

Notice of Annual General Meeting in Karolinska Development AB (publ)

The shareholders of Karolinska Development AB (publ), reg. no. 556707-5048, (“**Karolinska Development**” or the “**Company**”) are invited to the Annual General Meeting, on Thursday May 12, 2022, at 3:00 p.m. (CET), at Life City, Solnavägen 3, SE-113 63 Stockholm, Sweden.

The Board of Directors has resolved that shareholders shall have the right to exercise their voting rights in advance through postal voting pursuant to item 13 in the articles of association. Therefore, shareholders may choose to exercise their voting rights at the AGM by attending in person, by postal voting or through a proxy.

Participation in person

A shareholder who would like to participate at the AGM in person must:

both be entered in the register of the shareholders maintained by Euroclear Sweden AB by Wednesday May 4, 2022.

and give notice of his or her intention to participate to the Company no later than Friday May 6, 2022 at the address Karolinska Development, “AGM”, Tomtebodavägen 23 A, SE-17165 Solna, Sweden, or through email eva.montgomerie@karolinskadevelopment.com. When giving notice to participate, please provide name, personal identity number or company registration number, telephone number and number of represented shares.

Participation by postal voting

Shareholders who wish to participate in the AGM by postal voting must:

both be registered in the register of shareholders maintained by Euroclear Sweden AB as per Wednesday May 4, 2022,

and notify their intention to participate by submitting their postal vote in accordance with the instructions below, so that the postal vote is received by Karolinska Development no later than Friday May 6, 2022.

Shareholders may exercise their voting rights at the AGM by voting in advance through postal voting pursuant to item 13 in the articles of association, referring to Chapter 7, Section 4 a of the Swedish Companies Act.

For advance voting, a special form must be used. Forms in Swedish and English are available for download on the Company’s website, www.karolinskadevelopment.com. The advance voting form is valid as notification of participation at the AGM.

The completed advance voting form must be received by the Company no later than Friday May 6, 2022. The completed form shall be sent to Karolinska Development by e-mail to eva.montgomerie@karolinskadevelopment.com or by regular mail to Karolinska Development, “AGM”, Tomtebodavägen 23 A, SE-17165 Solna, Sweden. The shareholder may not provide special instructions or conditions in the advance voting form. If so, the vote (i.e. the advance vote in its entirety) is invalid. Further instructions and conditions are provided in the form for advance voting.

Those who wish to withdraw a submitted postal vote and instead exercise their voting rights by participating in the AGM in person or through a proxy must give notice thereof to the AGM’s secretariat prior to the opening of the AGM.

Participation by proxy

If the shareholders are represented by proxy, a written proxy must be issued and submitted to the Company at the above address well in advance of the AGM. The proxy is valid during the period set forth in the proxy, however, at most five years from the issuance. If a proxy is issued by a legal entity, a copy of the legal entity’s registration certificate or similar document evidencing signatory powers must be enclosed. Proxy forms in Swedish and English are available for download on the Company’s website, www.karolinskadevelopment.com.

Nominee registered shares

For shareholders who have their shares nominee-registered through a bank or other nominee, the following applies in order to be entitled to participate in the meeting. In addition to giving notice of participation by submitting its advance vote, such shareholder must re-register its shares in its own name so that the shareholder is registered in the share register kept by Euroclear Sweden AB as of the record date Wednesday May 4, 2022. Such re-registration may be temporary (so-called voting rights registration). Shareholders who wish to register their shares in their own names must, in accordance with the respective nominee's routines, request that the nominee make such registration. Voting rights registration that have been requested by the shareholder at such time that the registration has been completed by the nominee no later than Friday May 6, 2022, will be taken into account in the preparation of the share register.

