

**Accera, Inc. is Bringing Hope to Patients Suffering from Central Nervous System (CNS) Disorders - with their First Product for Alzheimer's Disease, Axona Showing some Patients with Cognitive Improvements Within Weeks**

**Healthcare  
Nervous System Disorders  
(Privately Held)**

**Accera, Inc.**

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**Holger Kunze  
President and CEO**

**BIO:**

With more than 30 years managerial experience with multinational pharmaceutical and nutrition companies, Holger Kunze, currently serves as President and CEO of Accera, Inc., a privately-held, commercial-stage, healthcare company focused on the discovery and development of innovative therapeutics to treat central nervous system disorders. Mr. Kunze

previously served as the Regional Business Unit Head for Nestlé Health Science's HealthCare Nutrition Business Unit in the Africa, Oceania and Asia (AOA) territories. While managing more than 600 employees, Mr. Kunze integrated the Novartis Medical Nutrition Business into the Nestlé Nutrition Division, leading it to one of the top Medical Nutrition companies in the region with more than \$250M in sales for 2011. Prior to joining Nestlé, Mr. Kunze held various managerial positions within Novartis for more than 10 years. From 2004 to 2007, Mr. Kunze led and managed the Consumer Health division of the Asia Regional Novartis Medical Nutrition business unit. Prior to his position as Manager for Novartis Medical Nutrition, Mr. Kunze served as the Region Head for Novartis' Consumer Health "OTC" Unit in the Greater China area for nearly three years. Among Mr. Kunze's other positions within Novartis included Managing Director of Consumer Health "OTC and Nutrition" Business Units in India, Bangladesh and Sri Lanka, Medical Nutrition Manager of Novartis Medical Nutrition business unit in Asia and Marketing Manager of Novartis Nutrition USA. Prior to his time with Novartis, Mr. Kunze held various managerial positions within Proctor & Gamble Pharmaceuticals.

**Company Profile:**

Accera discovers and develops breakthroughs in treating central nervous system (CNS) disorders, focusing on serious and difficult-to-diagnose neurodegenerative diseases for which there are no simple tests, no cures and a lack of new, innovative treatments to improve quality of life for

patients and their families. The company is pioneering unique scientific approaches to treating CNS disorders, through products with novel mechanisms-of-action that target the underlying factors giving rise to symptoms.

Currently, our product pipeline includes therapeutic treatments for Parkinson's disease, Alzheimer's disease and other age-related memory loss disorders. These products are in advanced clinical development where they have demonstrated significant efficacy and outstanding safety compared to approved drugs in the marketplace.

Through our proprietary scientific platform, Accera is developing therapies that address metabolic deficiencies and provide an alternative energy source for brain cells. Based on our proprietary platform, our first product for Alzheimer's (Axona) targets metabolic defects in brain neurons.

As an industry innovator, Accera's new and novel therapeutic approaches positively impact patients with neurodegenerative disorders who are in need of effective, well-tolerated treatments, and their families. We are committed to improving the care and quality of life of patients.

**Interview conducted by:  
Lynn Fosse, Senior Editor**

**CEOCFO:** Mr. Kunze, you have considerable history in this industry, what is special about Accera?

**Mr. Kunze:** I have been working in the healthcare industry for more than 30 years. In the last 20 years specifically, much of my focus has been in the medical food arena, both for No-

vartis and then for Nestlé. What interested me about Accera was its fantastic product, Axona, which is prescribed for Alzheimer's disease. This is an area that today has seen very few new products developed. It also interests me that Accera is still in its startup phase. Axona has been commercialized for more than two years and given my experience building Greenfield projects in Asia, in combination with my entrepreneurial spirit, I look forward to building the Accera company.

**CEO CFO:** On your website it mentions that Axona provides an alternative energy source to brain cells; would you explain what it does?

**Mr. Kunze:** Axona is a prescription medical food intended for the clinical dietary management of the metabolic processes associated with mild-to-moderate Alzheimer's disease. One of the well-recognized physiological hallmarks of Alzheimer's is the brain's inability to optimally metabolize glucose, its normal energy source. Energy to the brain cannot be shut off for a very long time or brain cells will begin dying. In Alzheimer's disease, we believe the disease progresses because brain cells cannot be properly fed and the only other energy source the brain will utilize are ketones. Therefore, we designed Axona to produce an increased amount of ketones, which are then metabolized by the brain as an alternative energy source. The brain can use up to 60% of energy coming from ketones to ensure cells that are still healthy remain energized and function properly.

**CEO CFO:** Axona is a medical food; what is a medical food?

**Mr. Kunze:** A medical food is defined in section 5-b of the Orphan Drug Act as a food which is formulated to be consumed or administered under the supervision of a physician. It is intended for the specific dietary management of a disease or condition of which distinctive nutritional requirements are based. Medical foods are extensively used in hospitals for tube feedings for patients that cannot ingest or digest normal food properly.

This class of therapeutics has been around for years.

**CEO CFO:** How has the adoption been by the market for Axona?

**Mr. Kunze:** We have treated approximately 30,000 patients with Axona and have an estimated 3,000 to 4,000 physicians that have prescribed the product since its launch in 2009. Axona does extremely well in patients that are carriers of a specific gene, which account for about 50% of Alzheimer patients. While some patients will take up to 90 days before experiencing cognitive improvements, we've received feedback from physicians and caregivers of patients on Axona that have witnessed benefits within weeks.

