

Karolinska Development extends the subscription period in the directed share issue to holders of the Company's convertible loan

STOCKHOLM, SWEDEN – 27 September 2019. On 29 May 2019 Karolinska Development AB (Nasdaq Stockholm: KDEV) ("Karolinska Development" or the "Company") announced that the Board of Directors of the Company resolved, subject to the approval of the annual general meeting, on a directed issue of series B shares to the holders of the Company's 2015/2019 convertible loan (the "Directed share issue"). The Board of Directors resolution was approved at the Annual General Meeting on 28 June 2019 and the Board of Directors of the Company has now resolved that the subscription period for the Directed share issue starting 8 July will be extended to 14 October 2019.

The Board of Directors of the Company has resolved to extend the subscription period further for the Directed Share Issue. The subscription period now runs from 8 July to 14 October 2019. Announcement of the result of the offer is expected on or about 17 October 2019.

The reason for the extended subscription period is due to continued ongoing negotiations with other larger institutional convertible holders in order to fulfil the condition of at least 95 percent participation in the Directed share issue. Sino Biopharma's subscription undertaking continues to be conditional on convertible loan holders representing at least 95 percent of the convertible loan committing to set-off their convertible loan holdings in the Directed share issue.

For more information on the Directed share issue, please refer to the Company's press releases issued on 29 May, 26 June, 28 June and 5 July 2019.

Financial and legal advisers

DNB Markets is acting as financial adviser and Cirio Advokatbyrå as legal adviser to Karolinska Development in connection with the Directed share issue.

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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 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 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: www.karolinskadevelopment.com.

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