

## Healthcare industry BW

# Phenex AG closes €8.2 million financing round

**A consortium of institutional and private investors is providing funding for the development of Phenex' drug candidates for type 2 diabetes and metabolic syndrome.**

On 2nd October, Phenex Pharmaceuticals AG announced the closure of a €8.2 million financing round. The participants in this new round of financing included the lead investor LBBW Venture, Creathor Venture, various private investors and the investors of the Series A financing round, EVP Capital, KfW and JAN Investment. Dr. Mathias Boehringer will bring his industry experience and an extensive network in the pharmaceutical sector to complement Phenex' existing supervisory board.

“This funding will be sufficient for Phenex to make the next quantum leap into clinical development,” comments CFO Thomas Hoffmann following the closure of this round. “Together with the proceeds from our partnering and service business we now have enough funds to take our metabolic syndrome drug candidates into Phase I clinical testing by early 2010 at the latest.”

“We are delighted to participate in the funding of such an exceptionally well positioned company as Phenex,” said Dr. Harald Poth from LBBW Venture explaining his role as lead investor. “Over the last few years, Phenex has become an acknowledged partner to the pharmaceutical industry with a worldwide customer base. With limited resources the company has managed to establish a high profile FXR programme. The excellent preclinical data set outlines the potential of Phenex' FXR agonists as the next generation of drugs for treating metabolic diseases. In the long run, Phenex' FXR agonists have the potential to replace the TZD PPAR gamma agonists that have recently come under scrutiny due to their substantial side effects.

Dr. Claus Kremoser, CEO of Phenex adds: “We have developed our own proprietary and potent agonists for the nuclear receptor FXR. They are very effective in lowering blood glucose and lipid concentrations as well as in improving insulin sensitivity in animal models of type 2 diabetes. In contrast to currently available oral antidiabetic medicines, our FXR drug shows a weight reduction rather than a weight gain effect with no sign of unwanted side effects. Therefore, we believe that our FXR candidate Px-101 unlocks significant market potential in the metabolic field. This can be further proven by the fact that Wyeth and GlaxoSmithKline are both in Phase I clinical trials with their own FXR drugs which puts us in a perfect fast follower position.”

## About Phenex Pharmaceuticals AG

Phenex Pharmaceuticals AG undertakes drug discovery and development within the target class of

nuclear receptors. Phenex' goal is to develop novel drugs with a new mode of action that provide superior therapies in the area of metabolic diseases and other indication areas with high medical urgency.

The company has developed a proprietary technology for the identification and analysis of novel selective drug candidates that target nuclear receptors, the SNuRM® technology (= Selective Nuclear Receptor Modulators = SNuRMs). Phenex generates revenues through research collaborations with international partners from the pharmaceutical and biotech industries. Phenex is investing the proceeds from its two funding rounds (totaling up to 12 million euros) into proprietary drug discovery programs targeting type II diabetes, metabolic syndrome and atherosclerosis. Phenex' value driver is its FXR project that is aimed at the development of a breakthrough therapy for metabolic syndrome and type 2 diabetes. Phenex` clinical candidate Px-101 will enter Phase I testing by early 2010.

To date, Phenex has entered into more than 50 successful collaborations with pharmaceutical and biotechnology companies in Europe, the United States and Japan, including F. Hoffmann La-Roche, Bayer Schering, Sanofi Aventis and many others, making Phenex` Nuclear Receptor service business profitable since its inception in 2002.

Phenex AG is an independent privately-owned company located in Ludwigshafen (BASF area), Germany.

Source: Phenex Pharmaceuticals, 2 October 2008

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## Press release

13-Oct-2008

 Phenex Pharmaceuticals AG