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Promethera® Biosciences Raises EUR 5.3 million (~ USD 7.9 million) through Series A Capital Round to Develop Promising Technology in the Treatment of Liver Diseases

Promethera Biosciences

October 29, 2009

The spin-off from Université catholique de Louvain is now ready to complete pre-clinical studies for an innovative stem cell therapy to treat unmet medical needs and to circumvent liver transplantation

Louvain-La-Neuve, Belgium, October 29th 2009 - **Promethera® Biosciences** an innovative stem cell therapy company today announces the successful closing of a EUR 5.3 million capital increase in a Series-A equity financing round. The investor syndicate, led by **Vesalius Biocapital** (Belgium), includes **SRIW, Life Sciences Research Partners, NivelInvest, Capital & Croissance, LRM Oxygen for Growth, Vives**, several business angels as well as existing shareholders, (**Sopartec** and the founder, **Prof Etienne Sokal, UCL**). The round will be completed by significant public funding. **Alain Parthoens**, Partner at **Vesalius Biocapital** announces: "Promethera® Biosciences' stem cell technology has impressive potential with a strong proprietary position in addition to benefiting from a high quality management team. We believe that Promethera® Biosciences is well positioned to play a leading role in tomorrow's liver regenerative medicine market".

Stem cell therapy to treat a large range of liver diseases which were, until now, incurable

Promethera® Biosciences develops a new cell therapy product using allogeneic stem cells expanded from healthy human liver tissue. This product called Promethera® HepaStem aims to treat a wide variety of liver diseases affecting children and adults. The innovation exists in both the simplicity of the treatment, which doesn't require radical surgery (compared to liver transplantation), and in the wide variety of liver pathologies that can be addressed with the same product. In conjunction, Promethera® Biosciences is developing, Promethera® HepaScreen, a unique cell model for the pharmaceutical industry to mimic metabolism and detoxification of new drugs by the human liver.

Eric Halioua, CEO at **Promethera® Biosciences**, says: "We are very excited by this major equity financing, one of the most significant early stage investments in our sector in Europe in the past year. Promethera® Biosciences' ability to attract funding from such an investor syndicate, in a very difficult financial market, is a strong vote of confidence as well as being a testimony to the tremendous value creation potential of the company and its team. Promethera® Biosciences is now well positioned to execute its business plan over the next three years".

A spin-off from Université catholique de Louvain with great potential.

The company is a spin-off from the **Laboratory of Paediatric Hepatology and Cell Therapy** headed by **Professor Etienne Sokal**, an internationally renowned scientist and clinician in the field of paediatric liver diseases. The Promethera® Biosciences' technology is supported by a close collaboration with Prof. Sokal's laboratory and the medical paediatric hepatology group at **Cliniques Universitaires Saint-Luc** of **UCL** which recently performed the first ever injection of a human adult liver progenitor cell into a patient. This clinical translation constitutes an important achievement in the future development of Promethera® HepaStem.

Prof. Etienne Sokal, comments: "This significant equity financing brings the guarantee of an actual industrial development of a promising therapy issued after many years of academic research under the support of national and regional funds, and charities. Promethera® Biosciences will now give a solid prospect to cure patients' suffering from highly debilitating and often incurable diseases. The tremendous work carried out by the lab team has benefited from strong institutional support, trough administration of research and Sopartec, the Technology Transfer Office which worked together with the founders to build the strong intellectual property and a solid investor's consortium. I also wish to point out the continuous support from the Walloon region from the early phase of the research to the formation of the company".

For any further information, please contact :

Eric Halioua
CEO
Promethera Biosciences
Tel: +32 474 05 78 66

Email: eric.halloua@promethera.com
www.promethera.com

Etienne Sokal
CSO, Founding Director and professor at the UCL
Promethera Biosciences
Tel: +32 475 25 63 72
E mail: etienne.sokal@promethera.com
www.promethera.com

The press is invited to the Promethera® Biosciences' official presentation, Tuesday, December 8th 2009 at 7pm, in the new spin-off laboratories and offices : Site Watson & Crick Hill, Rue Granbonpré, 11 - 1435 - Mont-Saint-Guibert - Belgium. UCL' rector, Bruno Delvaux will be attending.

