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The Life Science Industries partner
focused in BIOAVAILABILITY



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Oroxcell in a glance

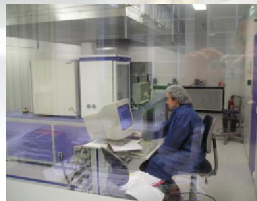
- Independent CRO and partnership-based company
- Focus: Bioavailability with a one-stop-shopping platform including,
 - ADME & PhysChem platform and,
 - Pharmaceutical Sciences innovation
- 3 year of existence
- 37 employees ; mostly scientists with Pharma industry background
- Profitable since the first year
- Clients: pharma, cosmetic, personal & home care and food industries
- Located in Romainville (Biocitech Parc), France
- Benefits from state-of-the-art infrastructure and equipments

oroXcell

MODULE DE REGULATION DE TEMPERATURE MULTIPOSTES

25/03/2008

Premises within Biocitech Parc



Business Strategy

| A biopharmaceutical partner for Life Sciences Industry

- | In vitro ADME studies
- | Animal Pharmacokinetics
- | Bioanalysis by LC-MS & LC-MS/MS
- | Physico-chemical studies : stability – solubility
- | Skin Assays
- | Innovative formulations for improved oral bioavailability



Recurrent Revenues Generation,
totally injected in R&D programs

Business Strategy

- | A Biopharmaceutical research company
 - | Strong research involvement in pain field à proprietary small molecules patented
 - | Innovative formulations:
 - | Patented Lipid-based formulations: aimed at increasing oral bioavailability of structurally unrelated compounds
 - | Functionalized polymers for oral drug delivery: exclusive shared-risk collaboration with a worldwide major chemistry industry (9 ongoing programs)
 - | 30% of the revenues devoted for R&D programs

➔ Long Term Revenue Generation

Financials

- | A company totally owned by the founders
- | Totally independent
- | Fast growth :
 - | From 3 persons in July 2004 to 37 people today
 - | Exciting and more than realistic perspectives
 - | Creation of a Spin Off under analysis
- | Profitable company
 - | First year: 6% benefits
 - | Second year: 28% benefits
 - | Third year: 25% benefits
 - | Forth year: ongoing & online with the objectives



- 2004, ANVAR reward for innovation
- 2005, Master de la Création d'Entreprise (Business Award)
- 2005, JEI Labeled (Young Innovative Company status)
- 2005, selected by the French Review l'Usine Nouvelle
- 2006, integrated into Medicen (Competitiveness Cluster)
- 2006, OSEO reward for innovation
- 2006, Innovative Company labeled
- 2007, CCI -Paris reward for involvement in Sustainable Development
- 2008, I don't know yet

The Current Situation & the dream

- | History: Proof of concept of our business model
 - | Profitable CRO since the beginning with,
 - | A strong research pipeline with high added value programs supported by both:
 - | Internal research
 - | Attractive governmental support
 - | A preclinical candidate in pain area with,
 - | An expected market at peak sales >> 2 bn \$
 - | A potential deal with a big pharmaceutical company estimated at more than 500 M€ milestones & 2 digits royalties (e.g. Xenoport-GSK 600 M\$)

The Current Situation & the dream

- | The Dream: à creation of two different companies
 - | A major international actor in the field of CRO
 - | A major international biotech for drug discovery

➔ Sustained Development of OroXcell

The dream Eyes wide shut & Expectations

- | Licensing out of pain compounds
 - à Mid of 2009 (5 big pharma are potentially interested in a deal)

- | Creation of a spin out for drug discovery as a separate structure of the CRO company

- | Hire immediately 8 people in 2008 to support our R&D program & CRO activities

- | In 2010: Develop both
 - | The CRO company (alliances, internal growth, acquisitions worldwide) à why not 150 people ??? and,
 - | Develop the New Pharmaceutical company by adding ongoing & new R&D programs à 150-175 people and why not ???

But.... The Nightmare: A dramatic Flip-Flop for French Biotechs

- ▮ Tax policies changes: late in December while the business plan have been finalized and being executed
- ▮ Financial support from Oséo for Innovation are not included in the CIR calculation when needed (e.g. during R&D programs)
- ▮ The New Innovative Tax reduction will be applied when the project had already been valorized
- ▮ Compared to a conventional Bank Loan, Oséo has become much less attractive
- ▮ Some Figures

Impact of New Tax Reduction Calculation on Oroxcells' Financials

- | In 2008: - 406 k€
- | In 2009: - 583 k€
- | Pain Program : Threatened, strategy to be re-considered
- | Spin Off : Threatened
- | Employment: Oroxcells' growth dramatically slowed down



CIR calculation should be reconsidered

Our partners work in Life Sciences Industries

Our focus is Bioavailability

www.oroxccl.com



オロクセル

OPENED DISCUSSION

<http://www.nosan.co.jp>