

## **Karolinska Development increases book value of Dilafor that is indirectly owned via KDev Investments AB by SEK 450 million**

STOCKHOLM, SWEDEN – June 17, 2021. Karolinska Development AB (Nasdaq Stockholm: KDEV) announces today that the company, based on an external valuation, will increase the book value of its holding in the portfolio company Dilafor. The background is that Dilafor's drug candidate tafoxiparin has shown a significantly positive impact on cervix ripening in a recently conducted phase 2b study in first-time mothers receiving treatment to induce labor. The external valuation, which has been risk-adjusted by Karolinska Development, will preliminarily have a positive effect of approximately SEK 450 million on the booked fair value of the holding in Dilafor that is indirectly owned via KDev Investments AB. This has a positive impact on the net result in Karolinska Development AB in the second quarter of 2021 amounting to approximately SEK 250 million, corresponding to ca SEK 1.42 per share.

About a quarter of all pregnant women are subject to labor induction, but more than half of these treatments fail. This leads to a prolonged birth process that increases the need for a caesarean section and the risk of complications in both mother and child.

Dilafor's double-blind, placebo-controlled phase 2b study of the drug candidate tafoxiparin included 170 first-time mothers with unripe cervix, who received treatment to ripen the cervix and thereby facilitate the onset of labor. The study results showed that tafoxiparin had a positive effect on the ripening of the cervix compared with placebo, a difference that was highly statistically significant ( $p < 0.009$ ). Based on these positive results, Dilafor plans to prolong the phase 2b study in order to document the effects of tafoxiparin in two lower doses.

Market analyses show that a drug that can induce cervical ripening has the potential to reach annual sales in excess of USD 1 billion in the US market alone.

"The positive phase 2b results are increasing the opportunities to develop Dilafor's drug candidate tafoxiparin as a new treatment that reduces the risk of complications in children and mothers caused by slow progress of labor. This tangible progress has a strong positive impact on the valuation of the company," comments Karolinska Development's CEO, Viktor Drvota.

Karolinska Development has interest in Dilafor, through KDev Investments AB, of 30.9% of the outstanding shares in Dilafor.

### **For further information, please contact:**

Viktor Drvota, CEO, Karolinska Development AB  
Phone: +46 73 982 52 02, e-mail: viktor.dravota@karolinskadevelopment.com

Johan Dighed, General Counsel and Deputy CEO, Karolinska Development AB  
Phone: +46 70 207 48 26, e-mail: johan.dighed@karolinskadevelopment.com

### **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 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 a portfolio of ten 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](http://www.karolinskadevelopment.com).

*This information is information that Karolinska Development AB (publ) (Nasdaq Stockholm: KDEV) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of Viktor Drvota, at 19:15 CET on 17<sup>th</sup> of June, 2021.*