



Pressmeddelande den 24 september 2014

## Informationsbrev till aktieägarna från Protein Sciences

*Protein Sciences Corporation (Protein Sciences) har distribuerat ett informationsbrev till sina aktieägare ("Shareholder Letter September 2014"). Protein Sciences har godkänt att Mertiva offentliggör detta informationsbrev. Informationsbrevet innehåller en redogörelse för de viktigaste händelserna i bolaget, samt oreviderade siffror för de första 6 månaderna 2014 och är bifogat till detta pressmeddelande.*

Informationsbrevet innehåller även ett antal pressmeddelanden, vilka sedan tidigare funnits publicerade på Protein Sciences hemsida.

Protein Sciences avser att distribuera informationsbrev kvartalsvis till sina aktieägare. Om Mertiva får sådana informationsbrev avser Mertiva publicera dessa.

### För ytterligare information, vänligen kontakta:

Andreas Bergsten, VD Mertiva AB  
info@mertiva.se  
070-5673670

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### Om Mertiva

Mertiva AB är ett investeringsföretag som i huvudsak består av innehav i Protein Sciences Corporation och Mercodia AB.

Mertiva-aktien är listad på NGM:s handelsplats Nordic MTF (kortnamn: MERT MTF).

Mer information finns på [www.mertiva.se](http://www.mertiva.se).

*Denna information offentliggörs enligt lagen om värdepappersmarknaden, lagen om handel med finansiella instrument eller krav ställda i noteringsavtal.*

September 2014

**To Our Shareholders:**

The Company remains strong as we close out summer and head into the 2014/15 influenza season. This quarter we further expanded our consumer access points for Flublok® to include over 230 Passport Health locations across the U.S., through a new entity called Health-At-Work, and are working to make Flublok available through various supermarket pharmacies including Publix and Price Chopper. Internationally, we signed a licensing deal with Laboratorios Liomont, a leading Mexican pharmaceutical company, to bring Flublok and Panblok® to the Mexico market and, potentially, other Latin American countries. Our GeneXpress® business is active and we are in final discussions with a major international pharmaceutical company to license our BEVS technology. In August, we welcomed a new senior executive to the Company: Nadine Francis West, who joined us as Senior VP, Chief Administrative Officer and Corporate Secretary.

**Flublok:** Our pre-booked sales for Flublok already exceed our total sales for last year. Similar to last year, the majority of orders are from hospitals that use Flublok to achieve a higher level of vaccination compliance among their employees. Unfortunately orders are small and price is considered the major impediment to increased uptake of Flublok. Last year the majority of our customers purchased Flublok during the influenza season rather than pre-booking and we expect that pattern to continue.

Significantly, we have eliminated many of the obstacles we faced last year and are in the process of eliminating others. We expect this to have a positive impact on sales. In July, the FDA approved the 2014/15 formulation of Flublok (see attached press release) allowing us to have Flublok available for delivery well before the influenza season this year. In addition, in mid-August the FDA increased the approved shelf life of Flublok to 6 months from 16 weeks. Late availability and a short shelf life were major obstacles impeding sales last year.

Limited consumer access was another challenge last year. To overcome this, we took/are taking the following actions:

- (i) entered into an agreement with Passport Health, a national provider of vaccinations in the travel clinic and workplace settings that administers approximately 1 million doses of influenza vaccine annually. Passport Health will offer Flublok at all of their 230+ clinic locations across the U.S. and through their employer influenza vaccination programs (see attached press release). They have set up an educational page on their website to raise awareness about Flublok. This page can be viewed at: [www.passporthealthusa.com/vaccinations/flublok-egg-free-cell-based-influenza-vaccine](http://www.passporthealthusa.com/vaccinations/flublok-egg-free-cell-based-influenza-vaccine);
- (ii) launched a new initiative to offer workplace and community Flublok clinics in Connecticut and the surrounding regions. Health-At-Work ([www.health-at-work.net](http://www.health-at-work.net)) is a partnership with physicians from Velocity Urgent Care that is a full service vaccination provider and allows employers to customize vaccination clinics for their employees without hassle (see attached press release). Notably, Health-At-Work handles all billing and can accept most insurance. This is appealing to employers as their out-of-pocket costs are greatly reduced. We hosted two breakfast events to introduce Health-At-Work to local employers and are booking clinics every day; and
- (iii) working with multiple supermarket pharmacies to make Flublok available to customers who request it. These include Publix that has over one thousand locations across the U.S., 81% of which have a pharmacy and, Price Chopper, which has over 75 pharmacies across the Northeast. We expect these stores to be major access points for Flublok.

