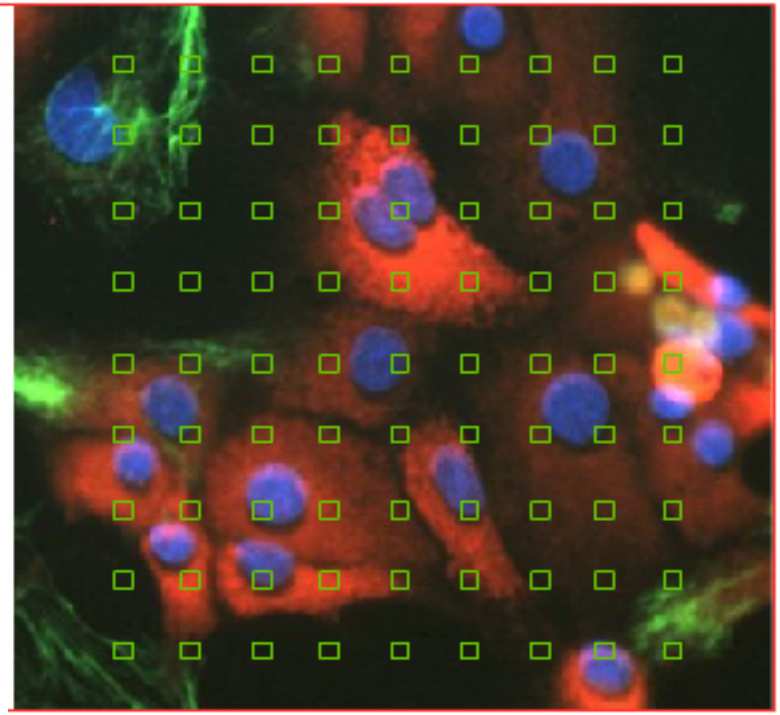
ADVANCELL

advanced in vitro cell technologies, s.l.

"In vitro" models, reprofiling and nanomedicine for unmet medical needs

The Spanish biotech sector
Case: ADVANCELL



SPAIN-LUXEMBURG ECONOMIC SEMINAR
April 18th, 2007

Cámaras Consejo Superior

CHAMBRE DE COMMERCE LUXEMBOURG

INTERES Invest in Spain

CECE

LE GOUVERNEMENT DU GRAND-DUCHÉ DE LUXEMBOURG
Ministère de l'Économie et du Commerce extérieur

MINISTERIO DE INDUSTRIA, TURISMO Y COMERCIO

SECRETARÍA DE ESTADO DE TURISMO Y COMERCIO

ICEX

ELEVATOR PITCH

Product oriented, low burn-rate company addressing unmet therapeutical needs by *reprofiling* validated compounds.

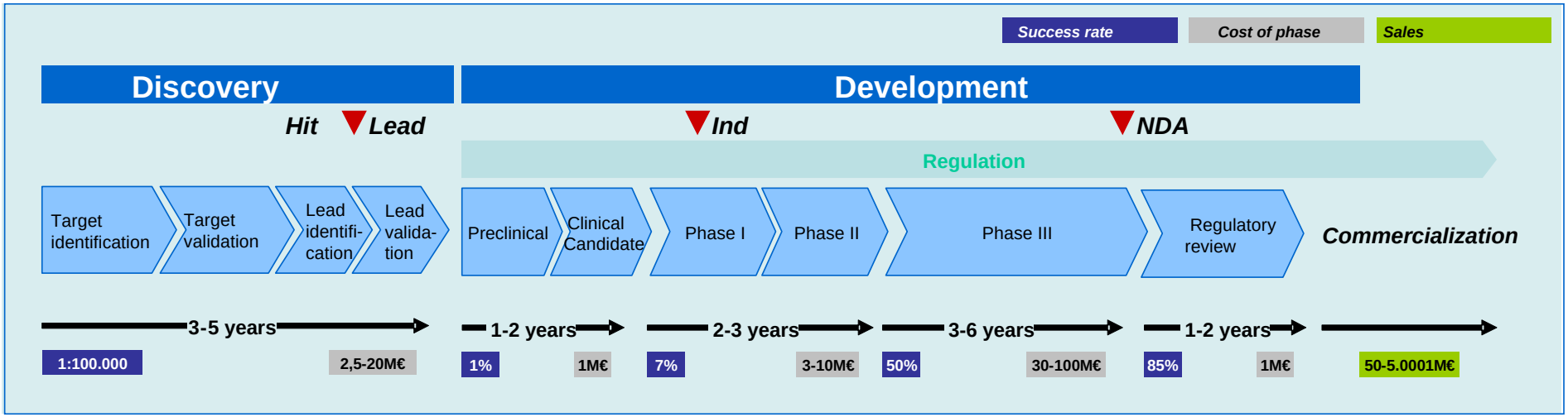
***Reprofiling* strategies are based on licensing from an extense academic network and on proprietary, broad-spectrum nanomedicine technologies which are used as cost-effective pipeline generators.**

All selected developments address clearly defined unmet needs and have lower-than-average cost/time to relevant proof of principle and lower-than-average development risk.

