

Press Release

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Phenex receives 6 M € (7,8 M USD) in its Series C financing round

The Nuclear Receptor specialist company invests additional money into its R&D programs in NASH (FXR) and in autoimmune diseases (RORgt)

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[embargoed until Sep 21, 2010, 01:00am, C.E.T.]

Phenex Pharmaceuticals AG, a drug discovery and development company headquartered in Ludwigshafen, Germany, today announced the closure of its Series C financing round with a volume of 6 M € (7,8 M USD) bringing the total amount of funds raised to 17,2 M € (22,4 M USD).

„Although we were not in a need for fresh money we convinced our investors to contribute these additional funds which are earmarked to go into our very promising new research program in autoimmune diseases“, explains Thomas Hoffmann, CFO of Phenex. „Another part of the 6 M € will be invested into our ongoing FXR program where we plan to take our compound Px-102 up to a Phase IIa proof of concept clinical study. Thus we have two full-fledged R&D programs in two major disease areas which we plan to bring up to a high value stage before outlicensing.“

Dr. Claus Kremoser, CEO, complements: „ We have been quite successful in our novel RORgt project. RORgt is a nuclear receptor which was recently discovered to be critically involved in the development of so-called T_H17 cells. T_H17 cells are the „bad guys“ in the development of autoimmune diseases such as Rheumatoid Arthritis, Multiple Sclerosis, Inflammatory Bowel Disease, Psoriasis and many others. Phenex is the first company worldwide to have discovered inhibitors for RORgt which show high effectivity in ablating the pro-inflammatory T_H17 response. This opens a new avenue towards the development of small molecule therapeutics for this entire class of diseases with the perspective of reduced side effects. Even at this early stage we received very attractive offers for research collaborations from major pharma companies. This has excited our investors and us to broaden our R&D efforts in this promising area.“

Dr. Mathias Boehringer, member of Phenex´ Supervisory Board confirms: „What we have observed is that Phenex has picked up novel research ideas such as FXR agonists for metabolic and liver diseases or RORgt inhibitors for autoimmune diseases and has been amongst the first companies worldwide to turn these ideas into concrete compound development programs with very good preclinical results. The FXR project will go into Phase I in the course of the next 6 months. We, as

private investors from the Boehringer family, are glad to invest into this company which is a nearly perfect and commercially very promising showcase for an effective approach in Translational Medicine.“

Dr. Farsin Yadegardjam, Partner at EVP Capital Management and Chairman of Phenex' Supervisory Board says: „ We have been the first to invest into Phenex and we saw a very exciting development in the course of the last five years. The fact that all existing investors and some selected new private individuals participated in this new funding round demonstrates that we are all convinced by the medical and commercial opportunities in Phenex R&D programs. It also demonstrates the quality of the Phenex management which used our money very effectively to come up with such high quality projects.“

About Phenex Pharmaceuticals AG:

Phenex is a privately held drug discovery and development company headquartered in Ludwigshafen with a research site in Heidelberg. The company focuses on novel attractive nuclear receptor targets to develop innovative small molecule therapeutics in the fields of metabolic syndrome / NASH and in autoimmune diseases.

Phenex' most advanced molecule is Px-102 at the stage of late preclinical development. Px-102 is scheduled to go into Phase I by early 2011. Px-102 targets the nuclear receptor FXR. This FXR agonist has unique properties in that it shows beneficial effects in lipid lowering, in improving insulin sensitivity, in reducing body weight and in ameliorating the liver inflammation and fibrosis that is a hallmark of Non-Alcoholic Steatohepatitis (NASH). NASH is a metabolically induced liver disease with a worldwide prevalence of appr 30 million affected individuals. If untreated, the disease can progress towards liver cirrhosis and liver failure or to Hepatocellular Carcinoma (HCC). There is no approved treatment for NASH. Px-102 addresses this medical need and represents a significant commercial opportunity.

Phenex' second R&D program targets the nuclear receptor ROR γ t. ROR γ t is selectively expressed in T_H17 cells and its precursors where it commands the synthesis of pro-inflammatory cytokines such as IL-17. T_H17 cells are believed to be responsible for the autoimmune aggression that occurs in diverse diseases of autoimmune etiology such as Rheumatoid Arthritis, Lupus, Multiple Sclerosis, Psoriasis or Inflammatory Bowel Disease. Phenex is the first company worldwide to have identified drug-like ROR γ t inhibitors. These compounds selectively shut down the development of autoaggressive T_H17 cells while leaving other vital functions of the immune system intact which could be shown in several research models. Current treatment options for these autoimmune diseases encompass so-called NSAIDs, Glucocorticoids, anti-metabolites such as Methotrexate or different antibodies all of which show severe side effects in long term use. Thus, ROR γ t inhibitors hold the promise to become a new therapeutic approach with substantially reduced side effects in the treatment of these devastating diseases.

The company intends to develop its R&D programs up to a proof-of-concept study in humans in the case of FXR and up to late preclinical stage in the case of ROR γ t. After proof of concept the company will seek partners from the pharmaceutical industry to license these molecules for further development.



Phenex is financed through three consecutive rounds of funding from 2005 to 2010. The current list of investors encompasses EVP Capital Management / VRP, LBBW Venture, Creathor Venture, Swiss Life, CD-Venture, KfW as well as private individuals and key persons from the pharmaceutical industry.

Visit our new website at: www.phenex-pharma.com

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