

Zydus Cadila and Karo Bio of Sweden sign research agreement for a novel drug to treat inflammatory diseases

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Zydus Cadila, one of India's leading healthcare companies and Karo Bio of Sweden, a drug discovery and development company specialising in nuclear receptors have initiated a three year strategic collaboration in the area of drug discovery and development. Both companies will collaborate to discover and develop novel, selective glucocorticoid receptor (GR) modulators for the treatment of inflammatory diseases.

Glucocorticoids are used to treat many different inflammatory conditions such as rheumatoid arthritis, inflammatory bowels disease, psoriasis and asthma which together represent a market potential of over USD 10 bn. These powerful anti-inflammatory agents with long term use could, however, lead to the development of unwanted side effects like obesity, diabetes and osteoporosis. Thus, there is a great need for new, selective glucocorticoids devoid of one or more of these side effects.

Karo Bio will leverage its expertise in nuclear receptor drug discovery including structural biology, drug design and compound characterisation. Zydus Cadila will leverage its expertise in carrying out a focused drug discovery and development programme, starting from pre-clinical candidate selection, filing of the Investigational New Drug Application and undertaking pre-clinical studies and human clinical trials. Both parties will equally share risk and rewards for the collaboration programme.

Speaking on the joint research programme, Mr. Pankaj R. Patel, Chairman and Managing Director, Zydus Cadila said, "We are excited about this collaboration with Karo Bio. One of the key research areas of focus at our Zydus Research Centre is to develop novel GR modulators that are devoid of side effects. By combining the strengths of both, Karo Bio and Zydus Cadila, we should be able to design and develop novel molecules, which would eventually replace currently available steroids for treatment of inflammatory disorders. This joint research endeavour will help address an unmet healthcare need."

"The glucocorticoid receptor is one of our prioritized targets and we have generated considerable knowledge and expertise in the field. In Zydus Cadila we have found a very complementary partner. Their expertise and strength in chemistry and development will be of great value for the successful outcome of our joint project", said Mr. Per Olof Wallström, President of Karo Bio.

The glucocorticoid receptor mediates both the anti-inflammatory effects and the side effects.

Karo Bio and Zydus Cadila have now initiated an intensive research programme aimed at discovering selectively acting glucocorticoids. The design of new selective compounds will be based on Karo Bio's detailed knowledge about structural biology aspects of ligand-receptor interactions.

About Karo Bio

Karo Bio is a drug discovery and development company specializing in nuclear receptors for the development of novel pharmaceuticals with focus on metabolic diseases. The company has expanded from being a drug discovery company by adding in-house preclinical and clinical development resources and competence for development of drugs to treat metabolic diseases. The company has a strong project portfolio with innovative molecules that primarily targets diseases such as diabetes, atherosclerosis and dyslipidemia. In all of these areas there are significant market opportunities and a growing need for new pharmaceuticals with new mechanisms of action. In addition to the proprietary projects Karo Bio has two strategic collaborations with international pharmaceutical companies and one biotech collaboration for development of innovative therapies for the treatment of common diseases. Karo Bio is listed on the OMX Nordic Exchange Stockholm AB since 1998 (Reuters: KARO.ST). This press release is also available online at: www.karobio.se and www.newsroom.cision.com

About Zydus Cadila

Zydus Cadila is an innovative global pharmaceutical company that discovers, develops, manufactures and markets a broad range of healthcare products. The group's operations range from API to formulations, animal health products and cosmeceuticals. Headquartered in the city of Ahmedabad in India with subsidiaries in USA, Europe, Japan, South Africa, Brazil, the group has a global presence and reaches out to people in over 60 countries worldwide. In its mission to create healthier communities globally, Zydus Cadila delivers wide ranging healthcare solutions and value to its customers. With over 8,000 employees worldwide, a world-class research and development centre dedicated to discovery research and nine state-of-the-art manufacturing plants, the group is dedicated to improving people's lives. (www.zyduscadila.com)
