

PRESS RELEASE

03 April 2024 11:00:00 CEST

NOTICE OF ANNUAL GENERAL MEETING OF INFANT BACTERIAL THERAPEUTICS

Infant Bacterial Therapeutics AB (publ), Reg. No. 556873-8586, with its registered office in Stockholm, gives notice of the Annual General Meeting to be held on May 8, 2024 at 16.00 CEST in the premises of Svenska Läkaresällskapet, Karolina Widerströmsalen, Klara Östra Kyrkogata 10, Stockholm.

Right to participate in the Annual General Meeting and notice of participation

A shareholder who wishes to participate in the Annual General Meeting must (i) be recorded as a shareholder in the share register maintained by Euroclear Sweden AB relating to the circumstances on April 29, 2024, and (ii) no later than May 2, 2024 give notice by post to Bryggargatan 10, 111 21 Stockholm, Sweden, or via e-mail to ibt@ibtherapeutics.com. When providing such notice, the shareholder shall state name, personal or corporate registration number, address, telephone number and the number of any accompanying assistant(s) (maximum two assistants) as well as information about any proxy.

If a shareholder is represented by proxy, a written, dated proxy for the representative must be issued. A proxy form is available on the company's website, www.ibtherapeutics.com. If the proxy is issued by a legal entity, a certificate of registration or equivalent certificate of authority should be enclosed. To facilitate the registration at the General Meeting, the proxy and the certificate of registration or equivalent certificate of authority should be sent to the company as set out above so that it is received no later than May 7, 2024.

Nominee-registered shares

To be entitled to participate in the Annual General Meeting, a shareholder whose shares are held in the name of a nominee must, in addition to providing notification of participation, register its shares in its own name so that the shareholder is recorded in the share register relating to the circumstances on April 29, 2024. Such registration may be temporary (so-called voting right registration) and is requested from the nominee in accordance with the nominee's procedures and in such time in advance as the nominee determines. Voting right registrations completed by the nominee not later than May 2, 2024 are taken into account when preparing the share register.

Proposed agenda

1. Opening of the Meeting
2. Election of Chairman of the Meeting
3. Preparation and approval of the voting list
4. Election of one or two persons who shall approve the minutes of the Meeting
5. Approval of the agenda
6. Determination of whether the Meeting has been duly convened
7. Presentation by the CEO
8. Presentation of the annual report and the auditor's report as well as the consolidated financial statements and the auditor's report on the consolidated financial statements, and the auditor's statement regarding the company's compliance with the guidelines for remuneration to the executive management in effect since the previous Annual General Meeting
9. Resolutions regarding:
 - a) adoption of the income statement and balance sheet as well as the consolidated income statement and consolidated balance sheet
 - b) allocation of the company's result pursuant to the adopted balance sheet
 - c) discharge from liability for the Board members and the CEO
10. Resolution regarding the number of Board members and Auditors
11. Determinations of fees to the Board of Directors and Auditor
12. Election of Board members

The Nominating Committee's proposal:

- a) Re-election of Margareta Hagman
- b) Re-election of Eva Idén
- c) Re-election of Anthon Jahreskog
- d) Re-election of Kristina Sjöblom Nygren
- e) Re-election of Peter Rothschild

13. Election of the Chairman of the Board of Directors.

The Nominating Committee's proposal:

- a) Re-election of Peter Rothschild

14. Election of Auditor
15. Resolution regarding the Nominating Committee
16. Presentation of the Board's remuneration report for approval
17. The Board's proposal for resolution regarding authorization for new issuance of shares
18. The Board's proposal for a resolution regarding implementation of an incentive program
19. Closing of the Meeting

The Nominating Committee's proposals

Items 2 and 10-14 – Proposals regarding the Chairman of the Annual General Meeting, the number of Board members and the number of Auditors, fees to the Board of Directors and the Auditor, and election of Board members, Chairman of the Board of Directors and Auditor

The Nominating Committee, consisting of Per-Erik Andersson (the Chairman of the Nominating Committee) (appointed by the largest shareholder Annwall & Rothschild Investments AB), Sebastian Jahreskog (who by direct and indirect ownership is the second largest shareholder of the company), Jannis Kitsakis (appointed by the third largest shareholder the Fourth Swedish National Pension Fund) and Peter Rothschild (Chairman of the Board of Directors) has submitted the following proposals:

