

## **Abbott to Acquire Action Pharma's Investigational Compound, AP214, in Phase 2b Development for Prevention of Acute Kidney Injury**

Aarhus, Denmark, May 3, 2012

Action Pharma A/S, a privately owned company, today announced that it has entered into an agreement in which Abbott will acquire AP214 from Action Pharma.

AP214 is in development to prevent acute kidney injury (AKI) associated with major cardiac surgery in patients at increased risk and has further potential in adjacent indications. AP214 is a hormone analogue that targets both systemic inflammation and cellular death (apoptosis) caused by hypoxia (lack of blood flow) that can occur during surgery. In September 2011, Action Pharma announced positive Phase 2b top-line results evaluating the efficacy, safety and tolerability of AP214. Abbott plans to conduct another Phase 2b study, which is expected to begin later this year.

Under the terms of the agreement, Abbott will acquire all global rights to develop and commercialize AP214 for the prevention of AKI and other relevant indications. Abbott will provide a cash payment of \$110 million to Action Pharma and will be responsible for funding all future development and commercialization activities regarding AP214. No later milestone payments or royalties will be paid to Action Pharma.

"We are very excited about the sale of AP214 to such a prominent global health care company as Abbott, which has key development competencies to continue the development of this drug candidate for the benefit of patients and physicians in the renal therapeutic area," said Ingelise Saunders, CEO of Action Pharma. "We also wish to thank our shareholders for their continued support of Action Pharma."

"AP214 has the potential to become the first-in-class therapy for the prevention of acute kidney injury (AKI) associated with major cardiac surgery and demonstrates the strength of Action Pharma's technology", said Sten Verland, Chairman of the Board of Action Pharma and a partner of Sunstone Capital. He continued, "the sale of AP214 is an example that world-class science, a focused strategy, and a strong and dedicated management team are key to a successful exit for the shareholders."

In 2003, Action Pharma in-licensed Zealand Pharma A/S' (NASDAQ OMX Copenhagen: ZEAL) SIP<sup>®</sup> technology for use with pro-opiomelanocortin derivatives. A main purpose of this assisting peptide-modifying technology was the first phase of building the patent position of AP214. As part of the agreement between Abbott and Action Pharma, Action Pharma's original licensing agreement with Zealand Pharma regarding the SIP<sup>®</sup> technology is cancelled, and superseded with a new agreement between Abbott and Zealand Pharma (see separate announcement from Zealand Pharma) regarding the SIP<sup>®</sup> technology. Upon the closing of the Abbott and Action Pharma transaction, Action Pharma will make a one-time payment to Zealand Pharma of \$11 million. Zealand Pharma will also be entitled to a low single-digit royalty on Abbott's future global sales of AP214 (referred to as ZP1480 by Zealand Pharma). Since 2003, Action Pharma has solely developed AP214 to its current clinical status.

Back Bay Life Science Advisors provided strategic advisory services for Action Pharma prior to and throughout the transaction.

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**About Acute Kidney Injury Associated with Major Cardiac Surgery**

Acute kidney injury (AKI) is known to be associated with increased short- and long-term mortality and co-morbidity, as well as prolonged hospitalization and permanent decline in renal function. Currently there are no pharmaceuticals on the market for the treatment or prevention of AKI associated with major cardiac surgery.

**About Action Pharma A/S**

Action Pharma is a privately-owned Danish biotech company. Action Pharma has for almost ten years focused on developing novel drug candidates targeting melanocortin receptors and bring these to the stage of clinical proof of concept for subsequent partnering. Action Pharma has a strong investor base of leading European investors, including Sunstone Capital, Global Life Science Ventures, SLS Invest, InnovationsKapital, Incuba Venture, and Oestjysk Innovation. For more information, please visit [www.actionpharma.com](http://www.actionpharma.com).