About Promethera®Biosciences (www.promethera.com)

Promethera® Biosciences' mission is to discover, develop and commercialize cell therapy products so that liver diseases can be treated using allogeneic stem cells isolated from healthy human livers. Promethera® Biosciences intends to bring two different products to the market: Promethera® HepaStem and Promethera® HepaScreen. The cell therapy product Promethera® HepaStem is based on a newly discovered and proprietary progenitor cell type: Human Adult Liver Derived Mesenchymal Stem Cells (hALDMSC) which can be used to cure a wide variety of liver diseases, from rare inborn metabolic diseases (orphan diseases), to larger acquired liver deficiencies such as liver fibrosis or fulminant hepatitis. The treatment has already received two orphan drug designations from the European Medicines Agency for the treatment of very debilitating pathologies affecting children and will be further developed to offer to these patients a real curative treatment. The same cell product developed as Promethera® HepaScreen will serve as a cell model for discovery as well as for pre-clinical departments of the pharmaceutical and biotechnology industry to mimic metabolism and detoxification of new drugs by the human liver.

About Pr Etienne Sokal and UCL

Etienne Sokal is a paediatrician specialized in gastroenterology and has 20 years experience in the field of paediatric hepatology and liver transplantation. He has played an active role in the paediatric liver transplantation program, under the direction of Prof JB Otte, a world pioneer in paediatric liver transplantation, since this program was launched at Saint-Luc Clinics (UCL) in the eighties. To date, more than 700 children have undergone transplantation. Furthermore, many foreign clinicians have been trained in the field at Saint-Luc Clinics. Pr Sokal is also the leader of a research team actively working on liver associated metabolic diseases in children with an extensive expertise in paediatric hepatology, infectious immunology and hepatic transplantation. The team is also specialized in in vitro manipulation of hepatic cells (culture, cryopreservation or cellular metabolism). More than 200 peer-reviewed publications demonstrate the level of excellence of the team, which is internationally recognized. The recent breakthrough in liver stem cell technology has also positioned the team amongst the leaders in this field. Apart from clinical activities and laboratory research, the centre has also conducted numerous pharmacological clinical researches thanks to a well-organized paediatric orientated clinical investigation centre.

About Sopartec SA / VIVES Fund (www.sopartec.com, www.vivesfund.com)

SOPARTEC is the investment and technology transfer company of the Université catholique de Louvain ("UCL"). In close cooperation with the UCL Research Administration (ADRE - Administration de la Recherche: http://www.uclouvain.be/adre.html), Sopartec is in charge of the management of University's Intellectual Property, bearing in mind the interests of society, the regional economy, the inventors and the University. More specifically, Sopartec is in charge of the UCL patent portfolio management, the conclusion of license agreements, the incubation process of future spin-off companies and the creation and follow-up of UCL spin-off companies. In particular, SOPARTEC has invested and participated in the formation of more than 20 spin-off companies entirely or partiallybased on research results from the University such as Ion Beam Application (IBA), I.R.I.S. or Telemis. SOPARTEC is also the management company of VIVES, a € 15 m seed capital fund financed by European Investment Fund, KBC, Fortis, Sofina, Start-Up and SOPARTEC. VIVES's mission is to stimulate the formation and growth of university spin-offs and to invest in existing young technology companies where a strategic partnership can be formed with the University.

About Vesalius Biocapital (www.vesaliusbiocapital.com)

Vesalius Biocapital S.A. SICAR is a venture capital fund focusing on the creation and growth of European non-quoted life science companies. The Fund invests in those areas that have considerable profit potential: new therapeutics, cutting-edge medical devices, and innovative drug delivery technologies as well as (non-)clinical diagnostics and screening tests with a high utility level.

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