

Addex Pharmaceuticals utilizes its unique proprietary platform technologies to discover and develop allosteric modulators for human health. Allosteric modulators are a different kind of orally available small molecule therapeutic agent, which may offer a competitive advantage over classical drugs. The Addex pipeline demonstrates the productivity and broad potential of this unparalleled platform. The most advanced product, ADX48621 mGluR5 negative allosteric modulator (NAM), has completed early clinical testing and is scheduled to start Phase II clinical testing in the fourth quarter of 2010 for treatment of Parkinson's disease levodopa induced dyskinesia.



Our platform technologies already have been validated and generated over CHF40 million in revenues through partnerships with two of the top 10 pharmaceutical companies in the world. Specifically, under an agreement with Ortho-McNeil-Janssen Inc., a Johnson & Johnson company, ADX71149, an mGluR2 positive allosteric modulator (PAM), is undergoing Phase I clinical testing and has potential for treatment of schizophrenia and anxiety. Under two separate agreements with Merck & Co., Inc., we are developing PAMs of mGluR4 and mGluR5 as drugs to treat Parkinson's disease and schizophrenia, respectively. In addition, SR-One, the corporate venture arm of GlaxoSmithKline, and Roche Venture Fund have made significant investments in Addex.

Shares in Addex trade on the SIX Swiss Exchange main board under the stock symbol ADXN (ISIN: CH0029850754). There were 5,862,492 ADXN shares outstanding as of June 30, 2009. Addex had CHF94.5 million in cash as of June 30, 2009 and can fund operations through the end of 2011. Founded in 2002 in Geneva, Switzerland, Addex has a subsidiary in Archamps, France, and employs about 140 people.

The **Pipeline** chart below illustrates the productivity of the Addex platform. Although, initially, focused on CNS indications, Addex has adapted and scaled up the platform to focus on a broad range of clinically validated targets in three core disease areas: CNS, metabolic disorders and inflammation. Addex takes reduced risk. Because allosteric modulation allows Addex to address clinically validated targets, Addex can avoid taking target related risk when choosing the majority of new targets going into development.

Our success rate in discovering orally available allosteric modulators against GPCR and cytokine receptors is very high, especially when considering that many of the targets for products now in our pipeline have long been considered intractable for small molecule chemistry.

| Target | Partner | Assay Dev & Screening | Hit-to-Lead | Lead Optimization | Preclinical | Phase I | Phase II | Milestone |
|--------------------------|-------------|---|-------------|-------------------|-----------------------------|---------|----------|------------------|
| mGluR5 IIAM | | ADX48621 Parkinson's disease levodopa induced dyskinesia (PD-LID) | | | | | | Start Ph II 4Q10 |
| mGluR2 PAM | OMP* | ADX71149 Anxiety / Schizophrenia | | | funded & developed by J&J | | | not disclosed |
| mGluR5 PAM | Merck & Co. | ADX63365 Schizophrenia† | | | funded & developed by Merck | | | not disclosed |
| GABA _B PAM | | ADX71943 Osteoarthritis | | | | | | Start Ph I 4Q10 |
| FSH IIAM | | ADX68692 Endometriosis / BPH | | | | | | Start Ph I 1Q11 |
| mGluR2 IIAM | | Alzheimer's / Depression | | | | | | |
| mGluR4 PAM | Merck & Co. | Parkinson's disease* with Merck funding | | | | | | |
| mGluR7 IIAM | | Depression / Post Traumatic Stress Disorder | | | | | | |
| Orexin 2R IIAM | | Sleep disorders | | | | | | |
| GLP-1 PAM | | Type II diabetes | | | | | | |
| GPR PAM | | Type II diabetes | | | | | | |
| TIIF-R1 IIAM | | Rheumatoid Arthritis, Psoriasis, Alzheimer's, Multiple Sclerosis | | | | | | |
| A2A PAM | | Psoriasis, Osteoarthritis | | | | | | |
| IL-1R1 IIAM | | Gout, Type II diabetes | | | | | | |

when considering that many of the targets for products now in our pipeline have long been considered intractable for small molecule chemistry.

Our **partners** are working with us because, although they knew the targets that we were working on, they recognized that Addex has proprietary chemistry and proprietary tools for discovery and optimization that they valued highly.

