NEWS RELEASE

Provid Presents MS Drug Candidate PV-267 at ASENT Meeting

Monmouth Junction, NJ, February 1, 2013
Provid Pharmaceuticals Inc. announces that Dr. Gary Olson, Provid CEO, presented a talk on the development of Provid's MS drug candidate, PV-267, at the Pipeline Session of the American Society of Experimental Therapeutics Meeting in Bethesda, MD on February 1, 2013.

The abstract of the talk is as follows:

> **PV-267, an MHC Class II DR2 inhibitor for MS**
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> *Thomas Forsthuber, Niannian Ji, Animesh Somaboena, Aakanksha Dixit, Kazuyuki Kawamura, Christopher Self, Charles Cook, Lora Hamuro, Nallaganchu Rao, Hong Chen, Evita Sadimin, William May, Barbara Sluboski, Neil Hayward, Bernard Maillere, and* ***Gary L. Olson***
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> Provid Pharmaceuticals Inc. • University of Texas, San Antonio • Daiamed, LLC
> • CEA-Saclay, France.
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> The discovery and preclinical development of PV-267, a novel therapeutic for the treatment of multiple sclerosis (MS), will be described. PV-267 is a specific inhibitor of antigen binding to the MHC class II molecule HLA-DR2b (DRB1*1501) that is highly associated with MS. PV-267 is a small molecule peptide mimetic antagonist that binds selectively at low nanomolar concentrations to DR2b, preventing antigen binding but not affecting other MHCs, thus targeting the most important factor in the disease mechanism and preserving other normal immune functions. This specificity and association with the critical antigen presentation mechanism offers the promise of good efficacy as shown in experimental autoimmune encephalomyelitis (EAE) models in DR2 transgenic mice, but with significant safety advantages compared newer disease-modifying agents that affect T-cell migration, deplete immune cells in general, or alter cytokine profiles. The compound also is stable toward cathepsin enzymes and in plasma. PV-267 inhibited cytokine production and proliferation of myelin-specific T cells restricted by HLA-DR2b in human DR2+ PBMCs from MS patients and in DR2 transgenic mice. PV-267 had no significant effect on T cell responses mediated by other MHC class II molecules including HLA-DR1, -DR4, or DR9. Importantly, PV-267 did not induce nonspecific immune activation of human PBMC. Exploratory pharmacokinetics, toxicology, formulation, and synthesis studies have been completed and support the selection of PV-267 for development.
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> The work has been partially supported by an NIH SBIR grant (1R43 NS048731-01) and by Fast Forward, the venture arm of the National Multiple Sclerosis Society.

Dr. Gary Olson, Provid CEO, commented, "the ASENT meeting has launched our efforts to identify investors and partners for the development and commercialization of PV-267 for MS." The opportunity for a novel, effective, and safer drug for the treatment of MS is excellent. The results obtained through our collaboration with Dr. Forsthuber's group have been especially fruitful, showing how this highly specific MHC DR2 inhibition strategy works as a pure antagonist of antigen binding, with no other effects that could compromise the immune system."

About Provid

Provid Pharmaceuticals Inc. is a drug discovery company located in Monmouth Junction, NJ that has expertise in the design and optimization of drug candidates for biological targets, using concepts of structure-aided design, medicinal chemistry, and peptide mimetics technology. The company has applied

this capability to internal programs in autoimmune disease and oncology. In addition, Provid supplies expert medicinal chemistry services to the biotech and pharmaceutical industries to translate early biological discoveries into commercial opportunities.

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