Arthex secures €4.25M from Invivo Ventures and Advent France Biotechnology

Funding will help advance development of company's Myotonic Dystrophy therapy

Valencia and Barcelona, Spain, and Paris, France, July 23, 2020 – Arthex Biotech (ARTHEx), a preclinical stage life sciences company focused on the development of the next generation antisense RNA therapies for the treatment of Myotonic Dystrophy Type 1 (DM1), today announces it has closed a funding round of €4.25 million ($4.9M). This round completes an initial seed round of €2.7 million ($3.1M) brought by Invivo and CDTI-Innvierte in December 2019 and in June 2020 respectively. The total funds raised by Arthex since inception are now €6.95 million ($8M).

With the new funding provided by Advent France Biotechnology (AFB) and Invivo Ventures, Arthex can ensure that its therapy will be first-in-human trial ready by 2022; on completion of the ongoing optimization of the drug candidate and subsequent preclinical regulatory studies.

The company, headquartered in Valencia, aims to develop an antisense RNA therapy against miRNAs for type 1 Myotonic Dystrophy (DM1). DM1 is a neuromuscular disease with genetic origin and is considered an orphan disease. Despite previous efforts to develop a suitable treatment, so far there is no cure on the market.

Arthex was co-founded by Dr. Rubén Artero and Dr. Beatriz Llamusí in September 2019, with the support of seed funding from Invivo Ventures, to translate to the bedside a promising RNA therapy invented by the Translational Genomics research group at the University of Valencia. Proof of concept in an animal model of the disease was published in the peer-review journal *Nature Communications*. The therapy was patented and licensed to Arthex by the University of Valencia.

In conjunction with the financing, Alain Huriez, chairman and managing partner at AFB, will join Arthex's board of directors, alongside the managing partners of Invivo Ventures, Luis Pareras and Albert Ferrer.

"Welcoming Dr. Huriez from AFB is an outstanding opportunity for us. The company is highly specialized in drug development with biotechnology start-ups," said Dr. Beatriz Llamusi, co-founder and CEO of Arthex. "What I value most is the broad experience and expertise that Dr. Huriez and his team bring with them."

"Arthex Biotech represents a unique combination of world-class science and entrepreneurial skills, translating great discoveries into potential breakthrough therapeutic outcomes for DM1 patients," said Alain Huriez, MD, PhD, chairman at AFB. "We are proud and honored to join Invivo Ventures in this venture."

"With more than a dozen RNA therapies being tested in clinical trials, the field is gaining momentum and many patients with previously untreatable conditions have cause for optimism. We are very proud to join forces with Advent France Biotechnology to bring Arthex's RNA therapy to first-in-human trials," said Luis Pareras, MD, PhD, and Albert Ferrer, founding partners at Invivo Ventures. "We look

forward to partnering with them and making the company a success story for DM1 patients."

The concept of RNA-targeting therapeutics – using antisense oligonucleotides (ASOs), aptamers, siRNAs, miRNAs, etc – to control the expression of disease-relevant genes as a way to treat illness - is getting a lot of attention lately, following recent successes that brought forward lifesaving drugs for patients who previously had no effective treatments. In 2016, the first RNA-based drug, Nusinersen® for spinal muscular atrophy (SMA), was approved, and 2018 witnessed the first ever approval of an RNAi drug – Patisiran® – to treat hereditary transthyretin amyloidosis (hATTR). This has confirmed the potential of these therapies in opening the door to more approvals and clinical studies in different diseases. The field also prompted a recent editorial from *Nature Medicine* announcing 'We are witnessing the dawn of RNA-targeting therapeutics.' Such drugs have the ability to engage targets that are otherwise 'undruggable' by small molecules and proteins, thus opening up whole new avenues for treating intractable diseases.

About Advent France Biotechnology
Advent France Biotechnology (AFB) is an AMF-regulated company created in 2016 in Paris, France. The team, managed by Alain Huriez and Matthieu Coutet, includes professionals with extensive scientific, medical and operational experience, as well as a long-standing track record of entrepreneurial and investment successes across Europe. AFB invests in a range of sectors within the life sciences, specifically in drug discovery and new medical technologies.
www.adventfb.com

About Invivo Ventures
Invivo Ventures FCR invests in early stage life sciences/healthcare companies and is managed by Invivo Capital Partners, a management company founded by Dr. Luis Pareras and Albert Ferrer. Both managers have extensive experience in the sector and also manage the venture capital firm Healthequity SCR. The majority of Invivo Ventures FCR participants are private investors. It also has the support of several institutional investors, such as the European Investment Fund, Fond-ICO Global, the Institut Català de Finances and the Institut Valencià de Finances.
www.invivo.capital

About Arthex
ARTHEx Biotech is a spin-off company of the University of Valencia. Established in September 2019, it is focused on developing an antimiR-based treatment against Myotonic Dystrophy disease. Its main strengths are its commitment to patients, the experience of the two co-founders in the molecular bases of the disease and the use of new therapeutic targets to treat Myotonic Dystrophy Type 1.
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