

> PROJECT FACTSHEET: UR-67767

Janus kinases are very promising targets whose inhibitors are poised to be the next generation of revolutionary drugs for the treatment of inflammatory, autoimmune and oncology diseases after biologics.

UR-67767 is a balanced Jak selective inhibitor with the potential to become the future drug of choice in the treatment of autoimmune disorders such as rheumatoid arthritis, thanks to its balanced equipotency for all Jak isoenzymes, high selectivity in the human kinome, nanomolar activity in human cells, excellent efficacy in animal models of disease, and wide safety margin.

> A Company Founded On Solid Market And Patients Needs

Palau Pharma, S.A. ("Palau") is a product-driven biopharmaceutical company focused on the discovery and development of revolutionary and differentiated new medicines that are designed to address the unmet needs of patients suffering from inflammatory and autoimmune diseases. Our core business model is to develop novel drugs through Phase IIa clinical trials. At that point, we decide whether to keep the development in-house or partner the compound for further development and commercialization. We have a broad portfolio of projects at different stages of development from early discovery to the late clinical stages, and have forged partnerships with leading pharmaceutical companies such as GlaxoSmithKline.

Our R&D strategy is focused on developing "best-in-class" or "first-in-class" drugs that modulate the activity of validated targets with established preclinical or clinical proof-of-concept. Based on a unique and high-quality cost-effective structure, our final objective is to achieve early positive differentiation from our competitor's molecules by addressing their limitations and designing a clear, focused and fast path to commercial success.

> The Target: Janus kinase (Jak) isoenzymes

Jak1, Jak2, Jak3 and Tyk2 are tyrosine kinases associated with various cytokine receptors and translate signals triggered upon cytokine binding into intracellular responses, contributing to the genesis and amplification of inflammatory, autoimmune and oncology diseases.

> The Opportunity: A Balanced Jak Selective Inhibitor

UR-67767 is a balanced Jak selective inhibitor for the treatment of autoimmune disorders that has been recently selected for ICH preclinical development.

The candidate selection process has generated other assets including: (i) a lead optimization program based on the dual Jak/Syk inhibition, and (ii) an early-stage Syk-specific program with compounds with very promising profiles.

> Solid Results

UR-67767 is a balanced inhibitor of the four Jak isoenzymes. All four Jak members have been proven in clinics to play a key role in autoimmune diseases such as rheumatoid arthritis. Therefore, inhibition of the Jak/STAT signalling system as a whole represents an innovative and improved way to overcome these diseases.

At a glance

- Founded: November 2006
- Spin-out from Grupo Uriach
- Employees: 85
- €40M raised at inception

Management

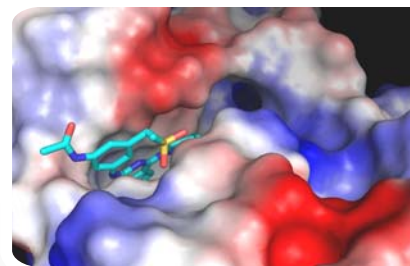
- **Ignacio Faus**
Chief Executive Officer
- **Manel Barallat**
Chief Financial Officer
- **Xavi Bartrolí**
Director of Innovation & Drug Discovery
- **Manuel Merlos**
Director of Drug Development & Clinical Research
- **Heidi Sisniega**
Head of Business Development & Licensing
- **Neus Virgili**
Head of Patents & Legal Affairs
- **Caridad Pontes**
Head of Clinical Research & Regulatory Affairs

Shareholders

- Grupo Uriach
- Caixa Catalunya
- Caja Duero
- Andosins Capital
- Najeti Capital
- Senior Management

Scientific Advisory Board

- Dr. Roderick Flower
- Dr. Desmond Fitzgerald
- Dr. Alberto Grignolo
- Dr. Trevor Hansel
- Dr. Thomas Luger



UR-67767 shows highly potent enzymatic inhibition of all the Jak family members, including Tyk2. In addition, it displays very high kinome selectivity in an assorted panel of 96 kinases. In cellular assays the compound shows single-digit nanomolar activity using human cells. In rat models of arthritis (CIA and AIA) it displays outstanding oral efficacies, both at the macroscopic and the histopathological levels, performing as a true and unique DMARD. Additionally, the compound shows an excellent ADME profile, both *in vitro* and *in vivo*. Finally, UR-67767 displays a wide safety margin as indicated by 14-day repeated high-dose studies in rat and mice.

The compound is entering preclinical development.

> **Jak Inhibitors for Topical Treatment Of Skin Disorders**

Palau has identified a group of compounds with an excellent physicochemical and biological profile that makes them suitable for a topical treatment of skin disorders such as psoriasis. Selected candidates have been tested using cultures of human psoriatic explants with excellent results.

> **Jak and /or Syk Inhibitor Program**

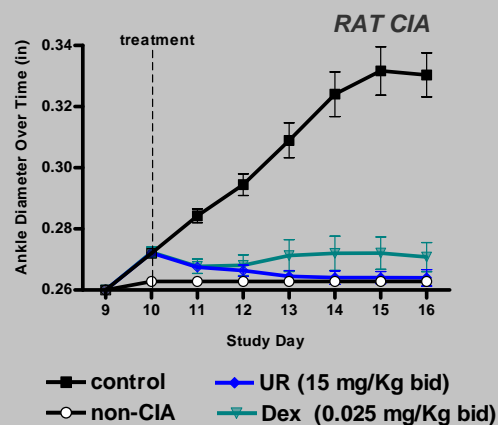
Palau is also working on a dual Jak/Syk program currently at the Lead Optimization stage. In addition, Palau has an inception Syk-specific inhibitor program in which single-digit nanomolar Syk, non-Jak inhibitors have been found.

> **Intellectual Property**

Palau's research in the Jak and Syk area has resulted in the filing of eight patents, four of which are already published.

> **Every Partnership Is a Solid Commitment**

Palau is seeking to establish a creative and value-driven strategic alliance with a leading biopharmaceutical company for the whole program including UR-67767.



Contacts

For further information on Palau Pharma and its products, please visit

www.palaupharma.com

or contact:

Heidi Sisniega
 Head of Business Development & Licensing
 P: +34.93.863.0483
 E: hsisniega@palaupharma.com

Palau Pharma, S.A.
 Pol. Ind. Riera de Caldes
 Av. Camí Reial, 51-57
 08184 Palau-solità i Plegamans
 (Barcelona), Spain