Together with signing up an additional distributor - ASD Specialty Healthcare and its Besse Medical and Oncology Supply divisions as previously announced - we have widened the availability and convenience of securing Flublok vaccine for those who are interested.

The final impediment is the limited age range (18-49 years) contained in our initial Flublok approval. We remain on track to receive approval for an expanded age range (50+ years) for Flublok before the influenza season.

**Pearl River:** Operations in Pearl River continue to progress successfully and have been uninterrupted since last fall. We completed drug substance process validation of the three antigens contained in Flublok and produced all protein required to support fill-finish and drug product validation at MassBiologics where we completed our second successful fill that met the projected yield of 150,000 doses.

The Pearl River facility has also produced the drug substance that will be used for our upcoming clinical trials of Flublok Quadrivalent. Formulation and filling for our first clinical trial, which will use pre-filled syringes, has been completed at Adimmune, our fill/finish partner in Taiwan with whom we are working to develop an extensive business relationship. This is a very important project in the development of Flublok as it will allow us to offer Flublok in multiple presentations with competitive pricing.

We plan to submit a supplemental Biologics License Application (sBLA) to FDA to secure licensure of the Pearl River facility in the late fall that will allow commercial production of Flublok for the 2015/16 influenza season at this facility. We anticipate receiving approval for this facility by the end of Q1, 2015.

**Clinical Studies:** BARDA will be supporting two clinical studies this season. Study PSC12 will compare the protective efficacy of Flublok Quadrivalent versus licensed IIV4 in ~ 9,000 healthy, medically stable adults ≥50 years old and Study PSC16 will compare the immunogenicity and safety of Flublok Quadrivalent versus licensed IIV4 in ~ 1,350 healthy adults 18-49 years old. We anticipate that these studies will support licensure of Flublok Quadrivalent in 2016/17.

**Licensing Deals:** In August we signed a licensing agreement with leading Mexican pharmaceutical company Laboratorios Liomont, S.A. de C.V. (Liomont) that grants Liomont an exclusive license to Flublok and Panblok for the Mexico market and, potentially, other Latin American countries (see attached press release). Under the terms of the agreement, Liomont will seek regulatory approval for Flublok in Mexico and initially sell Flublok manufactured by us. Liomont has also obtained rights to fill/finish and ultimately manufacture Flublok and Panblok in Mexico. We are entitled to significant license and milestone payments and double-digit royalties on sales. This is an important step in expanding the global reach of Flublok and BEVS technology.

We signed an agreement with our longstanding partner Diamyd Medical that is placing an order for cGMP production of recombinant GAD (glutamic acid decarboxylase) protein for upcoming type 1 diabetes clinical trials involving testing of GAD protein in combination with anti-inflammatory agents (see attached press release). Under the agreement, we will receive an upfront cash payment and 400,000 new series B shares in Diamyd Medical, corresponding to a 2.0% ownership. The ownership stake will make us one of the largest shareholders in Diamyd Medical. One hundred thousand of the new shares will be issued upon entering the agreement and the remainder at completion of production. We believe Diamyd Medical's approach to treating diabetes holds great promise.

We are in final discussions with one of the top international pharmaceutical companies for both research and commercial licenses to our BEVS technology that includes rights to develop and market

two potentially important vaccines using our technology. The license includes up front and annual payments, significant milestones during clinical trials and modest royalties on sales. Adoption of our platform by big pharma drives global recognition of our technology and creates added awareness of Protein Sciences. We expect this deal to be completed this year.

**GeneXpress:** Our GeneXpress business is active and we continue to develop products for customers using our BEVS platform. We will produce two batches of VLP product in our 45L GMP facility this fall, which are intended for early stage studies in humans. We are also in discussions with both new and returning customers to develop and produce products this year.

**Financial Results:** For the six months ended June 30, 2014 revenues decreased 32% to \$14.2 million from \$20.8 million in Q2 2013. This reflects a steady but slightly reduced contribution from our BARDA contract that accounted for approximately 73.6% of revenues due to the timing of spending and a 35% reduction in our Collaborative Agreements and Technology Licenses that together accounted for 22.5% of revenues. As a reminder, revenues from Collaborative Agreements are based on success in product development by our customers and, can therefore, significantly fluctuate on a quarterly basis. In the third quarter of 2014 we expect to see an increase in this revenue category from the UMN Milestone payment relating to Astellas filing for regulatory approval for Flublok in Japan and an upfront payment from Liomont. Operating expenses decreased by 37% to \$11.3 million from \$18.0 million in Q2 2013 primarily because of a reduction in BARDA supported clinical trial expenses. We had an operating profit of \$2.9 million in line with Q2 2013. Net income was \$3.1 million compared to \$6.0 million in Q2 2013. The difference was caused by a \$3.1 million gain from selling a portion of the UMN stock we own in 2013. Cash and receivables after deducting payables were \$14.0 million, essentially the same as in Q2 2013. It is important to remember that the flu vaccine business is seasonal with almost all expenses being incurred in Qs 1, 2 and 3 and almost all revenues being received in Q4.

