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FOR IMMEDIATE RELEASE

UP-SHER-SMITH AND SANIONA SIGN COLLABORATION AGREEMENT FOR DEVELOPMENT OF NOVEL THERAPEUTICS FOR NEUROLOGICAL DISORDERS

Maple Grove, MN and Ballerup, Denmark – January 20, 2016 – Upsher-Smith Laboratories, Inc. (Upsher-Smith), through its wholly-owned subsidiary Proximagen Ltd., and Saniona, a leading biotech company in the field of ion channels, today announce that they have entered into a drug discovery and development collaboration. This collaboration will focus on research of new small molecule therapeutics for neurological disorders, using Saniona’s expertise in ion channels and related technology platforms. Under the terms of the agreement, Proximagen is granted exclusive worldwide rights to develop, manufacture and commercialize medicines identified through the collaboration. For Saniona, the total potential value of pre-commercial milestone payments is up to \$US30 million.

“We are very pleased to be working with Saniona and its experienced scientific and management team. Saniona’s research platform and expertise within ion channels offer a valuable approach to create potentially highly effective and specific human therapies based on small molecules. Upsher-Smith has a particular focus on developing therapies for people living with central nervous system (CNS) conditions. We believe that the program with Saniona may provide potential new therapies within multiple areas of high unmet medical need in this field,” says William Pullman, MB, BS, BMedSc, PhD, FRACP, Chief Scientific Officer and Biotech Research Institute Division President, Upsher-Smith.

“We are delighted to have Proximagen and Upsher-Smith, a highly respected pharmaceutical company within the CNS field, as partners of Saniona. The collaboration centers around one of our early stage discovery programs, which is not described in detail under our product pipeline. Early stage research and development collaboration, joint ventures, and out-licensing of internally developed programs in early phases of drug development are our three strategic priorities for commercialization of our research efforts. This collaboration with Proximagen validates our strategy and represents an important step forward in realizing the

value for one of our unique discovery programs from our broad product pipeline. We look forward to providing Proximagen with innovative product candidates under this collaboration,” says Jørgen Drejer, CEO of Saniona.

While Proximagen is granted exclusive worldwide rights to develop, manufacture and commercialize medicines identified through the collaboration, Saniona will receive upfront and research funding during the research period. Under this agreement, Saniona expects to report approximately \$US1.1 million in 2016 in upfront and research funding. Furthermore, Saniona will receive milestone payments upon the achievement of certain research, development and regulatory milestones. The potential value of the milestone payments is up to \$US30 million. In addition, Saniona will receive tiered royalties on net sales of any potential products commercialized by Proximagen as a result of this collaboration.

About Proximagen

Since 2012, Proximagen has been a wholly-owned subsidiary of Upsher-Smith. With an integrated drug discovery facility based in Cambridge, UK, Proximagen acts as Upsher-Smith’s research and early development institute. Proximagen and its predecessor companies have a long heritage in discovery and development of novel small molecules, in particular in the areas of CNS, pain and inflammation.

About Upsher-Smith

Upsher-Smith Laboratories, Inc., founded in 1919, is a growing, fully integrated pharmaceutical company dedicated to its mission of delivering high-value, high-quality therapies and solutions which measurably improve individuals’ lives. As a family-owned pharmaceutical company, we are able to adapt and thrive in a dynamic healthcare environment. Our world is constantly evolving, and we are continually adapting to the ever-changing needs of patients, physicians, pharmacists, and healthcare organizations. Where there is a need, we will work to deliver solutions that simplify access to treatment, deliver better health outcomes, and enhance life. Upsher-Smith has a particular focus on developing therapies for people living with central nervous system (CNS) conditions, such as seizure disorders. For more information, visit www.upsher-smith.com.

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About Saniona

Saniona is a research and development company focused on drugs for diseases of the central nervous system, autoimmune diseases, metabolic diseases and treatment of pain. The company has a significant portfolio of potential drug candidates at pre-clinical and clinical stage. The research is focused on ion channels, which makes up a unique protein class that enables and controls the passage of charged ions across cell membranes. Saniona has an ongoing collaboration agreement with Upsher-Smith Laboratories, Inc. and Saniona's Boston based spinout Ataxion Inc., which is financed by Atlas Venture Inc. and Biogen Idec Inc. Saniona is based in Copenhagen, Denmark, where it has a research center of high international standard and 18 employees. Saniona is listed at AktieTorget since April 2014 and has about 3,000 shareholders. The company's share is traded under the ticker SANION. Read more at www.saniona.com.

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