

JAR Pharmaceuticals
December 6, 2001

Phloderm™ Skin Moisturizer



JAR Pharmaceuticals Ltd.
PHLODERM™ Skin Moisturizer

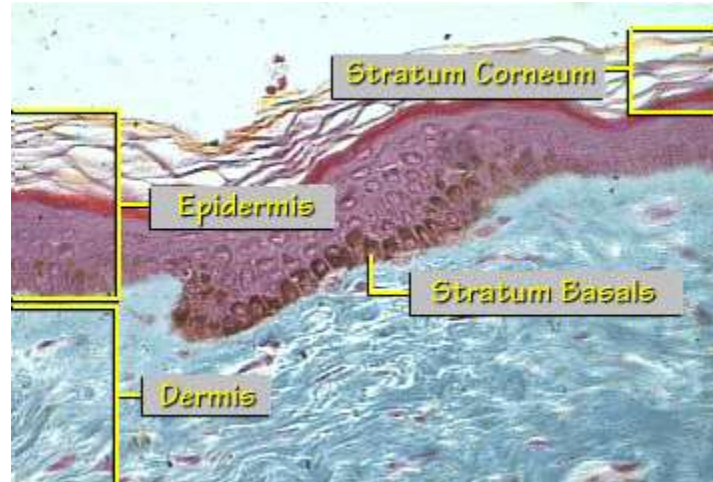
Phase 1: Preliminary Basic Science Report of Xerosis and Treatments

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Your Skin

Your skin is your body's largest organ. It covers you from head to toe, it protects you, it keeps you warm and cools you down. It acts as a barrier to shelter you from external factors such as infection and environmental assaults such as sun, wind, heat, dryness and cold¹. Your skin is divided into two primary layers: the outer epidermis and the inner dermis (Fig. 1). Every month new cells replace the epidermis in a process referred to as desquamation². The main function of the epidermis is to produce the selectively permeable outer layer of your skin termed the stratum corneum. It is this layer that is responsible for protecting us against the external factors mentioned above. The stratum corneum is composed of corneocytes (dead cells) surrounded by a continuous lipid matrix. The barrier properties of the stratum corneum are highly dependent on its lipid content. For example, the absence of dietary lipids leads to unhealthy skin³ that can be restored to normal skin by the topical application of essential fatty acids (EFA)⁴.



Dry Skin or Xerosis

To maintain its integrity and have the softness and pliability of normal skin the water concentration of the stratum corneum should be between 20 and 35 percent⁵. Although there is no single biologic feature responsible for dry skin, anything that decreases the water content of the stratum corneum, such as the reduced humidity and cold weather associated with Northern climates, can accentuate it. Dry skin can range from 'winter itch' to grossly eczematized or dermatitic skin⁶. It most commonly appears at the extremities, including legs, feet, knees, elbows and hands, which are commonly subjected to microtraumas. Abnormally dry skin, termed xerosis, occurs as a result of transepidermal water loss (TEWL) from a disturbance in the barrier function of the stratum corneum⁷. As the integrity of the epidermis decreases, TEWL increases. Xerosis can cause cracks in your skin, which in turn opens the door for bacteria, viruses and fungi (pathogens) to enter our bodies. Since your skin is your first line of defense (known as innate immunity) against most pathogens, cracks in your skin often lead to infections. By applying moisturizers to your skin you can restore the epidermal integrity, thereby-mitigating TEWL and infections. Variations in the levels and types of lipids present in the stratum corneum

¹ Rawlings AV, Scott IR, Harding CR, Bowser PA.: Stratum corneum moisturization at the molecular level. *J Invest Dermatol.* 103:731-740, 1994

² Hunter I, Skerrow D.: The effect of increased tissue turnover on the keratinization of human epidermis. *Biochim Biophys Acta.* 4:155-9, 1981

³ Matoltsy AG, Downes AM, Sweeney TM.: Studies of the epidermal water barrier. Investigation of the chemical nature of the water barrier. *J Invest Dermatol.* 50:19-26, 1968

⁴ Prottey C, Hartop PJ, Press M.: Correction of the cutaneous manifestations of essential fatty acid deficiency in man by application of sunflower seed oil to the skin. *J Invest Dermatol.* 64:228-234, 1975

⁵ Draeos ZD.: Therapeutic Moisturizers. *Dermatol Clin.* 18(4): 597-607, 2000

⁶ Pierard GE.: What do you mean by dry skin? *Dermatologica.* 179:1-2, 1989

⁷ Wildnauer RH, Bothwell JW, Douglass AB.: Stratum corneum biomechanical properties. *J Invest Dermatol.* 56:72-78, 1971

can influence barrier function, water content and skin condition. Genetics, aging, diet (including drugs like diuretics), environmental factors (such as occupational exposure) and certain diseases (e.g., diabetes) all influence the lipids present in the stratum corneum.

