

Umecrine Cognition raises SEK 20 million to treat unmet needs in sleep disorder

STOCKHOLM. Umecrine Cognition AB today announces the closing of a financing round raising SEK 20 million (US\$2.5 million). Financing will support an exploratory clinical phase IIa trial with the lead compound GR3027 in patients with idiopathic hypersomnia. Current investors Fort Knox Förvaring AB, Stiftelsen Norrlandsfonden, Torbjörn Bäckström, and Karolinska Development (Nasdaq Stockholm: KDEV) participated in the financing round.

Idiopathic hypersomnia (IH) is a severe orphan disease characterized by chronic excessive daytime sleepiness (EDS) despite normal sleep. It is a lifelong debilitating condition with a profound effect on the patients quality of life. There are no approved treatments for IH but several wake-promoting treatments are used off-label. However, they are inadequate to alleviate symptoms in most patients and many patients are treatment refractory.

Umecrine Cognition CEO, Magnus Doverskog, comments: "This financing round represents significant progress of the company's innovative therapeutic approach of restoring GABAergic neurotransmission in a subset of hypersomnolent patients with persistent sleepiness, in whom alternative therapies are greatly needed".

The validity of the company's approach to reduce GABAergic tone in idiopathic hypersomnia is demonstrated by the known GABAergic mechanisms of sleep onset maintenance, as well as the established role of GABAA receptor agonists in the production of pharmacological induced sleep and anaesthesia. Studies in patients with IH has also shown that GABAA receptor antagonism reduces sleepiness in patients with IH¹.

An endogenous substance in the cerebrospinal fluid of patients with idiopathic hypersomnia has been reported to enhance GABAA receptor activity¹, thereby promoting sleepiness. This further strengthen the company's scientific rationale.

Umecrine Cognition's lead candidate GR3027 is a novel GABAA receptor modulating steroid antagonist that acts on the neurosteroid enhancement of GABAA receptor activation. The compound is in clinical development for cognitive and sleep impairment associated with hepatic encephalopathy and the company recently announced positive top-line Phase I data demonstrating safety and tolerability and reversal of neurosteroid-induced, GABAA receptor-mediated inhibition of brain function in a human challenge study.

"The action of GR3027 at the GABAA receptors in humans is therefore likely to antagonise the debilitating effects of excessive daytime sleepiness in these patients," said Magnus Doverskog, CEO of Umecrine Cognition, and concludes "I am very pleased by the continued support from our current investors Karolinska Development, Fort Knox Förvaring AB, Norrlandsfonden, and the founder Torbjörn Bäckström."

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TO THE EDITORS

About Umecrine Cognition AB

Umecrine Cognition is developing a potential therapy that represents a new target class relevant for several major CNS-related disorders. The lead compound GR3027 presently in clinical development is positioned primarily as a novel therapy for the treatment of hepatic encephalopathy in patients with cirrhosis and for the treatment of excessive daytime sleepiness in patients with central disorders of hypersomnolence. For more information, please visit www.umecrinecognition.com.

References

[1] Rye, D.B. et al., Modulation of vigilance in the primary hypersomnias by endogenous enhancement of GABAA receptors. *Sci. Transl. Med.*, 2012, 4: 161re 151.