Proposal for agenda

1. Election of chairman of the meeting
2. Preparation and approval of the voting list
3. Approval of the agenda
4. Election of one or two persons to verify the minutes
5. Determination of whether the meeting was duly convened
6. Presentation of the annual report and the auditor's report and the group annual report and the auditor's group report
7. Resolutions regarding
 - a) adoption of the profit and loss statement and the balance sheet, and consolidated profit and loss statement and consolidated balance sheet
 - b) appropriation of the Company's result according to the adopted balance sheet
 - c) discharge from liability for the directors and the CEO
8. Resolution regarding the number of directors and auditors and deputy auditors to be appointed
9. Resolution in respect of the fees for the Board of Directors and for the auditors
10. Election of chairman of the Board of Directors, directors and auditors and deputy auditors
11. Principles for appointing members and instruction for the Nomination Committee
12. Resolution on approval of the Board of Directors' Remuneration Report 2021
13. The Board of Directors' proposal regarding authorization for the Board of Directors to resolve on transfer of own shares
14. The Board of Directors' proposal regarding authorization for the Board of Directors to resolve on new issues of shares
15. Closing of the meeting

Items 1 and 8–11: The Nomination Committee's proposal regarding chairman at the meeting; number of directors, auditors and deputy auditors to be appointed; fees for the Board of Directors and auditors; election of chairman of the Board of Directors, directors, auditors and deputy auditors and principles for appointing members and instruction for the Nomination Committee

The Nomination Committee has consisted of Yan Cheng (Chairman), appointed by Worldwide International Investments Ltd; Jack Li, appointed by Sino Biopharmaceutical Limited; Hans Wigzell, appointed by Insamlingsstiftelsen för främjande och utveckling av medicinsk forskning vid KI; Mattias Klintemar, appointed by Östersjöstiftelsen; Todd Plutsky, appointed by Coastal Investment Management LLC.

The Nomination Committee proposes that the Annual General Meeting resolves as follows:

Lawyer Johan Hessius (Cirio Law Firm) is appointed to chair the Annual General Meeting, or in his absence, a person appointed by the Board of Directors.

The number of directors will be five and no deputies will be appointed.

The number of auditors will be one and no deputy auditor will be appointed.

The chairman will be paid a fixed amount of SEK 400,000 to be paid out in proportion to board meetings attended. All other directors will be paid a fixed amount of SEK 200,000 to be paid out in proportion to board meetings attended. The fees to the directors remain unchanged compared to previous year.

The auditors will be paid as per invoice.

Re-election of the directors Björn Cochlovius, Theresa Tse, Anna Lefevre Skjöldebrand, Ben Toogood and Philip Duong. Re-election of Björn Cochlovius as Chairman of the Board of Directors. The composition of the Board of Directors meets the independence requirement of the Swedish Corporate Governance Code. The Nomination Committee proposes that voting shall take place individually.

Re-election of Ernst & Young Aktiebolag as auditor in accordance with the audit committee's recommendation, currently with Oskar Wall as auditor in charge, for the time until the end of the 2023 Annual General Meeting.

The Nomination Committee shall have five members. Every year, the five largest owners (voting power, as set forth in the share register kept by Euroclear Sweden AB as of the last banking day in August) shall appoint one member each. The chairman of the Board of Directors shall convene the first meeting. If a shareholder does not exercise its right to appoint a member, the shareholder next in order of voting power, who has not already appointed a member or has a right to appoint a member, shall have the right to appoint a member to the Nominating Committee. The members of the Nomination Committee shall be made public as soon as the members have been appointed, and in no case later than six months prior to the Annual General Meeting. The members shall among themselves appoint the chairman of the committee. If a member resigns or is prevented from pursuing his/her assignment, the shareholder that has appointed such member shall appoint a new member. In the event that the shareholding in the Company is materially changed, before the Nomination Committee has completed its assignment, the Nomination Committee may decide to change the composition of the Nomination Committee, as determined by the Nomination Committee (considering the principles applicable for the appointment of the Nomination Committee). Any change in the composition of the Nomination Committee shall be announced as soon as possible. No fees shall be paid to the members of the Nomination Committee. Out of pocket expenses shall be reimbursed by the Company. The mandate of the committee shall be until the members of the succeeding committee have been announced.

