

Interim Report - January-March 2023

STOCKHOLM – 28 April 2023. Karolinska Development AB (Nasdaq Stockholm: KDEV) today publishes its Interim Report - January-March 2023. The full report is available on the Company's website.

“The first quarter of the year was brimming with significant progress by our portfolio companies. We look forward to following their research, clinical development, and commercialisation processes, which are at the heart of Karolinska Development’s value creation.”, says Viktor Drvota, CEO, Karolinska Development.

Significant events during the first quarter

- The portfolio company Umecrine Cognition presented promising preclinical data of the company's most advanced drug candidate golexanolone in a widely used model of Parkinson's disease. The results indicate that golexanolone could improve several symptoms of Parkinson's disease and further increase the understanding of the drug candidate's potential role in treating this progressive and debilitating central nervous system disease (January 2023).
- The portfolio company OssDsign published the first case report on a patient that underwent spinal fusion surgery with OssDsign Catalyst in the TOP FUSION study. The article is published in the Biomedical Journal of Scientific & Technical Research and shows a complete spinal fusion six months after the surgery (January 2023).
- The portfolio company Aprea Therapeutics dosed the first patient in a clinical phase 1/2a study of the drug candidate ATRN-119, which is being evaluated as a treatment for advanced solid tumors by affecting a signaling pathway important for tumor DNA repair (January 2023).
- The portfolio company Umecrine Cognition was granted Orphan Drug Designation by the U.S. Food & Drug Administration (FDA) for the company's most advanced drug candidate golexanolone in Primary Biliary Cholangitis (PBC). The designation will play a vital role in the planned clinical development of golexanolone (January 2023).
- The portfolio company Dilafor reported positive results from the extension of the clinical phase 2b study of the drug candidate tafoxiparin. The extension part of the study included 164 women and the results show a positive effect on cervical ripening and a clear dose-response relationship for the evaluated doses (February 2023).
- The portfolio company Modus Therapeutics presented positive results from the company's clinical phase 1b study of sevuparin, where the drug candidate's safety profile and efficacy were evaluated in a well-established systemic inflammation disease model. The results of the study will be used to define a dose and determine the design of a planned phase 2 study of sevuparin in patients with sepsis expected to start during 2023 (February 2023).
- The portfolio company SVF Vaccines initiated a clinical phase 1 study of the company's universal Covid-19 vaccine, SVF-002. The aim of the study is to evaluate the safety profile and immunogenicity of the vaccine candidate (February 2023).
- The portfolio company Aprea Therapeutics closed an underwritten public offering of USD 5.5 million before deducting underwriting discounts, commissions, and related expenses (February 2023).
- The portfolio company Biosergen presented positive results from a clinical phase 1 study of its drug candidate BSG005, which is being developed as a treatment of fungal infection mucormycosis (February 2023).

- The portfolio company AnaCardio's founder published an article that supports development of heart failure drug candidate AC01 (February 2023).
- The portfolio company Umecrine Cognition secured additional funding for the continued development of the company's drug candidate golexanolone. Karolinska Development participates in the financing round as part of an investor consortium that brings Umecrine Cognition a total of SEK 31.6 million, implemented as a convertible loan with attached share options (February 2023).

Significant post-period events

- The portfolio company AnaCardio included the first patient in the company's clinical phase 1b/2a study of the drug candidate AC01 – a new potential treatment of heart failure (April 2023).
- The portfolio company Umecrine Cognition included the first patient in the company's clinical phase 2 study in Primary biliary cholangitis (PBC) (April 2023).

Financial update

First quarter

- The net profit/loss for the first quarter was SEK -28.0 million (SEK -29.2 million in the first quarter of 2022). Earnings per share totaled SEK -0.10 (SEK -0.13 in the first quarter of 2022).
- The result of the Change in fair value of shares in portfolio companies for the first quarter amounted to SEK -24.4 million (SEK -17.2 million in the first quarter of 2022). The result is largely due to the dilutive effect of the financing round in Umecrine Cognition but also the downturn in share price in the listed holdings OssDsign, Modus Therapeutics and Aprea Therapeutics.
- The total fair value of the portfolio was SEK 1,315.1 million at the end of March 2023, corresponding to an increase of SEK 2.6 million from SEK 1,312.5 million at the end of the previous quarter. The net portfolio fair value at the end of March was SEK 984.4 million, corresponding to an increase of SEK 0.4 million from SEK 984.0 million at the end of the previous quarter. The increase is mainly the net effect of investments during the quarter and the dilutive effect in Umecrine Cognition and the downturn in share price of listed holdings.
- Net asset value amounted to SEK 1,218.2 million, per share SEK 4.5, at the end of March 2023 (SEK 1,305.6 million, per share SEK 4.8 at the end of March 2022).
- Net sales totaled SEK 0.5 million during the first quarter of 2023 (SEK 0.6 million during the first quarter of 2022).
- Karolinska Development invested a total of SEK 25.1 million in portfolio companies during the first quarter of 2023. First quarter investments in portfolio companies by Karolinska Development and other specialized life sciences investors totaled SEK 105.4 million.
- Cash and cash equivalents (including short-term investments) decreased by SEK 33.2 million during the first quarter, totaling SEK 156.6 million on 31 March 2023 (SEK 301.3 million on 31 March 2022).

The Interim Report for Karolinska Development AB for the period January-March 2023 is available as a PDF at www.karolinskadevelopment.com.

KAROLINSKA DEVELOPMENT

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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 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 eleven 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