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**CENIX BIOSCIENCE, A PIONEER IN RNAi TECHNOLOGIES, RAISES
€ 5 MILLION IN INTERNATIONAL FINANCING ROUND**

Dresden, Germany, September 10, 2002 - Cenix BioScience GmbH, a pioneer in RNA mediated interference (RNAi)-based technologies and therapeutics, today announced that it has raised € 5 million (Euro) in a new international financing round to fund its next stage of development and progress its novel RNAi drug development programmes.

The financing was led by two new investors, EMBL Technology Fund, based in Heidelberg, Germany, and BankInvest Biomedical Venture, based in Copenhagen, Denmark. Existing investors, TechnoStart and Heidelberg Innovation, also participated in this round.

Pioneering work led by the Company's three scientific founders, Drs. Echeverri, Hyman and Gönczy in 1998, yielded the initial proof of principle for genome-scale applications of RNAi (Nature 2000, 408: 331). Through four years of R&D devoted exclusively to this revolutionary new gene silencing technology, Cenix has now established proprietary industry-leading platforms for RNAi-based drug discovery and development.

Dr. Christophe Echeverri, lead founder and CEO/CSO of Cenix BioScience, commented on the financing round:

"We are extremely pleased that despite the difficult market we have exceeded our initial target of € 2-3 million to raise € 5 million in this successful growth round. We recognise this as an encouraging endorsement of investor confidence in our technology and drug development potential, which has also been reflected in the quality of our prestigious new international syndicate.

"These new funds will allow us to continue our strategic growth, further leveraging our expertise in RNAi technologies to develop in-house RNAi-based therapeutic programmes," he added.

Dr. Stefan Herr, Managing Director of the EMBL Technology Fund and Chairman of the Board commented:

"Cenix is the premier company in RNAi technology in Europe and we are confident of its highest potential to become economically successful. Through this investment we aim to set a standard for how EMBL research can translate into meaningful therapies."

Professor Jesper Zeuthen DSc, Managing Director of BankInvest Biomedical Venture in Copenhagen, commented:

"We have been impressed by the quality of the Company's management and the competencies within the Company, and we are confident that Cenix will set the standards in the RNAi field, which represents one of the most interesting and unexpected scientific discoveries in the last several years."

Using a broad range of experimental systems including *C. elegans*, *Drosophila*, cultured human cells, and mice, Cenix has developed its leading expertise in RNAi technology to encompass key steps in therapeutic drug discovery and development. Its main offerings for collaborative research projects include rapid and cost effective genome-wide RNAi screens for drug target discovery and high throughput RNAi-based target validation.

The Company is using the rich pipeline of new discoveries and intellectual property from its powerful discovery platforms to drive its in-house product development programmes for RNAi-based therapeutics, addressing major disorders such as cancer, infectious diseases, and inflammation.

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Notes to Editors:

RNAi – The Gene Silencing Technology of Choice

RNA-mediated interference, or RNAi, is a powerful new approach for achieving targeted gene silencing of pathological genes using complementary double stranded RNA (dsRNA). In contrast to all "conventional" antisense paradigms, this approach harnesses a recently discovered natural defence mechanism, which protects organisms ranging from plants to humans against molecular parasites such as viruses and transposons. The pathway consists of a fast and powerful cellular response to the presence of dsRNA, a usually rare molecule in most organisms and therefore recognised as "foreign", whereby any messenger RNA that contains the dsRNA's sequence is completely degraded, and its corresponding gene thereby silenced.

RNAi distinguishes itself from other sequence-specific gene silencing methods by the unprecedented potency of its catalytic silencing effect, the high stability of the triggering molecule (dsRNA), its excellent experimental reproducibility, and by its applicability in a wide range of experimental systems. Importantly, the active agent (dsRNA) and the mechanism of action of RNAi are inherently far superior to those of other existing or proposed sequence-based therapeutics such as conventional antisense and ribozymes. These key features offer strong promise for the development of a new class of RNAi-based therapeutics combining excellent potency and specificity.

