



## Elcelyx Therapeutics Completes \$20 Million Series C Financing to Advance NewMet and Lovidia

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SAN DIEGO, Feb. 14, 2013 /PRNewswire/ -- Elcelyx Therapeutics announced today the closing of a \$20 million Series C financing to fund development of product candidates NewMet™ for Type 2 diabetes and Lovidia™, an over-the-counter weight loss product. The financing was led by GSM Fund LLC, a fund dedicated to this single investment and managed by Rick Barry , who has been elected to the Elcelyx Board of Directors. All previous investors also participated in the round, including Morgenthaler Ventures, Kleiner Perkins Caufield & Byers, and Technology Partners.

Elcelyx has raised a total of [\\$43 million](#) since it was founded in 2010 and advanced its two first-in-class Gut Sensory Modulators (GSM) for the treatment of diabetes and weight loss into late-stage clinical development.

Pharmaceutical product candidate [NewMet](#) is a delayed-release formulation of generic metformin, the #1 diabetes product in the world. By targeting this GSM to the lower gut and avoiding systemic absorption, NewMet is designed to have low bioavailability with preserved efficacy. In a recently completed Phase 2a clinical study in patients with Type 2 diabetes, NewMet met the primary endpoint of lowered glucose and demonstrated improved tolerability compared to generic metformin.

[Lovidia](#), a proprietary mix of Generally Recognized As Safe (GRAS)-designated dietary ingredients, is targeted to the consumer market. Lovidia can be used for multiple applications including as an over-the-counter product for weight loss and metabolic health, and as a food additive for satiety and lower glycemic index. An early version of Lovidia demonstrated statistically significant progressive and sustained weight loss without diet or exercise modification. Lovidia increases the body's production of natural satiety and gluco-regulatory gut hormones twofold; with the same number of calories, subjects in clinical trials had twice the satiety signal.

"Elcelyx is that rare winning trifecta in healthcare: Low-risk products that address large populations, experienced leadership and blue-chip investors. It is a pleasure to support and advise an organization that can make a profound impact on the lives of people struggling to manage their diabetes and weight," said Elcelyx Director Rick Barry .

Mr. Barry joins current Elcelyx directors Ralph "Chris" Christoffersen, Ph.D. (chairman), Brook Byers , Jim Glasheen , Ph.D., Ginger L. Graham and Alain Baron , M.D. Barry 's career in the financial industry included posts at Merrill Lynch, Robertson Stephens Investment

Management and other leading financial services companies. In 1999 he founded Eastbourne Capital Management, LLC and served as its managing member and portfolio manager until it was closed and he retired in 2010.

"Elcelyx is accumulating impressive clinical data for NewMet and Lovidia demonstrating the product candidates' ability to meaningfully improve glucose regulation and reduce weight with minimal side effects, respectively," said Alain Baron , M.D., President and Chief Executive Officer of Elcelyx Therapeutics. "The Series C financing will enable us to build the value of both products and reach important data read-outs that will be attractive to potential partners."

### **About Elcelyx Therapeutics**

[Elcelyx Therapeutics](#) is developing safe products for weight management and obesity-related metabolic disorders based on the science of nutrient sensing. The Elcelyx first-in-class product candidates, Lovidia™ and NewMet™, are Gut Sensory Modulators backed by rigorous science and clinical data demonstrating their ability to rapidly reduce weight and improve glucose metabolism without systemic side effects, respectively. The products represent reduced-risk, near-term blockbuster opportunities in weight management and Type 2 diabetes with longer-term opportunities in obesity and prediabetes. Elcelyx is based in San Diego, CA. For more information, visit [www.Elcelyx.com](http://www.Elcelyx.com).

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