

Karolinska Development divests its holding in Clanotech to Rosetta Capital

STOCKHOLM – July 5, 2016. Karolinska Development AB (STO: KDEV) today announces the divestment by KDev Investments of its entire shareholding in Clanotech AB, a company developing novel therapies for eye diseases, to Rosetta Capital. As a consequence, Karolinska Development's portfolio Net Fair Value will decrease by SEK 54.8m

KDev Investments, an investment fund jointly owned by Karolinska Development and Rosetta Capital, will transfer all its shares in Clanotech to Rosetta Capital. Karolinska Development retains an economic interest in the company through an earn-out agreement, the proceeds of which will be retained entirely by Karolinska Development.

Jim Van heusden, CEO of Karolinska Development, says: "We are continuously evaluating options for all our portfolio companies to retain and realise as much value as possible going forward. Following our evaluation of Clanotech, we concluded that the best option both for Karolinska Development and for Clanotech was to transfer our holding to Rosetta Capital, which will continue to fund the company towards future milestones. Karolinska Development will provide no further financing to the company, but retains an economic interest in Clanotech through an earn-out agreement, which has the potential to generate future value."

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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 11 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

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