



KAHR Medical raises 1.5 million sheqels from Hadasit Bio-Holdings and moves towards a clinical trial of immune-system diseases and cancer

Invited to present preclinical results at major scientific conferences in Europe and the United States

Jerusalem, Israel, December 24, 2009. KAHR Medical, a portfolio company of Hadasit Bio-Holdings, Ltd. (HBL; TASE symbol: HDST), announced today that during the past year it has raised approximately NIS 1.5 million from Hadasit Bio-Holdings. It has also submitted a proposal to the Office of the Chief Scientist of the Ministry of Industry and Trade for an additional one million sheqels in funding.

Hadasit CEO Ophir Shahaf note that "HBL continues to support its portfolio companies, with the aim of helping them progress on their development pipelines. The current round of funding is intended to help KAHR move towards a clinical trial on immune-system diseases and cancer."

KAHR Medical is working on innovative new drugs for the treatment of autoimmune diseases and cancer. It employs a technology known as TSCP (trans-signal converter proteins), which makes it possible to combine two active sites in a single protein molecule, unlike standard biopharmaceuticals, which have only one active end. The two active sites make it possible for TSCP drugs to block or activate two extracellular signals at the same time, creating a totally new class of pharmaceuticals that can convert signals sent from one cell to another cell. The technology is in practice a broad "platform" that has attracted significant interest from potential partners because of its ability to improve the performance of many drugs by several orders of magnitude.

KAHR Medical's lead product, KAHR-101, is currently in advanced preclinical trials for treatment of autoimmune diseases and cancer. Based on the impressive preclinical results that KAHR-101 has demonstrated in animal models, the company has been invited to present its TSCP technology and the drug's preclinical data at two major scientific meetings in Europe and the United States: the ninth annual PepTalk conferences (San Diego, January 2010) and the Ninth International Conference on New Trends in Immunosuppression (Geneva, February 2010).

According to Dr. Noam Shani, CEO of KAHR Medical, "we are very proud that we have been asked to demonstrate our TSCP technology at major scientific conferences. The invitations are another indication of the vast potential that the scientific community sees in our innovative technological platform."

KAHR Medical recently began a first round of seeking outside investors (Series A) to finance the initial clinical trial of its flagship product, KAHR-101. The company has announced that it is at an advanced stage of negotiations with venture-capital firms in Israel and abroad, as well as with an international pharmaceutical concern.

About KAHR Medical

KAHR Medical is a portfolio company of Hadasit Bio-Holdings, the public holding arm of Hadasit, which is itself the technology transfer affiliate of the Hadassah–Hebrew University Medical Center. KAHR Medical develops innovative drugs based on TSCP (trans-signal converter proteins) technology. For additional information, please visit its website: www.kahr-medical.com.

About Hadasit Bio-Holdings

Hadasit Bio-Holdings (HDST) was set up by Hadasit (the technology-transfer company of the Hadassah–Hebrew University Medical Center) in 2005 to exploit the knowledge and experience accumulated by the institution's research laboratories. Hadasit Bio-Holdings currently includes eight biotech firms, all of

which have already demonstrated the feasibility of their concepts and effectiveness of their drugs in animal models and are waiting to begin human clinical trials. The HBL portfolio companies are working on drugs with blockbuster potential (markets that exceed one billion dollars annually) for the treatment of cancer, inflammatory diseases, and tissue regeneration by means of stem cells—areas in which the Hadassah Medical Center has vast expertise and a reputation as a world leader. For more information, please visit our website: www.hbl.co.il.