KAROLINSKA DEVELOPMENT

INTERIM REPORT
Jan – Sep 2025

Q3

Karolinska Development

Karolinska Development (Nasdaq Stockholm: KDEV) is an investment company which offers a unique opportunity to participate in the growth in value of a number of Nordic life science companies with substantial commercial opportunities. All of the portfolio companies are developing potentially ground-breaking treatments for medical conditions with a substantial need for improved therapies, including priming of labor, Brittle bone disease, liver diseases, Parkinson's disease, heart failure, sepsis, anemia in chronic kidney disease, nerve pain, serious viral infections, systemic fungal infections and low back pain. To date, two of the companies have launched their first products, and several companies are in late clinical phase with potential business opportunities over the next two years.

For further information, see www.karolinskadevelopment.com

Financial Update

- The net profit/loss for the third quarter was SEK -66.8 million (SEK -10.9 million in the third quarter of 2024). Earnings per share totaled SEK -0.25 (SEK -0.04 in the third quarter of 2024). Net profit/loss for the period January – September 2025 amounted to SEK -154.3 (-26.7) million.
- The result of the Change in fair value of shares in portfolio companies for the third quarter amounted to SEK -65.4 million (SEK -7.9 million in the third quarter of 2024). The result is mainly due to the value of Umecrine Cognition, where the market value has been adjusted to the decided terms for an early redemption of the convertible loans during the fourth quarter of 2025, as well as a decline in the price of the listed holding Modus Therapeutics. Change in fair value of shares in portfolio companies for the period January – September 2025 amounted to SEK -80.3 (-17.1) million
- The total fair value of the portfolio was SEK 1,346.7 million at the end of September 2025, corresponding to a decrease of SEK 38.2 million from SEK 1,384.9 million at the end of the previous quarter. The net portfolio fair value at the end of September 2025 was SEK 1,022.0 million, corresponding to a decrease of SEK 36.9 million from SEK 1,058.9 million at the end of the previous quarter. The main reason for the net decrease in fair value was the adjustment of the new market price of Umecrine Cognition linked to the upcoming redemption of convertible loans together with the downturn in the share price of the listed holding Modus Therapeutics.
- The result of Change in fair value of other financial assets and liabilities (earn-out agreements) for the third quarter amounted to SEK 0.3 million (SEK -0.5 million in the third quarter of 2024). Change in fair value of other financial assets and liabilities for the period January – September 2025 amounted to SEK -63.4 (6.4) million.

  Other financial assets, current and non-current, (earn-out agreements) amounted to SEK 18.9 million at the end of September 2025, an increase of SEK 0.3 million from SEK 18.6 million at the end of the previous quarter.
- Net asset value amounted to SEK 1,085.4 million, per share SEK 4.0, at the end of September 2025 (SEK 1,224.4 million, per share SEK 4.5 at the end of September 2024).

- Net sales totaled SEK 0.3 million during the third quarter of 2025 (SEK 0.4 million during the third quarter of 2024). Net sales for the period January – September 2025 totaled SEK 1.2 (1.3) million.
- Karolinska Development invested a total of SEK 28.4 million in portfolio companies during the third quarter of 2025 (SEK 19.8 million in the third quarter of 2024). Third quarter 2025 investments in portfolio companies by Karolinska Development and other specialized life sciences investors totaled SEK 34.6 million (SEK 19.8 million in the third quarter of 2024).
- Cash and cash equivalents decreased by SEK 26.6 million, an effect of investments and operating activities during the third quarter, totaling SEK 44.5 million on 30 September 2025 (SEK 29.3 million on 30 September 2024).

Significant events during the third quarter

- **Karolinska Development** announced an update from Organon on the development of the drug candidate OG-6219, acquired by Organon through its acquisition of Forendo Pharma in 2021. Following results from a phase 2 clinical study with OG-6219, Organon plans to discontinue the clinical development of the drug candidate (July 2025).
- The portfolio company **Modus Therapeutics** completed patient enrollment on schedule to the part 1 of its ongoing clinical phase 2a study with sevuparin, which is being evaluated as a treatment for patients with chronic kidney disease with anemia (July 2025).
- The portfolio company **Umecrine Cognition** raised SEK 24.6 million through a convertible loan to be used for the ongoing clinical phase 1b/2a study of golexanolone in Primary biliary cholangitis (PBC). The convertible loan with attached share options is directed to a consortium of existing long-term shareholders and investors in Umecrine Cognition, including Karolinska Development (July 2025).
- The portfolio company **Modus Therapeutics** raised SEK 28.3 million in a unit issue with a subscription rate of 189 percent. The proceeds from the rights issue are intended to finance the continued development of the drug candidate, sevuparin, for the treatment of chronic kidney disease (August 2025).
- The portfolio company **Umecrine Cognition** presented data showing that its drug candidate golexanolone provides sustained reversal of neuroinflammation in a Parkinson's disease model. The data, published in the scientific journal Frontiers in Immunology, support a key mechanism for golexanolone in alleviating symptoms of Parkinson’s disease, which paves the way for the use of golexanolone as a chronic treatment (September 2025).
- The portfolio company **AnaCardio** completed enrollment in the phase 2a part of its clinical study GOAL-HF1. The ongoing study evaluates AnaCardio’s drug candidate AC01 in patients with heart failure and reduced ejection fraction, with results expected by the end of the year (September 2025).

Significant post-period events

- The portfolio company **Dilafor** was granted a patent in the US protecting its drug candidate tafoxiparin for its main target indication, priming of labor. The patent will serve as a key asset as Dilafor advances into phase 3 clinical development of tafoxiparin (October 2025).

- The portfolio company **PharmNovo** received approval from the Spanish regulatory authorities to initiate a phase 2a clinical trial of its drug candidate, PN6047, being developed as a treatment for neuropathic pain. The trial will be conducted in the EU, but has been fully aligned with the requirements defined by the U.S. Food and Drug Administration (FDA), earlier this year (October 2025).
- The portfolio company **SVF Vaccines** presented positive results from a preclinical study of its immunotherapy SVF-001 targeting chronic hepatitis B and D at the Molecular Biology of HBV meeting in Berlin and the DeltaCure meeting in Hannover (October 2025).
- Karolinska Development has exercised its pro rata participation of SEK 7.5 million in BOOST Pharma's latest financing. In total, **BOOST Pharma's** financing, structured as a convertible loan, brought SEK 15 million to the company. The investment supports the continued preparation for phase 3 clinical development of BT-101, a pioneering stem cell-based therapy for Osteogenesis imperfecta (OI), also known as Brittle bone disease (October 2025).
- The portfolio company **BOOST Pharma** presented new positive long-term data from the BOOSTB4 phase 1/2 trial with the company's cell therapy BT-101 targeting the rare bone disease Osteogenesis imperfecta. The new results comprise two-year follow-up data from the trial and were selected for presentation at the prestigious 15th International Conference on Osteogenesis imperfecta (OI) in Hong Kong (October 2025).
- The portfolio company **BOOST Pharma** raised a SEK 34 million investment structured as a tranched convertible loan from Sound Bioventures. The investment supports continued clinical development of BT-101, a pioneering stem cell-based therapy for osteogenesis imperfecta (OI), also known as Brittle bone disease (November 2025).
- The portfolio company **Modus Therapeutics** received regulatory approval to initiate the second part of the phase 2 study with sevuparin as a treatment of chronic kidney disease with anemia. The study will be initiated in Q4 2025, in line with the company's development timeline (November 2025).

Viktor Drvota, CEO of Karolinska Development, comments:

"We are now approaching a period during which several portfolio companies will conclude their clinical studies, yielding exciting data readouts".

Contact information

For further information, please contact:

Viktor Drvota, Chief Executive Officer
+46 73 982 52 02
viktor.drvota@karolinskadevelopment.com

Hans Christopher "HC" Toll, Chief Financial Officer
+46 70 717 00 41
Hc.toll@karolinskadevelopment.com

Chief Executive's Report

Our portfolio company Modus secured capital for the continued development of its candidate drug in an oversubscribed rights issue despite a challenging capital market landscape with limited access to risk capital. Our focus in this testing global environment continues to be on our existing portfolio companies, and we are delighted to say that the immediate future for these companies looks very exciting indeed. AnaCardio, for example, is approaching the data readout stage in its clinical study in patients with heart failure, while Umecrine Cognition continues to make strong progress in recruiting for its PBC (Primary biliary cholangitis) study, and two of our other portfolio companies, Dilafor and BOOST Pharma, are now preparing registration-enabling studies following FDA clearance for the next stage of their development work.

AnaCardio completes phase 2a study

Our portfolio company AnaCardio is, at the time of writing, in the process of completing the clinical phase 2a study of its candidate drug AC01, which is being evaluated in patients with heart failure and reduced ejection fraction. The final patient was enrolled in September, and results are expected shortly. AC01 represents a completely new approach to treating patients with heart failure and we are looking forward to the results, which will be incredibly important for both AnaCardio and the continued development of AC01.

Financing and new data boost Umecrine Cognition

The third quarter saw Umecrine Cognition secure financing to continue its ongoing study of golexanolone in patients with Primary biliary cholangitis (PBC) through a convertible loan directed at an investor consortium that includes Karolinska Development. The study is proceeding according to plan, and a planned evaluation will be conducted at the end of the year to assess whether the patient population will provide conclusive data or whether the number of patients needs to be expanded. If the patient base is deemed sufficient, top line results from the study are expected in the first half of 2026.

Umecrine Cognition has also published data showing a sustained effect of golexanolone in a preclinical Parkinson's disease model. The study also demonstrates golexanolone's mechanism of action in alleviating cognitive symptoms in Parkinson's disease and this, coupled with the promising efficacy results, paves the way for the potential use of the candidate drug as a chronic treatment.

Dilafor strengthens US patent protection

In October, our portfolio company Dilafor was awarded a patent for the use of its candidate drug, tafoxiparin, in the priming of spontaneous labour. The patent, which strengthens Dilafor's intellectual property protection through 2043, will be a key asset as Dilafor advances into phase 3 clinical development of tafoxiparin.

Dilafor has also, after productive interactions with both US and European authorities in recent years, achieved consensus with the authorities regarding the design of a registration-enabling clinical phase 3 study in Europe and the USA.

BOOST Pharma paves the way for pivotal study

The Danish cell therapy company BOOST Pharma has also held successful dialogues with the US authorities and was recently given clearance to proceed with the clinical development of its cell therapy, BT-101, in accordance with the proposed plan. BT-101 is a unique potential treatment for the bone disease, Osteogenesis imperfecta (also known as Brittle bone disease), in children. No other treatment has shown such promising results as BOOST's cell therapy, and the ability to commence treatment immediately upon diagnosis, either before or shortly after birth, offers an excellent chance to ensure the best possible conditions for the child during the

early years of its life. At the end of October, BOOST Pharma presented positive long-term data from a two-year follow-up, showing that the reduction in fracture frequency had increased to 78% and that over half of the children in the study had avoided fractures completely during the first two years.

