

## **Resolutions adopted by the Extraordinary General Meeting in Karo Bio held on May 25, 2015**

**STOCKHOLM, May 25, 2015 – Karo Bio AB (publ). At the Extraordinary General Meeting in Karo Bio held on Monday May 25, 2015 the following resolutions were adopted.**

**The meeting resolved to approve the resolution by the Board on a rights issue of approximately MSEK 230 with preferential rights for the shareholders of the company.**

The rights issue will increase the share capital of Karo Bio by a maximum of SEK 4,598,244.45 by the issuance of a maximum of 229,914,516 shares. The new shares shall be subscribed for with preferential rights for the company's shareholders in proportion to the number of shares previously held. Registered shareholders of Karo Bio as at the record date will be entitled to subscribe for one (1) new share for each three (3) existing shares in the company. The record date for the right to participate in the rights issue is June 1, 2015. Subscription for new shares shall take place during the period from June 3, 2015 up to and including June 18, 2015. The subscription price for each new share is SEK 1.00 which means that the rights issue, at full subscription, will provide Karo Bio with proceeds of approximately MSEK 230 before rights issue costs.

**The meeting resolved to approve the proposal of the Board for the authorization of the Board to resolve on an issue of additional shares to meet a possible over-subscription in the rights issue.**

The Board was further authorized to resolve on a new share issue of additionally in total 20,000,000 shares, with or without preferential rights for the shareholders of the company, at a subscription price of SEK 1.00 per share in order to enable that the company is provided with additional rights issue proceeds of MSEK 20. At full subscription of the rights issue, the over-allotment option is equivalent to approximately 2% of the share capital. The reason for deviating from the shareholders' preferential right is to provide the company with additional rights issue proceeds at a possible over-subscription of the rights issue and to be able to increase the number of shareholders of the company.

### **For additional information, please contact:**

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### **About Karo Bio**

Karo Bio is a development company focused on broadening its operations to include projects and products closer to market. Karo Bio has several projects approaching clinical phase. Karo Bio is based in Huddinge, Sweden and is listed on Nasdaq Stockholm.

*Karo Bio publishes this information in accordance with the Swedish Securities Markets Act and/or the Swedish Financial Instruments Trading Act. The information was submitted for publication on May 25, 2015 at 17:00 CET.*

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