

Karolinska Development divests its holdings in Xspray and receives SEK 12.5 million directly and additionally SEK 0.8 million via KCIF's sale

STOCKHOLM - October 27, 2017. Karolinska Development today announces that the company has sold its entire holdings in Xspray Pharma AB. Furthermore, KCIF Co-investment Fund KB is also selling its shares in the company. In total, the transactions generate SEK 13.3 million to Karolinska Development.

In September of 2015 Karolinska Development divested its holdings in Xspray to new owners. In conjunction with this, an earn-out agreement was signed which gave Karolinska Development and KCIF Co-Investment Fund KB, a holding company jointly owned by the European Investment Fund and Karolinska Development, the right to receive shares in Xspray should the company be listed in the future. Karolinska Development had the right to receive 462,155 shares directly and an additional 29,692 shares via KCIF corresponding to 3.74% of the company. Xspray was listed in September 2017, and Karolinska Development as well as KCIF have now divested their entire holdings for a total amount of SEK 13.3 million.

“Karolinska Development’s sale of the shares in Xspray is an example of how our strategy with earn out-agreements can result in a good outcome. The liquidity from the sale will strengthen our cash position and will be well suited for future investments,” says Viktor Drvota, CEO, Karolinska Development.

For further information, please contact:

Viktor Drvota, CEO, Karolinska Development AB

Phone: +46 73 982 52 02, e-mail: viktor.drkota@karolinskadevelopment.com

Christian Tange, CFO, Karolinska Development AB

Phone: +46 73 712 14 30, e-mail: christian.tange@karolinskadevelopment.com

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

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, please visit www.karolinskadevelopment.com

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