Karolinska Development's portfolio company OssDsign applies for listing on Nasdaq First North

STOCKHOLM, SWEDEN – 2 May 2019. Karolinska Development AB (Nasdaq Stockholm: KDEV) announces today that its portfolio company OssDsign applies for listing on Nasdaq First North and publishes a prospectus in connection with a share issue of SEK 151,3 million.

OssDsign is a Swedish medical technology company that develops and markets innovative implants for improved healing and treatment of bone defects. The foundation of the company is a patented bioceramic material which during the healing process is transformed into bone tissue. OssDsign designs, manufactures and sells patient-specific implants for treating injuries and defects in the skull and face.

In order to create the prerequisites for OssDsign to utilize the growth opportunities that the company possesses, the Board of Directors of OssDsign AB has resolved on a new share issue of up to 5,500,000 shares and has decided to apply for admission to trading of the company's shares on Nasdaq First North. The subscription price is 27.50 SEK per share, corresponding to an issue amount of up to SEK 151.3 million. Based on the subscription price and the existing number of shares, the company is valued at SEK 336 million before the issue. In the issue, a number of institutional and private investors, including Lancelot Asset Management, Consensus Asset Management, Handelsbanken Fonder and Alto Invest, have undertaken to subscribe for shares totaling SEK 111,6 million, corresponding to 74 percent of the issue. The issue also includes an over-allotment option of an additional 825,000 shares, corresponding to approximately SEK 22,7 million, that may be exercised in the event of a strong interest in the issue.

In connection with the share issue, the Board of Directors of OssDsign has prepared a prospectus that today, May 2, 2019, has been approved and registered by the Swedish Financial Supervision Authority (Sw. Finansinspektionen) and published by the company. OssDsign has also applied for admission to trading of the Company's share on Nasdaq First North with a preliminary first day of trading on May 24, 2019.

Assuming that the share issue is realized according to the communicated terms and conditions, and that the share price is the same in the end of the quarter, the value of Karolinska Development's holding in OssDsign would increase which would generate a positive effect on earnings by approximately SEK 12 million in the second quarter 2019.

"OssDsign has developed positively and there is a huge growth opportunity in the company. It is rational to now raise further capital in order to fully utilize this opportunity and build significant shareholder value over time," comments Karolinska Development's CEO Viktor Drvota.

As of March 31, 2019, Karolinska Development's holdings in OssDsign AB amounted to 25 percent after full dilution, including indirect holdings through KCIF Co-Investment Fund.

For more information, please contact:

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

Fredrik Järrsten, CFO, Karolinska Development AB
Phone: +46 70 496 46 28, e-mail: fredrik.jarrsten@karolinskadevelopment.com

KAROLINSKA DEVELOPMENT

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.

This information is information that Karolinska Development AB (publ) (Nasdaq Stockholm: KDEV) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of Viktor Drvota, at 13:30 CET on 2 May 2019.