SUMMARY

- Privately owned, founded by University researchers in 2001
- Leading position in nanomedicine
- Strategic approach to reduce risk, cost and development time
- Board and Management with strong academic roots, financial and pharmaceutical experience
- Raised 4.6M€ since inception in 2001 (last financing event: 3M€ A round in November 2005)
- Revenues through self-sustaining Services and Reagents division and ocasional licenses (total 2.4 M€ in 2006, up 50% from 2005)
- Clinical stage, balanced pipeline addressing unmet needs with cost and risk-effective reprofiling strategies
- Strong and fast pipeline generation capabilities based on proprietary drug delivery technologies and continuous access to academic innovation
- Broad intellectual property base

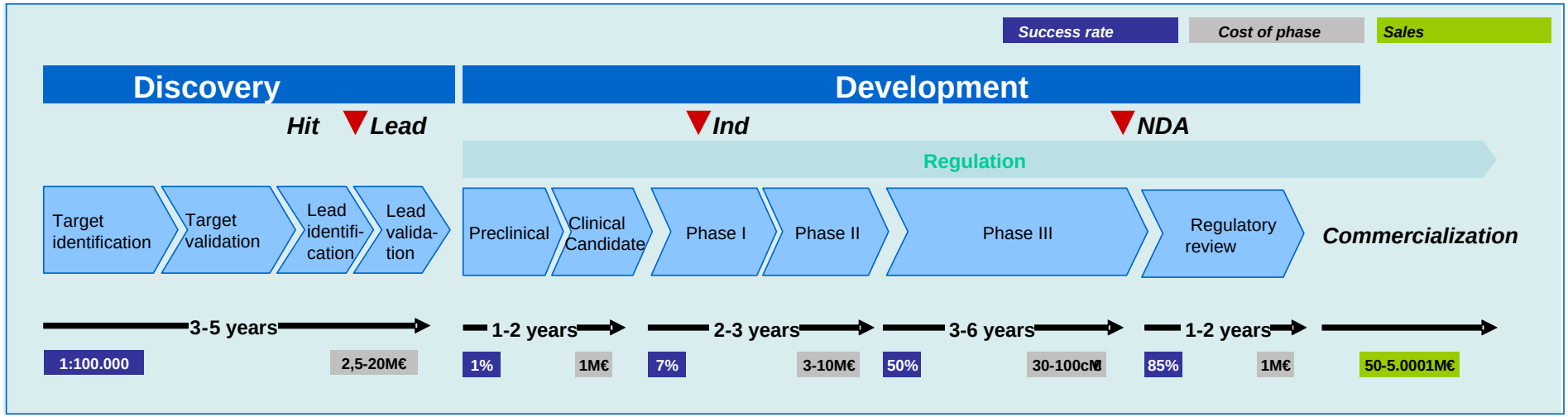
ADVANCELL IN THE VALUE CHAIN



Services and Reagents
("in vitro" cellular models)

Pharma developments
(reprofiling, nanomedicine and outsourcing)

ADVANCELL APRIL 2007



Services and Reagents
("in vitro" cellular models)

