



COMPULSORY ACQUISITION OF SHARES IN WEIFA ASA

STOCKHOLM 12 October 2017

- Reference is made to the stock exchange announcement made by Karo Pharma AB ("Karo Pharma") on 6 October 2017 regarding completion of the voluntary offer (the "Voluntary Offer") for the shares in Weifa ASA ("Weifa").
- Karo Pharma currently owns 35,553,352 shares in Weifa representing 97.48 % of Weifa's share capital and voting rights.
- The board of directors of Karo Pharma has pursuant to Section 4-25 of the Norwegian Public Limited Companies Act and Section 6-22 of the Norwegian Securities Trading Act (the "STA") resolved to carry out a compulsory acquisition of all the remaining shares in Weifa not already owned by Karo Pharma (the "Minority Shares") effective from end of trading on Oslo Stock Exchange today.
- In accordance with section 6-22 (2) of the STA, the offered redemption price for each Minority Share is NOK 35, which is equal to the offer price in the Voluntary Offer.

- As of today's date the rights and ownership of the Minority Shares will automatically be transferred to Karo Pharma, and accordingly Karo Pharma will from the day hereof be the beneficial owner of 100 per cent of the Weifa shares.
- Karo Pharma has obtained a guarantee for the settlement under the compulsory acquisition in accordance with section 6-22 (3) no. 3 of the STA.
- Any objections to, or rejection of, the offered redemption price must be made at the latest 15 December 2017. Former shareholders of Weifa who do not object to, or reject, the offered redemption price within this deadline will be deemed to have accepted the offered price. Settlement of the offer price to the minority shareholders will take place within 19 October 2017.
- A letter regarding the compulsory acquisition will be sent to all former shareholders of Weifa whose addresses are known and whose shares have been acquired by way of the compulsory acquisition. In addition, the compulsory acquisition will be announced in the Brønnøysund Register Center's electronic publication.
- As a result of the compulsory acquisition, Karo Pharma will pursue a delisting of the shares in Weifa from Oslo Stock Exchange. A separate stock exchange announcement will be published regarding such delisting.

FOR FURTHER INFORMATION PLEASE CONTACT:

Peter Blom, CEO, 070-655 56 98 or peter.blom@karopharma.se

ABOUT KARO PHARMA

Karo Pharma is a specialty pharma company that develops and markets products to pharmacies and directly to healthcare providers. The share is listed on Nasdaq Stockholm in the Mid Cap segment.

The information in this report is such that Karo Pharma is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, on October 12, 2017 at 17.30 CET. This press release is also available on www.newsroom.cision.com.

FORWARD-LOOKING STATEMENTS

This news release contains certain forward-looking statements that are based on uncertainty, as they relate to events and depend on circumstances that will occur in the future and which, by their nature, may have an impact on results of operations and the financial condition of Karo Pharma and/or Weifa. Such forward-looking statements reflect our current expectations and are based on the information currently available. Neither Karo Pharma nor Weifa can give any assurance as to whether such forward-looking statements will prove to be correct. These forward-looking statements include statements regarding the Offer, our expectations as to the launch of the Offer, including the terms of the Offer and expected timing, expected benefits of the Offer. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. These factors include, among other things, satisfactions of conditions to the Offer and investor participation in the Offer.

IMPORTANT NOTICE:

The Offer will not be made in any jurisdiction in which making of the Offer would not be in compliance with the laws of such jurisdiction. This announcement does not in itself constitute an offer. The Offer will only be made based on the Offer document and can only be accepted pursuant to the terms of such document.