



PERSONAL CHEMISTRY ANNOUNCES INTERIM RESULTS FOR THE HALF YEAR ENDED 30 JUNE 2002

Uppsala, Sweden, 3 September 2002 – Personal Chemistry today announced its results for the half year ended 30 June 2002. Sales of Personal Chemistry's products rose by 63% over the comparable period in 2001. The company has consolidated its position as the leading supplier of instruments, knowledge products and consumables based on microwave technology for medicinal chemistry with 20 of the world's top 20 pharmaceutical companies now using *Coherent Synthesis*TM. Future prospects for growth in sales were boosted by a recent deal with Amersham Biosciences for the distribution of Personal Chemistry's products in Japan.

Summarising results for the first half year 2002, Personal Chemistry's CFO, Fredrik Öhrn concluded:

"We continue to see very strong acceptance for our products and orders have more than doubled over the last year. With the launch of our new instrument and the new knowledge products including a proprietary database we are in a very strong position to establish *Coherent Synthesis*TM as an integral part of pharmaceutical research".

Some highlights of the last six months are:

- Sales totalling 37.9 MSEK (\$4,1million)(January - June previous year 23.2 MSEK (\$2,5million))
- Net loss for the first half year accumulates to -70,0 MSEK (\$7,5million) (previous year -79,2 MSEK (\$8,5million))
- Incoming orders almost doubled with total orders received during the period amounting to 48 MSEK (\$5,2million) (previous year 27.4 MSEK (\$2,9million))
- Launch of a mid range instrument- the *Emrys*TM*Optimizer*.
- Launch of the *Emrys*TM *Knowledge Builder*
- First orders from Japan through the company's new agency agreement
- Launch of upgraded software, version 2.0
- 290 MSEK (\$31million) additional financing secured
- Personal Chemistry has continued gaining a strong foothold in sales to the pharmaceutical industry and increasingly within the biotechnology sector. With the addition of Personal Chemistry's knowledge products, the *Emrys*TM *Knowledge Builder* and the *Emrys*TM *PathFinder*, the productivity of microwave-based instruments increases even further.

Hans Johansson, CEO of Personal Chemistry, commented:

"The ongoing demand for our products is supported by the fact that we have to date sold to all of the top pharmaceutical companies world wide. An increasing number of companies have made repeat orders and there are sites with up to six instruments in



operation today. With the additional financing secured, Personal Chemistry is well positioned to reach profitability. ”

*Coherent Synthesis*TM improves chemistry productivity. It incorporates innovative chemistry methodology, cheminformatic software, automation, a proprietary database and reagents to speed up chemistry development. Proprietary microwave technology is used to speed up the chemical reactions by between 10 and 1000 times, often with an increased yield of the compound. In addition to the increased speed and yield, the technology may solve complex chemistry problems that were previously very difficult to undertake using traditional methods.

Personal Chemistry is a private Swedish company that develops and markets *Coherent Synthesis*TM, a complete solution for faster chemistry development within medicinal and combinatorial chemistry. The company has its headquarters in Uppsala and subsidiaries in Boston (US), Cambridge (UK) and Konstanz (Germany). Personal Chemistry currently employs 110 people of whom more than 40 are chemists. The company was founded by Dr Sören Nygren and financed by HealthCap in 1998. 3i, Investor Growth Capital, Bank Invest, MVI and SEB are also investors in Personal Chemistry.

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NOTES TO EDITORS

Personal Chemistry i Uppsala AB is a private Swedish company that develops and markets *Coherent Synthesis*TM, a complete solution for faster chemistry development within medicinal and combinatorial chemistry. The company has its headquarters in Uppsala and subsidiaries in Boston (US), Cambridge (UK) and Konstanz (Germany). Personal Chemistry currently employs 110 people of whom more than 40 are chemists. The company was founded Dr Sören Nygren and financed by HealthCap in 1998. 3i, Investor, Bank Invest, MVI, SEB Fonder and SEB Företagsinvest have also invested in Personal Chemistry.

In the drug development timeline, the crucial link between discovery and clinical development is medicinal chemistry, when compounds are synthesised for use in clinical trials. A proliferation of new targets has been discovered from genomics and proteomics but the relatively slow, *traditional* medicinal chemistry methods have not kept pace. A well-documented bottleneck has therefore been created that delays potential new compounds from entering clinical trials.



*Coherent Synthesis*TM addresses the bottleneck by introducing an entirely new approach to traditional medicinal chemistry. *Coherent Synthesis*TM incorporates innovative chemistry methodology, cheminformatic software, automation, a proprietary database and reagents to speed up chemistry development. Proprietary microwave technology is used to speed up the chemical reactions by between 10 and 1000 times, often with an increased yield of the compound. In addition to the increased speed and yield, the technology may solve complex chemistry problems that were previously very difficult to undertake using traditional methods.

Prior to the development of *Coherent Synthesis*TM, chemists had been experimenting with microwaves to accelerate the speed of chemical reactions but often unsuccessfully, due to reproducibility problems and serious safety issues. It was only when these problems were addressed and successfully resolved by Personal Chemistry, that the true potential of microwave-assisted chemistry was realised.

The company's strategy is to continue the development and expansion of the *Coherent Synthesis*TM platform. To do this, the company will in-license or acquire other capabilities to complement the work of its in-house development team and scientific partners. Near term development include an expanded system for production scale-up.

It is also the company's intention to grow its revenues significantly, by taking advantage of this large unmet need. It is estimated that there are more than 20,000 chemists within the pharmaceutical and biotechnology industry alone (excluding academia and other industries). The company is investing in sales/support operations in the major markets including Sweden, Germany, UK and USA to assist its customers and potential customers in their implementation and on-going use of *Coherent Synthesis*TM.