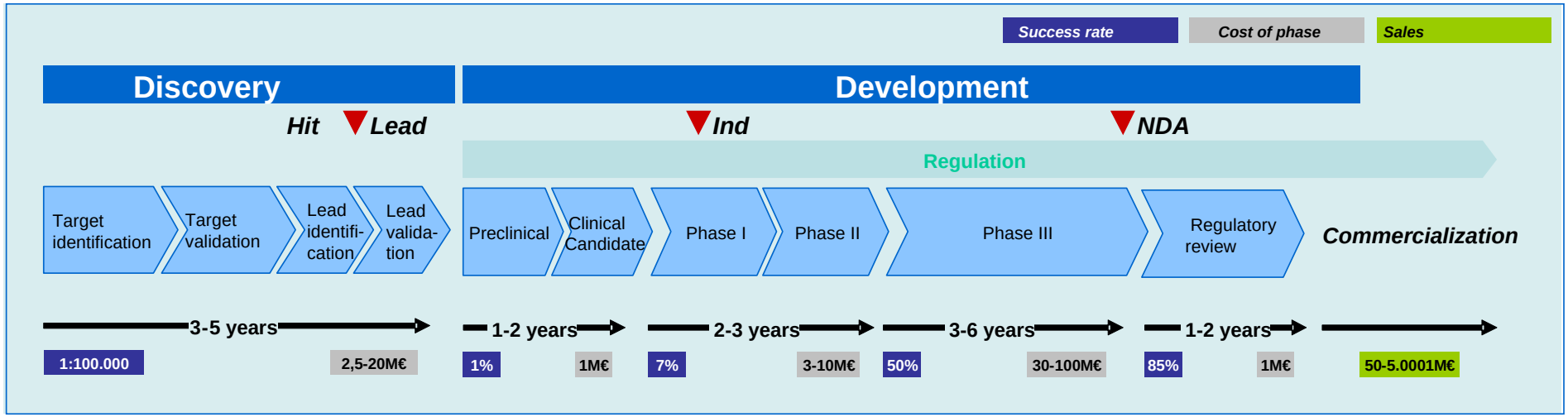
Pharma developments
(reprofiling, nanomedicine and outsourcing)

- 650+ research projects for 3rd parties
- > 50% success rate
- Cellular kits marketed ww
- Positive financial results in 2007
- 2 proprietary platform technologies to sustain reagent development

- 1 Phase II project
- 2 projects entering phase Ib (1 orphan)
- 2 preclinical projects
- 2 feasibility projects for third parties
- 3 research programs

-11 nanomedicine patent families

PIPELINE BY YEAR END 2007



ADVP8 (depression)

CTL13 DT™

Acadesine (B-CLL, orphan)

Ophtalmic program
Nucleic acid program
Vaccine program

Oral Insulin
Oral Heparin
CTL6

Cyclosporine DT™ (psoriasis)

REPROFILING *(repurposing, repositioning)*

Alternative uses to compounds with extensive clinical exposure

- **New found mechanism of action opens space for new IP and fast clinical proof of concept (Acadesine in B-CLL)**

- **De-prioritized compounds amenable to risk-sharing, success-driven strategies involving academic collaborators (ADV-P8 in depression)**

- **Proprietary technologies enabling new delivery routes for validated compounds (Oral insuline, heparin, CTL6; Cyclosporine and CTL13 DT™ + research-stage pipeline)**

VALUE DRIVERS: ADV-P1 (ACADESINE) FOR CHRONIC LYMPHOCYTIC LEUKEMIA OF B CELLS

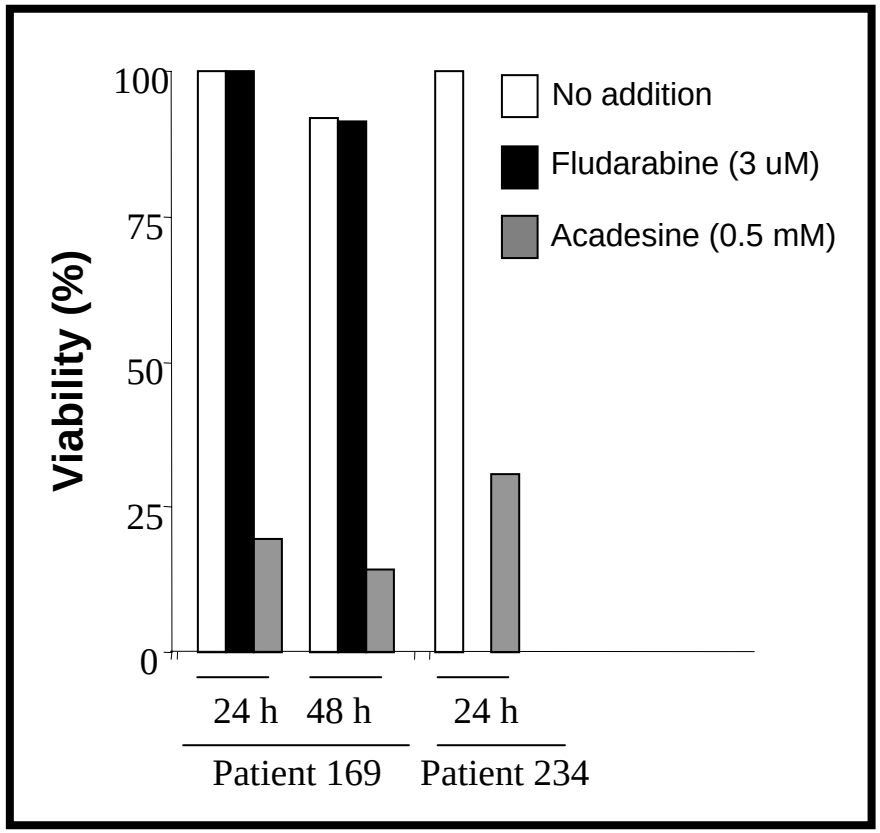
- Chronic accumulation of monoclonal CD5+ B lymphocytes in peripheral blood, ganglia and bone marrow. Cells do not proliferate in peripheral blood, apoptosis inhibited.
- Prevalence: 250,000 patients EU + US
- Patients treated: 50%
- Two groups of patients regarding prognosis: IgH unmutated, CD38+, ZAP70+ and IgH mutated, CD38-, ZAP70-. Survival from months to decades.
- Current treatment: induction of cell death (apoptosis) in B-CLL cells
  - chemotherapy (fludarabine, chlorambucil, cyclophosphamide, mitoxantrone)
  - monoclonal antibodies: rituximab, campath
  - combinations: FCM, R-FCM
- Problems with current treatment:
  - lack of selectivity produces toxicity (immunodeficiency, infections, anemia)
  - resistance: ATM mutations (20%), p53 mutations (at least 5%)

