

**Press release March 21, 2005**

## **Orexo boosts efforts on its diagnostic pharmaceutical – establishes subsidiary centered on Diabact® UBT**

*The Swedish drug-delivery company Orexo, is increasing its efforts on its first commercialized product Diabact® UBT by establishing a subsidiary based on the product. Lena Söderström, most recently Director Business Development at Fresenius Kabi AB, will be appointed as Managing Director of the subsidiary.*

“Diabact® UBT has a significant market potential. To successfully capitalize on this potential, we are forming a subsidiary with the objective to create a strong position for the test in existing and new markets,” says Zsolt Lavotha, President and CEO of Orexo. “This subsidiary shall be provided with autonomy to actively in-license products and/or enhance its operation based on strategic transactions.”

Diabact® UBT is a breath test used to diagnose the stomach-ulcer bacterium *Helicobacter pylori*. An estimated 260 million people in the Western world are infected with *Helicobacter pylori*. Diagnosing the infection and treating it with antibiotics can effectively cure stomach ulcers. In recent years it has also been found that early treatment of the *Helicobacter pylori* infection can reduce the risk of developing certain types of stomach cancer.

Lena Söderström will be the Managing Director of the subsidiary. Lena Söderström has vast experience from research as well as production and marketing. Most recently she was employed at Fresenius Kabi AB. She assumes her position on May 2.

“We are very pleased that Lena is taking on the challenge of establishing Diabact® UBT as a global product. She has the knowledge and the driving force needed to increase growth and build strong operations based on the product,” says Zsolt Lavotha.

Orexo has earlier signed distribution and marketing agreements for Diabact® UBT on markets in Finland, Hong Kong, Ireland, the UK and Sweden. In the Japanese market, a license agreement is signed with the Kyowa Hakko pharmaceuticals company.

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## **To the editors**

### *About Orexo*

Orexo is a product focused drug delivery company that develops proprietary pharmaceuticals to address areas of unmet therapeutic need. Orexo exploits its multidisciplinary capabilities to assess areas of therapeutic need that can be met by developing proprietary pharmaceuticals based on well documented pharmacologically active compounds that incorporate Orexo's proprietary drug delivery technologies.

The Company has commercialized one product, three product candidates in the clinical phase – where of one is out-licensed in North America and Japan – two product candidates in the formulation development phase and one project at an early research stage of development.

[www.orexo.se](http://www.orexo.se)

### *About drug delivery*

Drug delivery is about finding methods to make the active component of a drug to function in the optimal manner through new preparations or formulations. Many of the pharmaceuticals sold today have shortcomings – for example, they may be slow-acting, product side-effects, require frequent administration in high dosages, or perhaps can only be injected. This is why the demand for new procedures that can enhance treatment efficiency is increasing sharply. Approximately one of five drugs of the 200 best-selling prescription drugs in the US has been improved through drug delivery.

### *About Diabact UBT*

Diabact® UBT is Orexo's first commercialized product. It is a drug for diagnosing the stomach-ulcer bacterium *Helicobacter pylori*. The test is a breath test, based on Orexo's patented technology for fast-dissolving tablets.

An estimated total of 260 million people in the Western world are infected with *Helicobacter pylori*. By diagnosing the infection and treating it with antibiotics, stomach ulcer can be effectively cured. In recent years it has also been found that early treatment of the *Helicobacter pylori* infection can reduce the risk of developing certain forms of stomach cancer.

The tablet on which Diabact® UBT is based gives the product a number of unique characteristics compared with other breath tests – for instance, greater reliability, lower dose, shorter test duration and lower cost. Distribution and marketing agreements for Diabact® UBT have been signed for Finland, Hong Kong, Ireland, the UK and Sweden. For the Japanese market, License Agreement have been signed with the Kyowa Hakko pharmaceutical company.

### *About Lena Söderström*

Lena Söderström has vast experience from research as well as production and marketing. Most recently she was employed at Fresenius Kabi AB where she from 1999 to 2002 held the position as Director Business Development. Before that, Lena was employed at Pharmacia Diagnostics where she since 1986 held several positions within manufacturing, quality control, production, project management and strategic marketing.

Lena has a MSc in Biomedicine and Biomedicin and a MBA in International Business Management. She has also completed a number of courses in leadership, financial management, process validation and pharmaceutical quality and good manufacturing practice.

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