

Interim Report - January-June 2024

STOCKHOLM – 30 August 2024. Karolinska Development AB (Nasdaq Stockholm: KDEV) today publishes its Interim Report - January-June 2024. The full report is available on the Company's website.

“The successes that we have summarized from the quarter give a good picture of the important activities taking place within the portfolio, and we look forward to an equally intense autumn. Our most recent addition to the portfolio, BOOST Pharma, is, for example, expected to present the final results of its clinical phase 1/2 study before the end of the year”, says Viktor Drvota, CEO, Karolinska Development.

Significant events during the second quarter

- The portfolio company Umecrine Cognition has randomized its first two patients to the second part of the ongoing clinical phase 1b/2 study of golexanolone in patients with Primary Biliary Cholangitis, PBC. Top-line results are expected in first half of 2025 (May 2024).
- At Karolinska Development’s Annual General Meeting, it was decided, among other things, to adopt the profit and loss statement and the balance sheet and the consolidated profit and loss statement and the consolidated balance sheet, to approve the allocation of the result, proposed by the Board of Directors and the CEO, to elect Hans Wigzell to the Board of Directors and to re-elect Philip Duong, Anna Lefevre Skjöldebrand, Ben Toogood and Theresa Tse to its Board of Directors, and to elect Hans Wigzell Chairman of the Board (May 2024).
- Karolinska Development announced that the company has invested in BOOST Pharma – a company based on research from Karolinska Institutet that develops a first-in-class and potentially groundbreaking cell-based treatment of the rare bone disease osteogenesis imperfecta, also known as brittle bone disease. Following the investment, BOOST Pharma is included in Karolinska Development’s investment portfolio which now consists of twelve companies (May 2024).
- The portfolio company Biosergen received the final permission required to test its lead candidate drug BSG005 in patients with invasive fungal infections in India (May 2024).

Significant post-period events

- The portfolio company Umecrine Cognition conducted a capital raise, implemented as a convertible loan with attached share options, for the continued development of its drug candidate golexanolone. Karolinska Development participated as part of an investor consortium in the financing round that brought Umecrine Cognition a total of SEK 28.3 million (July 2024).
- The portfolio company PharmNovo was granted funding of EUR 17.5 million from the European Innovation Council (EIC) Accelerator, a part of the Horizon Europe innovation support program. The funding consists of a grant of EUR 2.5 million and conditional investments of up to EUR 15 million. The funding will be used for the continued clinical development of the drug candidate PN6047, a completely new type of treatment targeting neuropathic pain (July 2024).

Financial update

- The net profit/loss for the second quarter was SEK -16.0 million (SEK 23.3 million in the second quarter of 2023). Earnings per share totaled SEK -0.06 (SEK 0.09 in the second quarter of 2023). Net profit/loss for the period January – June 2024 amounted to SEK -15.8 (-4.8) million.
- The result of the Change in fair value of shares in portfolio companies for the second quarter amounted to SEK -11.1 million (SEK 21.2 million in the second quarter of 2023). The result is mainly the effect of the adjusted share price in the new investment round in PharmNovo and the downturn in share price in the listed holdings OssDsign and Modus Therapeutics. The result is partially offset by the upturn in share price in the listed company Promimic. The result of the Change in fair value of shares in portfolio companies for the period January – June 2024 amounted to SEK -9.2 (-3.1) million.
- The total fair value of the portfolio was SEK 1,454.0 million at the end of June 2024, corresponding to an increase of SEK 1.7 million from SEK 1,452.2 million at the end of the previous quarter. The net portfolio fair value at the end of June 2024 was SEK 1,113.9 million, corresponding to a decrease of SEK 0.3 million from SEK 1,114.2 million at the end of the previous quarter.
- Net asset value amounted to SEK 1,238.2 million, per share SEK 4.6, at the end of June 2024 (SEK 1,242.8 million, per share SEK 4.6 at the end of June 2023).
- Net sales totaled SEK 0.5 million during the second quarter of 2024 (SEK 0.5 million during the second quarter of 2023). Net sales for the period January – June 2024 totaled SEK 1.0 (1.1) million.
- Karolinska Development invested a total of SEK 10.7 million in portfolio companies during the second quarter of 2024 (SEK 20.5 million in the second quarter of 2023). Second quarter 2024 investments in portfolio companies by Karolinska Development and other specialized life sciences investors totaled SEK 38.7 million (SEK 38.1 million in the second quarter of 2023).
- Cash and cash equivalents (including short-term investments) decreased by SEK 17.8 million during the second quarter, totaling SEK 49.7 million on 30 June 2024 (SEK 147.7 million on 30 June 2023).

The Interim Report for Karolinska Development AB for the period January-June 2024 is available as a PDF at www.karolinskadevelopment.com.

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TO THE EDITORS

About Karolinska Development AB

Karolinska Development AB (Nasdaq Stockholm: KDEV) is a Nordic life sciences investment company. The company focuses on identifying breakthrough medical innovations in the Nordic region that are developed by entrepreneurs and leadership teams. The Company invests in the creation and growth of companies that advance these assets

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into commercial products that are designed to make a difference to patients' lives while providing an attractive return on investment to shareholders.

Karolinska Development has access to world-class medical innovations at the Karolinska Institutet and other leading universities and research institutes in the Nordic region. The Company aims to build companies around scientists who are leaders in their fields, supported by experienced management teams and advisers, and co-funded by specialist international investors, to provide the greatest chance of success.

Karolinska Development has established a portfolio of twelve companies targeting opportunities in innovative treatment for life-threatening or serious debilitating diseases.

The Company is led by an entrepreneurial team of investment professionals with a proven track record as company builders and with access to a strong global network.

For more information, please visit www.karolinskadevelopment.com