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Cortendo Adds Two Late-Stage Assets to Its Rare Endocrine Disease Franchise and Announces Related \$33.2 Million Financing

Cortendo Enters Into Agreements to Acquire Aspireo Pharmaceuticals' Somatoprim (DG3173) and In-License Antisense Therapeutics' ATL1103

Cortendo Expands Investor Base Through New Private Placement

May 15, 2015 – Göteborg, Sweden and Treviso, Pa., USA – Cortendo AB (publ) [ticker: CORT on NOTC-A], a biopharmaceutical company focused on rare endocrine disorders and other rare diseases, today announced that it has entered into an agreement to acquire Aspireo Pharmaceuticals' Somatoprim (DG3173), an investigational compound being studied for the treatment of acromegaly. Cortendo also recently announced entering into an exclusive licensing agreement for commercialization rights to Antisense Therapeutics' ATL1103 for endocrinology applications. Additionally, Cortendo today announced that it has entered into an agreement to raise approximately \$33.2 million in a new private placement.

Acquisition of Aspireo Pharmaceuticals' DG3173 for Acromegaly and Potential Additional Applications

Cortendo has entered into an agreement to acquire Aspireo Pharmaceuticals' DG3173, a next-generation, somatostatin analog (SSA) with a unique receptor affinity profile, being investigated for the treatment of acromegaly, with potential additional applications in Cushing's Syndrome and neuroendocrine tumors.

Under the terms of the acquisition agreement, Cortendo will provide Aspireo Pharmaceuticals approximately \$30 million in Cortendo equity for Somatoprim (DG3173). The completion of the acquisition of Somatoprim (DG3173) is subject to, among other things, shareholder approval at the Annual General Meeting (AGM), which is scheduled to be held on or about June 24, 2015. This acquisition is expected to be completed shortly after the AGM.

In addition, as part of Cortendo's related round of financing, TVM Capital, Aspireo's primary shareholder, will purchase \$4.25 million of Cortendo shares.

"The addition of two novel, late-stage investigational compounds for the treatment of rare endocrine disorders, DG3173 and ATL1103, coupled with our existing Phase 3 asset for endogenous Cushing's Syndrome, COR-003, establishes the cornerstone of Cortendo's rare endocrine disease franchise and demonstrates our commitment to becoming a leader in providing innovative therapeutic options to patients with rare diseases," said Matthew Pauls, president and chief executive officer of Cortendo. "There are significant unmet needs in the diagnosis and treatment of both endogenous Cushing's Syndrome and acromegaly, and we are passionate about the opportunity to simultaneously advance development of COR-003, DG3173

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and ATL1103 and commence pre-commercialization activities, and to ultimately provide these patients and the physicians who treat them with novel therapeutic options,” Pauls added.

Locust Walk and Pelican Advisors acted as Cortendo’s and Aspireo Pharmaceuticals’ transaction advisors, respectively.

Financing

Cortendo has entered into an agreement to raise approximately \$33.2 million in a new private placement, the proceeds of which will be used for continued development of COR-003 along with the planned development of the two new programs. The subscription price is \$1.322 per share and up to 25,128,559 new shares will be issued to the investors.

New institutional investors in this round of financing include Longwood Capital, TVM Capital and Granite Point Capital. Additionally, several existing investors, including RA Capital, New Enterprise Associates, Broadfin Capital and HealthCap, have also extended their investments in Cortendo through this round of financing.

Notably, in addition to investing in Cortendo as part of the acquisition of Aspireo Pharmaceuticals’ DG3173, TVM Capital will invest an additional \$4.25 million in the announced private placement.

The financing is subject to shareholder approval of the AGM, which is scheduled to be held on or about June 24, 2015, and is subject to certain other conditions, including expected gross proceeds of at least \$20 million and the non-occurrence of any material adverse effects (as defined in the agreement with the investors) prior to completion.

“We appreciate the support of all of our investors and their confidence in Cortendo’s ability to develop and commercialize novel therapeutics for the treatment of rare endocrine disorders and other rare diseases,” said Matthew Pauls, president and chief executive officer of Cortendo.

Locust Walk served as a consultant to Cortendo for this transaction.

About Cortendo AB

Cortendo AB is a biopharmaceutical company incorporated in Sweden and based in the United States. Cortendo's strategic focus is to be a leader in commercializing innovative medicines for rare endocrine disorders and other rare diseases. Cortendo’s lead product candidate, COR-003 (levoketoconazole), is a cortisol inhibitor that is currently being studied in the global Phase 3 SONICS trial for the treatment of endogenous Cushing’s syndrome. COR-003 (levoketoconazole) has received orphan designation from both the European Medicines Agency and the U.S. Food and Drug Administration. Cortendo's intent is to independently commercialize its orphan/endocrine assets in key global markets.

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About DG3173

DG3173 is a somatostatin ligand (SSL) that is based on a novel amino acid composition and a differentiated backbone cyclization technology used for metabolic stabilization of the peptide. During extensive preclinical testing, DG3173 demonstrated a novel pattern for somatostatin receptor binding and a differentiated pharmacological profile that is significantly differentiated from SSAs that are currently marketed or in clinical development. In particular, DG3173 has demonstrated in preclinical models potent inhibition of growth hormone secretion without effect on insulin, key hormones for metabolic control. Furthermore, assessment of growth hormone secretion in cultured human adenoma cells from acromegaly patients treated with DG3173 showed a higher level of responsiveness suggesting that it has the potential to increase the response rate of acromegaly patients to SSL therapy.

DG3173 was also observed to inhibit growth hormone secretion in a dose-dependent fashion in three Phase 1 dose escalation studies in healthy subjects. DG3173 was also observed to reduce growth hormone secretion with reduced effects on insulin secretion and glucose levels as compared to octreotide in two single ascending dose Phase 2 studies in acromegalic patients. At higher dose levels, the number of patients with normal growth hormone levels was comparable to that achieved after administration of octreotide. Side effects were consistent with those observed in Phase 1.

Cortendo Forward-Looking Statements

This press release contains forward-looking statements concerning Cortendo that involve a number of risks and uncertainties. All statements other than statements of historical facts included in this press release, including, without limitation, statements regarding Cortendo's strategy, anticipated investments, financial position, outcomes of product development efforts and objectives of management for future operations, may be deemed to be forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Cortendo's actual results, performance or achievements or industry results to be materially different from those contemplated, projected, forecasted, estimated or budgeted, whether expressed or implied, by these forward-looking statements. Given these risks and uncertainties, investors should not place any undue reliance on forward-looking statements as a prediction of actual results. None of these forward-looking statements constitutes a guarantee of the future occurrence of such facts and data or of actual results. These statements are based on data, assumptions and estimates that Cortendo believes are reasonable. The forward-looking statements contained in this document are made only as of the date hereof. Cortendo expressly disclaims any obligation or undertaking to release publicly any updates of any forward-looking statements contained in this press release to reflect any change in its actual results, assumptions, expectations or any change in events, factors, conditions or circumstances on which any forward-looking statement contained in this press release is based.

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