The next step for BOOST Pharma primarily involves preparations for the pivotal phase 3 study of BT-101. Ahead of continued clinical development, the company has strengthened its financial position after the end of the quarter. Through a private placement to Sound Bioventures, BOOST Pharma has received SEK 34 million, and through a convertible loan, Karolinska Development and Industrifonden have jointly contributed SEK 15 million.

Modus continues study after successful financing round

Karolinska Development's portfolio company, Modus Therapeutics, is currently preparing to initiate the second part of the company's ongoing clinical phase 2 study of its candidate drug, sevuparin, in the treatment of multiple inflammatory diseases. A challenging market environment notwithstanding, Modus conducted an oversubscribed unit issue during the quarter and is consequently able to progress the project. The remaining part of the study is designed to evaluate the therapeutic potential of repeated dosing – an important value-driving milestone in the development programme. The final results are expected in 2026.

PharmNovo to start study in Spain

Portfolio company PharmNovo has in October received approval from Spanish authorities to start a clinical phase 2a study with the drug candidate PN6047. The study evaluates a new treatment for complex neuropathic pain that does not give rise to the addiction problems associated with common opioids.

Positive data from SVF Vaccines hepatitis project

After the end of the quarter, portfolio company SVF Vaccines presented positive data from a preclinical study with the company's immunotherapy SVF-001 against chronic hepatitis B and D at two scientific conferences in Germany. Study data show that SVF-001 has an antiviral effect in a preclinical model with simultaneous infection of hepatitis B and D and supports the therapeutic potential of the project.

Exciting times ahead!

We are now approaching a period in which several portfolio companies will conclude their clinical studies, yielding exciting data readouts. Our primary focus is on helping them achieve their goals and on entering into agreements for their continued development and commercialisation – important value-driving activities for the companies, the shareholders and, ultimately, the patients

Solna, 14 November 2025

Viktor Drvota
Chief Executive Officer

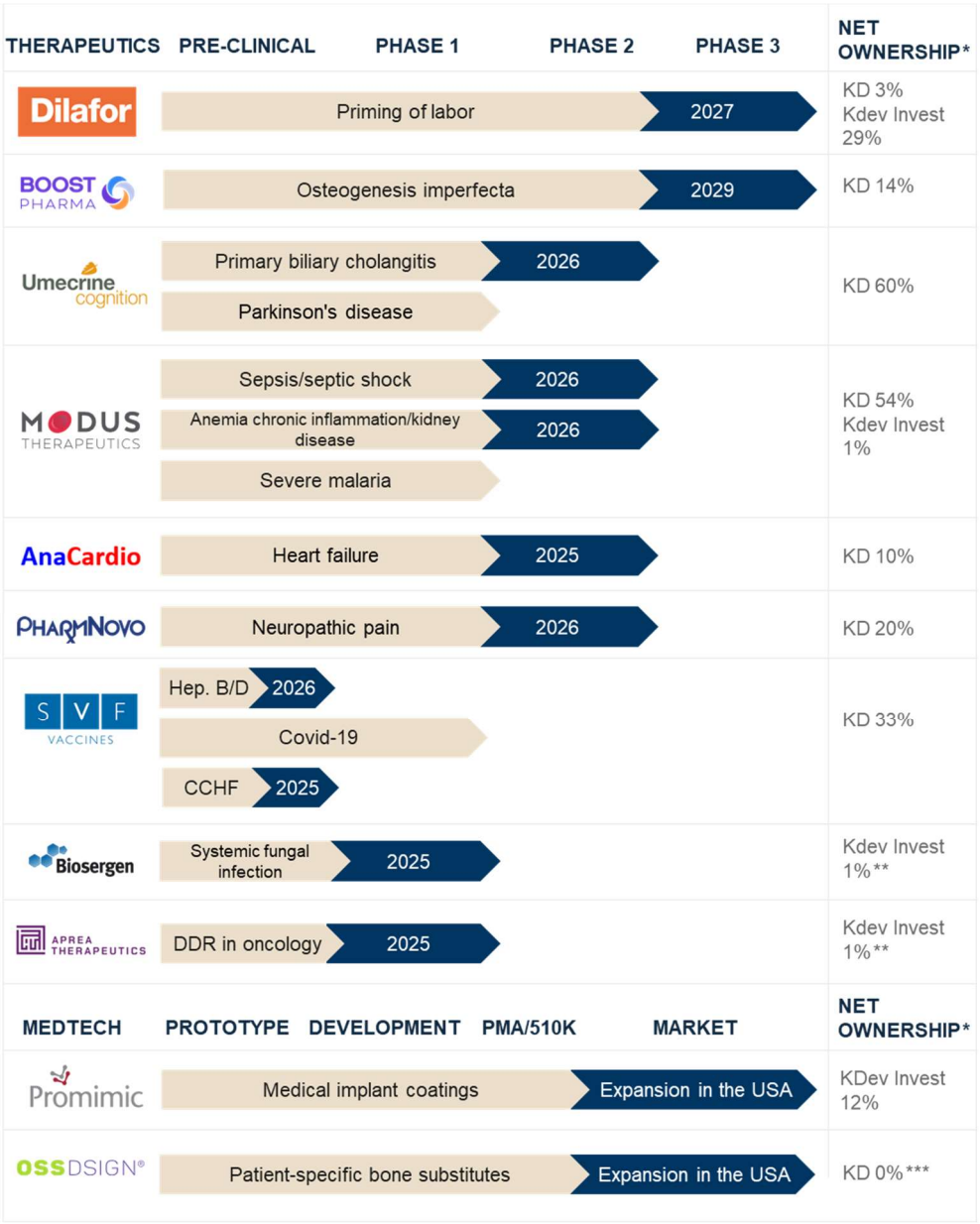
Portfolio Companies

High potential for continued value inflection in portfolio

Karolinska Development's investments in therapeutic companies are conducted in syndicates with other professional life science investors, normally until proof-of-concept is demonstrated in phase 2 trials, at which point different exit options are evaluated. When engaging in MedTech companies, the business model is to finance the companies until they show a positive operating profit.

The portfolio, per September 30, 2025, consisted of eleven companies focused on developing innovative treatment methods for severe or life-threatening diseases where there is currently a great need and there is a lack of effective treatment alternatives. Nine of the portfolio companies have drug candidates in ongoing or planned clinical trials and two companies have MedTech products in commercial phases. During the period 2025–2026, one portfolio company is expected to report phase 1 results, and four portfolio companies are expected to present data from phase 2 studies. SVF Vaccines is preparing a phase 1 program, and PharmNovo will soon start its phase 2 study. Dilafor and BOOST Pharma are preparing to start phase 3 studies. These study results could significantly strengthen the potential for attractive divestments or licensing deals. In recent years, comparable drug candidates have been out-licensed or sold for individual deal values reaching several billion SEK.

In addition to the portfolio companies, Karolinska Development holds an earn-out agreement with Organon related to the acquisition of Forendo Pharma. The agreement includes potential milestone payments linked to both drug development and future commercialization. project.



KD: Karolinska Development **KDev Invest:** KDev Investments **Hep. B/D:** Hepatitis B/D
DDR: DNA damage repair
** Fully diluted ownership based on current investment plans*
*** Passive investment*
**** Includes indirect holdings through KCIF Co-Investment Fund, rounded down from 0.4%*

Dilafor

Project (First-in-class)
Tafoxiparin

Primary indication
Priming of Labor

Development phase
Phase 2b complete
Phase 3 ready

Holding in company*
Karolinska Development 3%
KDev Investments 29%

Other investors
Opocrin
The Foundation for Baltic and East European Studies
Lee's Pharmaceutical
Praktikerinvest
Rosetta Capital

Origin
Karolinska Institutet

More information
dilafor.com

** Fully-diluted ownership based on current investment plans.*

Deal values for similar projects

- USD 500 million ObsEva (licensor) & Organon (licensee) 2021
- USD 397 million Velo Bio (seller) & AMAG Pharmaceuticals (buyer) 2018

Dilafor AB

Priming of labor reduces maternal and neonatal complications

Dilafor (Solna, Sweden) is developing tafoxiparin, a heparin analogue, aimed at priming spontaneous onset of labor leading to a normal vaginal delivery and minimizing the risk for maternal and fetal complications associated with labor induction. Over 30 percent of all pregnant women undergo induction in labor, with induction methods such as prostaglandins and oxytocin, requiring fetal and maternal surveillance in hospital due to high risk of complications for both mother and fetus. Clinical guidance for labor induction have recently been revised to encourage delivery as early as gestational week 39 in the US and weeks 40–41 in Europe, to reduce the risk of complications such as stillbirth, neonatal complications and to improve operative deliveries leading to improved maternal and neonatal outcomes The new guidance will increase the number of deliveries requiring initiation of labor, and thus new, safer treatment options are essential in obstetric care. Tafoxiparin is a patented substance that supplements the remodeling process of the cervix and uterus required for a natural spontaneous onset of labor. Tafoxiparin is planned to be safely administered at home, freeing up hospital beds and resources that would otherwise be required for the induction process.

Tafoxiparin has been shown to be safe for both mother and child in a phase 2a clinical trial with 263 pregnant women. In a subsequent phase 2b trial with 170 first-time mothers undergoing priming of labor showed significant results in the highest dose group. In an extension of the phase 2b trial with 164 additional women, positive results were also shown in lower doses. Dilafor has completed successful meetings with the US FDA and the European Health Agencies and is now preparing phase 3 of tafoxiparin.

The market

Over 30 percent of all pregnant women need labor induction. The current standard treatment includes administration of prostaglandins and oxytocin. Frequently the induction fails, leading to slow progress of labor, operative deliveries, or other maternal and fetal complications. Market analyses show that a drug with a good effect on initiation of labor has the potential to reach annual sales over USD 1 billion in the US market alone.

Recent progress

- In January 2025, Dilafor successfully completed scientific advisory meetings with the FDA and several European regulatory authorities, reaching alignment on the design of the registrational phase 3 studies in Europe and the United States for tafoxiparin.
- In October 2025, Dilafor was granted a U.S. patent protecting the use of tafoxiparin for induction of labor. The patent is valid until at least May 2043 and represents an important asset as tafoxiparin advances into phase 3 clinical development.

