth quarter of 2021, as compared to \$44.4 million for the same period in 2020.

Net loss was \$28.7 million for the fourth quarter of 2021, as compared to \$44.2 million for the same period in 2020.

Full Year 2021 Financial Results

Grant revenue was \$8.2 million for the year ended December 31, 2021, as compared to \$10.9 million for the year ended December 31, 2020. Grant revenue for both years was primarily from the RADx contract with the NIH that is now completed.

Total operating expenses were \$200.0 million for the full year 2021, as compared to \$102.1 million for the corresponding prior year period. The increase of \$97.9 million was primarily driven by investments in

manufacturing scale up consisting of the automation of consumables manufacturing and the purchase of Talis One cartridge materials and instrument components.

Net loss was \$192.0 million for the full year 2021, as compared to \$91.1 million for the corresponding prior year period.

Cash and cash equivalents were \$232.5 million as of December 31, 2021.

Conference Call and Webcast Details

The company will host a live conference call and webcast to discuss these results and the business update on Tuesday, March 15, 2022, at 4:30 PM ET / 1:30 PM PT.

To participate in the call, please dial (833) 715-1329 (domestic) or (430) 755-1933 (international) and provide conference ID 3692993. The live webcast will be available on the News & Events page of the investors section of Talis Biomedical's website at talisbio.com.

About Talis Biomedical

Talis is dedicated to advancing health equity and outcomes through the delivery of accurate infectious disease testing in the moment of need, at the point of care. The company plans to develop and commercialize innovative products on its sample-to-answer Talis One™ system to enable accurate, low cost, and rapid molecular testing. The U.S. Food and Drug Administration (FDA) has granted Emergency Use Authorization (EUA) for use of the Talis One COVID-19 Test System in a variety of healthcare settings. For more information, visit talisbio.com.

Forward-Looking Statements

This press release may contain forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995. Words such as "may," "might," "will," "should," "believe," "expect," "anticipate," "estimate," "continue," "predict," "forecast," "project," "plan," "intend" or similar expressions, or other words that convey uncertainty of future events or outcomes can be used to identify these forward-looking statements. Forward-looking statements include statements regarding our intentions, beliefs, projections, outlook, analyses or current expectations concerning, among other things: our plans to address business challenges, deploy capital effectively, align resources and preserve cash; our ability to position Talis for future success; the next steps and timing to commercially launch our Talis One system; our ability to align resources and extend our cash runway; our expectation regarding expense savings; and Mr. Liu's plans to step down as COO. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and other factors that could cause actual results and events to differ materially and adversely from those indicated by such forward-looking statements including, among others: the impact to our business of the ongoing COVID-19 pandemic, including any impact on our ability to launch and market our products, our ability to achieve or sustain profitability, our ability to launch and gain market acceptance for our products and to accurately forecast and meet customer demand, our ability to compete successfully, our ability to enhance our product offerings, development and manufacturing, capacity constraints or delays in production of our products, product defects or failures. These and other risks and uncertainties are described more fully in the "Risk Factors" section and elsewhere in our filings with the Securities and Exchange Commission and available at www.sec.gov, including in our Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. Any forward-looking statements that we make in this announcement speak only as of the date of this press release, and Talis assumes no obligation to update forward-looking statements whether as a result of new information, future events or otherwise after the date of this press release, except as required under applicable law.

Contact

Media & Investors
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Talis Biomedical Corporation
Balance Sheets
(in thousands)

| | December 31, | |
|---|--------------|------------|
| | 2021 | 2020 |
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 232,545 | \$ 138,483 |
| Restricted cash | — | 34,650 |
| Grants receivable | 183 | 471 |
| Prepaid research and development expenses | — | 12,014 |
| Prepaid expenses and other current assets | 3,387 | 3,106 |
| Total current assets | 236,115 | 188,724 |
| Property and equipment, net | 10,528 | 9,114 |
| Operating lease right-of-use-assets | 12,907 | 567 |
| Other long-term assets | 6,278 | — |
| Total assets | \$ 265,828 | \$ 198,405 |
| Liabilities and Stockholders' Equity (Deficit) | | |
| Current liabilities: | | |
| Accounts payable | \$ 5,122 | \$ 4,906 |
| Accrued compensation | 6,369 | 2,739 |
| Accrued liabilities | 6,383 | 7,693 |
| Operating lease liabilities, current portion | 1,232 | 693 |
| Total current liabilities | 19,106 | 16,031 |
| Operating lease liabilities, long-term portion | 12,745 | — |
| Total liabilities | 31,851 | 16,031 |
| Commitments and contingencies | | |
| Convertible preferred stock | — | 290,945 |
| Stockholders' equity (deficit): | | |
| Series 1 convertible preferred stock | 3 | — |
| Common stock | 3 | — |
| Additional paid-in capital | 598,913 | 64,335 |
| Accumulated deficit | (364,942) | (172,906) |
| Total stockholders' equity (deficit) | 233,977 | (108,571) |
| Total liabilities, convertible preferred stock and stockholders' equity (deficit) | \$ 265,828 | \$ 198,405 |

Talis Biomedical Corporation
Statements of Operations and Comprehensive Loss
(in thousands)

| | Three months Ended December 31, | | Twelve months Ended December 31, | |
|-------------------------------------|---------------------------------|-------------|----------------------------------|-------------|
| | 2021 | 2020 | 2021 | 2020 |
| Grant revenue | \$ 858 | \$ 233 | \$ 8,193 | \$ 10,938 |
| Operating expenses: | | | | |
| Research and development | 17,062 | 39,110 | 157,591 | 89,019 |
| Selling, general and administrative | 12,316 | 5,305 | 42,418 | 13,103 |
| Total operating expenses | 29,378 | 44,415 | 200,009 | 102,122 |
| Loss from operations | (28,520) | (44,182) | (191,816) | (91,184) |
| Other income (expense), net | (134) | (14) | (220) | 54 |
| Net loss and comprehensive loss | \$ (28,654) | \$ (44,196) | \$ (192,036) | \$ (91,130) |

