

## **Merchavia's portfolio company 'Juventas' announces strategic commercialization agreement:**

**The company signed an exclusive worldwide options and licensing agreement with Japanese giant 'Astellas Pharma' for the development and acquisition of Juventas's technological applications – contingent on clinical trial milestone successes**

**The agreement follows collaboration between Juventas and Astellas Pharma in the field of fecal incontinence and the successful trial conducted and financed fully by Astellas . Under the current terms, Astellas will receive licensing for managing and conducting future R&D and clinical trials of Juventas's technology, including full financing**

**Ramat Gan, November 22 2018 – Merchavia Holdings and Investments (TASE: MRHL), an Israeli investment company specializing in early stage life sciences companies, announces that portfolio company Juventas Therapeutics (0.64% held), which develops genetic treatments for strengthening weak muscles in the body by creating blood vessels in the area, has signed an agreement with Japanese pharmaceutical giant Astellas Pharma, to provide exclusive worldwide (except China) licensing and options for the company's technological platform, for non-viral gene therapy using the JVS-100 candidate.**

The agreement grants Astellas an R&D license to conduct on the JVS-100 candidate, through Phase IIa clinical trials, with option to acquire JVS-100 from Juventas, for continued development and commercialization. At this stage, Astellas is planning to focus technological development efforts of applying the treatment to fecal incontinence (FI).

Astellas is the second largest pharmaceutical company in Japan, and one of the world's 25 largest pharmaceutical companies, with annual revenues of around \$11 billion. The agreement represents the implementation of Juventas's strategy of creating collaborations with leading companies in its sector in order to continue developing its technological platforms, and has been reached following collaboration and pre-clinical trials in the sector, which was conducted and fully financed by Astellas.

According to the current terms, Astellas will receive a license to manage and conduct all R&D stages of future clinical trials, from the IIa stage that will begin in 2019, including full financing, and collaboration with Juventas. According to the agreement, Astellas will pay to Juventas, an advance of a non-material amount, as well as for receiving options.

Merchavia CEO Eli Arad: "We are happy to announce this important strategic agreement for a portfolio company. The JVS-100 candidate has already proven in several clinical research projects its ability to revive in a safe manner the process of building up blood vessels after being injected directly into the desired area, and bring about strengthening of the muscles there. The agreement will allow Juventas to continue developing technologies until ready for commercialization, and we are certain that this process will promote the creation of value for our shareholders."

Merchavia has so far invested \$500,000 in Juventas. Among the prominent investors in the company are the Cleveland Clinic academic medical center in the US, and the investment arm of Japanese pharmaceutical giant Takeda.

### **About Merchavia**

Merchavia Holdings and Investments (TASE: MRHL) is an Israeli company specializing in investments in early-stage and promising startups operating in leading high-demand areas of the life sciences, working together with leading medical institutes worldwide – including Cleveland Clinic in the US. Merchavia's portfolio companies include CDx (Cleveland Diagnostics, 8% holding), which is developing a non-invasive method for early diagnosis of various types of cancer, by means of a blood test identification of the structural changes of the protein biological marker IsoPSA, which indicates the presence of the disease. In addition, the company recently reported reaching an agreement to acquire 6% of RMDY Health, which operates in one of the world's growing medical markets. The company is developing and providing digital medical platforms, which allow organizations in the health sector to switch swiftly and efficiently from providing traditional expensive medical services based on a meeting with the patient to digital medicine, which allows ongoing remote, online management of patients. In addition, Merchavia holds 7% of CardiacSense, which is developing a wearable device to detect A FIB (Atrial Fibrillation), based on a unique combination of patented technologies developed by the company for reading optical signs and feeling movement, pressure, temperature and more – giving the product high credibility by cancelling out reading mistaken signs. In October 2018, The company announced that Merchavia was entering the chronic pain market by investing in G4P (Games for Pain), a portfolio companion in an incubator in which the Maccabi Health Fund is a partner. Merchavia will invest about 600,000 NIS according to milestones for a 6% stake of the Israeli company, which is developing an AI based platform for the neurological rehabilitation of chronic pain – a market worth \$635 billion annually in the US, G4P will focus at the beginning on fibromyalgia, which afflicts 3%-6% of the world's population. Merchavia also announced in October 2018 its intentions to enter into the medical cannabis R&D sector, with an emphasis on R&D companies. The company's management offices are in Ramat Gan. <https://www.merchavia.com>