Physicians tend to "wait and see" before treating!!

VALUE DRIVERS: ADV-P1 (ACADESINE) FOR CHRONIC LYMPHOCYTIC LEUKEMIA OF B CELLS

Product profile

- **Safe** (previous clinical experience in 2000 patients for CARDIOPROTECTION!)
- **B-Cell specific**
- **Novel mechanism of action**
- **Independent of p53 or ATM mutations**
- **Effective "ex vivo" in more than 300 samples from B-CLL patients**



ATM mutated

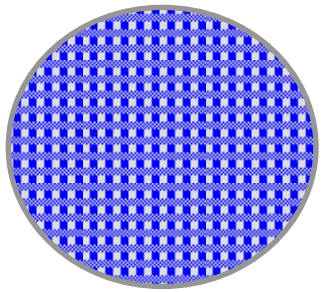
VALUE DRIVERS: ADV-P1 (ACADESINE) FOR CHRONIC LYMPHOCYTIC LEUKEMIA OF B CELLS

On December 6th Advancell and Protherics Plc agreed to codevelop Acadesine for B-CLL, in a deal worth up to 29 M€ in development milestones

The deal reduces Acadesine financial risk to virtually "0" for Advancell while keeping a high potential value in a double digit royalty stream upon commercialization

VALUE DRIVERS: NANOMEDICINE PLATFORM

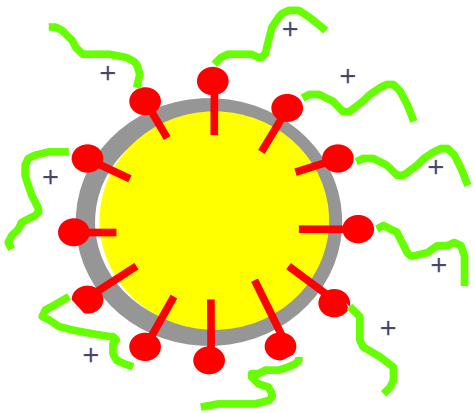
PLGA-based nanosystems



PLGA-PEO derivative blend nanoparticles

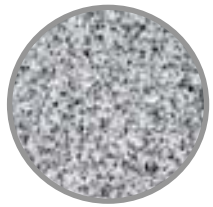
Parenteral applications (feasibility)

Chitosan-based nanosystems



Chitosan-coated Nanocapsules

Topical applications (preclinical)
Dermosome Technology™ (entering clinical pop)



