



Galantos Pharma Raises € 4.4 Million to Advance its Alzheimer`s Dementia Strategy

Mainz, Germany, April 30, 2010. Galantos Pharma announced today the successful finalization of its C financing round to bring its leading compound Memogain® for Alzheimer`s Dementia (AD) into the clinic and to develop novel neuroprotective AD compounds. The investors VRP (Rhineland Palatinate Fund), KfW (German State Bank), FIB (Investment Bank Rhineland Palatinate), WFT (Venture Fund Rhineland Palatinate), and HTGF (High-Tech Fund) together with public co-funding from the BMBF (German Ministry for Education and Research) will provide Galantos with € 4.4 million (US-\$ 5.7 million) until the end of 2011. At that time Memogain® is planned to be out-licensed and a new neuroprotective candidate will be selected for preclinical development.

Memogain® is the front runner of Galantos' AD strategy, utilizing allosteric sensitization of nicotinic receptors. Prof. Dr. Alfred Maelicke, founder and CSO of Galantos, had discovered that marketed natural galantamine, usually being isolated from daffodil bulbs, is not merely an esterase inhibitor like other synthetic AD compounds, but also acts on neuronal nicotinic receptors enhancing their efficacy. This activity is unique for galantamine within the marketed AD medications. However, when clinically applied to humans, galantamine dosing is limited by gastro-intestinal (GI) side effects (frequent nausea, vomiting, and diarrhea). Galantos has invented the pro-drug Memogain® with much improved brain penetration, showing higher potency and absence of peripheral side effects in multiple animal models. The improvement is expected to enable full translation of disease modification, seen in animal models, into the clinic.

Galantos is actively pursuing follow-up compounds with more efficient and selective chemical scaffolds than presently available drugs, including galantamine. Given the important role of nicotinic alpha 7 receptors in regulating calcium homeostasis and neuronal survival, such sensitizers have great potential in CNS diseases with impaired cognition and neurodegeneration, including AD, schizophrenia, depression and Parkinson`s disease. Prof. Maelicke commented: "The finalization of the C financing round will substantially help us on our way to clinically prove what we have already shown in animal models: allosteric modulation of nicotinic receptors is a safe and effective way to prevent functional impairment of synapses, neuronal toxicity, and subsequent neuronal death."

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About Galantos Pharma GmbH

Galantos Pharma GmbH is a privately held company founded in 2005. The company develops innovative medication for neurodegenerative diseases with a focus on Alzheimer`s dementia. It develops neuroprotective and preventive pharmaceuticals

parallel to the optimization of the approved natural compound galantamine. The company is utilizing the long-term experience and established technology platform of the founders in the areas of natural compound synthesis, mechanism of action, molecular medicine and neuro-pharmacology as well as an international network of experts for pre-clinical and clinical development of novel CNS medications.

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