The approach is arguably the biggest molecular biology breakthrough of the last decade and is applicable in most major experimental systems including cultured mammalian cells and mice. In addition, the use of RNAi in mice promises a much more rapid, cost-effective, more controllable and more accurate target validation tool than transgenic knockouts.

Cenix BioScience (www.cenix-bioscience.com)

Cenix BioScience GmbH is a biotechnology company specialising in the application of RNA-mediated interference (RNAi) for the discovery of conventional therapeutics and the development of the exciting new class of RNAi-based medicines.

Integrating nearly 4 years of intensive R&D devoted to this emerging field, Cenix has now established industry-leading platforms for a wide range of RNAi-based applications, from high throughput genome-wide screening to high content analyses of gene function.

In addition to in-house drug development programmes, which are currently focused on selected oncology indications, Cenix is offering its unique expertise to industry and academic partners through a comprehensive range of collaborative research programmes for RNAi-based target discovery, target validation, drug mode of action (MoA) analyses and lead compound discovery in multiple systems including cultured human cells, mice, *C. elegans* and *Drosophila*.

Based in Dresden, Germany, Cenix was founded in 1999 as a spin out from the Max Planck Institute of Molecular Cell Biology and Genetics, Dresden, and the European Molecular Biology Laboratory (EMBL), Heidelberg. The company currently has 37 employees mainly working in the fields of molecular cell biology, genomics and bioinformatics.

EMBL Ventures (www.embl-ventures.com)

EMBL Technology Fund GmbH & Co. KG is an early stage venture capital investor currently managing € 18.5 million on behalf of major institutional investors in Europe. EMBL Ventures invests in core technologies that can be foundations for building successful, profitable businesses over the long term and is focused on life-science investments, including therapeutics, target validation and drug design, technology platforms, medical devices and diagnostics. The close relationship and proximity of the Fund to the European Molecular Biology Laboratory (EMBL) and its co-operation partners guarantees a positive impulse for the establishment of new biotech companies.

BankInvest Bio Venture (www.biventure.com)

BankInvest Bio Venture is a leading Bioventure capital partner in Europe and belongs to the the BankInvest Group, a leading independent Nordic asset manager of mutual funds, venture capital and discretionary mandates for institutional clients. BankInvest Bio Venture builds partnerships with entrepreneurs by investing capital in and providing leading edge industrial knowledge and experience to high growth life science technology companies with global potential. It invests solely in unquoted biotechnology companies. The BankInvest BioVenture portfolio consists of more than 35 companies in total in the Nordic region, UK, France, the USA and Germany.

TechnoStart (www.technostart.com)

Founded in 1991, TechnoStart GmbH is an independent venture capital company specialised in seed and early stage companies and has more than Euro 80 million under management. The company has a proven track record as pro-active investor in enabling technologies in the nanotechnology, life sciences and new materials sector. Other current investments span six biotechnology companies: Spinox Ltd., Graffinity AG, m-phasys GmbH, febit AG, and IDEA AG.

Heidelberg Innovation (www.hd-innovation.de)

Heidelberg Innovation GmbH (HI) provides venture capital for companies in biotechnology, life sciences, medtech and health related markets. HI has different funds totalling EURO 125 Mio. under management among which the new fund Heidelberg Innovation BioScience Venture II GmbH & Co. KG (BSV II) is the largest. With EURO 93 Mio., BSV II is a venture capital fund for investment of private equity in attractive, young biotechnology/life sciences companies in Western Europe but with an emphasis on South West Germany. An active investor, that makes investments in start-up companies all the way through later stages of financing until pre-IPO financing. As with the first fund, the focus will include early-stage

investments. HI's portfolio also includes LION bioscience AG, febit AG, Axxima Pharmaceuticals AG, BioVisioN AG, Cellzome AG, Berlin Heart AG, and mbt Munich Biotechnology AG.

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