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Phage Pharmaceuticals Launched -- Receives Funding for Purchase of Assets

Seasoned Biotech Executives Join to Lead New Manufacturer of Therapeutic Proteins

SAN DIEGO & ZURICH & NEW YORK--(BUSINESS WIRE)--Phage Pharmaceuticals, Inc., a newly formed company, announced today that it and its parent company have acquired substantially all of the assets of Phage Biotechnology Corp., a debtor-in-possession in proceedings under Chapter 11 of the United States Bankruptcy Code. Coincident with this transaction, Phage Pharmaceuticals has received startup funding from its parent company, New Technologies Holding Pte. Ltd., a limited private company organized under the laws of the Republic of Singapore.

Among the assets now part of Phage Pharmaceuticals is a cGMP-certified therapeutic protein manufacturing facility in San Diego, which will serve as headquarters for Phage Pharmaceuticals. This facility makes use of a proprietary production method that improves upon well-established approaches for the manufacture of proteins and results in the production of simple, properly folded therapeutic proteins at high yields. The production method results in lower manufacturing costs with fewer waste by-products and impurities compared with current conventional methods used in the manufacture of similar therapeutics.

In addition, Phage Pharmaceuticals has a clinical-stage pipeline of therapeutic protein drug candidates. The management of Phage Pharmaceuticals intends to enter into strategic alliances to develop and commercialize these therapeutic proteins, while retaining manufacturing responsibilities. Management also intends to in-license additional therapeutic protein drug candidates whose manufacturing requirements are consistent with Phage Pharmaceuticals' technology and capabilities. Opportunities to commercialize the use of Phage Pharmaceuticals' technology in the food and agricultural industries, as well as for therapeutic purposes, are also being pursued by management.

In connection with this transaction, Phage Pharmaceuticals entered into an agreement for management services with New York City-based BioMed Transition Partners, an affiliate of The Channel Group, LLC. Under this agreement, Robert J. Beckman was appointed CEO of Phage Pharmaceuticals, Allan R. Goldberg, Ph.D. was appointed President, and Philip N. Sussman was appointed Chief Business Officer. Each also was appointed to the company's Board of Directors, and joins current directors Frederic Chanson, Chairman and CEO of Firminvest AG, a Zurich, Switzerland-based investment boutique, who serves as Chairman of Phage Pharmaceuticals, and Richard C. Ritter, founding partner of the Zurich, Switzerland-based law firm of Ritter Attorneys at Law Ltd.

"We are delighted to lead the creation of a new, exciting, and potentially ground-breaking biopharmaceutical company, Phage Pharmaceuticals," commented Mr. Beckman. "Initially we will deploy our biotechnology manufacturing expertise to pursue biosimilars, where we see tremendous opportunity to provide quality therapeutic proteins with significant cost savings. Longer term we plan to build upon the company's technology platform to create new products for Phage Pharmaceuticals and others, where our collective management experience and biopharmaceutical network will be of significant benefit."

Visit www.phagepharma.com for further information.

About BioMed Transition Partners

BioMed Transition Partners provides advisory and turnaround management support to biomedical companies. Visit www.biomedtransitionpartners.com for further information.

Contacts

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