

Karolinska Developments portfolio company Promimic and Danco Medical form a joint venture for the US-market

STOCKHOLM, SWEDEN, July 22 2022. Karolinska Development AB (Nasdaq Stockholm: KDEV) today announces that its portfolio company Promimic and the US-based company Danco Medical form a joint venture for the Processing of Medical Implants in the US market. The strategic initiative is expected to have a major impact on Promimic's growth and profitability as early as next year.

Danco Medical has been Promimic's partner in the US since 2016 and the companies are now deepening their collaboration further. Promimic acquires 60 percent of the newly formed joint venture company Nano Processing through a transaction that includes both cash and shares. Through the transaction, Danco Medical will receive new shares and a minority owner position in Promimic. The business is based on Promimic's core HA^{nano} Surface, which is currently used in several orthopaedic areas in the US.

For the period January-May 2022, Promimic's pro forma share in Nano Processing is valued at a turnover of SEK 1,858,000 and a profit before tax of SEK 743,000.

The acquisition was completed on July 21 and is financed with cash to the value of USD 417,750 and newly issued shares to the value of USD 1,350,000 in Promimic.

"Promimic's intensified collaboration with Danco Medical is a strategically important step for increased growth, which is expected to have significant positive financial effects for our portfolio company as early as next year", says Viktor Drvota, CEO of Karolinska Development.

Promimic develops and markets HA^{nano} Surface, a unique, nanometer-thin surface treatment that aims to improve the anchorage and healing of orthopedic and dental implants into bone tissue. The technology is well established and has so far been applied to over 700,000 implants in clinical use around the world.

Karolinska Development's shareholding in Promimic, including indirect ownership by KDev Investments, amounts, after the IPO, to 16.3 percent (1.8 and 14.5 percent, respectively).

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TO THE EDITORS

About Promimic

Promimic is a growth company that manufactures, markets, and sells biomaterials for improved osseointegration (bone healing) to leading companies in the markets for orthopedic and dental implants. The company has its origins in research at Chalmers University of Technology and today has its head office in Mölndal, Sweden, and a sales office in the US. To date, more than 600,000 operations with implants using the Company's technology have been carried out around the world.



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 patient's 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.