

Mölnådal, May 30th 2001 Press release

Arexis announces completion of 48 million SEK private placement.

Arexis AB today announces the completion of a 48 million SEK private placement. 3i Group plc and SEB Företagsinvest have each invested 20 million SEK while the existing shareholders InnovationsKapital and investors affiliated to the Beijer Group each have invested 4 million SEK. In addition, the Swedish Industrial Development Fund recently provided 5 million SEK as a convertible loan. The proceeds will be used to expand the organization and build an industrial platform for the company's research and development programme.

Arexis is a drug discovery and development company with a primary focus on metabolic and inflammatory diseases. The company was founded in 1999 and utilizes a number of proprietary technologies to discover genetic components of common diseases. The discoveries constitute important clues to understanding the underlying mechanisms of disease development. The information is exploited to develop more precise diagnostics and new drugs that are potentially more effective and selective and thereby cause less negative side effects.

Through its strong collaborative network with leading academic partners, Arexis has an exciting research programme, where the company retains full rights to a pipeline of projects that will be developed internally or co-developed and co-financed in collaboration with industrial partners.

In connection with the new investment, Arexis has engaged Dr. Lennart Hansson as Chief Executive Officer and Dr. Björn Löwenadler as Chief Scientific Officer, both formerly employed in AstraZeneca's Cardiovascular and Gastrointestinal Research, where they held positions as Head of Molecular Biology and Head of Target Discovery. Dr. Vidar Wendel-Hansen, co-founder of Arexis, will act as Chief Business Officer.

Arexis has been established in Gothenburg, with excellent opportunities to benefit by the available academic infrastructure, the proximity to leading industrial organizations in the biomedical field, a good recruitment base and strong support from local authorities.

The new Board of Directors consists of Professor Leif Andersson and Professor Rikard Holmdahl, representing the founders, Dr. Johan Christenson, Senior Venture Analyst, SEB Företagsinvest, Mr. Laurie Rostron, Independent Director, 3i plc and Professor Anders Vedin, Chalmers University of Technology, Senior Advisor, InnovationsKapital and former CEO of Astra Hässle. Mr. Christen Testén, former Vice President, AstraZeneca, acts as Chairman.

Daniel Morgan, Investment Director 3i Nordic, comments:

"Arexis is based on years of the highest quality academic research and is focussed at finding the causes of disease in areas of high unmet medical need. The quality of the company's technology has enabled it to attract top class executives in Lennart Hansson and Björn Löwenadler."

Johan Christenson, MD, PhD, adds:

"Drug discovery is now quickly moving into the postgenomic era with focus on function and how diseases relate to the genome. Arexis is well suited to take on this challenge based on their unique technology, proven longterm experience in the field, brilliant science and competent management".

Göran Johansson, Chairman of the Executive Board in Gothenburg, says:

"I regard the establishment of Arexis in the Gothenburg region within biomedicine as very positive and strategically important. The establishment further strengthens the biomedical cluster in the region and gives us a competitive edge on both the national and international level."

Lennart Hansson, CEO, concludes:

"To me, Arexis represents the most inspiring combination of excellent scientific achievements and strong industrial ambitions to reveal fundamental biological processes underlying several major human diseases. This kind of novel information plays a key role for the development of new therapeutic approaches, with immense medical and commercial potential."

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