Expected milestones

- Start of phase 3 study with tafoxiparin for priming of labor.

Project (First-in-class)
BOOST Cells

Primary indication
Osteogenesis imperfecta

Development phase
Phase 2 reported
Preparing phase 3

Holding in company*
Karolinska Development 14%

Other investors
Industrifonden

Origin
Karolinska Institutet

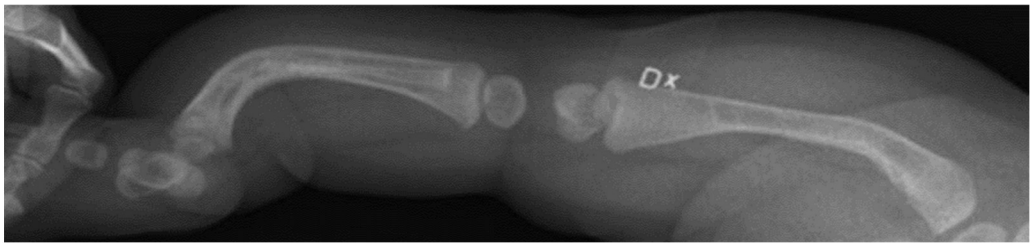
More information
boostpharma.com

**Ownership based on current investment plans*

Deal values for similar projects

- USD 535 million IPSEN (licensee) & Blueprint medicines (licensor), 2019
- USD 304 million Ultragenyx (licensee) & Mereo BioPharma (licensor), 2020

BOOST Pharma ApS



Cell therapy reducing fractures in rare bone disease

BOOST Pharma (Copenhagen, Denmark) is developing a first-in-class and potentially groundbreaking cell-based treatment of the rare bone disease Osteogenesis imperfecta (OI), also known as Brittle bone disease. OI is a congenital condition that is caused by gene mutations that code for bone formation and lead to fragile bones, constant fractures and bone deformity leading to much pain, stunted growth and limited mobility.

BOOST Pharma's novel cell therapy is based on mesenchymal stem cells (MSCs), which are stem cells with high bone-forming capabilities. In September 2024, BOOST Pharma presented positive top line results from BOOSTB4, which is a phase 1/2 clinical study. The results showed that the treatment was safe and well tolerated both when administered before and after birth. The results also showed that fracture rates were reduced by over 75 percent, up to twelve months after the last dose.

A previous study, a human proof-of-concept study with four children with moderate to severe types of OI, also showed great promise; a significant reduction of fractures was observed; the children followed their own growth curve, and grew in length faster, compared to other OI patients, and the cells showed great safety.

This cell therapy is uniquely positioned in that treatment can start directly at diagnosis, either at the prenatal stage, or after the child is born. By starting treatment early, the benefits for the patient increase in later years. This cell therapy targets the underlying cause of the disease, which is defective collagen production in the bones, while other treatments target symptom relief and management.

BOOST Pharma has received Rare Pediatric Disease designation in the U.S. and Orphan Drug Designation in both the US and EU.

The market

There are very few therapies available and those that exist, such as physiotherapy, surgery, and bisphosphates (BPs), are merely palliative and fail to reduce the frequency of fractures. Generally, OI sufferers have an almost normal life span with severe disabilities due to bone defects and hundreds of painful bone fractures, even during fetal life, causing irreversible damage.
Approximately 4,000 children are born worldwide each year with severe OI.

Recent progress

- In October 2025, Karolinska Development invested SEK 7.5 million in BOOST Pharma to support preparations for the pivotal Phase 3 study of BT-101.
- During the same month, BOOST Pharma presented two-year data from the Phase 1/2 BOOSTB4 study at the 15th International Conference on OI in Hong Kong: >50% of patients remained fracture-free and total fracture reduction reached 78%.
- In November 2025, BOOST Pharma raised SEK 34 million through a tranched convertible loan from Sound Bioventures to accelerate the development of BT-101.

Expected milestones

- A registration-enabling phase 3 study is expected to start in 2026.

Umecrine cognition

Project (First-in-class)
Golexanolone (GR3027)

Primary indications
Primary biliary cholangitis (PBC)
Parkinson's disease

Development phase
Phase 2

Holding in company*
Karolinska Development 60%

Other investors
Fort Knox Förvaring AB
PartnerInvest

Origin
Umeå University

More information
umecrinecognition.com

** Fully-diluted ownership based on current investment plans.*

Deal values for similar projects

- USD 794 million Intercept Pharmaceuticals (seller) & Alfasigma (buyer) 2023
- USD 601 million GENFIT (licensor) & IPSEN (licensee) 2021

Umecrine Cognition AB

Developing a new and safe approach to treat cognitive impairment

Umecrine Cognition (Solna, Sweden) is developing golexanolone (GR3207), a candidate drug in a new class of pharmaceuticals that affect the GABA system, the chief inhibitory neurotransmitter in the central nervous system. The GABA system is suspected of being overactivated in liver failure and in other severe inflammatory diseases such as Parkinson's disease, causing very serious clinical symptoms, including cognitive impairments and sleep disturbances. Golexanolone counters the increased activation of the GABA system and has been shown to restore different types of neurological impairments in experimental models.

Umecrine Cognition is developing golexanolone for two indications: Primary biliary cholangitis (PBC) and Parkinson's disease. The company has also conducted a phase 2a clinical study of golexanolone in patients with Hepatic encephalopathy (HE), which is a serious neuropsychiatric and neurocognitive condition that occurs in acute and chronic liver damage. The results showed that the drug candidate was well tolerated and exerts a significant effect on brain signaling, with a correlated positive effect on extreme daytime fatigue. Based on these study results, the company has established a plan for the further development of the drug candidate PBC, where extreme daytime fatigue is one of the disease's most debilitating symptoms that prevents patients from living a normal life. The company is currently conducting a phase 2 study in PBC. Golexanolone has also been tested in preclinical models of Parkinson's disease which showed positive effects on symptoms and neuroinflammation as well as sustained effects on dopamine signaling.

The market

PBC is a rare autoimmune liver disease that attacks the bile ducts and mainly affects women. Common symptoms include fatigue, cognitive impairment, itching and, in more advanced cases, jaundice. The global market for the treatment of PBC was estimated at USD 584 million in 2021 and is expected to reach USD 3 billion by 2027.
Parkinson's disease is a neurodegenerative disorder that causes severe cognitive impairment and impairs motor functions. Approximately 10 million people worldwide suffer from the disease. Current medications mainly target motor functions and there is a lack of treatments for cognitive impairment. The global market for this type of treatment was valued at USD 3.4 billion in 2019 and is expected to grow by more than 6 percent per year by 2029.

Recent progress

- In May 2025, Umecrine Cognition presented validation data for the new CGI-S-PBC™ clinical scale at the EASL Congress 2025.
- In the same month, patient inclusion resumed in the ongoing phase 1b/2a study of golexanolone in PBC, after resolving temporary manufacturing issues.
- In July 2025, Umecrine Cognition raised SEK 24.6 million through a convertible loan to fund the ongoing phase 1b/2a study of golexanolone in PBC.
- In September 2025, the company published preclinical data showing sustained reversal of neuroinflammation in a Parkinson's disease model with golexanolone.

Expected milestones

Topline data from the phase 2 study of golexanolone in patients with PBC are expected in H1 2026.

MODUS THERAPEUTICS

Project (First-in-class)
Sevuparin

Primary indication
Anemia chronic inflammation/ kidney disease
Sepsis/Septic shock
Severe malaria

Development phase
Phase 2

Holding in company*
Karolinska Development 54%
KDev Investments 1%

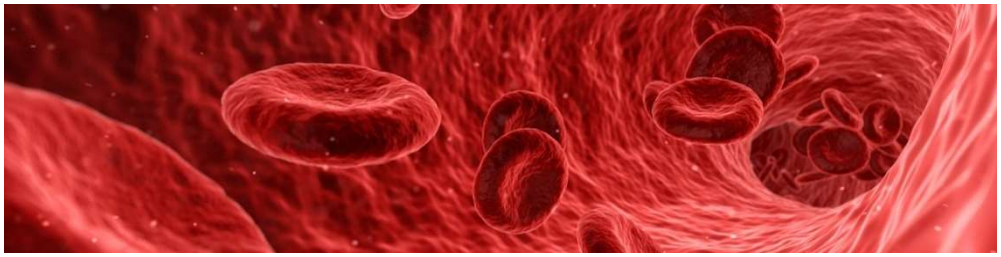
Other investors
Hans Wigzell
Anders Bladh
John Öhd

Origin
Karolinska Institutet
Uppsala University

More information
modustx.com

**Fully-diluted ownership based on current investment plans*

Modus Therapeutics AB



Develops sevuparin for life threatening diseases

Modus Therapeutics AB (Stockholm, Sweden) is developing the drug candidate sevuparin for the treatment of both acute and chronic severe conditions. The company's clinical project portfolio includes anemia associated with chronic inflammation and kidney disease, sepsis/septic shock, and severe malaria.

Modus Therapeutics is conducting a phase 2 clinical study to evaluate sevuparin as a treatment for chronic kidney disease (CKD) with anemia. Part 1, initiated at the end of 2024, has been completed and showed that sevuparin was well tolerated at all dose levels, with no treatment discontinuations or clinically significant safety signals. The results form the basis for Part 2, which will evaluate the effects of repeated dosing on clinical outcomes, including hemoglobin levels, kidney function, hepcidin levels, and other biomarkers in patients with advanced chronic kidney disease and anemia. Research has shown that elevated hepcidin levels contribute to disrupted iron availability in chronic kidney disease and other chronic inflammatory conditions, worsening anemia associated with these diseases.

Sepsis/septic shock is a life-threatening medical condition for which there are currently no effective medical therapies. Patients with sepsis are at risk of developing multiple organ failure, and in severe cases, death. Data from preclinical animal models and human cell studies have shown that sevuparin may protect blood vessels and counteract plasma leakage during systemic inflammation.

In severe malaria, sevuparin is being developed as an adjunct therapy, administered before standard antimalarial treatment takes effect. Sevuparin is currently being evaluated in a clinical study conducted in collaboration with Imperial College London at trial sites in Kenya and Zambia.

The market

An estimated 10 percent of the world's population is believed to have grade 3-5 chronic kidney disease. Among these patients around 25 percent are expected to develop anemia, corresponding to approximately 4-5 million individuals in the United States alone. Limited response to current standard treatments often makes it difficult to maintain effective long-term management of the disease.
Septic shock is a leading cause of death in intensive care units, with mortality rates often exceeding 30 percent. No specific drug treatment is currently available, making it one of the costliest conditions to manage in hospital care. In 2019, sepsis-related healthcare costs in the United States were estimated at USD 23 billion.