Occupational Xerosis

Occupational xerosis occurs as a result of the natural moisturizing factors, including protective oils (i.e., lipids) being removed from your skin making the stratum corneum permeable⁸. This occurs with frequent handwashing seen in professions such as doctors, nurses, dentists and foodworkers; exposure to solvents (e.g., propylene glycol, glycerine, DMSO and certain alcohols) by chemical and oil workers and by extensive contact with water, soap, detergents and other degreasing agents. This loss of epidermal integrity makes skin more prone to cracking and subsequent infection. The prophylactic use of moisturizers, particularly emollients, can help protect and revitalize the lipid structure and prevent occupationally induced xerotic skin.

Diabetic Xerosis

Skin problems are a major concern among patients with diabetes, with as much as a third having skin disorders throughout their life. Not only is a diabetic patient's skin more susceptible to infection, it is also generally slower to heal. As a result, diabetics face the compounding problem of being more prone to infection and slower to heal if infection occurs. One of the principle causes of diabetic skin disorders is a nerve disorder termed neuropathy. Symptoms of peripheral neuropathy include numbness and sometimes pain in the hands, feet, or legs. Because of the loss of sensation, many skin traumas go unnoticed. This mechanical failure of the stratum corneum compromises the body's first line of immune defense (innate immunity) and can lead to infections⁹. These infections can become very serious, ultimately leading to amputations. Doctors estimate that nearly three quarters of all amputations caused by neuropathy and poor circulation could be prevented with careful skin care¹⁰. The use of moisturizers can retard moisture loss and help prevent dry, cracked skin helping to both preserve and re-establish skin integrity and plasticity¹¹.

Pharmacological Treatment of Xerosis

The early research of Dr. Irwin Blank pointed out that water was important for the moisturization and plasticity of the stratum corneum¹². One common and effective way to combat dry skin is the frequent use of moisturizers, including emollients. Moisturizers work by leaving a protective layer on the skin allowing the stratum corneum to retain water for a longer period of time and prevent evaporation (i.e., reducing the TEWL) allowing for increased hydration. A quality moisturizer contains both humectant and occlusive ingredients to rehydrate the skin optimally. Humectants attract water from the viable skin layers to the stratum corneum and temporarily hold it there to provide moisture. Humectants can make the skin feel softer by smoothing-in holes in the stratum corneum through swelling. In contrast, occlusive moisturizing agents condition the skin by preventing evaporation (i.e., decreasing TEWL) from the skin surface.

1. Emollients

⁸ Meguro S, Arai Y, Masukawa Y, Uie K, Tokimitsu I.: Relationship between covalently bound ceramides and transepidermal water loss (TEWL). Arch Dermatol Res. 292(9):463-8, 2000

⁹ American Diabetes Association

¹⁰ National Institute of diabetes and digestive and kidney diseases, National Institutes of Health

¹¹ National Institute of diabetes and digestive and kidney diseases, National Institutes of Health

¹² Blank IH.: Factors which influence the water content of the stratum corneum. J Invest Dermatol. 18:433-440, 1952

Emollients are oily substances that help to maintain the soft, smooth, pliable feel and pleasing appearance of the skin. They function by filling in crevices between the desquamating corneocytes on the epidermal surface, and improve the skin's lubrication by moisturization. The lipids in emollients help restore the normal barrier function of the skin and protect it from external influences. The length of time an application of emollient works depends on the season, the patient's occupation, and the types of preparations used.

2. Exfoliants

Exfoliants are substances that increase the desquamation rate of the corneocytes in the stratum corneum. In doing so, they stimulate the growth of new skin and restore the integrity of the epidermis¹³. The principal exfoliants commonly incorporated into skin care products are urea, and the hydroxy acids.

Urea

Urea, one of the natural moisturizing factors in the skin, functions as both a moisturizer and an exfoliant. It moisturizes your epidermis by disrupting hydrogen bonding, thereby exposing the water binding sites on the corneocytes. It also promotes desquamation (shedding) of the corneocytes, by dissolving the intercellular cementing substance holding them together¹⁴.

Hydroxy Acids

The alpha and beta hydroxy acids are organic carboxylic acids having a hydroxyl group at the alpha or beta position respectively. Their function as exfoliant moisturizers on the skin can be significant. As mentioned above, exfoliation is fundamental to give the skin a rejuvenated appearance. Two of the first alpha hydroxy acids to reach the market were glycolic acid and lactic acid. Although these non-toxic organic acids were originally found in foods (sugar cane and sour milk respectively), they are currently produced synthetically. The only beta hydroxy acid is salicylic acid. The mechanism of action of the hydroxy acids is not yet completely understood, however it has been suggested that they increase exfoliation by interfering with ionic bonds, dissolving the intercellular cement between adjacent corneocytes, reducing intercellular adhesion^{15,16}.