Chitosan
Poloxamer
Hialuronic acid
glucomanan
Nanoparticles

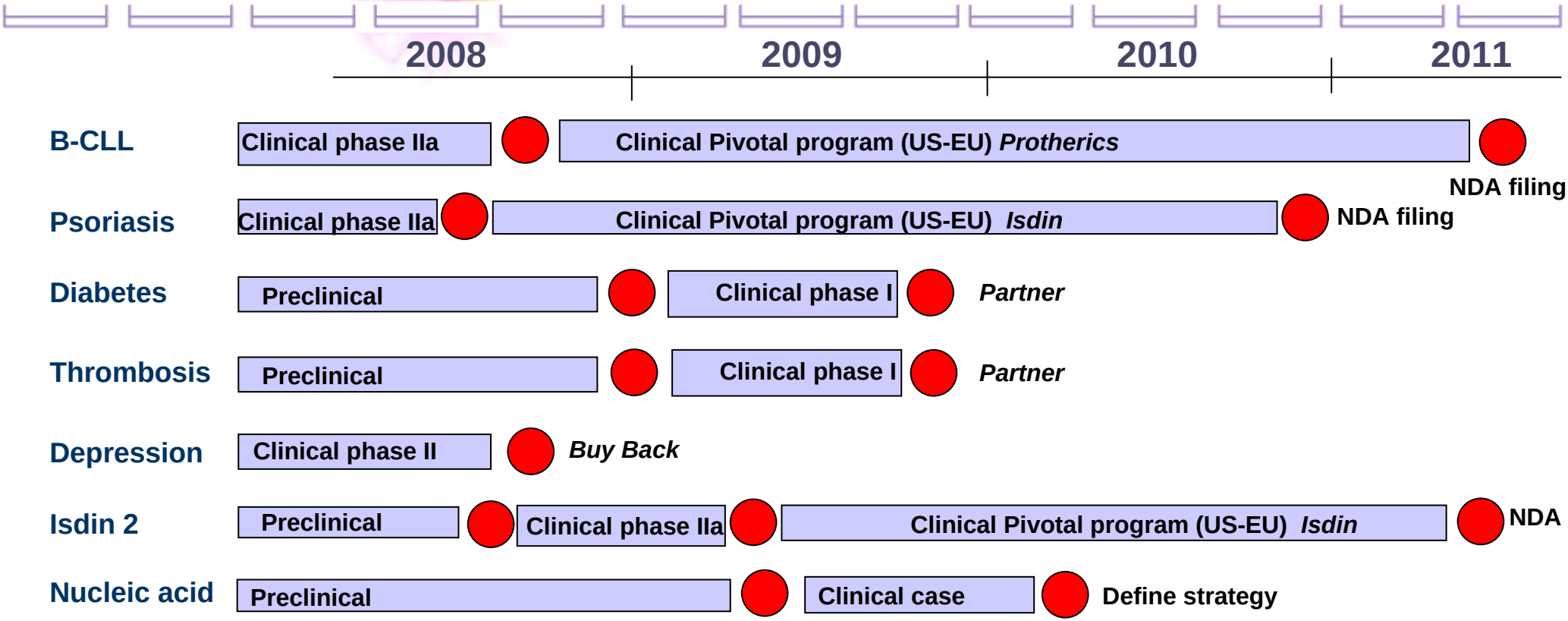
Oral applications (preclinical)
Ocular applications (Feasibility)
Topical nucleic acids (Feasibility)

VALUE DRIVERS: NANOMEDICINE PLATFORM

On September 15th Advancell and ISDIN, the leading dermatological company in Spain, signed a framework agreement to develop at least 3 Advancell's proprietary Dermosome Technology products. Cyclosporine DT may be the first one to enter clinical trials by the end of 2007.

Advancell's cost-effective approach to pipeline generation, through reprofiling is a result of the broad spectrum of applications offered by its nanomedicine platform

PHARMA: expected milestones 2008-2010



Oral peptides: *2 new own candidates in the period, entering phase IIa in 2009-2010*

Ophtalmic field: *3 new own candidates in the period, entering phase IIa in 2008-2009*

Needle free vaccines: *pending 2007 milestone*

3rd party: *up to 6 projects expected in the period, entering phase I in 2009*

VISION 2008

- **SIGNIFICANT FUNDING WILL BE NEEDED DURING 2008 TO:**
  - **Advance clinical pipeline of proprietary and partnered projects**
  - **Advance preclinical projects into clinicals**
  - **Maximize nanomedicine platform potential**

PROSPECTIVE COMPANY PROFILE:

Clinical portfolio, major codevelopments or licensing deals signed

Balanced pipeline: preclinical candidates, research platforms and backups

Small central overheads, virtual pharma business model

Revenue generation through profitable BU Services and Reagents *(sales in the 2-3M€ range with 15-20% annual growth)*