Recent progress

- In August 2025, the company announced the outcome of the fully guaranteed rights issue announced in June. The issue was oversubscribed to 189% and provided the company with approximately SEK 28.3 million.
- In September 2025, Modus Therapeutics resolved a compensation issue to the guarantors, all of whom opted to receive compensation in units.
- In the same month, the company presented new preclinical data for sevuparin at the 32nd Symposium on Glycosaminoglycans, supporting its continued development in CKD with anemia.
- In November 2025, Modus Therapeutics received regulatory approval for Part 2 of its Phase 2a CKD-anemia study and remains on track to start in Q4 2025.

Expected milestones

The second part of the phase 2 clinical study with sevuparin in chronic kidney disease with anemia is expected to be initiated at the end of 2025.

AnaCardio

Project (First-in-class)
AC01

Primary indication
Heart failure

Development phase
Phase 2

Holding in company*
Karolinska Development 10%

Other investors
Flerie Invest
LLD Nybohov Invest
Industrifonden
3B Health Ventures
Novo Holdings
Pureos Bioventures
Sound Bioventures

Origin
Karolinska Institutet
Karolinska University Hospital

More information
anacardio.com

Deal values for similar projects

- USD 1.1 billion Cardior Pharmaceuticals (seller) & Novo Nordisk (buyer) 2024
- USD ~1.8 billion CinCor Pharma (seller) & AstraZeneca (buyer) 2023

AnaCardio AB

New treatment concept that enhances the heart's pumping ability in conjunction with heart failure

AnaCardio (Stockholm, Sweden) is developing a new treatment that enhances the heart's pumping ability in conjunction with heart failure and reduced ejection fraction (HFrEF). Heart failure occurs when the heart's ability to pump sufficient blood to meet the body's needs has deteriorated. The underlying condition often involves a weakening of the heart's musculature, resulting in an inability to pump the blood out of the heart's chambers. The condition arises as a sequela of high blood pressure or vasoconstriction. The chronic phase is characterized by diffuse symptoms, such as tiredness or breathlessness, which leads to the illness often being diagnosed at a late stage. Acute heart failure results in an individual's health status becoming critical, necessitating hospitalization. A major issue with existing pharmaceuticals is that they are not designed for long-term treatment.

AnaCardio is developing AC01, a small molecule that mimics the mechanism of action of the peptide hormone ghrelin. Treatment with ghrelin has been shown in previous studies to have a positive effect on the heart's pumping ability and can lead to a significant increase in the volume of blood pumped out of the heart. The drug candidate is being developed to restore the heart's normal muscular function and blood circulation with a new and safer technique. The Company's goal is to develop an oral drug that, in contrast to existing treatments, can affect the underlying cause of the disease. The drug candidate is based on research by Professor Lars Lund at Karolinska Institutet.

The market

It is estimated that more than six million individuals in the US and nearly 100 million globally suffer from heart failure. The risk of developing a cardiovascular disease increases with age, and 10-20 percent of the elderly population is now estimated to suffer from chronic heart failure, which is now the most common reason for hospitalization amongst the elderly. Heart failure not only causes considerable individual suffering, but it also has significant economic consequences for society in the form of both direct costs from in-patient care and indirect costs such as productivity losses. The increased medical need is reflected in the sales value of heart failure treatments, which is expected to increase from USD 6.8 billion in 2021 to USD 18.7 billion by 2028 in the world's seven largest pharmaceutical markets.

Recent progress

- In March 2025, the company announced that it had been granted an EU patent for the drug candidate AC01 as an inotropic treatment. The patent is jointly owned by AnaCardio and Helsinn Healthcare SA and provides exclusivity in all major European markets until 2042.
- In July 2025, AnaCardio received positive scientific advice from both the FDA and EMA, establishing a favorable development path for AC01 treatment of chronic HFrEF.
- In September 2025, AnaCardio strengthened its leadership team with the appointment of Philipp Mathieu as Chief Financial Officer (CFO).
- In the same month 2025, AnaCardio announced that target enrollment in the phase 2a portion of GOAL-HF1 (AC01 in HFrEF) had been completed, results are expected by the end of 2025.

Expected milestones

- Phase 2a expansion of the ongoing phase 1b/2a study has a planned readout by the end of the year.

PHARMNOVO

Project (First-in-class)
PN6047

Primary indication
Allodynia/ Hyperalgesia

Development phase
Phase 1 complete
Phase 2 ready

Holding in company*
Karolinska Development 20%

Origin
Start-up

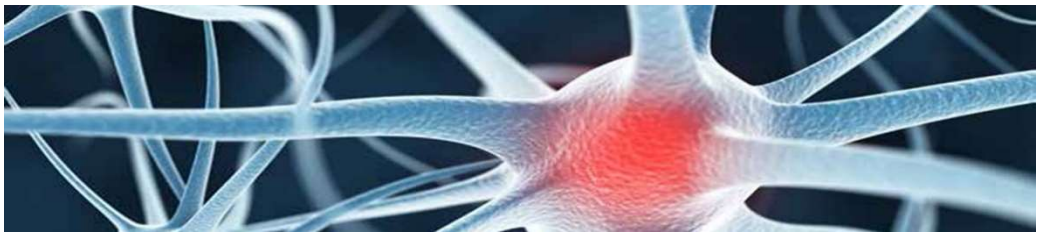
More information
pharmnovo.com

**Fully-diluted ownership based on current investment plans*

Deal values for similar projects

- USD 630 million Eli Lily (licensee) & Confo Therapeutics (licensor) 2023
- USD 940 million ACADIA Pharmaceuticals (acquirer) & CerSci Therapeutics (acquired) 2020

PharmNovo AB



New potential treatment for difficult-to-treat nerve pain

PharmNovo (Lund, Sweden) is developing innovative drugs for the treatment of nerve pain (neuropathic pain), that is difficult to treat and often develops into a chronic condition. Nerve pain is one of the most prevalent types of chronic pain and affects up to 10 percent of the population. Common underlying causes include nerve damage from type 2 diabetes, shingles, trauma (including surgery), cancer, and cancer treatments. PharmNovo's lead candidate, PN6047, focuses on allodynia and hyperalgesia, two common forms of nerve pain, affecting 15-20 percent of neuropathic pain patients. Allodynia is pain due to a stimulus that does not usually provoke pain, while hyperalgesia is an increased pain from a stimulus that usually provokes pain. Current treatment options are deemed ineffective and are also associated with significant side-effects; particularly cardiovascular risks, and, with gabapentinoids or conventional opioids, a higher risk of suicide and drug abuse potential.

PharmNovo's novel drug candidate PN6047 targets a different receptor than conventional opiate drugs do, the delta opioid receptor, and thereby decreases the chronical pain without the side-effects associated with the currently marketed opioids (constipation, physical dependence and, potentially, fatal respiratory depression). PN6047 has completed a clinical phase 1 study showing that PN6047 is safe and well-tolerated at doses predicted to have clinically relevant effects. The drug candidate does not induce drug abuse behavior in non-clinical test models and indicates the capacity to reduce conventional opioid withdrawal symptoms, according to results from a collaboration with researchers at the University of Washington and the University of Michigan, with financial support from the US National Institute of Drug Abuse (NIDA). PharmNovo is now preparing a phase 2 clinical study which is expected to start in 2026.

The market

The need for improved treatments for nerve pain is enormous. Around 10 percent of the world's population currently suffers from conditions characterized by this form of pain, leading to a severely reduced quality of life for the individual and substantial costs for society – estimated at nearly EUR 440 billion annually in Europe alone. The estimated global market value for nerve pain drugs is nearly USD 6 billion per year and the market for allodynia alone is around USD 1.25 billion per year and is expected to continue to grow, driven by an aging population and increased cancer survival.

Recent progress

- In March 2025, the company announced that it had received positive feedback regarding the company's drug candidate, PN6047, in connection with a pre-IND meeting with the US Food and Drug Administration (FDA). Based on the feedback, PharmNovo plans to apply for an IND with the FDA before the end of 2025.
- In July 2025, PharmNovo announced that it had submitted a clinical trial application (CTA) in Spain for a phase 2a proof-of-concept study of PN6047 in patients with neuropathic pain.
- In October 2025, PharmNovo secured clinical trial application (CTA) approval in Spain to initiate a phase 2a proof-of-concept study of PN6047 for the treatment of neuropathic pain.

Expected milestones

- The phase 2 study with PN6047 is expected to start in Q1 2026.

Project (First-in-class)
SVF-001
SVF-002

Primary indication
Hepatitis B and D
SARS-CoV-2
and other coronaviruses

Development phase
Phase 1

Holding in company*
Karolinska Development 33%

Origin
Karolinska Institutet

More information
svfvaccines.se

**Fully-diluted ownership based on current investment plans*

SVF Vaccines AB

New technology for the treatment of viral diseases

SVF Vaccines (Solna, Sweden) develops therapeutic proteins and DNA vaccines against, among other things, hepatitis D and B, as well as vaccines to prevent infections by covid-19 and potential future coronaviruses. Therapeutic vaccines, unlike preventative vaccines, have the potential to cure already infected patients.

Despite the availability of preventative vaccines and antiviral treatments, over 250 million people live with a chronic hepatitis B infection. One million chronic carriers die each year due to complications caused by the virus, such as liver cirrhosis and liver cancer. Today, 15-25 million people worldwide live with an infection of the closely related hepatitis D virus, that only infects hepatitis B-carriers and exacerbates the progression of the disease.

SVF Vaccines uses a proprietary immunotherapy to produce a specific form of antibodies that blocks the ability of the hepatitis virus to invade human cells while also neutralizing the virus, with the vaccine candidate SVF-001. The company has generated promising efficacy data in preclinical animal models and is now preparing a phase 1 study in hepatitis D, that is expected to be initiated in 2026.

In October 2024, the company presented positive clinical safety and immunogenicity data from its collaborative phase 1 clinical study evaluating a universal vaccine candidate against covid-19, SVF-002. The study was carried out by the OpenCorona consortium in collaboration with Karolinska University Hospital in Stockholm. The positive results are an important milestone and validate SVF Vaccines development platform.

Deal values for similar projects

- USD ~1 billion Janssen Pharmaceuticals (licensor) & GSK (licensee) 2023
- EUR 1.45 billion MYR GmbH (acquired) & Gilead Sciences Inc (buyer) 2020

The market

Despite preventive vaccines and antiviral treatments, over 250 million people worldwide live with a chronic hepatitis B infection. Each year, one million chronic carriers of the virus die from complications. Globally, an estimated 15–25 million people are infected with the closely related hepatitis D virus, that only infects hepatitis B-carriers and exacerbates the progression of the disease. The annual global market for hepatitis D is estimated at approximately USD 1 billion and the market for hepatitis B is estimated at USD 5–6 billion. The medical need for therapies for hepatitis B and D is significant.

