Dilaforette Announces Co-Development Agreement with Ergomed for Sickle-Cell Disease Treatment

STOCKHOLM, LONDON – 19 February 2015: Ergomed plc (LSE: ERGO or 'Ergomed') and Dilaforette AB ('Dilaforette') today announced that they have entered into a co-development agreement for the Phase II clinical development of sevuparin in patients with Sickle-Cell Disease (SCD) experiencing acute Vaso-Occlusive Crisis (VOC). Dilaforette is part of the Karolinska Development AB (STO: KDEV or 'Karolinska Development') portfolio.

Under the terms of the agreement, Ergomed has been appointed as the clinical development organisation to conduct Dilaforette's multicentre, multinational, randomized Phase II study in SCD patients suffering from VOC. The study is planned to start in Q2 2015. Ergomed will furthermore co-invest a proportion of its revenues from the clinical and regulatory activities of the trial in return for an equity stake in Dilaforette.

VOCs are caused by sickled blood cells blocking the blood vessels, thereby reducing blood flow to organs leading to ischemia and often severe pain. Today, pain relief through opioids is the only available treatment for the patients during these episodes and there is therefore a profound unmet medical need for disease modifying treatments within VOC management. The blockage of blood flow caused by the sickled cells can also cause severe damage to various organs, such as the lungs, heart, spleen, kidneys and liver.

Commenting on the announcement, Dr Miroslav Reljanovic, CEO of Ergomed plc said: "We are very excited to co-invest in Dilaforette for the development of sevuparin, which has shown promising results in vivo on sickled red blood cells from SCD patients. As our first co-development agreement in orphan drug development and the fifth co-development agreement in our portfolio, this partnership reaffirms Ergomed's commitment to developing orphan drugs, as well as to our innovative co-development model which we believe has the potential to generate significant value for our shareholders."

Christina Herder, CEO of Dilaforette added: "SCD is a devastating disease affecting patients worldwide, for which there is today no specific effective treatment. We look forward to working with Ergomed, to take sevuparin into the next stage of development and trust this partnership to be an excellent opportunity to combine our expertise."

In the light of the announcement, Dr Terje Kalland, Acting CEO of Karolinska Development comments: "With this agreement, Dilaforette is progressing swiftly towards the initiation of the company's planned Phase II trial in SCD. Based on the promising preclinical data, Dilaforette may hold the key to a major shift in the treatment of VOCs where treatment options today are very limited for this orphan disease. We welcome Ergomed as co-investors in Dilaforette, which is an important strategic company in our portfolio. This announcement confirms our strategy to syndicate investments together with specialized life science investors. We now look forward to the continued development of sevuparin."

For further information, please contact:

Dilaforette AB
Christina Herder, CEO,
Tel: +46 70 374 71 56
E-mail: christina.herder@dilaforette.se

Ergomed PLC
Mary Clark, Supriya Mathur and Hollie Vile
Tel: + 44 203 440 5654
E-mail: ergomed@humebrophy.com

Karolinska Development AB
Terje Kalland, Acting CEO,
Tel: +46 8 524 860 70
E-mail: terje.kalland@karolinskadevelopment.com

TO THE EDITORS

About Dilaforette AB
Dilaforette is a Swedish drug development company developing sevuparin, an innovative, proprietary polysaccharide drug, which has potential to restore blood flow and prevent further microvascular obstruction in both sickle cell disease and malaria patients.

Sevuparin originates from research at the Karolinska Institute and Uppsala University. The drug development has involved world leading experts in the field of heparin from the Swedish pharmaceutical industry.

The main owner of Dilaforette is KDev Investments AB, owned by Karolinska Development AB (KDEV) and Rosetta Capital. Other larger owners are The Foundation for Baltic and European Studies (Östersjöstiftelsen) and Praktikerinvest AB. For more information, please visit www.dilaforette.se

About SCD
Sickle-Cell Disease (SCD) is a disabling and potentially fatal disease with a large unmet medical need in both the developed and developing world. SCD patients undergo on average one Vaso-Occlusive Crisis (VOC) per year. This acute complication is caused by sickle blood cells obstructing the blood flow to organs leading to ischemia and often severe pain. Long-term, SCD patients are at risk of organ damage and premature death.

About sevuparin
Sevuparin is an innovative, disease-modifying proprietary polysaccharide drug, which has the potential to restore blood flow and prevent further microvascular obstructions in SCD patients. (via a multimodal, anti-adhesive mechanism). The microvascular obstructions cause the severe pain during VOCs and the high morbidity through organ damage as well the risk of premature death.

About Ergomed
Ergomed PLC is a profitable UK-based company, providing drug development services to the pharmaceutical industry and has a growing portfolio of co-development partnerships. It operates in over 40 countries.

Ergomed provides clinical development, trial management and pharmacovigilance services to over 60 clients ranging from top 10 pharmaceutical companies to small and mid-sized drug development companies. Ergomed successfully manages clinical development from Phase I through to late phase programmes.

Ergomed has a wide therapeutic focus, with a particular expertise in oncology, neurology and immunology and the development of orphan drugs. Ergomed believes its approach to clinical trials is differentiated from that of other providers by its innovative Study Site Management model and the use of Study Physician Teams, resulting in a close relationship between Ergomed and the physicians involved in clinical trials.

As well as providing high quality clinical development services, Ergomed is building a portfolio of co-development partnerships with pharma and biotech companies which share the risks and rewards of drug development. Ergomed leverages its expertise and services in return for carried interest in the drugs under development. For further information, visit: http://ergomedplc.com

About Karolinska Development AB
Karolinska Development aims to create value for patients, researchers, investors and society by developing innovations from world class science into differentiated products that can be partnered. The business model is to: SELECT the most commercially attractive medical innovations that can potentially satisfy unmet medical needs; DEVELOP innovations to the stage where the greatest return on investment can be achieved; and COMMERCIALIZE the innovations through the sale of companies or out-licensing of products. An exclusive deal flow agreement with Karolinska Institutet Innovations AB, along with other cooperation agreements with leading universities, delivers a continuous flow of innovations. For more information, please visit www.karolinskadevelopment.com.

Karolinska Development is listed on NASDAQ OMX (KDEV). Karolinska Development may be required to disclose the information provided herein pursuant to the Securities Markets Act.

Forward Looking Statements
Certain statements contained within the announcement are forward looking statements and are based on current expectations, estimates and projections about the potential returns of Ergomed plc ("Ergomed") and industry and markets in which Ergomed operates, the Directors' beliefs and assumptions made by the Directors. Words such as "expects", "anticipates", "should", "intends", "plans", "believes", "seeks", "estimates", "projects", "pipeline" and variations of such words and similar expressions are intended to identify such forward looking statements and expectations. These statements are not guarantees of future performance or the ability to identify and consummate investments and involve certain risks, uncertainties, outcomes of negotiations and due diligence and assumptions that are difficult to predict, qualify or quantify. Therefore, actual outcomes and results may differ materially from what is expressed in such forward looking statements or expectations. Among the factors that could cause actual results to differ materially are: the general economic climate, competition, interest rate levels, loss of key personnel, the result of legal and commercial due diligence, the availability of financing on acceptable terms and changes in the legal or regulatory environment.

These forward-looking statements speak only as of the date of this announcement. Ergomed expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in Ergomed's expectations with regard thereto, any new information or any change in events, conditions or circumstances on which any such statements are based, unless required to do so by law or any appropriate regulatory authority.