

Interim Report - January-June 2023

STOCKHOLM – 25 August 2023. Karolinska Development AB (Nasdaq Stockholm: KDEV) today publishes its Interim Report - January-June 2023. The full report is available on the Company's website.

“Our portfolio companies continue to deliver significant progress and we are following the developments of the studies that have been initiated this year, as well as the processing of the clinical results that have already been generated with great interest. Research and development activities are the basis for the companies' long-term value creation and every advancement in the individual projects increases the possibility of ultimately being able to offer patient groups with major medical needs completely new types of treatments.”, says Viktor Drvota, CEO, Karolinska Development.

Significant events during the second quarter

- The portfolio company AnaCardio included the first patient in the company's clinical phase 1b/2a study of the drug candidate AC01 – a new potential treatment of heart failure (April 2023).
- The portfolio company Umecrine Cognition included the first patient in the company's clinical phase 2 study in primary biliary cholangitis (PBC) (April 2023).
- The portfolio company Modus Therapeutics, in collaboration with a world-leading research group, generated data showing that its drug candidate sevuparin has the potential to be developed as a treatment for anemia in patients with certain chronic diseases. The results were presented at the European Hematology Association's annual meeting on June 8-11 (May 2023).
- At Karolinska Development's Annual General Meeting, it was decided, among other things, to adopt the profit and loss statement and the balance sheet and the consolidated profit and loss statement and the consolidated balance sheet, to approve the allocation of the result, proposed by the Board of Directors and the CEO and to re-elect Björn Cochlovius, Philip Duong, Anna Lefevre Skjöldebrand, Ben Toogood and Theresa Tse to its Board of Directors, and to re-elect Björn Cochlovius Chairman of the Board (May 2023).
- The portfolio company Umecrine Cognition announced results from a preclinical model of cholestasis that elucidates the mechanism-of-action of the company's clinical drug candidate golexanolone in cholestatic liver disease. The results were presented as a poster at the International Liver Congress EASL in Vienna, June 21-24 (June 2023)

Significant post-period events

- The portfolio company Umecrine Cognition presented results from a study on a preclinical model of Parkinson's disease as a poster at the 6th World Parkinson Congress in Barcelona, Spain, July 4-7. The poster shows how the company's clinical drug candidate golexanolone has an effect on fatigue, anxiety, depression, and some cognitive and motor alternations in the disease model (July 2023).

Financial update

- The net profit/loss for the second quarter was SEK 23.3 million (SEK -22.3 million in the second quarter of 2022). Earnings per share totaled SEK 0.08 (SEK -0.09 in the second quarter of 2022). Net profit/loss for the period January – June 2023 amounted to SEK -4.8 (-51.5) million.
- The result of the Change in fair value of shares in portfolio companies for the second quarter amounted to SEK 21.2 million (SEK -23.9 million in the second quarter of 2022). The result is largely due to the upturn in share price in the listed holdings Modus Therapeutics, OssDsign and Promimic. The result of the Change in fair value of shares in portfolio companies for the period January – June 2023 amounted to SEK -3.1 (-41.1) million.
- The total fair value of the portfolio was SEK 1,364.1 million at the end of June 2023, corresponding to an increase of SEK 49.0 million from SEK 1,315.1 million at the end of the previous quarter. The net portfolio fair value at the end of June 2023 was SEK 1,026.2 million, corresponding to an increase of SEK 41.6 million from SEK 984.4 million at the end of the previous quarter. The increase is mainly the effect of upturn in share price of listed holdings and investments during the quarter.
- Net asset value amounted to SEK 1,242.8 million, per share SEK 4.6, at the end of June 2023 (SEK 1,284.8 million, per share SEK 4.8 at the end of June 2022).
- Net sales totaled SEK 0.5 million during the second quarter of 2023 (SEK 0.6 million during the second quarter of 2022). Net sales for the period January – June 2023 totalled SEK 1.1 (1.2) million.
- Karolinska Development invested a total of SEK 20.5 million in portfolio companies during the second quarter of 2023. Second quarter investments in portfolio companies by Karolinska Development and other specialized life sciences investors totaled SEK 38.1 million.
- Cash and cash equivalents (including short-term investments) decreased by SEK 8.9 million during the second quarter, totaling SEK 147.7 million on 30 June 2023 (SEK 273.9 million on 30 June 2022).

The Interim Report for Karolinska Development AB for the period January-June 2023 is available as a PDF at www.karolinskadevelopment.com.

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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

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 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