



Press Release

AudioCure successfully completes the initial financing round with High-Tech-Gründerfonds (HTGF)

- High-Tech Gründerfonds and Business Angel Invest in AudioCure Pharma GmbH Drug Development.
- AudioCure Pharma concentrates on the clinical development of drug candidates in neurological disease indications with a high unmet medical need.
- The lead candidate is a small molecule compound for the treatment of acute and chronic hearing impairments via a local, regenerative therapy of the damaged nerve cells in the inner ear.

Berlin/Bonn, 29 May 2012 Seed financing from High-Tech Gründerfonds and business angel Dr. Schumacher will enable AudioCure to develop the lead compound for the medicinal treatment of hearing impairments in the preclinical phase. The first part of solving the problem targets the ototoxic side effects of cytostatics. The second field of application addresses the hearing impairments of acoustic trauma, tinnitus and acute hearing loss, later indications target hearing loss due to advancing age.

As a consequence of increasing life expectancy, the prevalence of neurological disorders is rising significantly worldwide. This is because genetic causes are only significant 5-10% of the time, while age plays the key role in a far larger number of cases. Thus, approx. 1% of people over the age of 65 and approx. 5% of those over 85 are affected by Parkinson's disease. Worldwide, 580 million people suffer from moderate to severe hearing impairment – with an upwards trend. Medications currently applied for these indications do not show sufficient efficacy; hearing aids and surgical intervention are inadequate and costly.

Apart from the specific causes, there are many shared mechanisms in the pathogenesis of different neurological disorders. These include, for example, inflammatory processes, damaging oxygen-based free radicals, disrupted functioning of mitochondria and programmed cell death (apoptosis). AudioCure Pharma develops substances that significantly influence these processes. Additionally, the formation of a whole series of neurotrophins (nerve growth factors) activate the natural repair mechanisms.

Professor Rommelspacher explains, "Our approach envisions placing the compound locally in the middle ear, close to the area of the disorder. We were able to demonstrate that from there it enters the inner ear and acts to reduce inflammation, and to protect and regenerate cells. The efficacy spectrum is unique. Based on our current understanding of the pathological process a therapeutic effect on the sensory and nerve cells in the inner ear is anticipated. Among these, impairments to mitochondrial function, inflammatory processes and programmed cell death are being discussed as decisive pathological processes."



“To date AudioCure’s results can for the first time enable a possible protective and regenerative effect on damaged nerve cells in the human inner ear – which is exactly what makes AudioCure appealing for early cooperation with pharmaceutical companies,” said Dr. Martin Pfister, Investment Manager at High-Tech Gründerfonds.

“The factors that tipped the scale for my early involvement in AudioCure were the combination of patent situation, the founding team and the lack of effective therapies in this field. Against the background of future exploitation, the innovative approach in combination with the large number of patients with various types of hearing impairments make this investment so interesting to me,” said Dr. Schumacher.

About AudioCure Pharma GmbH

The company was founded as a German limited liability company (GmbH) by university professor and doctor of medicine Hans Rommelspacher in Berlin on 13th August 2010. In recent years, he was the Head of Clinical Neurobiology at the Psychiatric Clinic of the Charité university hospital. He worked for over 20 years there on the effects of the primary compound used here. In the past few years extensive structure-activity experiments have been able to prove the neuroprotective and neuroregenerative, or therapeutic, potential of some derivatives in established animal models of Parkinson’s disease and in cell cultures. Along with NanoPet Pharma Berlin and Wildau Technical University of Applied Sciences, AudioCure Pharma founded the NeuroPro Alliance research network. It is partially financed by the German Federal Ministry of Education and Research.

For further information, please visit www.audiocure.de

About High-Tech Gründerfonds

High-Tech Gründerfonds invests in young, high potential, high-tech start-ups. The seed financing provided is designed to enable start-ups to take an idea through prototyping to market launch. Typically, High-Tech Gründerfonds invests 600.000 euros at the seed stage, with the potential for up to 2 million euros per portfolio company in follow-on financing. Investors in this public/private partnership include the Federal Ministry of Economics and Energy and the KfW Banking Group as well as strategic corporate investors. High-Tech Gründerfonds has about 576 million euros under management in two funds (272 million euros HTGF I, 304 million euros HTGF II).

For further information, please visit www.high-tech-gruenderfonds.de



Contact

AudioCure Pharma GmbH

Dr. Hans Rommelspacher, CEO

Phone: +49 (30) 257 617 990

E-Mail: pr@audiocure.de

High-Tech Gruenderfonds Management GmbH

Dr. Martin Pfister, Senior Investment Manager

Phone: +49 228 823001-00

E-Mail: info@high-tech-gruenderfonds.de

AlgiAx Pharmaceuticals GmbH

Dr. Jürgen Schumacher, Geschäftsführer

Phone: +49 211 617 8510