We continue to be highly dependent on BARDA support as a result of a contract that was secured and extended through the end of 2015. We expect to reduce our dependency on BARDA support even with the approval of Option Period 2 as we build Flublok sales and secure royalties from licenses and collaborative agreements. Building sales for a new product takes time as others have experienced, especially in a highly competitive market such as that for influenza vaccines. We are building the Flublok brand responsibly without taking “bet the company” financial risks.

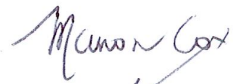
The audit of our 2013 financial statements is proceeding on schedule to be available in Q3.

**New Addition:** In August Nadine Francis West joined us as Senior Vice President, Chief Administrative Officer and Corporate Secretary (see attached press release). Nadine is an accomplished leader and has held strategic roles in multiple organizations. Most recently Nadine was the Vice President and Chief Administrative Officer of the MetroHartford Alliance where she oversaw the Alliance’s \$4.9M budget, served as Corporate Secretary and led the Finance and Administration Teams. Previously, Nadine practiced law in the corporate law department of Aetna, Inc. and served in the administration of former Hartford Mayor Michael Peters.

**Scientific Publication:** A new paper authored by our scientists was published in the journal *Vaccine* in August. The paper entitled “Technology transfer and scale-up of the Flublok® recombinant hemagglutinin (HA) influenza vaccine manufacturing process” highlights the versatility and speed of our universal manufacturing process for Flublok, including H7N9 HA protein that was produced in 38 days under GMP conditions, and describes the remarkably fast transfer of our technology to a retrofitted

microbial facility (Pearl River) at the 2,500L scale within 100 days. An abstract of the article can be found at [www.ncbi.nlm.nih.gov/pubmed/25131727](http://www.ncbi.nlm.nih.gov/pubmed/25131727).

Cordially,

A handwritten signature in black ink, appearing to read "Manon Cox".

Manon M.J. Cox  
President & CEO

A handwritten signature in blue ink, appearing to read "Daniel D. Adams".

Daniel D. Adams  
Executive Chairman

**Protein Sciences Corporation**  
**Balance Sheets**  
**(Unaudited)**

	June 30, 2014	December 31, 2013
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 6,438,404	\$ 4,936,355
Short term investment	4,409,476	4,323,771
BARDA funds receivable -- including unbilled of \$1,587,106 and \$3,834,701, respectively	3,265,931	5,098,194
Accounts receivable -- including unbilled of \$108,915 and \$1,067,473 respectively and net of allowance for doubtful accounts of \$50,000 and \$50,000, respectively	1,209,915	2,319,022
Inventory	4,501,028	1,807,028
Deferred tax asset	3,985,087	3,985,087
Other current assets	677,854	624,958
Total current assets	24,487,695	23,094,415
<b>PROPERTY, PLANT AND EQUIPMENT -- Net</b>	5,656,387	6,265,254
Long term deferred tax asset	4,979,616	4,979,616
Restricted cash	638,258	638,258
Other assets	7,516	13,642
<b>TOTAL ASSETS</b>	<b>\$ 35,769,472</b>	<b>\$ 34,991,185</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Deferred revenue, current portion	\$ 2,663,020	\$ 3,570,232
Accounts payable	1,306,664	2,525,018
Accrued expenses	1,420,266	2,043,658
Other current liabilities	147,290	439,038
Total current liabilities	5,537,240	8,577,946
<b>LONG TERM LIABILITIES:</b>		
Deferred revenue	1,040,703	499,951
Other liabilities	417,322	490,968
Total long term liabilities	1,458,025	990,919
<b>COMMITMENTS AND CONTINGENCIES</b>	-	-
<b>STOCKHOLDERS' EQUITY</b>		
Common Stock, \$0.001 par value; 150,000,000 shares authorized; 77,513,602 and 77,512,769 shares issued and outstanding at June 30, 2014 and December 31, 2013, respectively	77,514	77,513
Additional paid-in capital	63,372,706	63,210,458
Accumulated other comprehensive income	1,829,992	1,744,287
Accumulated deficit	(36,506,004)	(39,609,938)
Total stockholders' equity	28,774,207	25,422,320
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 35,769,472</b>	<b>\$ 34,991,185</b>

