

Karolinska Development's portfolio company Modus Therapeutics prepares clinical development program of sevuparin in sepsis/septic shock

STOCKHOLM, SWEDEN – March 10, 2021. Karolinska Development AB (Nasdaq Stockholm: KDEV) announces today that its portfolio company Modus Therapeutics is preparing a clinical development program of its drug candidate sevuparin in patients suffering from sepsis/septic shock, and possibly also other severe inflammatory conditions arising in conjunction with major trauma, surgery, autoimmunity and viral infections. Modus Therapeutics expects to start the first clinical trial in this new indication around the end of 2021. Sevuparin has already demonstrated a favorable safety profile in clinical trials for other indications.

Patients suffering from sepsis are at risk of developing septic shock and multi-organ failure. Septic shock is a leading cause of death in intensive care units, with mortality rates typically exceeding 30 percent. There is currently no specific pharmaceutical treatment available for the treatment of sepsis. As a result, it is one of the costliest conditions to treat in the hospital care setting. In 2019, US in-patient care costs for patients with sepsis was estimated to USD 23 billion. Sepsis / septic shock is triggered by an infection and causes the same form of severe uncontrolled inflammation that can occur in conjunction with extensive surgery, trauma, burns and autoimmunity.

Modus Therapeutics' lead drug candidate, sevuparin, has been extensively documented in preclinical and clinical studies and is covered by patent protection until at least 2032. Recent preclinical research, conducted in collaboration with a research group at Karolinska Institutet, has revealed that sevuparin is able to significantly reduce effects of systemic inflammation.

"The solid pre-clinical data recently generated for Modus Therapeutics' clinical stage drug candidate sevuparin in sepsis/septic shock opens entirely new and commercially attractive opportunities for our portfolio company. We are excited by this opportunity to re-focus the clinical development of sevuparin to these potentially fatal conditions with a huge need for specific and efficacious pharmaceutical treatments" says Viktor Drvota, CEO of Karolinska Development.

Sevuparin is a polysaccharide drug candidate with a multimodal mechanism of action, including anti-inflammatory, anti-adhesive and anti-aggregate effects. It acts by interfering with the harmful agents generated by white blood cells during systemic inflammation. This interference could potentially break the molecular chain of events that lead to vascular damage and plasma leakage in patients with sepsis/septic shock and other systemic inflammatory manifestations. Data from pre-clinical animal as well as in vitro human cell models has revealed that sevuparin was able to protect blood vessels and counteract lung plasma leakage during systemic inflammation.

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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 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, please visit www.karolinskadevelopment.com