

Poxel Raises €10 Million from New Investors to Progress Clinical Development of Two Novel Type 2 Diabetes Therapies

Lyon, France, September 9, 2014 - Poxel SA announces today, that it has raised €10 million (\$13.5 million) through a Series B extension with the Large Venture investment division of Bpifrance (Banque Publique d'Investissement) and a debt facility from Kreos Capital. The Series B financing, originally led by Edmond de Rothschild Investment Partners (EdRIP) now totals €18 million (\$24 million). The funds will be used to accelerate the development of the company's lead program, Imeglimin, a novel anti-diabetic agent and to move forward a direct AMPK activator program which has proven benefits in controlling hyperglycemia and dyslipidemia and is now ready for phase 1 clinical trials.

Imeglimin is the first in a new Tetrahydrotriazine-containing class of oral anti-diabetics, the Glimins. Poxel has already demonstrated the efficacy and safety of Imeglimin in clinical proof-of-concept trials and the product is currently being developed through a phase IIb trial as a monotherapy in 400 patients. In addition, Imeglimin has previously shown significant benefits as an add-on therapy to the main anti-diabetic agents, metformin and sitagliptin.

Imeglimin has a mechanism of action that targets the mitochondria bioenergetics. It is the first agent that acts directly on the two key defects of Type 2 Diabetes, namely insulin sensitizing and secretion. This unique mechanism of action, based on both preclinical and clinical study results, has recently been detailed in three presentations, at the 74th Sessions of the American Diabetes Association.

Thomas Kuhn, CEO of Poxel said: "We are glad to welcome the Large Venture investment division of Bpifrance as new member to our investor syndicate and Kreos Capital to support our activities. In addition to our ongoing clinical studies, this financing will be used for initiating Imeglimin's development in Asia. Moreover, it will ensure we have a sufficient capital runway to progress our direct AMP Kinase program."

Mr. Raphaël Wisniewski, Partner at EdRIP, stated: "Poxel continues to deliver on our expectations. With Imeglimin's phase 2b final results expected in 2015, this further financing gives the company additional resources to accelerate the development of its innovative programs and to attract partners for the next development phase."



Maily Ferrere, Head of the Large Venture investment division of Bpifrance, said: "This investment into Poxel fits well with our mission to ensure the continuum of business financing in which Bpifrance is invested, and in particular that of the most innovative French biotech companies."

About Type 2 Diabetes

Type 2 Diabetes is the most common type of diabetes. It usually occurs in adults, but is increasingly seen in children and adolescents. In Type 2 Diabetes, the body is able to produce insulin but it is either not sufficient or the body is not responding to its effects, leading to a build-up of glucose in the blood. Type 2 Diabetes is a major cause of both cardiovascular and kidney diseases.

The number of people with Type 2 Diabetes is rising rapidly worldwide. This rise is associated with economic development, ageing populations, increasing urbanization, dietary changes, reduced physical activity and changes in other lifestyle patterns.

The International Diabetes Federation estimates that in 2011, 366 million people around the world had diabetes. This total is expected to rise to 552 million in 2030. Each year a further 7 million people develop diabetes. The current market is dominated by few product classes and significant unmet needs remain for both physicians and patients.

The worldwide pharmaceutical market for Type 2 Diabetes, 60% of which is represented by oral anti-diabetics, is expected to increase from \$31 billion in 2012 to \$48.8 billion in 2021 (source IMS audits).

About Imeglimin

Imeglimin is the first in a new chemical class of oral anti-diabetic agents, the Glimins. Imeglimin acts on three main target organs involved in glucose homeostasis: the liver, muscle, and the pancreas. Imeglimin's unique mechanism of action targets the mitochondria bioenergetics. This distinct mode of action compared to existing treatments for Type 2 Diabetes makes Imeglimin the best partner to complement other treatments. Imeglimin phase 2a monotherapy results were published in *Diabetes, Obesity and Metabolism* in April 2012. In October 2011, Poxel reported phase 2 results of Imeglimin as add-on therapy to metformin in patients inadequately controlled with metformin monotherapy. This study achieved its primary end-point of superiority in HbA1c reduction versus placebo ($p < 0.001$). The study results are published in *Diabetes Care*. In November 2012, Poxel reported phase 2 results of Imeglimin as add-on therapy to sitagliptin in patients inadequately controlled with sitagliptin monotherapy. This study achieved its primary end-point of superiority in HbA1c reduction versus placebo ($p < 0.001$). The study results are published in *Diabetes Care*.



About Poxel SA

Poxel, founded in 2009, is a biopharmaceutical company developing innovative first-in-class drugs, with a primary focus on Type 2 Diabetes. The company develops novel treatments before seeking pharmaceutical industry partners. Poxel was spun out from Merck Serono and now operates independently as a lean organization with strong in-house drug development and business expertise.

Poxel's product pipeline consists of several first-in-class Type 2 Diabetes candidates, including Imeglimin in phase 2b clinical development and a direct activator of AMPK, which is close to phase 1 development for the treatment of Type 2 Diabetes.

For more information, please visit www.poxel.com

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