

PROPOSAL AND STATEMENT BY THE NOMINATION COMMITTEE

Proposal and Statement by Karolinska Development's Nomination Committee for the 2015 AGM.

Statement

Within the context of its work for the 2015 AGM, the Nomination Committee reviewed the Board's internal evaluation of its work. Interviews took place with the current directors. The Committee also obtained information concerning the company's operations, development phase, as well as other relevant information.

The above have formed the basis for the Committee's considerations about the composition of the Board and main requirements that should be imposed on directors. The Committee also paid attention to independence issues, other assignments that the directors have in other companies and gender balance.

During the past year the company has been subject to a number of changes. A new CEO joined, a new strategy has been implemented and the leading life science investor Asian CP Group invested in the company, becoming one of the major holders. In the opinion of the Nomination Committee, these changes should be reflected in the composition of the Board.

In the Committee's opinion, the size of the Board should be kept at a reasonable level and the Committee believes that the current size should not be increased. At the same time additional competence is desired. One director resigned during 2014. Two of the current directors have declared that they do not run for re-election. The Nomination Committee has focused on adding further financial and business development competence to the Board. With the proposal for three new directors the Board will have the same size as at the 2014 AGM.

When determining whether the proposed directors are suitable for directorship in Karolinska Development other engagements by the proposed directors as well as potential conflicts of interest have been considered. The Nomination Committee deems that potential conflict of interest issues can be addressed and managed through the normal procedures in the Board's work.

The Nomination Committee believes that the proposed Board, with respect to the company's operations, stage of development and other circumstances, will have an appropriate composition characterized by diversity and breadth in terms of the expertise, experience and background. The Nomination Committee also believes that it is possible for all proposed directors to make available sufficient time for the performance of the assignment.

The formal independent requirements according to the Swedish Code of Corporate Governance are met. According to the same Code the Nomination Committee shall also strive for improvement of the gender balance in the board. The Nomination Committee realizes that gender balance has not been achieved. The Nomination Committee has discussed succession for the Board of Karolinska Development and has commenced a long term work to increase the gender perspective in the Board.

Proposal

Proposal by the Nomination Committee:

Re-election of Bo Jesper Hansen, Hans Wigzell, Vlad Artamonov, Henrijetta Richter and Carl Johan Sundberg.

New election of Tse Ping, Niclas Adler and Khalid Islam.

Election of Bo Jesper Hansen as chairman of the Board of Directors.

Nomination Committee, Solna in April, 2015