

Kenta Biotech Obtains Orphan Drug Status for Human Monoclonal Antibody against Pseudomonas Pneumonia

Berne, Switzerland , July 21st, 2006

Kenta Biotech announced today that the European Commission has granted 'Orphan Drug' status to Kenta Biotech's lead-product, KBPA101, for the treatment of pneumonia caused by serotype O11 *Pseudomonas aeruginosa*.

KBPA101 is the first fully human monoclonal antibody in development against serotype O11 *Pseudomonas aeruginosa* pneumonia. In spite of preventive measures and current medical treatment (mostly antibiotic therapy, alone or in combination), there is a clear unmet medical need in the clinic for additional treatment options for hospital-acquired pneumonia.

Pneumonia caused by *Pseudomonas aeruginosa* can be life-threatening, particularly in mechanically ventilated patients, and can be as high as 70%. The survival of the patient depends on a variety of factors which may include risk factors and diagnosis, adequate antibiotic treatment, the patient's underlying immune status and clinical condition. Even with first line high dose antibiotics hospital-acquired pneumonia remains the leading cause of mortality and morbidity in nosocomial infections.

In order to decrease morbidity and mortality in *Pseudomonas aeruginosa* pneumonia it is important to specifically target the most prevalent strain of the bacteria.

Pseudomonas aeruginosa shows a high intrinsic resistance and ability to acquire adaptive resistance to antibiotics during a single course of therapy. It is expected that the mode of action of KBPA101, which kills *Pseudomonas aeruginosa* bacteria independent from the microbiological sensitivity of antibiotics, represents a significant progress in the treatment of life-threatening *Pseudomonas aeruginosa* pneumonia.

"This orphan drug designation represents an important milestone for our company" said Violetta Georgescu-Kyburz, Kenta's Chief Executive Officer. "This designation will allow us to get free scientific advice from the EMEA and will therefore significantly facilitate the direction of clinical development and the subsequent filing of our registration dossier".

The EC Regulation on orphan medicinal products is designed to encourage companies to develop and market treatments for rare, life threatening diseases affecting less than five per 10,000 persons in Europe.

The EMEA grants orphan drug status to medicinal products based on several criteria that include the rarity and seriousness of the condition, and the lack of effective therapies.

The orphan drug designation provides several important advantages:

» Following drug approval the company is granted a 10-year market-exclusivity in the European Union.

» In addition, the designation as an orphan drug provides other incentives including EMEA protocol assistance to optimize drug development in preparing a dossier that will meet regulatory requirements; facilitating access to the Centralized Procedure for the application for marketing approval; complete or partial waiver of fees associated with

applying for marketing approval and protocol assistance; and, access to EU research funding for rare diseases.

Kenta Biotech Ltd is a biopharmaceutical company headquartered in Berne, Switzerland. The company is focusing on the development of innovative, life-saving treatment options against serious hospital infections. Kenta Biotech is specialised in the discovery and research of fully human monoclonal antibodies for the prevention and treatment of serious bacterial and viral infection. These antibodies will enable physicians to more effectively combat life-threatening infections. Kenta's lead-product, KBPA101, is currently in Phase II. In addition, Kenta Biotech is conducting several drug discovery programs in infectious disease and other disease areas.

For additional information please visit our website www.kentabiotech.com or contact

Kenta Biotech Ltd
Violetta Georgescu-Kyburz, CEO
Rehhagstrasse 79
CH-3018 Berne
Tel.: +41 31 980 62 53
e-mail: info@kentabiotech.com