The Nomination Committee is to make proposals to the Annual General Meeting regarding the election of Chair of the Annual General Meeting, number of board members, Chair of the Board and other board members and remuneration to the board members. The Nomination Committee is also to make proposals regarding the Company's auditor, remuneration to the Company's auditor and election of members of the Nomination Committee or principles for the selection of a Nomination Committee. The Nomination Committee shall conduct an annual evaluation of this instruction and when necessary propose to amend it to the Annual General Meeting. The Nomination Committee shall otherwise carry out the tasks that, according to the Swedish Corporate Governance Code, are the responsibility of the Nomination Committee.

Item 7 b: Appropriation of the Company's result according to the adopted balance sheet

The Board of Directors and the CEO proposes that the amount at disposal of the Annual General Meeting, in total SEK 969,371,016 shall be carried forward.

Item 12: Resolution on approval of the Board of Directors' Remuneration Report 2021

The Board of Directors proposes that the AGM approve the Board of Directors' remuneration report for 2021 in accordance with Chapter 8, Section 53 a of the Swedish Companies Act.

Item 13: The Board of Directors' proposal regarding authorization for the Board of Directors to resolve on transfer of own shares

The Board of Directors proposes that the Annual General Meeting resolves to authorize the Board of Directors, for the period until the next Annual General Meeting, on one or more occasions, with or without deviation from the shareholders' preferential rights, to resolve on transfer of all shares of series B held by the Company at any given time. The Company holds 244,285 shares of series B at the time of the publication of this notice. Transfer may take place on Nasdaq Stockholm or otherwise. Transfer on Nasdaq Stockholm shall be made at a price per share within the registered price interval at any given time, being the interval between the highest bid and lowest ask price. Otherwise, transfer shall be made on market terms. Payment for shares shall be made in cash, in kind or by set-off.

The purpose of the authorization for transferring own shares and the reasons for potential deviation from the shareholders' preferential rights, is to give the Board of Directors the possibility to adjust the Company's capital structure, to use repurchased shares as payment for, or financing of, acquisitions or investments in order to create increased value for the shareholders.

A resolution in accordance with the Board of Directors' proposal requires support from shareholders with not less than 2/3 of votes cast as well as shares represented at the meeting.

Item 14: The Board of Directors' proposal regarding authorization for the Board of Directors to resolve on new issues of shares

The Board of Directors proposes that the Annual General Meeting resolves to authorize the Board of Directors, for the period until the next Annual General Meeting to resolve, on one or more occasions, with or without deviation from the shareholders' preferential rights, and for payment in cash, by set-off or in kind, to issue new shares of series B up to a number that, at the time of the first resolution under this authorization, corresponds to twenty (20) per cent of the total share capital; provided however that any such issue must not result in the Company's share capital exceeding the Company's maximum allowed share capital as set out in the articles of association.

A resolution in accordance with the Board of Directors' proposal requires support from shareholders with not less than 2/3 of votes cast as well as shares represented at the meeting.

Miscellaneous

The annual report, auditor's report, remuneration report and other documents that are to be made available in accordance with the Swedish Companies Act, are available at the Company on Tomtebodavägen 23 A, SE-17165 Solna, Sweden and at the Company's website, www.karolinskadevelopment.com, not later than three weeks before the AGM, and will be sent to shareholders who so request and provide their postal address.

The Board of Directors and the CEO shall, if requested by any shareholder and if the Board of Directors is of the opinion that it can be done without causing material harm to the Company, provide disclosures about conditions that may impact assessment of an item of business on the agenda, about conditions that may impact assessment of the Company's or a subsidiary's financial situation, and about the Company's relationship with another group company.

As per the date of this notice, there are 270,077,594 shares, representing a total of 293,074,943 votes outstanding in the Company, distributed among 2,555,261 shares of series A (with 25,552,610 votes) and 267,522,333 shares of series B (with 267,522,333 votes). As per the date of this notice, the Company holds 244,285 treasury shares of series B.

Processing of personal data

For information on how your personal data is processed in connection to the Annual General Meeting see the privacy policy available on Euroclear Sweden AB's website:
<https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>

Solna in April 2022
Karolinska Development AB (publ)
The Board of Directors