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Strong financing round for Danish Action Pharma A/S

Action Pharma A/S has received venture capital to assure rapid development of the company's pipeline of novel pharmaceuticals targeted at several major indications. A consortium of investors has invested 6 Mio Euro plus an option for investing additional 3 Mio Euro. The investors are InnovationsKapital (Sweden), Growth Foundation (Denmark) and Incuba Ventures (Denmark).

Action Pharma A/S has a pipeline with 8 drug candidates in different stages of drug development. The most advanced program concerns drug candidates to prevent organ damage in connection with e.g. myocardial infarction or major surgery for life threatening cardiovascular diseases. In addition Action Pharma has drug candidates targeted at type II diabetes and obesity.

The 6 Mio Euro and the option for additional 3 Mio Euro allows Action Pharma to reach essential milestones in the development of the drug candidates and the company towards IPO. In the process towards this we have worked closely together with the teams of the venture capital companies that have invested in Action Pharma A/S" comments Søren Nielsen, CEO of Action Pharma A/S.

The venture capital will finance the development of the company through 2007.

"It is a very important phase in the development of the company where Action Pharma is taking drug candidates into clinical development including a program in phase II and a program in phase" comments Jeppe Øvlesen, CFO of Action Pharma A/S.

"I am very satisfied with the outcome of this financial round. The investment in Action Pharma A/S supports the major value creation in Action Pharma. The capital gives Action Pharma the necessary financial muscles to develop the potent pipeline. It is a major strength for the company that InnovationsKapital from Sweden now has entered the consortium of investors" comments Uli Hacksell, chairman of the board of directors.

Ulf Tossman from InnovationsKapital in Stockholm, as new investor in the company confirms that he is very happy about the investment and sees major potentials in the business strategy towards an IPO.

Action Pharma A/S is a biopharmaceutical company founded in 2000 and located in Denmark. Action Pharma is dedicated to the discovery and development of novel drugs with significant therapeutic improvement within inadequately treated cardiovascular diseases and diabetes. The core therapeutic focus of the company is organ protection in severe cardiovascular diseases such as myocardial infarction and post-surgical organ failure. Moreover, treatments of obesity or Type II diabetes as well as treatment of inflammatory diseases are also core areas.

The technology and drug development platform with first in class drug candidates coupled with a strong patent portfolio gives the company a unique competitive position.

The main strategy is to bring drug candidates rapidly through pre-clinical development into clinical trials for subsequent out licensing. The goal is to bring 1-2 compounds into clinical development per year and currently the lead candidates are in clinical development. The business strategy is to commercialize drug candidates after clinical development phase I or II by partnering with major biotech and pharmaceutical companies.

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