**Protein Sciences Corporation**  
**Statements of Operations**  
**(Unaudited)**

	Six Months Ending June 30,			2014 % of
	2014	2013	% Change	Revenue
REVENUES:				
BARDA contract	\$ 10,419,271	\$ 14,806,794	-30%	73.6%
Collaborative agreements	1,299,846	2,433,598	-47%	9.2%
Technology licenses	1,881,351	2,438,861	-23%	13.3%
Product sales	563,780	1,159,414	-51%	4.0%
Total revenues	14,164,249	20,838,667	-32%	100.0%
OPERATING EXPENSES:				
Research and development	8,734,522	15,570,912	-44%	61.7%
Cost of goods sold	151,450	-		
General and administrative	2,399,328	2,380,361	1%	16.9%
Total operating expenses	11,285,300	17,951,273	-37%	79.7%
INCOME FROM OPERATIONS	2,878,949	2,887,394	0%	20.3%
(INCOME) OTHER EXPENSE:				
Interest expense	124	515	-76%	0.0%
Interest income	(4,673)	(9,218)	-49%	0.0%
Other income/expense	1,182	(3,152,650)		
Total other (income) expense	(3,366)	(3,161,353)	-100%	0.0%
Net income before tax expense and benefit	2,882,314	6,048,747	-52%	20.3%
Tax (expense) benefit	221,620	(10,270)	-2258%	1.6%
Net Income	\$ 3,103,934	\$ 6,038,477	-49%	21.9%

**Protein Sciences Corporation**  
**Statements of Cash Flow**  
**(Unaudited)**

	Six Months Ending June 30,	
	2014	2013
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net income	\$ 3,103,934	\$ 6,038,477
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	754,864	1,472,324
Share-based compensation	161,791	209,357
Loss on disposal of assets	-	-
Deferred taxes	-	-
Changes in operating assets and liabilities:		
Inventory	(2,694,000)	(2,726,794)
Accounts receivable	1,109,107	(1,206,945)
BARDA funds receivable	1,832,263	(9,558,189)
Restricted cash	-	-
Other assets	(46,770)	(31,803)
Accounts payable and accrued expenses	(1,841,746)	2,818,723
Other liabilities	(365,394)	564,613
Deferred accounts	(366,460)	(1,183,154)
Net cash provided by operating activities	<u>1,647,589</u>	<u>(3,603,390)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of short term investments	-	(2,579,484)
Purchases of property and equipment	(145,997)	(1,737,837)
Net cash used in investing activities	<u>(145,997)</u>	<u>(4,317,321)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from exercise of stock options	457	109,208
Payments of capital lease obligations	-	(2,497)
Net cash used in financing activities	<u>457</u>	<u>106,711</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>1,502,049</b>	<b>(7,814,000)</b>
<b>CASH AND CASH EQUIVALENTS - Beginning of period</b>	<b><u>4,936,355</u></b>	<b><u>9,980,564</u></b>
<b>CASH AND CASH EQUIVALENTS - End of period</b>	<b><u>\$ 6,438,404</u></b>	<b><u>\$ 2,166,564</u></b>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>		
Cash paid for interest	\$ 124	\$ 515
Cash paid for taxes	\$ 70,129	\$ 10,270



**Protein Sciences Corporation**  
**Statements of Comprehensive Income**  
(Unaudited)

	Six Months Ending June 30, 2014	2013
Net Income	\$ 3,103,934	<u>6,038,477</u>
Other comprehensive income:		
Net change in unrealized gain in investments	\$ 1,829,992	<u>1,744,287</u>
Total Comprehensive Income	<u>\$ 4,933,926</u>	<u>\$ 7,782,764</u>



## Protein Sciences Receives Approval from FDA for 2014/15 Formulation of Flublok® Influenza Vaccine

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### **For Immediate Release**

July 8, 2014

### **Contact:**

Manon Cox, President & CEO

Phone: (203) 686-0800 ext. 308

**Meriden, CT** — [Protein Sciences Corporation](#) announced today that the FDA has approved the Company's strain change amendment for its seasonal influenza vaccine, [Flublok](#). Every year influenza vaccine manufacturers must receive approval from the Agency for changes they make to the upcoming season's manufacturing process and product formulation, as the influenza vaccine is adapted annually. Early approval for Flublok will enable delivery on time to healthcare providers in the fall. This is especially important for those that rely on Flublok's unique properties for protection from the flu; namely, that the vaccine is egg-free, highly pure and triple the strength compared to conventional influenza vaccines.

