

THE NOMINATION COMMITTEE'S PROPOSAL AND REASONED STATEMENT

The Nomination Committee for Karolinska Development AB's proposal and reasoned statement for the Extraordinary General Meeting, 28 November 2017.

The Nomination Committee consists of Niclas Adler (Chairman), appointed by Sino Biopharmaceutical; Torgny Wännström, appointed by the Foundation for Promotion and Development of Medical Research at Karolinska Institutet; Magnus Persson, appointed by Karolinska Institutet Holding AB; Peter Lundkvist, appointed by Tredje AP-fonden; and Todd Plutsky, appointed by Coastal Investment Management.

The Nomination Committee proposes the following for the Extraordinary General Meeting, 28 November 2017.

Election of Chairman for the General Meeting

The Nomination Committee proposes that the lawyer Johan Hessius is appointed as Chairman for the Extraordinary General Meeting.

Election of new board member

The Nomination Committee proposes that the General Meeting resolves to elect Ewa Björling as ordinary member of the board of directors until the end of the next Annual General Meeting. Ewa Björling is replacing Hans-Olov Olsson whom has chosen to resign from the board of directors at his own request.

It is noted that the Annual General Meeting 2017 resolved that the number of members of the board of directors will be seven and no deputies will be appointed.

Ewa Björling, born 1961, is a qualified dentist as well as a Medical Doctor and lecturer in virology. She is a former member of the Swedish parliament and served as Sweden's Minister for Trade between 2007–2014 and for a period also as Minister for Nordic Cooperation. Moreover, she has been employed at the Department of Microbiology, Tumor and Cell Biology (MTC) at Karolinska Institutet in Solna. Ewa Björling has previous engagements as a board member of Essity AB, BioGaia AB and Mobilaris AB among others. Ewa Björling is independent in relation to the company, its management and Karolinska Development's major shareholders.

The Nomination Committee's reasoned statement

Dr Ewa Björling adds significant experiences and network from key emerging markets for Karolinska Development's portfolio companies and future investment strategy from her period as Sweden's Minister for Trade. Dr Ewa Björling also contributes with experience from engagement as a member of the board of directors in several successful listed companies on Nasdaq, and she also has an important understanding of Karolinska Development's operations with experience as a research director at Karolinska Institutet.

The new board of directors is well prepared for the continued implementation of Karolinska Development's new strategy with leading competencies on the field of pharmaceutical and medical technology development, investments and transactions, as well as industrialization and international establishment.

To determine the proposed member of the board of directors' suitability, the composition of the board of directors and the main requirements for the members of the board of directors has been taken into consideration.

The Nomination Committee considers the board of directors, with regard to the company's operations, phase of development and conditions in general, having an appropriate composition characterized by versatility and breadth in relation to the members' skills and experience. It is also appraised by the Nomination Committee that all proposed members of the board of directors have the possibility to allocate enough time to perform the assignment.

The proposed board of directors meets the independence requirements of the Swedish Code of Corporate Governance.

The Nomination Committee, Solna in November 2017