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Pharmasurgics to begin Phase II Clinical Trial for Prevention of Post-Surgical Adhesions

Göteborg, Sweden – December 3, 2009. Pharmasurgics AB – part of the Karolinska Development dermatology and wound healing company “Pergamum” – today announced that Pharmasurgics has received approval from the Swedish Medical Products Agency to begin a Phase II clinical trial. The trial will begin in December 2009 and will monitor the safety and efficacy of PharmaSurgics’ novel candidate drug for the prevention of post-surgical adhesions in patients undergoing hand surgery. Post-surgical adhesions are bands of scar tissue connecting anatomic sites in the body that should not normally be connected. These develop after almost every type of surgery and can cause severe symptoms. PXL01 is based on an endogenous human peptide with pronounced anti-inflammatory and antimicrobial effects. It is formulated in a gel that provides a burst of the active pharmaceutical ingredient directly after application combined with slow release during the healing period.

PharmaSurgics’ Managing Director, Margit Mahlapuu, said, “Entering Phase II development is an important milestone for the company. It follows a strong preclinical program and good safety and tolerability results from the Phase I trial. Current treatment options for preventing post-surgical adhesions are all based on physical barriers and have failed to meet the efficacy levels demanded by surgeons. PXL01 has the potential to deliver improved efficacy and to become the first anti-adhesion product on the market based on pharmaceutical properties.

Jørgen Thorball, Pergamum’s Chairman, commented, “PharmaSurgics has developed an extremely interesting and novel approach in a market with significant unmet medical needs. Success in the Phase II proof-of-concept study will enable the development of similar treatments for a very broad range of surgical procedures. Considering the substantial costs that post-surgical adhesions represent in today’s healthcare systems there is tremendous market potential for new, more efficacious treatments.”

The Phase II clinical trial will monitor the safety and document the efficacy of PXL01 in reducing adhesion formation following flexor tendon repair surgery. This indication allows for measurement of objective endpoints, rather than subjective measurements of pain. The objective of the efficacy part of the study is to see an improvement in finger strength and mobility compared to placebo following surgery. The prospective, randomized, double-blind and placebo-controlled trial will be conducted at three of Sweden’s leading hand surgery clinics and will include approximately 140 patients.

Conny Bogentoft, CEO of Karolinska Development, said, “PharmaSurgics is making excellent progress. It also provides a good example of how Karolinska Development’s business model is able to take a scientific concept from bench to clinical development extremely quickly and efficiently. Our overall portfolio, and particularly the Pergamum group, continues to go from strength to strength as more companies reach Phase II.”

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About PharmaSurgics

PharmaSurgics in Sweden AB is a biotech company that develops and commercializes novel treatments for the prevention of harmful scarring and promotion of wound healing after surgery. PharmaSurgics' product concept is based on proprietary synthetic peptides which have strong anti-inflammatory and anti-infectious properties. The company is located in Gothenburg, Sweden and was founded in 2005 based on extensive research by Dr. Inger Mattsby-Baltzer and Professor Kjell Olmarker at Sahlgrenska University Hospital, Gothenburg, Sweden. PharmaSurgics is part of the Pergamum group of companies.

www.pharmasurgics.se



About Pergamum

Pergamum AB is a new kind of biopharmaceutical company focusing solely on dermatology and wound healing markets. The company currently has four Operating Units, which it supports with strategic management, business development, drug development and operational assistance as required. Pergamum is a Karolinska Development AB company.

www.pergamum.com



About Karolinska Development

Karolinska Development manages one of the largest portfolios of life science companies in Europe. Using a unique, highly cost-efficient business model, the management team guides the commercialization of world-class life science innovations, helping to shape the next-generation pharma industry. Since 2003, Karolinska Development has built a portfolio of some 40 companies; among the company's projects 12 compounds are undergoing clinical trials. The portfolio also includes a total of 19 potential first-in-class products.

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