



## **Serica Technologies Acquired by Allergan**

*Novel Tissue Regeneration Technologies Added to Allergan's Breast Aesthetic and Reconstructive Surgery Portfolio /  
New Company Created from Orthopedic and Veterinary Assets*

**Medford, MA – February 4, 2010** – Morningside Technology Ventures, Prism VentureWorks, and Ivy Capital Partners are pleased to announce the acquisition of their portfolio company, Serica Technologies, Inc. by Allergan, Inc. Serica is a growth-stage medical device company focused on the development of biodegradable silk-based scaffolds for use in tissue regeneration in numerous therapeutic areas. Following the acquisition, Serica became a wholly owned subsidiary of Allergan. Serica Stockholders received an upfront cash payment plus equity in a new company, Alacer Biomedical, Inc., which holds exclusive rights to Serica's intellectual property within orthopedic and veterinary indications. The value of the transaction was not disclosed.

Serica was formed in 1998 based on technology originating from Tufts University. Prior to the acquisition, Serica had raised less than \$24M in equity financing from a syndicate that included Morningside, Prism, Ivy, and various individual investors. Allergan plans to continue operating Serica out of Serica's state-of-the-art office, R&D, and manufacturing facility in Medford, MA.

"I am exceptionally pleased about this outcome for all of Serica's shareholders," said Gregory H. Altman, Ph.D., CEO and Founder of Serica. "Our dedicated team created a truly revolutionary biomaterial platform and then demonstrated its utility in a number of medical indications. Given Allergan's expertise across multiple health care specialties, they were able to quickly gauge the great potential of our technology platform. Our team is excited to join Allergan Medical and we are further motivated by their strong commitment to continue developing Serica's technology. I am also very pleased that Alacer will continue developing Serica's scaffold platform within orthopedics and veterinary medicine where great unmet clinical needs still exist."

"This highly successful outcome was made possible by both an outstanding technology and a top-notch team," commented Brendan M. O'Leary, Ph.D., General Partner at Prism. "We began exploring strategic partnerships last summer with a number of industry players which very quickly led to acquisition discussions. Many large medical device companies have weathered the storm and now have shifted focus to future growth. Serica provided a unique opportunity to tap into huge new markets with a revolutionary technology and to acquire a small, highly productive R&D team with unique skill sets around that technology. It was a difficult decision to sell Serica, but the Allergan transaction provided the shareholders with an excellent return while

maintaining the ability to hold onto several high value indications within the Alacer spin-off.”

“As Serica’s first institutional investor, Morningside was attracted by its novel technology and Greg’s vision. We are pleased to have worked with Greg and the Serica team to achieve this success for the employees and investors,” noted Stephanie Monaghan O’Brien of Morningside. “We are excited about Alacer’s goals for this technology in orthopedic and veterinary indications.”

Robert W. Pangia, Principal at Ivy Capital Partners stated “The transaction with Allergan is an endorsement of the clinical and commercial value of Serica’s novel silk-based scaffold technology. This exit represents an excellent return for Ivy’s investors and we are pleased to have had an opportunity to partner with Serica’s creative and dynamic management team. We look forward to continuing both the underlying technology development and pattern of success with Alacer.”

### **About Morningside Technology Ventures**

Morningside ([www.Morningside.com](http://www.Morningside.com)) is a diversified investment group founded in 1986 by the Chan family of Hong Kong. The Chan family founded the Hang Lung Group in Hong Kong in 1960. Morningside is engaged primarily in private equity and venture capital investments. The group has investments in North America, Europe, across Asia-Pacific, and since 1992, in Mainland China. Morningside was one of the earliest institutional investors in China’s internet industry and in recent years has been a leader in China’s emerging biotechnology sector.

### **About Prism VentureWorks**

Prism VentureWorks ([www.prismventure.com](http://www.prismventure.com)) is an early stage venture capital firm focused on disruptive segments in the Digital Media, Life Sciences, and Software & Services sectors. The firm is comprised of a committed team of investors whose industry operating heritage and domain depth make them valued partners among entrepreneurs and syndicates in building successful businesses. Founded in 1996, the Firm has approximately \$1.25 billion in capital under management and is based in Needham, MA.

### **About Ivy Capital Partners**

Ivy Capital Partners, LLC ([www.ivycapitalpartners.com](http://www.ivycapitalpartners.com)) is a specialized private equity firm dedicated to investing in promising companies operating in the musculoskeletal sector. Ivy Capital Partners leverages its principals’ substantial orthopedic industry domain expertise and wide relationship network to identify and build innovative, high-growth companies solving large unmet needs in the musculoskeletal sector. Founded in 2003, the Firm has invested in 17 public and private companies and is based in Montvale, NJ.

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