

Press Release

July 09, 2015

Heraeus takes a major equity stake in Ankasa Regenerative Therapeutics Inc.

- *Agreement includes Right of First Refusal for an orthopaedic indication*

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Heraeus Holding (Heraeus), a Fortune 500 technology group, has announced the completion of an equity investment in Ankasa Regenerative Therapeutics Inc. (Ankasa), a California-based regenerative medicine company.

Ankasa is focused on pharmaceutical preparations for reactivation of stem cells for organ and tissue regrowth, tissue repair and healing. The company is focusing on the development of the stem cell growth factor WNT3A, which is found in humans and functions in the maintenance of bone growth and repair, but the level of which declines with age. Ankasa intends to develop a proprietary localized therapy involving WNT3A for spinal fusion surgery patients as well as the use in additional bone and other tissue repair applications.

Ankasa's solution is strategically relevant for Heraeus Medical GmbH, a subsidiary of Heraeus Holding. Heraeus Medical, awarded as a TOP 100 innovative company in Germany, develops biomaterials and medical devices for orthopedic surgery, traumatology and biosurgery.

Dr. André Kobelt, CEO of Heraeus Medical GmbH, said: "Ankasa is an impressive company that has the potential to drastically improve the current therapeutic approach to degenerative orthopedic indications. Ankasa has developed an exciting technology that will allow Heraeus Medical as a pure orthobiologics company to expand its regenerative market footprint."

Following recent early-stage investments, Heraeus continues to actively seek enabling technologies and development partners in the burgeoning field of regenerative medicine in order to accelerate its product development pipeline.

Sanford J. Madigan, Ph.D., CEO of Ankasa, commented on the investment by Heraeus: "We are extremely grateful for the confidence shown in us by Heraeus, which understands the regenerative medicine field as well as the challenging route to market. We believe that our WNT3A therapy holds the promise of significantly enhancing the success rate of many bone repair and fusion surgeries. As the general population ages and the number of these surgeries rises, we feel our therapeutic approach can play a positive role for patient outcomes."

Financial terms of the investment by Heraeus were not disclosed.

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Notes to Editors

About Heraeus

Heraeus, the technology group headquartered in Hanau, Germany, is a leading international family-owned company formed in 1851. With expertise, a focus on innovations, operational excellence and an entrepreneurial leadership, we strive to continuously improve our business performance.

We create high-quality solutions for our clients and strengthen their competitiveness in the long term by combining material expertise with technological know-how. Our ideas are focused on themes such as the environment, energy, health, mobility and industrial applications. Our portfolio ranges from components to coordinated material systems which are used in a wide variety of industries, including the steel, electronics, chemical, automotive and telecommunications industries.

In the 2014 financial year, Heraeus generated product revenues of €3.4 bn and precious metal revenues of €12.2bn euros. With around 12,600 employees worldwide in more than 100 subsidiaries in 38 countries, Heraeus holds a leading position in its global markets.

About Heraeus Medical

Heraeus Medical is one of the leading companies in the field of bone cement and biomaterials for orthopaedic and trauma surgery. As a result, the company makes an essential contribution by improving the surgical outcome in bone and joint surgery leading to an improvement in the patients' health-related quality of life.

Heraeus Medical mainly focuses on biomaterials for orthopaedic surgery. The key product PALACOS[®], is regarded as the Gold Standard amongst bone cements, with a history of clinical efficacy spanning five decades. In June 2015, Heraeus Medical has been awarded as one of the most innovative medium-sized businesses in Germany ("TOP 100 Germany") for the second year in a row.

About Ankasa

Ankasa Regenerative Therapeutics is a biopharmaceutical company developing strategies to improve tissue healing by exploiting the potential of stem cell reactivation. The Company is developing proprietary formulations of a potent WNT stem cell activator with the potential to accelerate tissue healing in a broad range of degenerative conditions affecting bone, cartilage, skin, muscle, vasculature and the central nervous system. The Company's proprietary approach has demonstrated superiority for bone reformation over existing standards of care in various preclinical models.

The company is based in the San Francisco bay area with research facilities focusing on biology, protein production, and pharmacology. The other major investor is Avalon Ventures.

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