

## **Acquirer of SEK 121 million of convertible loan in Karolinska Development commits to set-off and the subscription period in the directed share issue is extended**

STOCKHOLM, SWEDEN – December 12, 2019. Karolinska Development AB (Nasdaq Stockholm: KDEV) (“Karolinska Development” or the “Company”) today announces that Sino Biopharmaceutical and Chia Tai Resources Limited (together “Sino Biopharma”) have divested their remaining convertibles equivalent to SEK 85 million in nominal terms to Worldwide International Investments Limited (“Worldwide”). Worldwide has committed to set-off its convertibles by subscribing for shares in the ongoing set-off issue of series B shares to the holders of the Company’s 2015/2019 convertible loan (the “Directed Issue”). To enable Worldwide’s participation in the Directed Issue, the Board of Directors of the Company has resolved that the subscription period for the Directed Issue starting July 8 will be extended to December 16, 2019.

Sino Biopharma has divested SEK 85 million in nominal terms, corresponding to its remaining convertible loan of in total SEK 121 million including accrued interest until 30 June 2019, of its convertible loan of which they are not eligible for conversion in the Directed Issue, as a consequence of the restriction that their voting share must not exceed 49 per cent, to Worldwide (the “**Remaining convertible loan**”). Worldwide has furthermore committed to subscribe for series B shares through the set-off of the Remaining convertible loan during the subscription period in the Directed Issue.

The Board of Directors of the Company has resolved to extend the subscription period further for the Directed Share Issue to enable for Worldwide to set-off the Remaining convertible loan in the Directed Issue. The subscription period now runs from July 8 to December 16, 2019. Announcement of the result of the offer is expected on or about December 18, 2019.

### **The Company’s liquidity need**

The Directed Issue will not result in any additional new funds for the Company. The company is therefore working on a number of alternatives to finance the outstanding capital requirement after the Directed Issue has been completed. The short-term financing is expected to be resolved through a new issuance and/or a short-term credit facility.

### **Advisers**

DNB Markets is acting as financial adviser and Cirio Advokatbyrå as legal adviser to Karolinska Development in connection with the Directed 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 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 established a portfolio of nine 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](http://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 08.45 CET on December 12 2019.*