

Karolinska Development's portfolio company Umecrine Cognition secures financing for clinical development of the drug candidate GR3027 against sleep disorders

STOCKHOLM - October 4, 2017. Karolinska Development's portfolio company Umecrine Cognition today announces that the company has closed a financing round raising SEK 20 million. The purpose of the financing round is to fund an explorative phase 2a-study of the company's drug candidate GR3027 of an additional indication area; idiopathic hypersomnia. GR3027 is also developed as a potential new treatment for hepatic encephalopathy, and has recently shown good results in a phase 1b-trial.

Idiopathic hypersomnia is a potentially disabling disease that is characterized by chronic excessive daytime sleepiness, despite normal sleep during the night. There is no effective treatment for the disease.

GR3027 is a GABA_A – receptor modulating steroid antagonist that is expected to be able to affect the biological process which has been reported to contribute to the symptoms of patients with idiopathic hypersomnia. The results of a recently finished phase 1b-study show that GR3027 is tolerated well, does not cause any dosage limited side effects and has a favourable pharmacokinetic profile.

"We welcome Umecrine Cognition's decision to expand the development of GR3027 to an additional indication area where alternative therapies are needed. This will increase the commercial potential and at the same time decrease the risk with the project", says Viktor Drvota, CEO, Karolinska Development.

Karolinska Development AB, Fort Knox Förvaring AB, Stiftelsen Norrlandsfonden and the company's founder Torbjörn Bäckström participated in the financing round.

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TO THE EDITORS

About Karolinska Development AB

Karolinska Development AB (Nasdaq Stockholm: KDEV) is a Nordic life sciences investment company. The company focuses on identifying breakthrough medical innovations in the Nordic region that are developed by entrepreneurs and leadership teams. The Company invests in the creation and growth of companies that

advance these assets into commercial products that are designed to make a difference to patients' lives while providing an attractive return on investment to shareholders.

Karolinska Development has access to world-class medical innovations at the Karolinska Institutet and other leading universities and research institutes in the Nordic region. The Company aims to build companies around scientists who are leaders in their fields, supported by experienced management teams and advisers, and co-funded by specialist international investors, to provide the greatest chance of success.

Karolinska Development has established a portfolio of nine companies targeting opportunities in innovative treatment for life-threatening or serious debilitating diseases.

The Company is led by an entrepreneurial team of investment professionals with a proven track record as company builders and with access to a strong global network.

For more information, please visit www.karolinskadevelopment.com

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