



FOR IMMEDIATE RELEASE

Acousia Therapeutics Receives EUR 2.5 Million to Develop Innovative Therapy to Treat and Prevent Sensorineural Hearing Loss

December, 14th 2016 – Tübingen (Germany) Acousia Therapeutics GmbH announced today the closing of a new investment round of EUR 2.5 million to finance research programs directed at the development of small molecules to treat sensorineural hearing loss and protecting sensory hair cells of the inner ear to prevent hearing loss in at-risk patients. The financing was led by the Boehringer Ingelheim Venture Fund and was supported by the KfW as well as the new shareholder Axxam SpA of Milan, Italy. In connection with this new investment Axxam will also transfer certain therapeutic assets to the R&D programs of Acousia. These programs will be further progressed by Acousia to generate clinical candidates to be developed subsequently to demonstrate clinical proof of concept.

Joining the Board of Directors is Dr. Stefan Lohmer, Chairman and Chief Executive Officer of Axxam.

Dr. Michael Bös, Chief Executive Officer of Acousia Therapeutics said: “This investment will allow us to expand our research portfolio. We are very pleased to welcome Stefan as a new Director. His extensive experience in drug discovery and development will be an asset for Acousia.”

Dr. Stefan Lohmer added: “There is a pressing medical need for new treatment options for hearing loss. Acousia has world-class expertise in this very special and untapped therapeutic area and we are very pleased to transfer our assets and become a shareholder of Acousia. This operation is a prime example of the Axxam business model of transferring therapeutic assets to innovative biotech companies dedicated to developing treatment options for diseases with a high medical need.”

About Acousia Therapeutics GmbH

Acousia Therapeutics GmbH is a privately held biotech company based in Tübingen, Germany, dedicated to the identification of small molecules for innovative treatments of hearing loss. The new therapeutic approach will replace lost sensory hair cells, the key cells for hearing in the inner ear, by cellular regeneration originating from supporting cells. Acousia will develop drugs for local application, which will restore hearing in patients who have lost their hearing ability due to various reasons, e.g. noise trauma, treatment with ototoxic drugs or sudden deafness. In addition, this therapy will have the potential to treat the age-related decrease in hearing capacity. For more information, please visit www.acousia.com.

About Boehringer Ingelheim Venture Fund GmbH

The Boehringer Ingelheim Venture Fund (BIVF) was formed in March 2010 to invest in biotechnology and start-up companies to help drive innovation in medical science. The investment focus include - but is not limited to immunomodulation, esp. immuno-oncology, tissue regeneration, new therapeutic modalities, e.g. gene therapy, cell-based therapeutics,

ADC, and microbiome. These reflects BIVF's interest in platform technologies and the extension of the current therapeutic area focus of Boehringer Ingelheim (BI) and demonstrate BIVF's commitment to investigate new treatment modalities and technologies, beyond BI's existing landscape, for the potential future benefit of patients. BIVF takes an active role with its portfolio companies – delivering significant added value through its own extensive drug discovery, scientific and managerial expertise. The BIVF has €100 million under management and supervises currently a portfolio of 18 active companies.

www.boehringer-ingelheim-venture.com

About KfW

KfW is Germany's leading financier of SMEs. It provides enterprises with long-term investment loans as well as with working capital loans. Particular support is offered to enterprises who invest in the energy-efficient refurbishment of buildings or make their production more energy-efficient. Loans for these purposes are partly subsidised by federal budget funds and are therefore provided at particularly favourable terms. As a general rule, KfW grants its loans through the costumers' regular banks, and to make it easier for the bank to approve the loan, KfW also partially assumes the bank's risk. Moreover, KfW promotes innovative projects with special programmes to raise equity. With the "ERP Venture Capital Fund Investments" promotional instrument, KfW is improving the promotion of technology-based start-ups and young, innovative companies in Germany. KfW is participating in selected venture capital funds in Germany and Europe that invest in young, growth-oriented technology companies. After the Federal Government, KfW is the second largest investor in the High-Tech Start-up Fund (HTGF), Germany's biggest and most active investor in the early-stage segment. For the later-stage segment, KfW has launched together with the Federal Ministry for Economic Affairs and Energy (BMWi) the VC fund "Coparion" which invests directly in innovative start-ups together with private investors, in line with the successful equity model of the ERP Start-up Fund whose new business was terminated with the establishment of Coparion in March 2016. Existing participations under the ERP Start-up Fund still receive follow-up financing. For more information please visit www.kfw.de

About Axxam SpA

Axxam SpA is a privately owned iPRO (innovative Partner Research Organization) located at the Science Park Open Zone in Bresso (Milan, Italy). Axxam has a consolidated expertise across a broad range of discovery disciplines and innovative technologies, including: assay development, HTS, hit identification and hit validation. Axxam is also engaged in developing novel innovative therapies for diseases with a high unmet medical need. For more information, please visit www.axxam.com.