Recent progress

- A clear validation of SVFs development platform was achieved in October 2024, as the company presented positive clinical safety and immunogenicity data from the Open Corona collaborative phase 1 clinical study with the universal vaccine candidate against covid-19, SVF-002.
- In October 2025, SVF Vaccines reported positive preclinical data for SVF-001 in chronic hepatitis B/D, showing marked reductions in HBV DNA and HDV RNA.

Expected milestones

- Phase 1 study of hepatitis D vaccine is expected to be initiated in 2026.

Promimic AB

Project
HA^{nano} Surface

Primary indication
Implant surface coatings

Development phase
Marketed

Holding in company*
KDev Investments 12%

Other investors
K-Svets Ventures
Chalmers Ventures
Riepen LCC
Andra AP-fonden

Origin
Chalmers University of Technology

More information
promimic.com

**Fully-diluted ownership based on current investment plans*

Innovative surface treatment speeds up healing time of implants

Promimic (Gothenburg, Sweden) develops and commercializes HA^{nano} Surface, a surface treatment that is currently used clinically on approximately 2 million implants. HA^{nano} Surface is a nanometer-thin coating of hydroxylapatite crystals that stimulates the growth of bone cells. This provides stronger anchoring in bone tissue and better healing. The surface is unique in that it can be applied to all types of implant materials and geometries, including porous materials and 3D printed structures – including surfaces where traditional, thicker HA coating can clog pores.

In the United States, the technology is approved by the FDA, which means that new implants with HA^{nano} Surface can be quickly brought to market via a 510(k) process. This has enabled strong growth – and that the number of approved implants for clinical use continuously increases.

Promimic has a sales office in Austin, Texas and several partnerships for development and commercialization in the US market for orthopedic implants. Currently, the market for spinal implants is the company's strongest segment. The collaboration with the company's customers includes the development and commercialization of products treated with HA^{nano} Surface technology in various application areas.

In the Brazilian market, Promimic collaborates with Sistema de Implante Nacional (S.I.N), a leading supplier of dental implants, which commercializes dental implants coated with HA^{nano} Surface.

Promimic has been listed on Nasdaq First North Growth Market since 2022,

The market

Promimic focuses on two main segments, namely the markets for orthopedic and dental implants. Together, these segments represent a global market opportunity for Promimic worth up to USD 600-800 million in 2025. Within these segments, the company's target group is medium to large sized implant companies and the main market is the United States.

Recent progress

- In February 2025, the company reported sales growth of 24% compared to the same period last year. Positive results were also published showing a reduction in bacterial growth on the company's implant surface HA^{nano} Surface. The results are published in the scientific journal Journal of Functional Biomaterials.
- In April 2025, Promimic entered into a strategic license agreement with Lincotek to strengthen its market presence and expand sales channels in the orthopedic implant market.
- In May 2025, Promimic reported a 1.4 percent increase in sales for the first quarter compared to the same period the previous year, with revenues totaling SEK 8.8 million. The company also deepened its collaboration with Curiteva by extending their exclusive license agreement for coating 3D-printed PEEK implants with HAnano Surface.
- In August 2025, Promimic reported a record number of new customer agreements during the second quarter of 2025.

Expected milestones

- In 2025, the company is expected to run development projects with both existing and new customers, and further product launches and license agreements will be announced.

Financial Development

The following financial reporting is divided into one financial reporting for The Parent Company and one for The Investment Entity. The Parent Company and The Investment Entity are the same legal entity, but the reporting is divided to meet legal reporting requirements.

The Parent Company is reporting in accordance with the guidelines under the Swedish Annual Accounting Act and Swedish Financial Accounting Standards Council, RFR 2. The Investment Entity is required to meet the reporting requirements of listed companies and thus in accordance with IFRS adopted by the EU and the Swedish Annual Accounts Act

Amounts in brackets refer to the corresponding period the previous year unless otherwise stated.

Financial development in summary for the Investment Entity

SEKm	2025 Jul-Sep	2024 Jul-Sep	2025 Jan-Sep	2024 Jan-Jun	2024 Full-year
Condensed income statement					
Change in fair value of shares in portfolio companies	-65.4	-7.9	-80.3	-17.1	1.6
Net profit/loss	-66.8	-10.9	-154.3	-26.7	-8.1
Balance sheet information					
Cash and cash equivalents	44.5	29.3	44.5	29.3	42.0
Net asset value (Note 1)	1,085.4	1,224.4	1,085.4	1,224.4	1,245.0
Net debt (Note 1)	-44.5	-29.3	-44.5	-29.3	-42.0
Share information					
Earnings per share, weighted average before dilution (SEK)	-0.2	0.0	-0.6	-0.1	0.0
Earnings per share, weighted average after dilution (SEK)	-0.2	0.0	-0.6	-0.1	0.0
Net asset value per share (SEK) (Note 1)	4.0	4.5	4.0	4.5	4.6
Equity per share (SEK) (Note 1)	4.0	4.5	4.0	4.5	4.6
Share price, last trading day in the reporting period (SEK)	0.9	1.2	0.9	1.2	1.0
Portfolio information					
Investments in portfolio companies	28.4	19.8	45.7	42.6	62.0
Of which investments not affecting cash flow	2.0	1.4	5.4	3.8	5.2
Portfolio companies at fair value through profit or loss	1,022.0	1,121.8	1,022.0	1,121.8	1,120.8

Financial Development for the Investment Entity in 2025

Investments *(comparable numbers 2024)*

Investments in the portfolio in the third quarter of 2025 by external investors and Karolinska Development amounted to SEK 63.1 (33.7) million, whereof 55% (41%) by external investors.

Karolinska Development invested during the third quarter 2025 SEK 28.4 (19.8) million, of which SEK 26.5 (18.5) million was cash investments. Investments were made in Umecrine Cognition with SEK 15.0 million, Modus Therapeutics with SEK 10.0 million, KDev Investments with SEK 1,3 million and Dilafor with SEK 0.1 million. Non-cash investments (accrued interest on loans) amounted to SEK 2.0 (1.4) million.

Investments by external investors in the portfolio companies during the third quarter 2025 amounted to SEK 34.6 (13.8) million and were made in Umecrine Cognition, Modus Therapeutics, Dilafor and PharmNovo.

During the year, Karolinska Development and external investors have made investments in the portfolio companies as follows:

SEKm	Karolinska Development	External Investors	Total Invested Q1-Q3 2025
Umecrine Cognition	18.1	11.6	29.6
Modus Therapeutics	15.4	14.6	30.0
Dilafor	4.8	8.3	13.1
Boost Pharma	3.4	3.4	6.8
SVF Vaccines	2.8	0.0	2.8
KDev Investments	1.3	0.0	1.3
OssDsign	0.0	158.1	158.1
PharmNovo	0.0	6.9	6.9
Total	**45.7**	**202.8**	**248.6**

Portfolio Fair Value

Fair Value of the portfolio companies owned directly by Karolinska Development showed a net decrease by SEK 34.4 million during the third quarter 2025. The main reason for the decrease in fair value was the adjusted fair value in Umecrine Cognition, where the value has been adjusted to the now known conditions for an early redemption of the convertible loans during the fourth quarter of 2025, as well as a downturn in share price in the listed holding Modus Therapeutics.

Fair Value of the portfolio companies owned indirectly via KDev Investments decreased by SEK 3.7 million during the third quarter 2025. The main reason for the decrease in Fair value of the portfolio companies was the downturn in share price in the listed holdings Promimic and Modus Therapeutics.

Total Fair Value from portfolio companies owned directly by Karolinska Development and indirectly via KDev Investments decreased by SEK 38.1 million in the third quarter 2025.

Because of the decrease in Fair Value of the part of the portfolio owned via KDev Investments, the potential distribution to Rosetta Capital decreased by SEK 1.2 million, resulting in Net Portfolio Fair Value decreasing by SEK 36.9 million in the third quarter 2025.

SEKm	30 Sep 2025	30 Jun 2025	Q3 2025 vs Q2 2025
Karolinska Development Portfolio Fair Value (unlisted companies)	774.4	815.8	-41.4
Karolinska Development Portfolio Fair Value (listed companies)	40.8	33.8	7.0
KDev Investments Portfolio Fair Value	531.5	535.2	-3.7
Total Portfolio Fair Value	**1,346.7**	**1,384.9**	**-38.1**
Potential distribution to Rosetta Capital of fair value of KDev Investments	-324.7	-325.9	1.2
Net Portfolio Fair Value (after potential distribution to Rosetta Capital)	**1,022.0**	**1,058.9**	**-36.9**

Profit development 2025 (comparable numbers 2024)

During the third quarter of 2025, Karolinska Development's revenue amounted to SEK 0.3 (0.4) million and consists primarily of services provided to portfolio companies. For the period January - September 2025 the revenue amounted to SEK 1.2 (1.3) million.

Change in fair value of shares in portfolio companies of in total SEK -65.4 (-7.9) million includes the difference between the change in Net Portfolio Fair Value during the third quarter of 2025 with SEK -39.9 million and the investment in portfolio companies of SEK 28.4 million. For the period January - September 2025 the change in fair value of shares in portfolio companies amounted to SEK -80.3 (-17.1) million.

Interest income on loans to portfolio companies amounted to SEK 2.0 million during the third quarter of 2025 (0.0 for the third quarter of 2024 as these are reported in net financial items). For the period January - September 2025 the interest income on loans to portfolio companies amounted to SEK 5.4 million (SEK 0.0 as these are reported in financial items).

Change in fair value of other financial assets and liabilities amounted to SEK 0.3 (-0.5) million and were the consequence of changes in valuation of earn-out deals. Change in fair value of other financial assets and liabilities for the period January – September 2025 amounted to SEK -63.4 (6.4) million. The result is mainly due to the valuation of the earn-out agreement with Organon (regarding the sale of Forendo) after Organon announced that they plan to discontinue the OG-6219 clinical development program.

During the third quarter of 2025 other expenses amounted to SEK 1.2 (1.5) million and personnel costs amounted to SEK 2.7 (2.7) million. For the period January – September 2025 other expenses amounted to SEK 4.4 (5.0) million and personnel cost amounted to 12.4 (16.3) million. The reduced personnel costs compared to the previous year are the effect of personnel being made redundant.

The operating profit/loss in the third quarter of 2025 amounted to SEK -66.9 million compared to SEK -12.4 million in the third quarter 2024. The operating profit/loss for the period January - September 2025 amounted to -154.5 (-31.4) million.