President and CEO of Protein Sciences, Manon Cox said, "We anticipate having the first doses of Flublok available in September and the FDA's approval supports this timeline." She added, "We are still accepting orders for the fall and providers are encouraged to order through our distributors FFF Enterprises and ASD Healthcare."

### **About Protein Sciences**

Protein Sciences is a vaccine development and protein production company that is dedicated to saving lives and improving health through the creation of innovative vaccines and biopharmaceuticals.

Flublok, the world's first recombinant protein-based vaccine for the prevention of seasonal influenza disease, was approved by FDA in January 2013. Flublok is the only flu vaccine made in a 100% egg-free system using modern cell culture technology, making it unnecessary to use an infectious influenza virus or antibiotics in manufacturing. Flublok is highly purified and does not contain any preservatives (e.g., thimerosal, a mercury derivative), egg proteins, gelatin or latex. In addition, Flublok is triple the strength of conventional influenza vaccines. Flublok is a perfect copy of the virus coat and is not subject to the egg-adapted mutations associated with low vaccine effectiveness (see [Skowronski et al. \(2014\) PLOS ONE 9\(3\), e92153](#)). We have filed for FDA approval of Flublok for ages 50 and above and expect to receive approval in time for the 2014/15 influenza season.

Healthcare professionals can order Flublok by contacting FFF Enterprises at 800-843-7477 or ASD Specialty Healthcare at 866-281-4FLU.

Learn more at [www.proteinsciences.com](http://www.proteinsciences.com) and [www.Flublok.com](http://www.Flublok.com).

**Flublok Safety Information**

Flublok is approved for people 18-49 years old to prevent influenza disease. The most common side effect from Flublok is pain at the site of injection. Other side effects may occur and include fatigue, headache and muscle aches.

Flublok should not be administered to anyone with a severe allergic reaction (e.g., anaphylaxis) to any vaccine component.

Tell the doctor if you have ever experienced Guillain-Barré syndrome (severe muscle weakness) within 6 weeks of receipt of a previous dose of influenza vaccine. If you notice any other problems or symptoms following vaccination, please contact your healthcare professional immediately. Vaccination with Flublok may not protect all individuals.

Please see the complete Package Insert available at [www.Flublok.com](http://www.Flublok.com) or call 203-686-0800 for more information.

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## Flublok® Influenza Vaccine Will Be Available At Over 230 Passport Health Locations Nationwide

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### **For Immediate Release**

August 19, 2014

### **Contact:**

Manon Cox, President & CEO

Phone: (203) 686-0800 ext. 308

**Meriden, CT and Scottsdale, AZ** — [Protein Sciences Corporation](#) and [Passport Health](#) announced today that [Flublok® influenza vaccine](#) will be available this fall at all 230+ Passport Health locations across the United States. In addition, all employers who arrange their influenza vaccination clinics through Passport Health will be able to request Flublok.

"We created Flublok to save lives and our obligation is to make it readily available to those who need or want it," said Dr. Manon Cox, President and CEO of Protein Sciences. "It is disappointing to hear that people have been asking for it by name only to be told that it's not available." She continued, "We are delighted that our agreement with Passport Health will help change that."

"We are proud to bring this modern vaccine to our patients," said Fran Lessans, CEO and Founder of Passport Health. She added, "Flublok is the perfect choice for those seeking pure, safe and effective influenza protection."

Passport Health has set up an [educational page](#) on their website to raise awareness about Flublok. To make an individual appointment to get vaccinated in a Passport Health clinic, please visit the company website at [www.passporthealthusa.com](http://www.passporthealthusa.com). Employers who would like to schedule an onsite Flublok event at their workplace should email [clientservices@passporthealthusa.com](mailto:clientservices@passporthealthusa.com), or visit this webpage: <http://www.passporthealthusa.com/employer-solutions/on-site-flu-clinics/> so that Passport Health's sales and client services staff can coordinate the event.

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copy of the virus coat and is not subject to the egg-adapted mutations associated with low vaccine effectiveness (see [Skowronski et al. \(2014\) PLOS ONE 9\(3\), e92153](#)). We have filed for FDA approval of Flublok for ages 50 and above and expect to receive approval in time for the 2014/15 influenza season.

Healthcare professionals can order Flublok by contacting FFF Enterprises at 800-843-7477 or ASD Specialty Healthcare at 866-281-4FLU.

