

Karolinska Development and Rosetta Capital Announce the Closing of their SEK 220 Million Strategic Transaction

STOCKHOLM – March 8, 2013. Karolinska Development AB and the life science investor Rosetta Capital Limited (“Rosetta”) announced today that Rosetta Capital IV LP has now acquired the minority share in Karolinska Development’s holdings in 13 of its 25 portfolio companies for SEK 220 million, in line with the previous announcement on December 21, 2012.

In February 2013, Karolinska Development transferred 13 of its portfolio company holdings to a new private holding company, KDev Investments AB. Late yesterday (CET), Rosetta acquired 7.33% of the common shares in KDev Investments AB for SEK 110 million and all of the preference shares in the same company for a further SEK 110 million, giving Rosetta 13.66% of the votes in KDev Investments AB. The terms of the preference shares provide for gradually reducing returns for Rosetta.

The consideration paid by Rosetta implies a total value of the KDev Investments portfolio of SEK 1,501 million, about two times Karolinska Development’s investment in the same portfolio and a 23% premium to the reported Fair value before the announcement of the deal. For more details about the strategic deal, please refer to Karolinska Development’s Year End Report 2012.

About the Transaction

Karolinska Development transferred 13 of its portfolio company holdings to KDev Investments AB in exchange for all of the issued shares. There are 1,073,300 outstanding shares in KDev Investments AB. Of these, 1,000,000 are common shares and 73,300 are preference shares. Both classes of stock have the same voting rights per share. At closing, Rosetta has acquired 73,300 of the common shares and all the preference shares in KDev Investments AB from Karolinska Development.

Karolinska Development received the first tranche of EUR 23 million at closing, which is approximately SEK 190 million at current exchange rate. The balance up to SEK 220 million will be received in a second tranche when the total accumulated return from KDev Investments AB has reached that amount.

About KDev Investments AB

Karolinska Development and Rosetta have entered into a Shareholder Agreement including, among other things, governance and decision making with respect to the portfolio companies. Karolinska Development will share governance together with the Rosetta team, with the right to appoint the chairman at each AGM alternating between the parties. In addition, certain decisions such as follow-on investments and divestments, will require the consent of both parties.

KDev Investments AB consists of 13 of Karolinska Development’s holdings in portfolio companies; Akinion Pharmaceuticals AB, Aprea AB, Axelar AB, Biosergen AS, Clanotech AB, Dilafor AB, Dilaforette Holding AB, Inhalation Sciences in Sweden AB, NeoDynamics AB, NovaSAID AB, Pergamum AB, Promimic AB, and Umecrine Mood AB.

Financial Reporting Consequences

KDev Investments AB has become a joint venture of Karolinska Development presented at Fair value. Several portfolio companies which were previously subsidiaries in the Karolinska Development Group are now owned by KDev Investments AB and so these companies will also be presented at Fair value. The impact on the balance sheet and income statement of Karolinska Development AB (publ.) resulting from this transaction will be accounted for accordingly.

KAROLINSKA DEVELOPMENT

Profit from Innovation

For further information, please contact:

Torbjörn Bjerke, CEO, Karolinska Development AB

Phone: +46 (0)72 744 41 23, e-mail: torbjorn.bjerke@karolinskadevelopment.com

Robin Wright, CFO, Karolinska Development AB

Phone: +44 (0)7720 300025, e-mail: robin.wright@karolinskadevelopment.com

Benjamin Nordin, IRO, Karolinska Development AB

Phone: +46 (0)73 093 60 80, e-mail: benjamin.nordin@karolinskadevelopment.com

TO THE EDITORS

About Karolinska Development AB

Karolinska Development aims to create value for patients, researchers, and investors by developing innovations from world class science into products that can be sold or out-licensed with high returns. The business model is to: **SELECT** the most commercially attractive medical innovations; **DEVELOP** innovations to the stage where the greatest return on investment can be achieved; and **COMMERCIALIZE** the innovations through the sale of companies or out-licensing of products. An exclusive deal flow agreement with Karolinska Institutet Innovations AB, along with other cooperation agreements with leading Nordic universities, delivers a continuous flow of innovations. Today, the portfolio consists of 34 projects, of which 15 are in clinical development. For more information, please visit www.karolinskadevelopment.com.

Karolinska Development is listed on NASDAQ OMX. Karolinska Development may be required to disclose the information provided herein pursuant to the Securities Markets Act.

About Rosetta Capital

Rosetta Capital Limited is a specialist venture capital firm focused on the life science and medical technology sectors, with a multinational team from the venture capital, pharmaceutical and biotechnology industries. Rosetta is focused on secondary portfolio transactions and currently manages funds comprising more than 30 underlying companies across Europe and North America. Rosetta is headquartered in the United Kingdom and is authorised and regulated by the Financial Services Authority. For more information see www.rosettacapital.com.