



Press Release
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LinkMed acquires world leading company in the transplantation sector

LinkMed AB, a leading listed private equity company in the life science sector, is acquiring 100 percent of the shares in Olerup SSP AB, a world leading company in the transplantation area and one of Sweden's most profitable biotechnology companies. The acquisition will further strengthen LinkMed's position in the transplantation sector and is strategically important in that it complements LinkMed's portfolio company AbSorber and its XM-ONE[®] product. In the long-term, LinkMed strives to build a larger company in the transplantation sector with a broad product portfolio. The value of the acquisition is SEK 216 million.

Olerup SSP's products are primarily used prior to bone marrow transplantations, while Absorber's product XM-ONE[®] is mainly used prior to organ transplantations, with kidney transplantations being the most common. Both companies offer tests that are required before a transplantation operation in order to match the donor with the recipient. A better match between the donor and the recipient increases the probability of a successful transplantation and lowers the risk of complications such as rejections.

The acquisition will be completed during July 2008. Subsequent to the acquisition, Olerup SPP AB will be a wholly owned subsidiary of LinkMed AB. Today, the company is owned by its founder Olle Olerup and is located outside Stockholm, Sweden.

- From the date of acquisition LinkMed will report positive operating profit and cash flow from operations.
- Olerup SSP AB reported sales of SEK 69.0 million and an EBIT of SEK 35.9 million in 2007. Comparable sales in 2006 were SEK 64.5 million. EBIT margins for the past five years have averaged 56 percent.
- Olerup SPP AB is world leading in developing reagents and kits for low resolution and high resolution HLA (Human Leukocyte Antigen) typing. The company has a global sales agreement with the Germany company Qiagen, which is a leading distributor in the area of diagnostics.
- There are major synergies between Olerup SSP AB and LinkMed's portfolio company AbSorber and its XM-One[®] product. The companies are deemed to be a good strategic fit.
- Assistant Professor Olle Olerup will continue as CEO of Olerup SSP AB, after it becomes a wholly owned LinkMed subsidiary.
- The maximum purchase price is set at SEK 216 million, with part of the payment being made in cash, part in convertibles and part as an additional purchase sum linked to future sales goals.



The transaction is conditional to approval by an extraordinary meeting of shareholders of LinkMed AB, at which a decision regarding the proposal of a non-cash issue in the form of a convertible loan at a value of SEK 31 million will be voted on.

"Olerup SSP AB is a well managed and very profitable company active in a growing market that is of great interest to LinkMed. Better matching between the donor and recipient increases the probability of a successful transplantation and is extremely important for different types of transplantations," says LinkMed's CEO and founder Ingemar Lagerlöf. "Through our portfolio company Absorber and the product XM-ONE[®] LinkMed is already establishing itself in this market and going forward we see potential in creating a unique and significantly larger transplantation company," he continues.

The transplantation market

There is a great shortage of donors and organs today at the same time as the need for donors and organs continues to increase, with waiting times becoming longer and longer – circumstances that are referred to as the "organ gap". Today, approximately 25,000 bone marrow transplantations are carried out globally per year of which 40 percent are between non-related donors and patients. This type of transplantation is growing considerably faster than those between relatives. The increase is largely due to the creation of donor registers in recent years. According to WHO, the number of solid organ transplantations per year exceeds 90,000. Kidney transplantations are the most common, followed by liver transplantations.

Olerup SSP AB and HLA typing

Olerup SSP AB was founded in 1992 and has 23 employees. The company is world leading in the development of reagents and kits for genomic HLA typing, which is a required step performed prior to a transplantation operation in order to match the donor and recipient. HLA typing is primarily carried out before bone marrow transplantations (hematopoietic stem cell transplantation) but is also carried out in conjunction with solid organ transplantations (kidneys, lungs, hearts, etc).

The better the match between donor and recipient, the lower the risk of transplantation-related complications. Genomic HLA typing is therefore a standard procedure prior to bone marrow transplantations.

There are two types of HLA, class 1 and 2. The genes that steer tissue type are found on the chromosome number 6 pair of chromosomes. In order to be able to donate stem cells it is important that these HLA types match. A sibling may have the same tissue type if they inherited the same chromosome number 6 from both their mother and father. There is a one in four chance of this, resulting in that relatives other than siblings almost never have the same tissue type, so stem cells for bone marrow transplantations are primarily donated by siblings. If no HLA identical siblings are available a search is carried out for a non-related donor via, for example the Tobias Register in Sweden or other similar bone marrow registers in other countries. Today, there are over 12 million people registered in different bone marrow registers. See *Bone Marrow Donors World Wide* (www.bmdw.org).

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There are an infinite number of genomic variants, alleles, of HLA and new variants are identified continuously. Olerup SSP develops reagents and kits that are used for HLA typing according to the PCR SSP method (sequence specific primers), in which Olerup is world leading. Olerup SSP has one of the most complete registers of reagents and kits now covering more than 3,000 identified HLA variants. The company is highly skilled in developing new reagents and kits as new genomic variants of HLA are identified.

“Over the past 16 years I have built up Olerup SPP and I am very pleased to be passing on the torch to LinkMed. I am really passionate about the transplantation sector and with LinkMed as the new owner I can be confident that they will continue business in the same spirit. They have the expertise that is required to develop the company and in conjunction with their other portfolio company there is the opportunity to build something even bigger,” says Olerup SPP CEO and founder, Assistant Professor, Olle Olerup.

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LinkMed, in collaboration with innovators, develops new life science companies. By contributing entrepreneurship and capital, LinkMed has created a portfolio of eleven companies, six in biotechnology and five in medical technology. The LinkMed share is listed on the OMX Nordic Exchange Stockholm in the small-cap sector (ticker:LMED). The company's largest owners are FastPartner, Koncentra Holding, and the founder Ingemar Lagerlöf. See www.linkmed.se for more information.