Learn more at [www.proteinsciences.com](http://www.proteinsciences.com) and [www.Flublok.com](http://www.Flublok.com).

**About Passport Health:**

Passport Health is the largest and leading provider of travel medicine and vaccination services in the North America. With over 230 clinic locations, 20+ years of experience, a commitment to first class medical care, and rigorously trained medical staff, Passport Health sets the immunization industry standard. Passport Health's core services have grown from travel medicine to include on-site flu clinics, specialty physical exams, routine immunizations, and vaccination records management solutions for public and private sector clients of all sizes.

**Flublok Safety Information**

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Tell the doctor if you have ever experienced Guillain-Barré syndrome (severe muscle weakness) within 6 weeks of receipt of a previous dose of influenza vaccine. If you notice any other problems or symptoms following vaccination, please contact your healthcare professional immediately. Vaccination with Flublok may not protect all individuals.

Please see the complete Package Insert available at [www.Flublok.com](http://www.Flublok.com) or call 203-686-0800 for more information.

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## Protein Sciences and Partners Launch Health-At-Work to Bring Flublok® and Other Vaccines to the Workplace

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### **For Immediate Release**

July 17, 2014

### **Contact:**

Manon Cox, President & CEO

Phone: (203) 686-0800 ext. 308

**Meriden, CT** — [Protein Sciences Corporation](#) announced today that they have partnered with physicians from Velocity Urgent Care and launched a new initiative called [Health-At-Work](#) that offers on site influenza and other vaccinations to employers in Connecticut and surrounding regions. Unlike many vaccination providers, Health-At-Work offers the egg-free, highly pure [Flublok influenza vaccine](#) in the convenience of the employer's workplace. Employers can customize their clinics and can choose to offer single or multiple vaccinations as part of the same clinic. Billing is handled by Health-At-Work and most insurance is accepted.

"We are a Company dedicated to saving lives and promoting health through the creation of better, safer vaccines," said Manon Cox, President and CEO of Protein Sciences. "Health-At-Work is a way we are taking things a step further to make vaccination easy and convenient for improved health for the entire community."

"Based on the median income for the state of Connecticut, the average employer will lose \$1,070 per employee due to flu-related illness this season," said Susan Manganello, Director of Medical Services at Protein Sciences. "Health-At-Work provides a seamless vaccination program that enables employers to improve the health and wellbeing of employees and save money for their businesses."

Protein Sciences will host a business networking breakfast that will feature the medical staff from Health-At-Work on Wednesday, July 23<sup>rd</sup> from 7:30-9:30am at 875 Research Parkway, Meriden, CT. To schedule a clinic, find out more about Health-At-Work, or if you plan to attend this event, contact Susan Manganello, RN at [smanganello@proteinsciences.com](mailto:smanganello@proteinsciences.com).

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contain any preservatives (e.g., thimerosal, a mercury derivative), egg proteins, gelatin or latex. In addition, Flublok is triple the strength of conventional influenza vaccines. Flublok is a perfect copy of the virus coat and is not subject to the egg-adapted mutations associated with low vaccine effectiveness (see [Skowronski et al. \(2014\) PLOS ONE 9\(3\), e92153](#)). We have filed for FDA approval of Flublok for ages 50 and above and expect to receive approval in time for the 2014/15 influenza season.

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## Protein Sciences and Liomont Announce Licensing of Proprietary Influenza Vaccines for the Mexico Market

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### **For Immediate Release**

August 12, 2014

### **Contact:**

Dan Adams, Executive Chairman  
Protein Sciences Corporation  
Phone: (203) 599-6064 ext. 162

**Meriden, CT and Mexico City, Mexico** — [Protein Sciences Corporation](#) and [Laboratorios Liomont, S.A. de C.V.](#) (Liomont), a leading Mexican pharmaceutical company, announced today that they have signed a licensing agreement that grants Liomont an exclusive license to [Flublok](#)<sup>®</sup> (seasonal) and [Panblok](#)<sup>®</sup> (pandemic) influenza vaccines for the Mexico market and, potentially, other Latin American countries. Under the terms of the agreement, Liomont will seek regulatory approval for Flublok in Mexico and initially sell Flublok manufactured by Protein Sciences. Liomont has also obtained rights to manufacture Flublok and Panblok in Mexico. Protein Sciences is entitled to significant license and milestone payments and double-digit royalties on sales.