**CEO CFO:** At this point in time, are the people that should be aware of Axona, fully aware of it?

**Mr. Kunze:** It is still relatively limited to a group of very specialized physicians who we have been able to call

**While some patients will take up to 90 days before experiencing cognitive improvements, we've received feedback from physicians and caregivers of patients on Axona that have witnessed benefits within weeks. - Holger Kunze**

on with our relatively small sales force. This is because of our own internal funding and limitations. As the newly-appointed CEO of the company, I plan to broaden our sales force and implement a full communications and marketing initiative behind the product. We are seeking additional financing by having a larger partner company invest in Accera. With that funding, we hope to build an organization and a communications platform to ensure physicians, patients and their caregivers are fully aware of this very safe and effective product.

**CEO CFO:** You have some other products in the pipeline, what else is happening at Accera today?

**Mr. Kunze:** The other products in our pipeline are currently on hold because of financial restrictions. As soon as we secure additional funding, we hope to continue advancing our pipeline; however, we are primarily focused on further investing in Axona to generate

more clinical data to build its credibility.

**CEO CFO:** Are there alternative approaches that you are competing with or is this really new territory?

**Mr. Kunze:** While there are drugs on the market to treat Alzheimer's disease, there are no products that address hypometabolism, which is one of the hallmark signs of the disease. Right now, Axona is the only approved product in the market that addresses Alzheimer's in this way.

**CEO CFO:** How do you deal with the frustration of how long it takes to get something to market, when you know that it works so well?

**Mr. Kunze:** It's just the nature of the industry. Healthcare professionals require clinical evidence, which again takes time and is costly. I read our sales reps' reports on a weekly basis where they include comments from physicians, patients and caregivers about how there has been a dramatic improvement of patients after they started using Axona. One of the reasons I came across and accepted this role is because I truly believe this product is a wonderful product. It really does what it is supposed to

do and the difference in patients' lives is incredible. For example, just the other day a physician reported to us a patient that used to paint as a hobby and unfortunately stopped for a few years due to her disease progression. She was on Axona for a few weeks and when she came in and presented the doctor with a beautiful picture, he asked where she bought it. She replied saying, "No, I'm back to painting again." This is just one very small example of how patients' quality of life can be changed with this product.

**CEO CFO:** Are all the medical reimbursement criteria in place or is that still a challenge?

**Mr. Kunze:** The problem with medical food is that these class of therapeutics are not part of the normal drug reimbursement. Therefore, most patients have to pay for the product out-of-pocket.

**CEO CFO:** Is it relatively affordable?

**Mr. Kunze:** It costs about \$2.50-\$3.00 per day, depending on which pharmacy or chain from which it's purchased.

**CEO CFO:** So that isn't much at all!

**Mr. Kunze:** It's less than \$100 a month. We had a report recently where a patient's caregiver reported their mother had gone back to the way she was two years ago, before her disease progressed so significantly. Again, our goal is to provide patients and their caregivers a better quality of life as they manage this terrible disease. In some cases, they can get up out of bed and go to the bathroom on their own, they can dress themselves, they can eat by themselves again, or they do not tell the same story repeatedly. This is the type of feedback we receive from the market and from patients using the product. I personally think \$2.50 or \$3.00 a day is a very reasonable price for that.

**CEO CFO:** What is the financial picture like today for Accera?

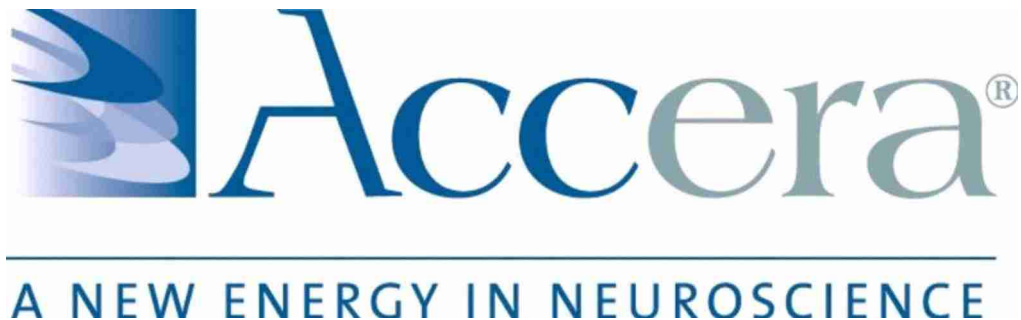
**Mr. Kunze:** We are ok as far as our existing team and as an organization, but we do have financial constraints. What we are looking for is to have an infusion of money that allows us to

commence a broader sales and marketing effort. We are also looking for some direct to consumer communications, which helps consumers understand there is a product available that could potentially help them.

**CEO CFO:** Final thoughts, why should investors be paying attention to Accera?

**Mr. Kunze:** First of all, there are not many solutions on the market. There are about two or three products available that are FDA-approved, but not with great success. There have been approximately twenty products or compounds that have failed in Phase II in just two or three years and not much on the horizon in terms of clinical development. Even products that are under development are at least five or six years from being approved. Additionally, none of these products have a mechanism of action similar to Axona that feeds the brain. If you cannot feed the body and keep the body healthy, it will not be able to fight back on its own. Our goal has been to feed the brain, so at least the healthy cells unaffected by the other metabolic causes of Alzheimer's disease can stay healthy and still function.

As an investor, you always look for a unique market, a unique market position and a market that has huge potential. Alzheimer's disease is in the news on a regular basis. You can open up any paper and during the course of a week; you will read something about the disease. It is a devastating disease that all of us fear for our parents today and even for ourselves in the future. Therefore, the potential of this product is that through our further clinical development we can show we can help patients delay progression or, by a combination with another drug the patient is taking, keep the brain cells that are healthy, healthy. You have all of the components. You have a large market; you have very little competition in the market and no one in this category. We have a medical food where the metabolic pathway is clear. For example, I get calls from overseas companies that are also interested in the product. Therefore, the global potential for this product is also considerable. If I was an investor and was looking for a place to put money, this is a category in which I would invest.



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