

Karolinska Development's portfolio company Umecrine Cognition raises additional funding for the clinical development of golexanolone

STOCKHOLM, SWEDEN – November 17, 2023. Karolinska Development AB (Nasdaq Stockholm: KDEV) today announces that the portfolio company Umecrine Cognition has conducted a capital raise, implemented as a convertible loan with attached share options, for the continued development of its drug candidate golexanolone. Karolinska Development participates as part of an investor consortium in the financing round that brings Umecrine Cognition a total of SEK 30.4 million.

The investor consortium consists of Karolinska Development, AB Ility, Ribbskottet AB, and other current long-term shareholders in Umecrine Cognition. The dilutive effect of the transaction will result in a negative earnings effect of SEK 12 million for Karolinska Development in the fourth quarter of 2023.

The funding will be used to finance the ongoing clinical Phase 2 trial of golexanolone in primary biliary cholangitis as well as working capital.

“The additional funding will enable Umecrine Cognition to continue its important ongoing clinical trial to evaluate the safety profile, pharmacokinetics, and preliminary efficacy of golexanolone in the targeted patient population. Our portfolio company has recently presented strong preclinical data that strengthens our faith in the drug candidate, and we look forward to following the continued development,” says Viktor Drvota, CEO of Karolinska Development.

Karolinska Development's ownership in Umecrine Cognition currently amounts to 73%. Upon full exercise of the share options attached to the convertible loan, as well as two earlier convertible loans with similar terms, Karolinska Developments' shareholding will decrease to 62%, if full conversion takes place, including that the options are redeemed.

For further information, please contact:

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