

Therabron Therapeutics, Inc. Secures Up to \$11M in Series B Financing

New funds will support development of an innovative drug to prevent chronic lung disease in premature infants.

Rockville, MD. – December 17, 2014 – www.therabron.com a privately held clinical-stage biotechnology company, today announced that it has secured an investment of up to \$11.1M in multiple tranches of a Series B Financing from Brace Pharmaceuticals LLC, Zell Biotech Two LLC, and three other investors. The new funding will help Therabron Therapeutics further develop recombinant human CC10 protein (rhCC10) for the treatment of respiratory diseases.

RhCC10 is a synthetic version of the native CC10 protein, a potent anti-inflammatory factor, which is deficient in many respiratory diseases. Funding from the Series B will support further clinical development of rhCC10, including a Phase 2 randomized trial of CG100 (rhCC10) in pre-term infants, who are at great risk for developing Bronchopulmonary Dysplasia (BPD), a chronic lung disease ranging in severity from mild asthma to life-threatening pulmonary fibrosis. The Phase 2 trial of CG100 is currently over 30 percent enrolled and is projected to take another 12 months to complete enrollment of a total of 88 very premature infants. The Maryland-based company plans to initiate a second trial for its CG201 drug candidate in 2015.

“About 15,000 low birth weight premature infants develop BPD each year and the health and economic consequences are typically life-long,” said Dr. Aprile Pilon, founder and CEO of Therabron Therapeutics. “We are very pleased to be working with Brace Pharma to address this critical medical need.”

Zell Biotech LLC was an initial investor in a Series A Financing. Brace Pharma is the U.S. investment arm of EMS S/A, the largest pharmaceutical company in Brazil. Mr. Vinzenz Ploerer, president and CEO of Brace Pharma, has also been appointed to Therabron’s Board of Directors.

Brace Pharma is committed to investing in innovative, life-changing therapies for diseases with high unmet medical needs, including orphan diseases. Therefore, Therabron’s development of a novel therapeutic for a niche indication that currently has no treatment options made it a great fit for Brace’s investment model. “RhCC10 represents a unique opportunity to address the underlying pathology of respiratory disease, and it has the potential to modify, or even rehabilitate airways in diseases like COPD and sinusitis,” said Ploerer, Brace Pharma’s CEO.

RhCC10 has completed two Phase 1 clinical trials in which it was shown to be safe. It showed potent anti-inflammatory activity and significant long-term benefit in premature infants, who are known to lack sufficient native CC10 in their lungs. Therabron has obtained Orphan Drug designation for the use of rhCC10 to prevent development of BPD. In addition to the ongoing Phase 2 BPD study, Therabron also plans to conduct a clinical trial for patients with COPD, as well as move several of its other pre-clinical compounds into Phase 1 studies.

About Therabron Therapeutics, Inc.

Therabron Therapeutics, Inc. is a clinical-stage biotechnology company, founded in 2007 and located in Rockville, MD, to develop protein drugs to treat respiratory diseases. The

company's products aim to restore the natural immune balance in the lungs of respiratory patients through the administration of synthetic human CC10 proteins. The family of CC10 proteins, also known as secretoglobins, have the potential to change the course of acute and chronic respiratory diseases, representing large markets into which few truly novel drugs have been introduced in the past several decades. Therabron's products have the potential to be first-to-market, first-in-class, disease-modifying, breakthrough biologics. For additional information, please visit www.therabron.com.

About Brace Pharma

Brace Pharma is the U.S. investment company of EMS, Brazil's largest pharmaceutical company. Brace Pharma invests in companies developing innovative therapies for life threatening diseases with insufficient treatment options. Brace Pharma's partnership model funds late stage clinical programs with the potential for commercialization within three to five years. For additional information, visit www.bracepharma.com.

About EMS

EMS is the largest pharmaceutical company in Brazil, and the second largest pharmaceutical company in Latin America. With a 50-year corporate history, EMS focuses on over 2,500 prescription, generic, branded generic, and over-the-counter products for a wide variety of indications. EMS has full production capabilities, including manufacturing, packaging and quality control, as well as state-of-the-art research and development facilities. EMS is continually expanding its capacity through internally-funded investment in its core competencies. In 2013, EMS formed Brace Pharma to invest in pharmaceutical innovation in the United States and to expand global efforts for development and commercialization. For additional information, please visit www.ems.com.br.

About Zell Biotech Funds

Jeffrey M. Zell is the Managing Member of the Funds and is the President and Chairman of JM Zell Partners, Ltd., a venture capitalist and a real estate consulting, development and brokerage firm, based in Washington, D.C. For additional information, please visit www.jmzell.com.

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