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Probiodrug announces its intention to launch an Initial Public Offering and listing on Euronext Amsterdam

HALLE/SAALE, Germany, September 25, 2014 – Probiodrug AG (“Probiodrug”), a biopharmaceutical company dedicated to the research and development of novel therapeutic solutions to treat people with Alzheimer’s Disease, announces today its intention to raise new funds through an Initial Public Offering and listing on Euronext Amsterdam.

Company highlights:

- **Probiodrug is developing a pipeline of disease modifying drugs against Alzheimer’s Disease**
Alzheimer’s Disease is a large underserved market open for new drug approaches. There are, as of today, no disease modifying drugs (treatments that slow or halt the progression of the disease) for Alzheimer’s Disease available, and there are only a handful of Alzheimer’s Disease drugs on the market treating merely the symptoms of cognitive decline.
- **Differentiated approach to treat Alzheimer’s Disease - Probiodrug’s products specifically target toxic pyroglutamate-Abeta (“pGlu-Abeta”)**
Many first generation disease modifying approaches in Alzheimer’s Disease aim to reduce Abeta-plaques, a well-known hallmark of Alzheimer’s Disease, by limiting Abeta production or enhancing Abeta clearance. These approaches, however, have not yet shown success. Probiodrug believes that a different more targeted approach should be taken as there are many forms of Abeta with different, sometimes even beneficial, characteristics. Today’s prevailing scientific view is that small soluble Abeta aggregates (oligomers), not plaques, cause the early pathological changes related to Alzheimer’s Disease. It has been shown that pGlu-Abeta triggers the formation of these toxic Abeta oligomers. Probiodrug’s scientists discovered in 2004 that Abeta peptides need a specific enzyme to be transformed into pGlu-Abeta, which is called Glutaminyl Cyclase (“QC”). Based on this discovery Probiodrug is developing small molecule inhibitors, a treatment approach targeting pGlu-Abeta specifically.
- **Focused, proprietary pipeline**
Probiodrug’s pipeline targets pGlu-Abeta for the treatment of Alzheimer’s Disease by two complementary modes of action: (i) inhibiting the production of pGlu-Abeta; and (ii) clearing existing pGlu-Abeta from the brain. The Company’s current development pipeline consists of the following product candidates:

PQ912: Probiodrug’s lead product candidate is currently entering into Phase 2a development. PQ912 is a “QC-inhibitor”, a specific inhibitor of the enzyme Glutaminyl Cyclase, which is crucial for the production of pGlu-Abeta. PQ912, a small molecule, is the only QC-inhibitor that Probiodrug is aware of currently in clinical

development for Alzheimer's Disease. PQ912 was shown to be safe and well tolerated and revealed a high level of QC-inhibition in the spinal fluid in a Phase 1 study with 200 healthy young and elderly volunteers. The preparation of the Phase 2a study started in March 2014. The first patient is expected to be treated with PQ912 in the first quarter of 2015 with first data expected to be available mid-2016.

PBD-C06: a monoclonal antibody, currently in preclinical stage. PBD-C06 targets pGlu-Abeta, aiming to selectively clear the brain of pGlu-Abeta while leaving non-toxic forms of Abeta untouched.

PQ1565: a QC-inhibitor, currently also in preclinical stage. The product candidate showed attractive drug-like properties in preclinical studies.

- **Extensive IP protection**

Probiodrug's granted and pending patent claims protect its product candidates and its exclusive access to the QC-target. The Company believes that it is in a strong position to pursue all of its therapeutic programs, which are protected by medical use and composition of matter patents.

- **Experienced management team**

Probiodrug is led by an experienced management team with a strong track record in the drug development industry.

- **Renowned shareholder base**

Probiodrug's investors include: BB Biotech, Edmond de Rothschild Investment Partners, IBG, HBM Healthcare, TVM Capital, Life Science Partners, Biogen Idec, CFH Group, and funds advised by Wellington Management.

Dr. Konrad Glund, Chief Executive Officer of Probiodrug adds, *"Worldwide a large number of patients suffer from Alzheimer's Disease and there is an urgent need for new treatments that affect the underlying cause of the disease. Our strategy is to advance the programs in our pipeline. We believe our approach presents a significant opportunity for both Alzheimer's Disease patients and the pharmaceutical industry."*

Kempen & Co is acting as Sole Global Coordinator and Bookrunner in connection with the Initial Public Offering. Petercam has been appointed as Co-Bookrunner and Close Brothers Seydler Bank AG as Selling Agent.

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Notes to Editors:

About Probiodrug AG

Headquartered in Halle, Germany, Probiodrug AG is a biopharmaceutical company focused on the development of new therapeutic products for the treatment of Alzheimer's Disease.

Founded in 1997, the company successfully developed a novel therapeutic concept for diabetes – the DP4 inhibitors – which provided the basis for a novel class of antidiabetics – the gliptins. Its core capabilities are based on its long-standing expertise in the elucidation of the structure and function of enzymes involved in the modification of proteins and peptides which play a central role in pathological conditions.

Today Probiodrug's aim is to become a leading company in the development of Alzheimer's Disease treatments and to thereby provide a better life for Alzheimer's Disease patients. It has identified a new therapeutic concept linked to disease initiation and progression. The development approaches are targeting pyroglutamate-Abeta (pGlu-Abeta) as a therapeutic strategy to fight Alzheimer's Disease. The Company has medical use and composition of matter patents related to the inhibition of QC and anti-pGlu-Abeta- specific monoclonal antibodies, providing it, in the Company's view, with a leading position in this field of research.

Probiodrug has a renowned shareholder base, including experienced institutional investors in Germany, Netherlands, Switzerland, France, and the United States. For more information, please visit: <http://www.probiodrug.de/>.

About Alzheimer's Disease

Alzheimer's Disease is a neurological disorder, which is the most common form of dementia, and ultimately leads to death. Because Alzheimer's Disease cannot be cured and is degenerative, the affected patients must increasingly rely on others for assistance. Today, over 35 million people worldwide currently live with the condition and this number is expected to double by 2030 and to more than triple by 2050 to 115 million (World Alzheimer Report 2013).

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