The financial net during the third quarter of 2025 amounted to SEK 0.1 million (interest income on loans to portfolio companies is reported on a separate line in operation profit/loss) compared to SEK 1.5 million in the third quarter of 2024 (of which interest income on loans to portfolio companies amounted to SEK 1.5 million). The financial net for the period January - September 2025 amounted to SEK 0.2 (4.2) million.

The Investment Entity's Net profit/loss amounted to SEK -73.3 (16.0) million in the third quarter of 2025. Net profit/loss for the period January - September 2025 amounted to SEK -87.5 (-26.7) million.

Financial position

The Investment Entity's equity to total assets ratio amounted to 99% on 30 September 2025, which it also did on 30 September 2024.

The investment company's equity on 30 September 2025 amounted to SEK 1,084.4 million, compared to SEK 1,151.2 million on 30 June 2025, a decrease by SEK 66.8 million during the quarter. The decrease is a consequence of the profit/loss for the period of SEK -66.8 million.

After paying operational costs and investments for the third quarter 2025, cash and cash equivalents amounted to SEK 44.5 million on 30 September 2025 compared to SEK 29.3 million on 30 September 2024. Net debt (negative net debt/ net cash) amounted to SEK -44.5 million on 30 September 2025 compared to the net debt of SEK -29.3 million on 30 September 2024.

The company is going concern. We regularly review financing solutions, including in the form of the sale of shares and portfolio companies, the taking up of loans and/or the implementation of new share issues in order to continue to finance the portfolio companies in their development and enable new investments. The company's ability to continue operations (going concern) is stable, given current cash flow expectations and plans.

The report is prepared based on the assumption of continued operation.

Financial Development – Parent Company

The Parent Company refers to Karolinska Development AB (comparable numbers 2024).

During the third quarter of 2025, the Parent Company's Net profit/loss amounted to SEK -66.8 (-10.9) million. The net profit/loss for the period January - September 2025 amounted to -154.3 (-26.6) million.

The negative result for the third quarter of 2025 led to a decrease in equity of SEK 66.8 million from SEK 1,151.2 million as of 30 June 2025 to SEK 1,084.4 million 30 September 2025. The decrease is a consequence of the profit/loss for the period of SEK -66.8 million.

The Share

The share and share capital

Trade in the Karolinska Development share takes place on Nasdaq Stockholm under the ticker symbol "KDEV". The last price paid for the listed B share on 30 September 2025 was SEK 0.9, and the market capitalization amounted to SEK 246 million.

The share capital of Karolinska Development on 30 September 2025 amounted to SEK 2.7 million divided into 2,555,261 class A shares, each with ten votes (25,552,610 votes) and 267,522,333 class B shares, each with one vote (267,522,333 votes). The total number of shares and votes in Karolinska Development on 30 September 2025 amounted to 270,077,594 shares and 293,074,943 votes.

Ownership

On 30 September 2025, Karolinska Development had 12,700 shareholders.

Shareholder	A-Shares	B-Shares	Cap %	Vote %
invoX Pharma Ltd	0	128,736,381	47.67%	43.93%
Worldwide International Investments Ltd	0	16,482,419	6.10%	5.62%
Swedbank Robur Microcap fond	0	8,750,000	3.24%	2.99%
Avanza Pension	0	6,018,474	2.23%	2.05%
Styviken Invest	0	5,236,206	1.94%	1.79%
Steffensen Asset Management	0	2,812,809	1.04%	0.96%
Stift För Främjande & Utveckling	2,555,261	0	0.95%	8.72%
Coastal Investment Management LLC	0	2,470,541	0.91%	0.84%
Nordnet Pensionsförsäkring	0	1,627,712	0.60%	0.56%
Skandia Fonder	0	1,175,313	0.44%	0.40%
Sum Top 10 Shareholders	2,555,261	173,309,855	65.12%	67.85%
Sum Other Shareholders	0	94,212,478	34.88%	32.15%
Sum All Shareholders	**2,555,261**	**267,522,333**	**100.00%**	**100.00%**

Information on Risks and Uncertainties

Investment Entity and Parent Company

Financial risks

Russia's invasion of Ukraine, as well as the war in Gaza and the related disturbances of sea transport through the Red Sea continue to affect the economy and society as a whole, including Karolinska Development and its portfolio companies. Also, the US administration's policies may have effects, both domestically in the US, which is often the largest and most important market for new drugs, and on world trade, primarily through the tariffs that might be introduced. The general downturn in the stock market since 2022 as well as the increase in interest rates since then have shifted the financial market's focus from growth companies to companies with positive operating cash flows, which has led to lower valuations in many previously highly valued growth companies, although the financial markets have not, as yet, been hit by the political and tariff turmoil. This affects Karolinska Development and its opportunities to not only finance its portfolio companies, but also to divest them at a suitable time for Karolinska Development.

The value of listed companies can decline delays in clinical trial programs may occur and the opportunities for refinancing can be hampered. The Board monitors the evolvement of the business and financial environment closely and Karolinska Development is working intensively to minimize the impact on the value of our investments and works continuously with different financing alternatives to secure the long-term capital requirement and thereby increase the degree of strategic and operational headroom for the future.

For a detailed description of other risks and uncertainties, see the Annual Report 2024.

Signing of the report

Solna, 14 November 2025

Viktor Drvota
CEO

Review report

Karolinska Development AB, corporate identity number 556707-5048

Introduction

We have reviewed the condensed interim report for Karolinska Development AB (publ) as of September 30, 2025 and for the nine months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 *Review of Interim Financial Statements Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Investment entity, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Stockholm, 14 November 2025

Ernst & Young AB

Oskar Wall

Authorized Public Accountant

Dates for Publication of Financial Information

Year-end Report 2025	13 February 2026
Annual Report 2025	20 March 2026
Interim Report January – March 2026	30 April 2026
Interim Report January – June 2026	28 August 2026
Interim Report January – September 2026	13 November 2026

Karolinska Development is required by law to publish the information in this interim report. The information was published on 14 November 2025.

This interim report, together with additional information, is available on Karolinska Development's website: www.karolinskadevelopment.com.

Note: This report is a translation of the Swedish interim report. In case of any discrepancies, the official Swedish version shall prevail.

Financial Statements

Condensed income statement for the Investment Entity

SEK 000	Note	2025 Jul-Sep	2024 Jul-Sep	2025 Jan-Sep	2024 Jan-Sep	2024 Full-year
Revenue		322	387	1,245	1,345	1,838
Change in fair value of shares in portfolio companies	2,3	-65,370	-7,883	-80,323	-17,096	1,579
Interest income on loans to portfolio companies	5	1,954	-	5,414	-	5,202
Change in fair value of other financial assets and liabilities	3	321	-528	-63,355	6,414	15,443
Other expenses		-1,172	-1,456	-4,362	-5,026	-7,097
Personnel costs		-2,665	-2,666	-12,408	-16,318	-25,126
Depreciation of right-of-use assets		-249	-249	-748	-748	-997
Operating profit/loss		**-66,859**	**-12,395**	**-154,537**	**-31,429**	**-9,158**
Financial net	5	70	1,523	238	4,773	1,057
Profit/loss before tax		**-66,789**	**-10,872**	**-154,299**	**-26,656**	**-8,101**
Taxes		-	-	-	-	-
NET PROFIT/LOSS FOR THE PERIOD		**-66,789**	**-10,872**	**-154,299**	**-26,656**	**-8,101**

Condensed statement of comprehensive income for the Investment Entity

SEK 000	Note	2025 Jul-Sep	2024 Jul-Sep	2025 Jan-Sep	2024 Jan-Sep	2024 Full-year
Net profit/loss for the period		-66,789	-10,872	-154,299	-26,656	-8,101
Total comprehensive income/loss for the period		**-66,789**	**-10,872**	**-154,299**	**-26,656**	**-8,101**

Earnings per share for the Investment Entity

SEK	Note	2025 Jul-Sep	2024 Jul-Sep	2025 Jan-Sep	2024 Jan-Sep	2024 Full-year
Earnings per share, weighted average before dilution		-0.25	-0.04	-0.57	-0.10	-0.03
Number of shares, weighted average before dilution		269,833,309	269,833,309	269,833,309	269,833,309	269,833,309
Earnings per share, weighted average after dilution		-0.25	-0.04	-0.57	-0.10	-0.03
Number of shares, weighted average after dilution		269,833,309	269,833,309	269,833,309	269,833,309	269,833,309

Condensed balance sheet for the Investment Entity

SEK 000	Note	30 Sep 2025	30 Sep 2024	31 Dec 2024
ASSETS				
Tangible assets				
Right-of-use assets		1,413	2,410	2,161
Financial assets				
Shares in portfolio companies at fair value through profit or loss	2,3	1,021,985	1,121,806	1,120,777
Other financial assets	4	8,950	63,398	71,271
Total non-current assets		**1,032,348**	**1,187,614**	**1,194,209**
Current assets				
Receivables from portfolio companies		2,230	704	1,126
Other financial assets	4	9,990	9,904	11,084
Other current receivables		1,372	1,244	2,400
Prepaid expenses and accrued income		1,393	2,035	1,151
Cash and cash equivalents		44,545	29,321	42,010
Total current assets		**59,530**	**43,208**	**57,771**
TOTAL ASSETS		**1,091,878**	**1,230,822**	**1,251,980**
EQUITY AND LIABILITIES				
Total equity		**1,084,424**	**1,220,168**	**1,238,723**
Current liabilities				
Other financial liabilities		40	77	100
Accounts payable		548	1,156	762
Liability to make lease payment		1,804	2,355	2,112
Other current liabilities		1,368	1,475	684
Accrued expenses and prepaid income		3,694	5,591	9,599
Total current liabilities		**7,454**	**10,654**	**13,257**
Total liabilities		**7,454**	**10,654**	**13,257**
TOTAL EQUITY AND LIABILITIES		**1,091,878**	**1,230,822**	**1,251,980**

Condensed statement of changes in the Investment Entity's equity

SEK 000	Not	30 Sep 2025	30 Sep 2024	31 Dec 2024
Opening balance, equity		**1,238,723**	**1,246,824**	**1,246,824**
Share capital		2,701	2,701	2,701
Share premium		2,735,903	2,735,903	2,735,903
Retained earnings		-1,654,180	-1,518,436	-1,499,881
Closing balance, equity		**1,084,424**	**1,220,168**	**1,238,723**

