

Karolinska Development's portfolio company Modus Therapeutics raises SEK 33 million through an oversubscribed issue and now prepares for listing

STOCKHOLM, SWEDEN – July 15, 2021. Karolinska Development AB (Nasdaq Stockholm: KDEV) announces today that the portfolio company Modus Therapeutics has completed an oversubscribed issue of units (113% subscription rate), providing the company SEK 30 million after transaction costs. As the next step in the company's development, preparations are in process for a listing of the company's share on Nasdaq First North in Stockholm, which is expected to take place in July, 2021. The newly raised capital will primarily be used to finance the continued clinical development of the company's drug candidate sevuparin for sepsis and septic shock.

Modus Therapeutics is developing sevuparin, an innovative patented polysaccharide drug with a multimodal mechanism of action, including anti-inflammatory, anti-adhesive and anti-aggregated effects. The drug candidate is in the clinical phase and is currently being developed in two formulations, intravenous dosing or subcutaneous dosing, which enables treatment in outpatient care and at home. With the help of the capital injection, the company now plans to initiate a clinical phase Ib study and start the preparations for a more comprehensive phase IIa study.

"We are pleased with the successful outcome of the recent issue and are positive about the listing of Modus Therapeutics. The drug candidate sevuparin addresses a substantial clinical need within an indication of high mortality and we look forward to continuing to follow Modus in their development journey," comments Karolinska Development's CEO Viktor Drvota.

After the issue, Karolinska Development has a direct ownership in Modus Therapeutics amounting to 38% and an indirect ownership in Modus Therapeutics via KDev Investments, whose ownership share after the issue amounts to 17%.

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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 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.