3. Antioxidants

Ultraviolet light (e.g., sunshine) and environmental pollutants are known initiators of free radicals. Free radicals are highly reactive molecules that damage cellular membranes and DNA. Antioxidants function by scavenging and neutralizing free radicals. Vitamin A (retinoid), vitamin C and vitamin E are the most prominent vitamin-based antioxidants, each with specific benefits. They are added to skin creams in an effort to decrease the harmful effects of free radicals on cell viability. Despite the low concentration of vitamin E in the epidermis (about 1 nmol/g¹⁷) it remains the most important lipid soluble antioxidant occurring naturally in cell membranes¹⁸. Antioxidants prevent the oxidation of unsaturated fatty acids in the membranes of

¹³ Rawlings AV, Scott IR, Harding CR, Bowser PA.: Stratum corneum moisturization at the molecular level. J Invest Dermatol. 103:731-740, 1994

¹⁴ Raab WP.: Uses of urea in cosmetology. Cosmet Toilet. 105:97-102, 1990

¹⁵ Van Scott EJ, Yu RJ.: Hyperkeratinization, corneocyte cohesion and alpha hydroxy acids. J Am Acad Dermatol Nov;11(5 Pt 1):867-79, 1984

¹⁶ Draelos ZD.: Hydroxy acids for the treatment of aging skin. J Geriatr Dermatol. 5:236-240, 1997

¹⁷ Fuchs J, Hufleijt ME, Rothfuss LM, et al.: Acute effects of near ultraviolet and visible light on the cutaneous antioxidant defense system. Photochem Photobiol. 50:739-744, 1989

¹⁸ Draelos ZD.: Therapeutic Moisturizers. Dermatol Clin. 18(4): 597-607, 2000

cells. Numerous clinical rejuvenating effects have been shown with the topical application of vitamin E, including visible improvement in the signs of aging skin¹⁹.

Why Phlo Derm?

Phlo Derm™ combines the essential elements for rejuvenating dry skin, including emollients, exfoliants, antioxidants and natural cell-building phospholipids. It doesn't just 'sit on the surface', it penetrates. Most importantly, when applied it has no lasting greasy or waxy feel, leaving the skin smooth and supple²⁰. In contrast, many popular commercial moisturizers perform only one of the above functions compared to Phlo Derm's™ total adjuvant action. This makes Phlo Derm™ a revolutionary moisturizer for maintaining the viability and integrity of epidermis, particularly the stratum corneum barrier layer.

In addition to providing the essential elements for combating xerosis, Phlo Derm™ can be used as a penetrating vehicle for medicaments to counteract skin disorders accompanying dry skin such as rash, infections, eruptions due to insect toxins, dermatitis and eczema.

Figure 2 illustrates the transient structural changes that occur within the skin when certain elements of Phlo Derm™ are administered. It indicates how a medicament incorporated in Phlo Derm™ may be able to migrate to the underlying tissues and blood vessels.

The lipids present in the stratum corneum are also important for efficient barrier function²¹. By configuring molecules to assimilate with the lipid barrier, the components of Phlo Derm™ can perform both roles, transport through and repair of damaged epidermal barrier²². All of this makes Phlo Derm™ revolutionary as a moisturizer to help restore the skin's normal texture and barrier function.



Fig. 2. Low temperature scanning electron micrographs of intact (a), isolated and ethanol washed (b) and 250 mM lecithin microemulsion gel treated human stratum corneum over 5 days (c). [Reprinted from J. Control. Rel., 45, 131-140 (1997). F. Dreher et al., Interaction of a lecithin microemulsion gel with human stratum corneum and its effect on transdermal transport. With permission from Elsevier Science (Copyright)]

¹⁹ Lupo MP.: Antioxidants and vitamins in cosmetics. Clin Dermatol. 19:467-473, 2001

²⁰ Zetterson EM, Ghadially R, Feingold KR, Crumrine D, Elias PM.: Optimal ratios of topical stratum corneum lipids improve barrier recovery in chronically aged skin. J Am Acad Dermatol. 37:403-408m 1997

²¹ Man M, Feingold KR, Elias PM.: Exogenous lipids influence permeability barrier recovery in acetone treated murine skin. Arch Dermatol. 129:728-738, 1993

²² Loden M, Andersson AC.: Effects of topically applied lipids on surfactant-irritated skin. Brit J Derm. 134:215-220, 1996