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PRESS RELEASE

Oasmia Pharmaceutical Launches US Brand and Sales Platform

Company to build proprietary platform and sales network to introduce veterinarians to its leading companion animal therapeutic.

New York, NY – July 7, 2015 – Oasmia Pharmaceutical AB, a developer of a new generation of drugs within human and veterinary oncology, today announced that it has established a sales company in the United States, designed to generate adoption for Paccal Vet-CA1, its leading companion animal therapeutic.

Paccal Vet-CA1 has received customer support throughout the United States since entry to the market. As recognized through a series of international clinical trials and commercialization, the drug has shown efficacy in particularly mammary tumors and squamous cell carcinomas with acceptable adverse effects. The treatment has developed a reputation for successfully treating malignant tumors in dogs, even for types of cancers that are otherwise very resistant.

Paccal Vet-CA1 was previously distributed by Zoetis, a veterinary drug company that was spun off from Pfizer in 2013. Due in part to Zoetis' recent announced operational efficiency program, Oasmia has determined that it will be more beneficial for the Company to develop its own marketing and sales organization. For this reason, the Company has successfully regained the exclusive global rights for Paccal Vet and Doxophos Vet, and established 'Oasmia Pharmaceutical Inc.', which will identify opportunities in the United States that it believes will result in overall Company growth.

In order to achieve growth, the Company has already begun the process of identifying key talents in the pharmaceutical sales space with the goal of establishing an experienced and effective team. Furthermore, the Company is performing due diligence on potential products for acquisition that it feels would complement the Oasmia brand and increase exposure to its sales channel. Zoetis will be relinquishing control of the sales efforts for the Oasmia family of proprietary products, not only in the United States but throughout the rest of the world, with the exception of Japan, which is partnered with another company.

Within the estimated \$7 billion global companion animal drug market that is commonly based on generic human products, approximately 25% of dogs will develop a tumor during their lifetime. With 80 million dogs in the US alone, and many of their owners considering their pets a significant member of their family, the market potential for successful treatments is significant. As owners are increasingly educated regarding cancer management, Paccal Vet-CA1's high efficacy, yet cost-effective pricing, establishes the potential for widespread public adoption. The company is similarly optimistic regarding the market potential for Doxophos Vet, a patented formulation of doxorubicin that is in the final stage of development by Oasmia, and will be submitted for the treatment of lymphoma, the most commonly medically treated cancer in dogs.

“I am very pleased that Oasmia’s expansion will facilitate the opportunity for veterinarians to use paclitaxel in companion animals, a substance earlier impossible to administer due to intolerable side effects. I look forward to working alongside veterinary oncologists as we continue to develop treatment options for pets with cancer, providing the best treatment possible and improving quality of life,” said Professor Henrik Rönnerberg, Chief Medical Officer of Oasmia Pharmaceutical.

“We are excited to take this next step in developing a proprietary platform that will create exposure to the Oasmia family of products on US soil,” said Julian Aleksov, Executive Chairman of Oasmia Pharmaceutical. “We have been very ambitious thus far in creating a strategic plan for the launch of Oasmia Pharmaceutical Inc. Many pharmaceutical executives are already aware of our brand and the product line and have been very receptive to the Company’s vision for growth. We look forward to establishing new relationships that result in the mass adoption of Paccal Vet-CA1 as a solution for American consumers seeking to increase the life span of their animal companions while reducing the challenges commonly associated with treatments. We also look forward to working closely with American veterinarians to improve the treatment and quality of life for their patients.”

During the period of the transition of rights, business and operations will continue as usual. The transition is expected to be finalized in September 2015 and the marketing activities are planned to be transferred in July 2015.

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About Paccal Vet[®]-CA1 (paclitaxel for injection)

Paccal Vet-CA1 is a paclitaxel cancer treatment developed especially for dogs. It is a novel formulation containing paclitaxel, one of the most frequently used human chemotherapeutic agents. Paccal Vet-CA1 is a novel nanoparticle formulation composed of Oasmia Pharmaceutical’s patented excipient XR-17 that can be used to improve the solubility of substances like paclitaxel in suitable aqueous solvents. Two prospective, blinded, randomized trials to obtain full regulatory approvals in the U.S. and Europe are soon to be initiated.

In the United States, Paccal Vet-CA1 is indicated for the treatment of resectable and non-resectable squamous cell carcinoma (a type of skin cancer) in dogs that have not received previous chemotherapy or radiotherapy, and for the treatment of non-resectable stage III, IV or V mammary carcinoma (mammary cancer) in dogs that have not received previous chemotherapy or radiotherapy. These indications are conditionally approved pending a full demonstration of effectiveness.

About Oasmia Pharmaceutical AB

Oasmia Pharmaceutical AB develops new generations of drugs in the field of human and veterinary oncology. The company's product development aims to create and manufacture novel nanoparticle formulations and drug-delivery systems based on well-established cytostatics which, in comparison with current alternatives, show improved properties, reduced side-effects, and expanded applications. The company's product development is based on its proprietary in-house research and company patents. Oasmia is listed on NASDAQ Stockholm (OASM) and the Frankfurt Stock Exchange (OMAX, ISIN SE0000722365).

Oasmia Pharmaceutical AB Forward Looking Statements

This announcement contains forward-looking statements. These statements are based on expectations in light of the information that is currently available, as well as assumptions that are subject to risks and uncertainties that could cause actual results to differ materially from such statements. These risks and uncertainties include, but are not limited to, domestic and international economic conditions, industry and market conditions, and changes of interest rate and currency exchange rate, in general, and completion and discontinuation of clinical trials, obtaining regulatory approvals, claims and concerns about product safety and efficacy, technological advances, domestic and foreign healthcare reforms, and changes of laws and regulations, in particular, with respect to each of Paclical and Paccal Vet. The company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise. This announcement contains information on pharmaceuticals (including pharmaceuticals under development) but is not intended to, and does not, make any representations, warranties or claims regarding the efficacy or effectiveness of these pharmaceuticals or provide medical advice of any kind.

Information is also available at www.oasmia.com www.nasdaqomxnordic.com www.boerse-frankfurt.de twitter.com/oasmia

"Oasmia is required under the Financial Instruments Trading Act to make the information in this press release public. The information was submitted for publication at 8.00, CET on July 7, 2014."