

Karolinska Development portfolio company Dilafor AB granted U.S. patent for Phase II drug tafoxiparin

STOCKHOLM, SWEDEN – December 2, 2016. Karolinska Development AB (Nasdaq Stockholm: KDEV) today announces that its portfolio company Dilafor AB, a drug development company focusing on the development of tafoxiparin for obstetric indications, has been granted a U.S. patent protecting its proprietary compound tafoxiparin.

Details from the Dilafor press release follow:

Tafoxiparin is in clinical development as a new treatment designed to decrease the incidence of protracted labor both after induction of labor and after spontaneous onset of labor. Protracted labor (i.e labor that lasts more than 12 hours) is the main cause of emergency surgical deliveries, such as caesarian section. The condition is often associated with complications for both mother and child. Tafoxiparin has shown in a Phase II clinical trial encouraging evidence that it can decrease the proportion of women with labor more than 12 hours.

The U.S. patent granted by the United States Patent and Trademark Office (USPTO) provides key intellectual property protection in the U.S. for Dilafor's proprietary development compound tafoxiparin until at least April 2033, with the possibility of up to five years' additional patent term extension. In addition to compound protection, claims have also been granted in the U.S. to a manufacturing method as well as to a number of medical uses of tafoxiparin. Patent applications in a broad range of additional territories including Europe, Asia and Latin America, are pending.

Lena Degling Wikingsson, CEO of Dilafor, said: "The grant of this U.S. patent is a major milestone for Dilafor and the result of a focused IP strategy within Dilafor to build a comprehensive patent estate around our lead product. The patent will be an essential IP asset for tafoxiparin and its potential use in treating different important obstetrical indications with high unmet medical need."

Dilafor recently announced the successful completion of a SEK 51 million financing round, which will enable the company to facilitate a Phase IIb dose finding trial with tafoxiparin in Northern Europe, planned to start before the year end 2016. The study will include women with slow progress of labor after a spontaneous onset.

Viktor Drvota, Chief Investment Officer of Karolinska Development, said: "Having recently completed a financing round to support the company through to its next value inflection point, this is another positive development for our portfolio company. The U.S. patent will give Dilafor a strong foundation for the development and commercialization of tafoxiparin in the U.S. going forward."

KAROLINSKA DEVELOPMENT

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TO THE EDITORS

About Dilafor AB

Dilafor AB is a Swedish drug development company focusing on the development of tafoxiparin for obstetric indications. The company's primary goal is to decrease the incidence of slow progress of labor both after induction of labor and after spontaneous onset of labor. The main owner of Dilafor is KDev Investments AB, which is jointly owned by Karolinska Development AB (publ) and Rosetta Capital IV. The other main owners are The Foundation for Baltic and European Studies (Östersjöstiftelsen) and Praktikerinvest. For more information, please visit: www.dilafor.com

About Karolinska Development AB

Karolinska Development AB (Nasdaq Stockholm: KDEV) is a Nordic life sciences investment company. The company focuses 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 to its shareholders.

Karolinska Development has access to world-class medical innovations at leading universities and research institutes in the Nordic region, including the Karolinska Institutet. The Company aims to build companies around innovative products and technologies, supported by experienced management teams and advisers, and co-funded by specialist international life science investors, to provide the greatest chance of success.

Karolinska Development's portfolio comprises 10 companies focusing on the development of innovative treatment for life-threatening or serious debilitating diseases.

The Company is led by a team of investment professionals with strong investment backgrounds, experienced company builders and entrepreneurs, with access to a strong global network. For more information, please visit www.karolinskadevelopment.com