"The revolutionary nature and broad technology platform behind Flublok and Panblok afford these vaccines important advantages over other vaccines on the market - both can be made safely, accurately and much faster than other vaccines," said Alfredo Rimoch, CEO of Liomont. "Flublok and Panblok complement our pipeline as we look into building a solid biotech portfolio which we can market in Latin America by 2015. Most importantly, the modern recombinant technology behind the products will allow us to rapidly supply the Mexican market with an effective pandemic influenza vaccine if and when the need arises."

Dan Adams, Executive Chairman and Global Head of Business Development for Protein Sciences said, "This partnership with Liomont will make Flublok broadly available to our Southern neighbors as Liomont is a growing company with an outstanding track record in marketing branded products in Mexico." He added, "Flublok represents a breakthrough in vaccine technology, and we will continue to work with partners like Liomont to make the vaccine and our technology available globally."

### **About Protein Sciences**

Protein Sciences is a vaccine development and protein production company that is dedicated to saving lives and improving health through the creation of innovative vaccines and biopharmaceuticals.

### **About Laboratorios Liomont**



Liomont is one of the 5 largest Mexican pharmaceutical companies having achieved a solid sustained growth for the past 20 years. Liomont is constantly looking for novel and promising products and technologies for the Mexican and Latin American markets. For more information about Liomont please visit [www.liomont.com](http://www.liomont.com).

### **About Flublok**

Flublok, the world's first recombinant protein-based vaccine for the prevention of seasonal influenza disease, was approved by FDA in January 2013. Flublok is the only flu vaccine made in a 100% egg-free system using modern cell culture technology, making it unnecessary to use an infectious influenza virus or antibiotics in manufacturing. Flublok is highly purified and does not contain any preservatives (e.g., thimerosal, a mercury derivative), egg proteins, gelatin or latex. In addition, Flublok is triple the strength of conventional influenza vaccines. Flublok is a perfect copy of the virus coat and is not subject to the egg-adapted mutations associated with low vaccine effectiveness (see [Skowronski et al. \(2014\) PLOS ONE 9\(3\), e92153](#)). Protein Sciences has filed for FDA approval of Flublok for ages 50 and above and expects to receive approval in time for the 2014/15 influenza season.

Healthcare professionals in the U.S. can order Flublok by contacting FFF Enterprises at 800-843-7477 or ASD Specialty Healthcare at 866-281-4FLU.

Learn more at [www.proteinsciences.com](http://www.proteinsciences.com) and [www.Flublok.com](http://www.Flublok.com).

### **Flublok Safety Information**

Flublok is approved for people 18-49 years old to prevent influenza disease. The most common side effect from Flublok is pain at the site of injection. Other side effects may occur and include fatigue, headache and muscle aches.

Flublok should not be administered to anyone with a severe allergic reaction (e.g., anaphylaxis) to any vaccine component.

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## Protein Sciences and Diamyd Medical Deepen Commitment to Develop New Treatment for Diabetes

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**For Immediate Release**

September 16, 2014

**Contact:**

Dan Adams, Executive Chairman  
Protein Sciences Corporation  
Phone: (203) 686-0800 ext. 303

**Meriden, CT and Stockholm, Sweden** — [Protein Sciences Corporation](#) and [Diamyd Medical AB](#) announced today that Protein Sciences has broadened its commitment to diabetes and become a strategic and significant shareholder in Diamyd Medical, its long-time partner in this domain. Protein Sciences will manufacture product for upcoming late stage clinical trials for type 1 diabetes involving Diamyd Medical's recombinant GAD (glutamic acid decarboxylase) protein made using Protein Sciences' proprietary BEVS technology. The diabetes vaccine Diamyd® (GAD formulated with alum) has been evaluated as a monotherapy for type 1 diabetes in a Phase 3 study and data suggests Diamyd® may be a critical component of combination therapies that pair the tolerance-inducing GAD antigen with anti-inflammatory agents for the treatment and prevention of type 1 diabetes. This is being evaluated in ongoing and upcoming Phase 2 studies.

Under the Agreement, Diamyd Medical is placing an order for cGMP production of recombinant GAD protein for which Protein Sciences receives a cash payment and 400,000 new series B shares in Diamyd Medical corresponding to a 2.0% ownership in Diamyd Medical. The ownership stake will make Protein Sciences a strategic and one of the largest shareholders in Diamyd Medical. One hundred thousand of the new shares will be issued upon entering the Agreement and the remainder at completion of production. The shares will be issued under the Annual General Meeting's authorization of the Board.

