

Karolinska Development portfolio company Dilaforette signs clinical collaboration agreement with Arabian Gulf University (Bahrain) for Phase 2 clinical development of sevuparin for Sickle Cell Disease

STOCKHOLM – February 16th, 2016. Karolinska Development AB (Nasdaq Stockholm: KDEV) today announces that its portfolio company Dilaforette AB, a company focused on innovative treatments for patients with sickle-cell disease, and Arabian Gulf University (AGU) in Bahrain, have signed a Clinical Collaboration agreement for the Phase 2 proof of concept trial of sevuparin in patients with Sickle Cell Disease (SCD) experiencing acute Vaso-Occlusive Crisis (VOC).

Dilaforette and AGU's collaboration will facilitate the development of Dilaforette's lead candidate, sevuparin, for patients with SCD. AGU will provide up to \$1.2 million in non-dilutive funding for the study and assist with patient recruitment. This project will contribute to enhancing AGU's capabilities in clinical research through training and engagement in phase 2 clinical trial. In return AGU will receive royalties on future product revenues which are capped at twice the financial support it provides to the Phase 2 proof of concept study.

The Phase 2 proof of concept sevuparin study is currently enrolling patients at several clinical sites in the Middle East, including Bahrain, where AGU is located.

Jim Van heusden, CEO of Karolinska Development, said: "This is an attractive deal for Dilaforette providing it with both non-dilutive finance and clinical trial support. We are looking forward to the results of this study given our belief that sevuparin could play an important role in treating the VOCs which cause significant morbidity and mortality in patients with Sickle Cell Disease."

Sevuparin is a novel polysaccharide drug candidate developed to treat vaso-occlusive crises (VOC) in SCD by normalizing the reduced blood flow. Dilaforette has signed a co-development partnership with Ergomed to develop sevuparin, and in October 2015, they announced the start of recruitment into a multi-centre, international, randomised Phase 2 study performed in Europe and the Middle East. Results from this Phase 2 proof of concept trial with sevuparin are expected in the second half of 2016.

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TO THE EDITORS

About Karolinska Development AB

Karolinska Development AB is an investment company focused on identifying medical innovation and investing in the creation and growth of companies developing these assets into differentiated products that will make a difference to patients' lives and provide an attractive return on investment.

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 12 companies targeting opportunities in innovative treatment for life-threatening or serious debilitating diseases.

The Company is led by a team including investment professionals with strong venture capital backgrounds, experienced company builders and entrepreneurs, with access to a strong global network.

For more information, please visit www.karolinskadevelopment.com

About Dilaforette AB

Dilaforette is a Swedish biotech company developing sevuparin - a new drug to treat people suffering from Sickle Cell Disease – a painful, inherited blood disorder affecting millions of people around the globe. Sickle Cell Disease patients' blood cells form a sickled shape, which makes blood flow to vital organs difficult, causing severe pain and even premature death. Sevuparin has the potential to improve the SCD patients' blood flow reducing their pain for patients and the amount of time they will need to spend in hospital. Dilaforette plans to develop a formulation of sevuparin that the patient can self-administer allowing them to live a more normal life by preventing the painful episodes that result in them being hospitalised.

Dilaforette is predominantly owned by KDev Investments AB, part of Karolinska Development AB (Nasdaq Stockholm: KDEV) and Rosetta Capital. Other larger owners are The Foundation for Baltic and European Studies (Östersjöstiftelsen) and Praktikerinvest AB. For more information, please visit www.dilaforette.se