Condensed statement of cash flows for the Investment Entity

SEK 000	Note	2025 Jan-Sep	2024 Jan-Sep	2024 Full-year
Operating activities				
Operating profit/loss		-154,537	-31,429	-9,158
Adjustments for items not affecting cash flow				
Depreciation		748	748	997
Change in fair value		143,678	10,682	-17,022
Other items		-5,378	271	-4,040
Cash flow from operating activities before changes in working capital and operating investments		**-15,489**	**-19,728**	**-29,223**
Cash flow from changes in working capital				
Increase (-)/Decrease (+) in operating receivables		-61	-1,497	-1,284
Increase (+)/Decrease (-) in operating liabilities		-5,000	-148	2,677
Cash flow from operating activities		**-20,550**	**-21,373**	**-27,830**
Investment activities				
Part payment from earn-out deal		-	887	887
Proceeds from sale of shares in portfolio companies		64,212	4,086	41,497
Acquisitions of shares in portfolio companies		-40,329	-38,753	-56,753
Cash flow from investment activities		**23,883**	**-33,780**	**-14,369**
Financing activities				
Amortization of lease liabilities		-798	-798	-1,063
Cash flow from financing activities		**-798**	**-798**	**-1,063**
Cash flow for the period		**2,535**	**-55,951**	**-43,262**
Cash and cash equivalents at the beginning of the year		42,010	85,272	85,272
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		**44,545**	**29,321**	**42,010**

Condensed income statement for the Parent Company

SEK 000	Note	2025 Jul-Sep	2024 Jul-Sep	2025 Jan-Sep	2024 Jan-Sep	2024 Full-year
Revenue		322	387	1,245	1,345	1,838
Change in fair value of shares in portfolio companies	2.3	-65,370	-7,883	-80,323	-17,096	1,579
Interest income on loans to portfolio companies		1,954	-	5,414	-	5,202
Change in fair value of other financial assets and liabilities		321	-528	-63,355	6,414	15,443
Other expenses		-1,439	-1,722	-5,160	-5,824	-8,160
Personnel costs		-2,665	-2,666	-12,408	-16,318	-25,126
Operating profit/loss		**-66,877**	**-12,412**	**-154,587**	**-31,479**	**-9,224**
Financial net		86	1,548	292	4,856	1,162
Profit/loss before tax		**-66,791**	**-10,864**	**-154,295**	**-26,623**	**-8,062**
Tax		-	-	-	-	-
NET PROFIT/LOSS FOR THE PERIOD		**-66,791**	**-10,864**	**-154,295**	**-26,623**	**-8,062**

Condensed statement of comprehensive income for the Parent Company

SEK 000	Note	2025 Jul-Sep	2024 Jul-Sep	2025 Jan-Sep	2024 Jan-Sep	2024 Full-year
Net profit/loss for the period		-66,791	-10,864	-154,295	-26,623	-8,062
Total comprehensive income/loss for the period		**-66,791**	**-10,864**	**-154,295**	**-26,623**	**-8,062**

Condensed balance sheet for the Parent Company

SEK 000	Note	30 Sep 2025	30 Sep 2024	31 Dec 2024
ASSETS				
Financial non-current assets				
Shares in portfolio companies at fair value through profit or loss	2,3	1,021,985	1,121,806	1,120,777
Other financial assets	4	8,950	63,398	71,271
Total non-current assets		**1,030,935**	**1,185,204**	**1,192,048**
Current assets				
Receivables from portfolio companies		2,230	704	1,127
Other financial assets	4	9,990	9,904	11,084
Other current receivables		1,372	1,244	2,400
Prepaid expenses and accrued income		1,393	2,035	1,151
Cash and cash equivalents		44,545	29,321	42,010
Total current assets		**59,530**	**43,208**	**57,772**
TOTAL ASSETS		**1,090,465**	**1,228,412**	**1,249,820**
EQUITY AND LIABILITIES				
Total equity		**1,084,378**	**1,220,113**	**1,238,673**
Current liabilities				
Other financial liabilities		40	77	100
Accounts payable		548	1,156	762
Other current liabilities		1,805	1,475	686
Accrued expenses and prepaid income		3,694	5,591	9,599
Total current liabilities		**6,087**	**8,299**	**11,147**
Total liabilities		**6,087**	**8,299**	**11,147**
TOTAL EQUITY AND LIABILITIES		**1,090,465**	**1,228,412**	**1,249,820**

Condensed statement of changes in equity for the Parent Company

SEK 000	Not	30 Sep 2025	30 Sep 2024	31 Dec 2024
Opening balance, equity		**1,238,673**	**1,246,736**	**1,246,735**
Share capital		2,701	2,701	2,701
Share premium reserve		2,735,903	2,735,903	2,735,903
Retained earnings		-1,654,226	-1,518,491	-1,499,931
Closing balance, equity		**1,084,378**	**1,220,113**	**1,238,673**

Notes to the Financial Statements

NOTE 1 Accounting policies

This report has been prepared in accordance with the International Accounting Standard (IAS) 34 Interim Financial Reporting and the Annual Accounts Act. The accounting policies applied to the Investment Entity and the Parent Company correspond, unless otherwise stated below, to the accounting policies and valuation methods used in the preparation of the most recent annual report.

Information on the Parent Company

Karolinska Development AB (publ) ("Karolinska Development," "Investment Entity" or the "Company") is a Nordic life sciences investment company. The Company, with Corporate Identity Number 556707-5048, is a limited liability company with its registered office in Solna, Sweden. The Company focuses on identifying medical innovations 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. The sole purpose of investing in such companies is to generate a return through capital appreciation and investment income. These temporary investments, which are not investment entities, are designated "portfolio companies" below.

New and revised accounting principles 2025

No new or revised IFRS standards or recommendations from IFRS Interpretations Committee have had significant impact on the Investment Entity.

Related party transactions

No related party transactions other than compensation for management and the board have taken place during the reporting period.

Definitions

Interim period: The period from the beginning of the financial year through the closing date.

Reporting period: January - September 2025.

Alternative Performance Measures

The Company presents certain financial measures in the interim report that are not defined under IFRS. The Company believes that these measures provide useful supplemental information to investors and the company's management as they allow for the evaluation of the company's performance. Because not all companies calculate the financial measures in the same way, these are not always comparable to measures used by other companies. Therefore, these financial measures should not be considered as substitutes for measures as defined under IFRS.

Portfolio companies: Companies where Karolinska Development has made investments (subsidiaries, joint ventures, associated companies and other long-term securities' holdings) which are active in pharmaceuticals, MedTech, theranostics and formulation technology.

The Portfolio Fair Value is divided into Total Portfolio Fair Value and Net Portfolio Fair Value.

Total Portfolio Fair Value: The aggregated proceeds that would be received by Karolinska Development and KDev Investments if the shares in their portfolio companies were sold in an orderly transaction between market participants at the measurement date.

Net Portfolio Fair Value (after potential distribution to Rosetta Capital) is the net aggregated proceeds that Karolinska Development will receive after KDev Investments' distribution of proceeds to Rosetta Capital.

rNPV: "risk-adjusted net present value" is a method to value risky future cash flows. rNPV is the standard valuation method in the drug development industry, where sufficient data exists to estimate success rates for all R&D phases.

Equity per share: Equity on the closing date in relation to the number of shares outstanding on the closing date.

Net debt: Interest-bearing liabilities (SEK 0.0 million) reduced with cash and cash (SEK 44.5 million).

Equity to total assets ratio: Equity divided by total assets.

Net asset value as of 30 September 2025:

SEK 000	Number of shares	Fair value	Part of Karolinska Developments' net asset value	
			SEK per share[3]	percentage
Listed assets				
Modus Therapeutics	67,825,187	40,753	0.15	3.8%
Total listed assets		**40,753**	**0.15**	**3.8%**
Unlisted assets				
AnaCardio		60,628	0.22	5.6%
Boost Pharma		10,038	0.04	0.9%
Dilafor		50,674	0.19	4.7%
PharmNovo		35,177	0.13	3.2%
SVF Vaccines		28,836	0.11	2.7%
Umecrine Cognition		585,466	2.17	53.9%
KCIF Co-Investment Fund KB[1]		3,626	0.01	0.3%
KDev Investments[1]		206,787	0.77	19.1%
Total unlisted assets		**981,232**	**3.64**	**90.4%**
Net of other liabilities and debts[2]		**63,445**	0.24	**5.8%**
Total net asset value		**1,085,430**	**4.02**	**100.0%**

[1]The company has both listed and unlisted assets.
[2] Includes SEK 44.5 million cash and cash equivalents.
[3] In relation to the number of shares outstanding (269,833,309) on the closing date.

NOTE 2 Shares in portfolio companies, at fair value through profit or loss

Change in fair value of portfolio companies

SEK 000	2025 Jul-Sep	2024 Jul-Sep	2025 Jan-Sep	2024 Full-year	2024 Jan-Sep
Result level 1					
Listed companies, realized	-	-	8,962	-	8,383
Listed companies, unrealized	-3,217	-8,979	-14,119	-13,082	843
Total level 1	**-3,217**	**-8,979**	**-5,157**	**-13,082**	**9,226**
Result level 3					
Unlisted companies, realized	-22	-3,288	-5,602	-2,485	-1,245
Unlisted companies, unrealized	-62,131	4,384	-69,564	-1,529	-6,402
Total level 3	**-62,153**	**1,096**	**-75,166**	**-4,014**	**-7,647**
Total	**-65,370**	**-7,883**	**-80,323**	**-17,096**	**1,579**

Shares in portfolio companies, at fair value through profit or loss

SEK 000	30 Sep 2025	30 Sep 2024	31 Dec 2024
Accumulated acquisition cost			
At the beginning of the year	1,120,777	1,100,398	1,100,398
Investments during the year	45,742	42,590	61,998
Sales during the year	-64,212	-4,086	-43,197
Changes in fair value in net profit/loss for the year	-80,323	-17,096	1,579
Closing balance	**1,021,985**	**1,121,806**	**1,120,777**

NOTE 3 Fair value

The table below shows financial instruments measured at fair value based on the classification in the fair value hierarchy. The various levels are defined as follows:

Level 1- Fair value determined on the basis of observed (unadjusted) quoted prices in an active market for identical assets and liabilities
Level 2- Fair value determined based on inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3- Fair value determined based on valuation models where significant inputs are based on non-observable data

Fair value as of 30 September 2025

SEK 000	Level 1	Level 2	Level 3	Total
Financial assets				
Shares in portfolio companies, at fair value through profit or loss	40,753	-	981,232	1,021,985
Other financial assets	-	-	18,940	18,940
Cash and cash equivalents	44,545	-	-	44,545
Total	**85,298**	**-**	**1,000,172**	**1,085,470**
Financial liabilities				
Other financial liabilities	-	-	40	40
Total	**-**	**-**	**40**	**40**