"Diamyd Medical has been a longstanding partner of Protein Sciences, and we believe their approach to treating diabetes holds great promise," said Dan Adams, Executive Chairman of Protein Sciences. He continued, "The GAD product is an excellent demonstration of the versatility of our BEVS platform that can be used to make a wide variety of products, including our revolutionary [Flublok® influenza vaccine](#)."

Anders Essen-Möller, Chairman of Diamyd Medical, said, "It is strategically important for the development of Diamyd that the relationship between manufacturing and commercialization is deepened and we welcome Protein Sciences to become one of our largest shareholders." He added, "We believe their technology is the best for making recombinant proteins such as GAD. FDA approval of Flublok only makes the platform more valuable to partners such as us, as the significant regulatory hurdles that typically face new technologies have already been cleared."

### **About Protein Sciences**

Protein Sciences is a vaccine development and protein production company that is dedicated to saving lives and improving health through the creation of innovative vaccines and biopharmaceuticals. Flublok, the world's first recombinant protein-based vaccine for the prevention of seasonal influenza disease, was approved by the FDA in January 2013. Flublok is the only flu vaccine made in a 100% egg-free system using modern cell culture technology, making it unnecessary to use an infectious influenza virus or antibiotics in manufacturing. Flublok is highly purified and does not contain any preservatives (e.g., thimerosal, a mercury derivative), egg proteins, gelatin or latex. In addition, Flublok is triple the strength of conventional influenza vaccines. Flublok is a perfect copy of the virus coat and is not subject to the egg-adapted mutations associated with low vaccine effectiveness (see [Skowronski et al. \(2014\) PLOS ONE 9\(3\), e92153](#)). Protein Sciences has filed for FDA approval of Flublok for ages 50 and above and expects to receive approval in time for the 2014/15 influenza season.

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Learn more at [www.proteinsciences.com](http://www.proteinsciences.com) and [www.flublok.com](http://www.flublok.com).

### **About Diamyd Medical**

Diamyd Medical is a publicly traded diabetes company headquartered in Stockholm, Sweden. The Company develops the diabetes vaccine Diamyd®, an Antigen Based Therapy (ABT) with the active ingredient GAD, which has the potential to become a key piece of the puzzle of a future solution to prevent, treat or cure type 1 diabetes and other forms of autoimmune diabetes. Diamyd Medical has independently pursued the development of Diamyd® to global Phase 3 trials, leading to one of Sweden's largest biotech agreements ever. Diamyd Medical's series B share is traded on NASDAQ OMX First North under the ticker DMYD B.

Learn more at [www.diamyd.com](http://www.diamyd.com).

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## Nadine Francis West Joins Protein Sciences Corporation as Senior Vice President, Chief Administrative Officer and Corporate Secretary

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### **For Immediate Release**

September 5, 2014

### **Contact:**

Manon Cox, President & CEO

Phone: (203) 686-0800 ext. 308

**Meriden, CT** — [Protein Sciences Corporation](#) announced today that Nadine Francis West of Hartford has been appointed Senior Vice President, Chief Administrative Officer and Corporate Secretary. Nadine joins the Company at a time of considerable growth stemming from the 2013 FDA approval of the Company's revolutionary [Flublok® influenza vaccine](#).



Nadine Francis West

Nadine is an accomplished leader and has held strategic roles in multiple Connecticut organizations. Prior to joining Protein Sciences, Nadine served as the Vice President and Chief Administrative Officer of the MetroHartford Alliance where she oversaw the Alliance's \$4.9M budget, served as the Corporate Secretary and led the Finance and Administration Team. Previously, Nadine served in the administration of former Hartford Mayor Michael Peters and practiced law in the corporate law department of Aetna, Inc. She has also held key volunteer leadership roles for the Hartford Stage Company, the Bushnell Performing Arts Center, the UConn Foundation, Hartford Hospital, Saint Francis Hospital and Medical Center, Upper Albany Main Street, the Aurora Women and Girls Foundation and the YWCA.

Nadine has been named a WonderWoman by the Malta House of Care and has received the Board Member of the Year award from the National Main Street organization. She has been selected three times as one of the Hartford Business Journal's *40 Under Forty*.

Manon Cox, President and CEO of Protein Sciences said, "We are thrilled to have Nadine join us. She is a local powerhouse and a welcome addition to our growing management team."

"This is a fantastic company and I am very excited to be a part of it," said West. "Flublok is a game changer, and I look forward to contributing to its success."

### **About Protein Sciences**

Protein Sciences is a vaccine development and protein production company that is dedicated to saving lives and improving health through the creation of innovative vaccines and biopharmaceuticals.

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