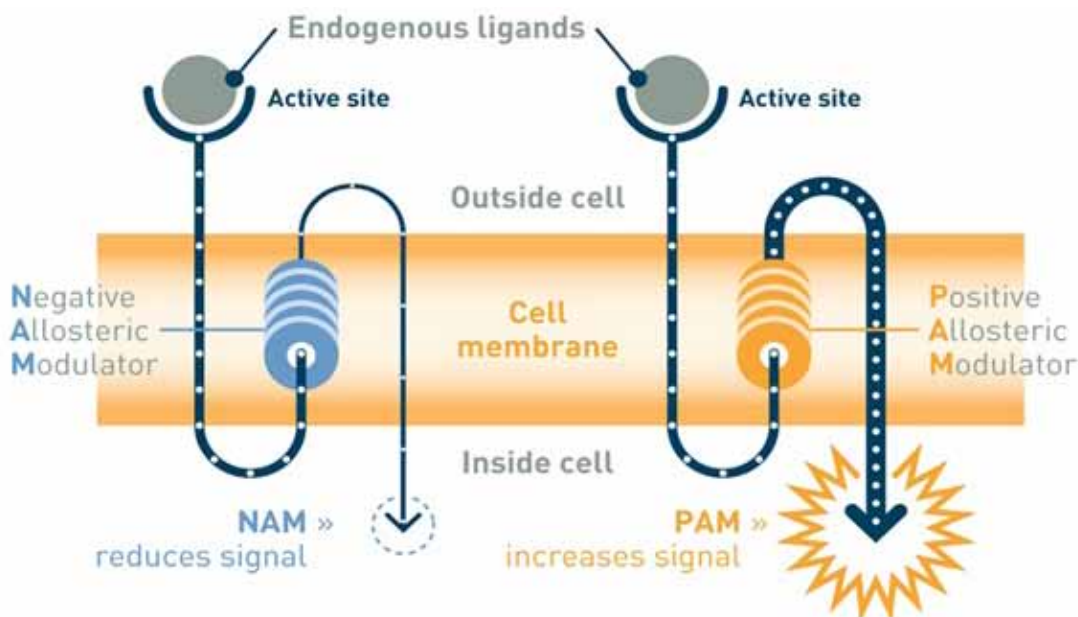
Because Addex has developed proprietary screening tools the platform is scale-able.

IIAM = negative allosteric modulator (an inhibitor)
PAM = positive allosteric modulator (an activator)

*Ortho-McNeil-Janssen Pharmaceuticals Inc., a Johnson & Johnson company
† undisclosed additional indications

Allosteric modulators are an emerging class of orally available small molecule therapeutic agents that may offer a competitive advantage over classical drugs. This potential stems from their ability to offer greater selectivity and better modulatory control at disease mediating receptors. Most marketed drugs bind receptors where the body's own natural molecular activators (i.e. endogenous ligands) bind, specifically to a key part of each receptor's anatomy called the "active site". In short, most drugs must out-compete endogenous ligands for the active site. By contrast, allosteric modulators are non-competitive because they bind receptors and modify receptor function even if the endogenous ligand also is binding it. Because of this, allosteric modulators aren't limited to simply turning a receptor on or off, the way most drugs are. Instead, they act more like a dimmer switch, offering control over the degree of activation or deactivation, while allowing the body to retain its natural control over initiating receptor activation. Furthermore, with regard to the structural diversity of invented compounds, the allosteric approach generally affords freedom to operate – even on well-known, clinically validated targets – because the intellectual property surrounding allosteric compounds and the allosteric sites on receptors is most often un-exploited.

Orthosteric agonists and antagonists (not shown here) compete for the same “active site” targeted by natural activators, called endogenous ligands.



Allosteric modulators bind, generally in the cell membrane, a non-competitive mechanism that exerts its effects on signal transduction primarily after binding by the endogenous ligand at the active site.

Key properties & advantages of allosteric modulation:

- Allosteric modulators bind their target at a different site from endogenous ligands and therefore are most influential only when the endogenous ligand is bound to its site on the same target at the same time. By contrast, classical orthosteric drugs compete for the same site as endogenous ligands. As results, lower affinity allosteric modulators may be effective where a similar affinity orthosteric modulator is not. Thus, allosteric modulators may have fewer side effects due to off-target activities compared to classical orthosteric drugs against the same target.
- Allosteric modulators often are devoid of activity in the absence of endogenous ligands. Because of this, they preserve the natural biological rhythms compared to orthosteric approaches. This could lead to greater safety and fewer side effects compared to classical orthosteric drugs against the same target.
- Because allosteric modulators bind on a different site compared to classical orthosteric drugs, Addex can create new chemical entities that re-address clinically validated targets – potentially offering improved therapeutic activity without being blocked by existing intellectual property.
- For targets where it has been difficult to make selective orthosteric drugs highly selective allosteric modulators can sometimes be identified. For example, Addex has made orally available small molecule allosteric modulators against the GLP-1 receptor, the FSH receptor or TNF receptor – for which only peptide or hormonal therapies are available.
- It is possible to combine allosteric modulators with orthosteric drugs. For example a PAM could be used to potentiate an orthosteric agonist.

Management

- **Vincent Mutel**, Chief Executive Officer
- **Tim Dyer**, Chief Financial Officer
- **Charlotte Keywood**, Chief Medical Officer
- **Sonia Poli**, Head of Non-Clinical Development
- **Emmanuel Le Poul**, Head of CNS Business Unit
- **Laurent Galibert**, Head of Inflammation Business Unit
- **Jean-Philippe Rocher**, Head of Core Chemistry
- **Robert Lütjens**, Head of Core Biology
- **Tatiana Carteret**, Head of Human Resources
- **Chris Maggos**, Head of Investor Relations & Communications

Board of Directors

- **André J. Mueller**, Chairman
- **Vincent Mutel**, Vice Chairman & CEO
- **Andrew Galazka**, SVP Scientific Affairs, Merck-Serono
- **Ray Hill**, former Head of EU Licensing, Merck & Co., Inc.
- **Vincent Lawton**, former MD of Merck Sharp & Dohme U.K.
- **Beat E. Lüthi**, CEO of CTC Analytics
- **Antoine Papiernik**, Sofinnova Partners

| Contacts | |
|--|---|
| Chris Maggos Investor Relations & Communications +41 22 884 15 11 Direct chris.maggos@addexpharma.com | Serge Sagodira Business Development Manager +41 22 884 15 76 Direct serge.sagodira@addexpharma.com |