Fair value as of 30 September 2024

SEK 000	Level 1	Level 2	Level 3	Total
Financial assets				
Shares in portfolio companies, at fair value through profit or loss	111,516	-	1,010,290	1,121,806
Other financial assets	-	-	73,302	73,302
Cash, cash equivalents	29,321	-	-	29,321
Total	**140,837**	**-**	**1,083,592**	**1,224,429**
Financial liabilities				
Other financial liabilities	-	-	77	77
Total	**-**	**-**	**77**	**77**

Fair value as of 31 December 2024

SEK 000	Level 1	Level 2	Level 3	Total
Financial assets				
Shares in portfolio companies, at fair value through profit or loss	94,713	-	1,026,064	1,120,777
Other financial assets	-	-	82,355	82,355
Cash and cash equivalents	42,010	-	-	42,010
Total	**136,723**	**-**	**1,108,419**	**1,245,142**
Financial liabilities				
Other financial liabilities	-	-	100	100
Total	**-**	**-**	**100**	**100**

Fair value (level 3) as of 30 September 2025

SEK 000	Shares in portfolio companies	Other financial assets	Other financial liabilities
At beginning of the year	1,026,064	82,355	100
Acquisitions	30,335	-	-
Gains and losses recognized through profit or loss	-75,166	-63,415	-60
Closing balance 30 September 2025	**981,232**	**18,940**	**40**
Realized gains and losses for the period included in profit or loss	-5,602	-	-
Unrealized gains and losses in profit or loss for the period included in profit or loss	-69,564	-63,415	60

Fair value (level 3) as of 30 September 2024

SEK 000	Shares in portfolio companies	Other financial assets	Other financial liabilities
At beginning of the year	975,800	67,829	130
Acquisitions	22,730	-	-
Compensations	-	-82	-
Gains and losses recognized through profit or loss	-5,110	7,001	60
Closing balance 30 September 2024	**993,420**	**74,748**	**190**
Realized gains and losses for the period included in profit or loss	803	82	-
Unrealized gains and losses in profit or loss for the period included in profit or loss	-5,913	6,919	-60

Fair value (level 3) as of 31 December 2024

SEK 000	Shares in portfolio companies	Other financial assets	Other financial liabilities
At the beginning of the year	975,800	67,829	130
Acquisitions	61,998	-	-
Compensations	-4,086	-887	-
Gains and losses recognized through profit or loss	-7,647	15,412	-30
Closing balance 31 December 2024	**1,026,064**	**82,355**	**100**
Realized gains and losses for the period included in profit or loss	-1,245	887	-
Unrealized gains and losses in profit or loss for the period included in profit or loss	-6,402	14,525	30

The Investment Entity recognizes transfers between levels in the fair value hierarchy on the date when an event or changes occur that give rise to the transfer.

Shares in portfolio companies (Level 3) as of 30 September 2025

SEK 000	Ownership	Market value	Valuation model[1]
AnaCardio	10.0%	60,628	Last post money
Boost Pharma	13.6%	10,038	Last post money
Dilafor	2.7%	50,674	Last post money
PharmNovo	19.7%	35,177	Last post money
SVF Vaccines	32.7%	28,836	Last post money
Umecrine Cognition	60.4%[2]	585,466	Last post money[3]
KCIF Co-Investment Fund KB	26.0%	3,626	A combination of share price listed company and fair value of financial asset[4]
KDev Investments	90.1%	206,787	A combination of last post money and share price listed company[5]
Total level 3		**981,232**	

[1]See The Annual Report 2024 Valuation of portfolio companies at fair value, for a description of valuation models.
[2]Actual ownership in Umecrine Cognition amounts to 72.6% as of September 30, 2025. After redemption of convertible loans, Karolinska Development's ownership amounts to 60.4%.
[3]Valued at price per share after redemption of convertible loans including distribution of extra options which was carried out in October 2025 following a decision at an extraordinary general meeting on October 23, 2025. Karolinska Development has a majority of votes at the meeting.
[4]KCIF Co-Investment Fund KB holds listed shares which are valued in accordance with the closing rate on the final trading day of the period and a financial asset, at fair value through profit or loss, attributable to earn-out in the sale of Forendo Pharma.
[5]KDev Investments AB holds both listed shares which are valued in accordance with the closing rate on the final trading day of the period and unlisted shares which are valued in accordance with the most recent transaction (post-money valuation). Dilafor, which is an unlisted company, accounts for 92% of the total fair value of KDev Investments.

Sensitivity analysis of significant holdings 30 September 2025

	+/-5%		+/-15%		+/- 30%	
	Result/ equity		Result/ equity		Result/ equity	
	KSEK	SEK/ share	KSEK	SEK/ share	KSEK	SEK/ share
Umecrine Cognition[1]	+/-29,273	+/-0.1	+/-87,820	+/-0.3	+/-175,640	+/-0.7
KDev Investments[2]	+/-17,275	+/-0.1	+/-51,525	+/-0.2	+/-103,650	+/-0.4

[1)] Sensitivity in the value of Umecrine Cognition.
[2)] Sensitivity in the value of KDev Investments, after potential distribution to Rosetta Capital.

Sensitivity analysis of significant holdings 31 December 2024

	+/-5%		+/-15%		+/- 30%	
	Result/ equity		Result/ equity		Result/ equity	
	KSEK	SEK/ share	KSEK	SEK/ share	KSEK	SEK/ share
Umecrine Cognition[1]	+/-33,572	+/-0.1	+/-100,715	+/-0.4	+/-201,431	+/-0.7
KDev Investments[2]	+/-17,950	+/-0.1	+/-53,550	+/-0.2	+/-107,100	+/-0.4

[1)] Sensitivity to rNPV value in performed valuation based on the assumed sales price of the drug.
[2)] Sensitivity in the value of KDev Investments, after potential distribution to Rosetta Capital.

Impact of Portfolio Fair Value

In the table below, "Total Portfolio Fair Value" is as defined in Note 1.

Impact on Portfolio Fair Value of the agreement with Rosetta Capital

"Potential distribution to Rosetta Capital", SEK 324.3 million, is the amount that KDev Investments according to the investment agreement between Karolinska Development and Rosetta Capital is obliged to distribute to Rosetta Capital from the proceeds received by KDev Investments (KDev Investments Fair Value). The distribution to Rosetta Capital will only happen when KDev Investments distributes dividends. KDev Investments will only distribute dividends after all eventual payables and outstanding debt has been repaid. Following dividends from KDev Investments during 2021 - 2023, all additional investments totaling SEK 43.7 million have been repaid to Rosetta Capital. In addition, SEK 6.6 million has been distributed, which reduces the first SEK 220 million in the waterfall structure. See also the annual report for 2024, note 16, for a description of the agreement with Rosetta Capital.

"Net Portfolio Fair Value (after potential distribution to Rosetta Capital)" is as defined in Note 1.

Expanded Portfolio Fair Value calculations taking the portfolio valuation and potential distribution to Rosetta Capital in consideration

SEK 000	30 Sep 2025	30 Sep 2024	31 Dec 2024
Karolinska Development Portfolio Fair Value (unlisted companies)	774,445	772,347	807,798
Karolinska Development Portfolio Fair Value (listed companies)	40,753	111,516	94,713
KDev Investments Portfolio Fair Value	531,503	579,296	549,021
Total Portfolio Fair Value	**1,346,701**	**1,463,159**	**1,451,532**
Potential distribution to Rosetta Capital of fair value of KDev Investments	-324,716	-341,352	-330,754
Net Portfolio Fair Value (after potential distribution to Rosetta Capital)	**1,021,985**	**1,121,806**	**1,120,777**

NOTE 4 Other financial assets

SEK 000	30 Sep 2025	30 Sep 2024	31 Dec 2024
Other financial assets, non-current			
Earn-out agreement Forendo Pharma	8,950	63,398	71,271
Earn-out agreement Oncopeptides	-	0	0
Total	**8,950**	**63,398**	**71,271**
Other financial assets, current			
Earn-out agreement Forendo Pharma	9,990	9,904	11,084
Total	**9,990**	**9,904**	**11,084**
Total other financial assets	**18,940**	**73,302**	**82,355**

Earn-out agreement Forendo Pharma

Karolinska Development is entitled to earn-out payments according to the agreement with Organon regarding the sale of Forendo Pharma. Karolinska Development estimates the risk-adjusted net present value (rNPV) of future cash flows (earn-outs), after the initial payment in December 2021 and payments in 2022 and 2023, to SEK 18.9 million, whereof Karolinska Development expects SEK 10.0 million to be paid during the next 12 months. The earn-outs are expected to be paid during the period 2025–2034, and renewed rNPV valuations will be performed continuously. Forendo Pharma's previous shareholders were entitled to additional future payments upon the achievement of certain development, registration and commercial milestones pertaining to Forendo Pharma's drug candidates. Following Organon's update regarding the development of the drug candidate OG-6219, which is based on results from a phase 2 clinical study in endometriosis-related pain, Organon plans to discontinue the development program with OG-6219, resulting in a fair value adjustment for Karolinska Development by SEK -57.6 million, in the second quarter 2025, as the acquisition agreement included the right to an additional purchase price. The acquisition of Forendo included two drug candidates, of which OG-6219 was the most advanced drug project.

Earn-out agreement Oncopeptides

Karolinska Development was entitled to earn-out payments according to the agreement with Industrifonden regarding the previous holdings in Oncopeptides. The agreement was finalized in the third quarter of 2024.

NOTE 5 Interest income on loans to portfolio companies[1)]

SEK 000	2025 Jul-Sep	2024 Jul-Sep	2025 Jan-Sep	2024 Jan-Sep	2024 Full-year
Net operations					
Interest on loans to portfolio companies	1,954	0	5,414	0	5,202
Total	**1,954**	**0**	**5,414**	**0**	**5,202**
Financial net					
Interest on loans to portfolio companies and other interest	70	1,523	238	4,773	1,057
Total	**70**	**1,523**	**238**	**4,773**	**1,057**

[1)] Interest income on loans to portfolio companies is reported as of the fourth quarter of 2024 as a separate item in operating profit/loss (interest on loans to portfolio companies during the third quarter of 2024 amounted to KSEK 1,218 and for the period January – September 2024 KSEK 2,477). Other interest income is reported in net financial items.

NOTE 6 Pledge assets and contingent liabilities

SEK 000	30 Sep 2025	30 Sep 2024	31 Dec 2024
Pledge assets			
Contingent liabilities			
Loan commitment to portfolio company	-	-	5,000
Summa	**0**	**0**	**5,000**