

Promore Pharma Out-licenses PXL01 for Spinal Surgery to PharmaResearch Products Ltd

The Agreement Expands the Companies' Strategic Alliance

STOCKHOLM, 7 May, 2018 -- Promore Pharma AB, a Swedish biopharmaceutical developer of therapeutic peptides, today announced that the Korean pharmaceutical company PharmaResearch Products Ltd. ("PRP") will finance the development of PXL01 for use to prevent fibrosis after spinal surgery. In return PRP received a global commercial license of PXL01 for the use in this indication. This license is the first step towards broadening the indications for PXL01.

Promore Pharma AB today announced that PRP will fully finance the development of PXL01 to prevent fibrosis after spinal surgery used in the treatment of degenerative disc disorder ("DDD"). Promore Pharma will participate in the upside through participation in any milestone payments to PRP and a double-digit royalty from worldwide sales of the product. As part of the original agreement between the two companies from March 2016, PRP received the rights to develop and commercialize a medical device for spinal surgery and only in certain Asian markets. Today's announcement means an expansion of this strategic collaboration to include a license to develop also a pharmaceutical product world-wide, thereby supporting Promore Pharma's evolution as a clinical-stage company.

"Covering a broad range of applications in the 18 billion USD market place for wound care products, Promore Pharma's pipeline has the potential to address the unmet needs of many indications and multiple large patient groups worldwide", said Jonas Ekblom, President and Chief Executive Officer of Promore Pharma.

DDD is one of the most common causes of low back and neck pain and affects approximately 30 million people worldwide every year. The global market for spinal fusion and spinal disc surgery, excluding minimally invasive spine devices, currently exceeds 7 billion USD, according to GlobalData. Treatments such as physical therapy or anti-inflammatory medications may provide adequate relief of troubling symptoms. However, surgery is often recommended if the conservative treatment options do not provide relief within two to three months. Postoperative epidural fibrosis (scar) represents a common reason for failure of surgical interventions in DDD. The concomitant use of an anti-scarring agent at the time of surgery may therefore increase the likelihood of a successful procedural outcome.

"We recognize the broad medical utility of the PXL01 therapeutic peptide, and the potential for several breakthrough products based on Promore Pharma's novel platform", said Mr. Jung Sang-Soo, President and CEO of PRP. "We look forward to applying our deep capabilities and expertise in the emerging biopharma space and together with Promore Pharma progress the pipeline through clinical development with the ultimate goal of delivering novel drugs to address unmet medical needs", he continued.

Promore Pharma's pipeline is composed of therapeutic peptides, each representing potential medical value in a number of different indications. Currently, Promore Pharma is developing PXL01 in a Phase III study for adhesion prevention in tendon- and nerve repair surgery. The aggregated market

potential of Promore Pharma's product candidates offers a market potential of more than one billion USD annually, when also including indication broadening opportunities, such as degenerative DDD, dermal scarring and post-surgical adhesions associated with minimally invasive surgical procedures

"There are numerous potential medical applications for PXL01, but Promore Pharma has finite resources and therefore, we feel that investments from strategic and capable partners such as PRP in our technology and products is an appealing opportunity for us to broaden the applicability of our technology base, and in that way raise the value of our company", Jonas Ekblom said.

For additional information, please contact

Jonas Ekblom, CEO

Phone: [+46] 736 777 540

Email: jonas.ekblom@promorepharma.com

Jenni Björnulfson, CFO

Phone: [+46] 708 55 38 05

Email: jenni.bjornulfson@promorepharma.com

This information is information that Promore Pharma AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 08.30 CET on 7 May 2018.

Promore Pharma in brief

Promore Pharma is a biopharmaceutical company specialized in the development of therapeutic peptides for the bioactive wound care market. The company's aim is to develop two first-in-category products for indications where very few efficacious prescription pharmaceuticals are available, thus, addressing high unmet medical needs. Promore Pharma's two projects, PXL01 and LL-37, are in late stage clinical phase. PXL01, that will be used for prevention of post-surgical adhesions and scars, is being prepared for clinical Phase III-studies in patients undergoing tendon repair surgery in the hand. LL-37 is being prepared for a clinical Phase IIb study in patients with venous leg ulcers. The product candidates can also be deployed for other indications, such as preventing dermal scarring and treatment of diabetic foot ulcers. The company is listed on Nasdaq First North with Redeye AB as Certified Adviser.

About PXL01

PXL01 is derived from a human anti-bacterial protein (lactoferrin), which is part of the innate immune system. This protein and its fragments have several modes of action, including immunomodulation and enhancement of fibrinolytic activity. It is well established that inflammation and fibrin formation after surgery are two pivotal mechanisms that strongly contribute to scar formation. Although, the development of PXL01 is initially aiming at preventing postsurgical adhesions after tendon repair surgery, the peptide can be envisioned for clinical use in a variety of diseases and conditions.

About PharmaResearch Products Ltd

PharmaResearch Products Ltd. is a South Korean biopharmaceutical company with headquarters in Seongnam-si, Gyeonggi-do. PharmaResearch Products Ltd. is on the forefront of research in regenerative medicine in the Republic of Korea and is determined to expand its scope of R&D and manufacturing activities into important markets all over the world. Currently, the company supports marketing and sales of several unique products, including the Rejuran product line. PharmaResearch Products Ltd is listed on KOSDAQ.