- Attorney-at-law Erik Sjöman is proposed to be elected Chairman of the Annual General Meeting (item 2).
- The number of Board members elected by the General Meeting is proposed to be five without any alternate board members (item 10).
- The number of auditors is proposed to be an authorised audit firm without any alternate auditors (item 10).
- Fees to the Board of Directors is proposed to be paid for the period until the end of the next Annual General Meeting as follows: SEK 340,000 (previously SEK 312,000) to the Chairman of the Board of Directors and an unchanged extra remuneration of SEK 400,000 annually for the duties as working Chairman of the Board and SEK 170,000 (previously SEK 156,000) to each of the other Board members. For the Remuneration Committee, a fee of SEK 44,000 is proposed to the Chairman and SEK 22,000 to each of the other members of the Committee. For the newly established Audit Committee, a fee of SEK 50,000 is proposed to the Chairman and SEK 25,000 to each of the other members of the Committee. In addition, the Board members may be entitled to reasonable remuneration for travel expenses for their participation in Board activities (item 11).
- The fees to the auditor is proposed to be paid in accordance with approved invoices (item 11).
- It is proposed that Margareta Hagman, Eva Idén, Anthon Jahreskog, Kristina Sjöblom Nygren and Peter Rothschild are re-elected as Board members for the period until the end of the next Annual General Meeting (item 12).
- It is proposed that Peter Rothschild is re-elected as Chairman of the Board of Directors (item 13).
- It is proposed that Deloitte AB is re-elected as auditor for the company for the period until the end of the next Annual General Meeting, which is in accordance with the Board of Directors' recommendation (item 14).

Information about the members proposed for re-election can be found at the company's website, www.ibtherapeutics.com.

Item 15 – Resolution regarding the Nominating Committee

The Nominating Committee proposes that no fees shall be paid to the Nominating Committee, but the Company shall bear reasonable costs which are deemed necessary by the Nominating Committee in order for the Nominating Committee to fulfill its mandate.

Further, the Nominating Committee proposes that the following principles shall apply to the convening of the Nominating Committee for the Annual General Meeting 2025:

The Chairman of the Board shall convene the three, in terms of voting rights, largest shareholders in the company, each of which shall appoint a representative to be a member of the Nominating Committee together with the Chairman of the Board. Composing the Nominating Committee, the ownership structure as per June 30, 2024 will determine who are the largest shareholders in terms of voting rights. The Nominating Committee shall be chaired by the member representing the largest shareholder as determined by voting rights on this date. If any of the three largest shareholders waives their right to appoint a member of the Nominating Committee, this right shall be vested in the shareholder that, after these shareholders, has the largest shareholding. The names of the three owners' representatives shall be published as soon as they have been appointed, but no later than six months before the Annual General Meeting 2025. The Nominating Committee's term of office extends until the new Nominating Committee is appointed.

In the event that the shareholder the Nominating Committee member represents no longer constitutes one of the three largest shareholders in terms of voting rights, the Nominating Committee, if it finds it appropriate, may dismiss that member and give a representative of the shareholder that is next in terms of voting power the opportunity to be elected. In the event that a nominated member of the Nominating Committee for other reason resigns from the Nominating Committee, the shareholder who appointed the member in question shall be entitled to appoint a new representative in the Nominating Committee. If such shareholder declines to appoint a new representative, the Nominating Committee shall, if it considers it appropriate with regard to the remaining term of office, request that the shareholder that is next in terms of voting power determine, if it wishes to appoint a representative to the Nominating Committee.

No remuneration shall be paid to the members of the Nominating Committee. Any expenses for the Nominating Committee's work shall be assumed by the company.

The Nominating Committee shall prepare proposals in the following questions to be submitted to the Annual General Meeting 2025 for decision:

- a) proposal for election of the Chairman of the Annual General Meeting
- b) proposal for election of Board members
- c) proposal for election of the Chairman of the Board
- d) proposal for determination of Board fees
- e) proposal for election of Auditor
- f) proposal for determination of Auditor fees
- g) proposal for a resolution regarding the Nominating Committee prior to the 2026 Annual General Meeting.

The Board of Director's proposals

Item 9b – Resolution regarding allocation of the company's result

The Board of Directors proposes that no dividend be paid and that the result for the period be carried forward.

Item 17 – The Board's proposal for a resolution regarding authorization for new issuance of shares

The Board of Directors proposes that the Annual General Meeting approves that the Board of Directors have a mandate to, on one or more occasion until the next Annual General Meeting, issue new shares. The Board of Directors will be able to decide on a new issuance of shares with deviation from the shareholders' pre-emption rights. This authorisation is to include the right to issue shares with cash payment, payment by contribution in kind or payment by way of set-off, and otherwise subject to conditions as set out in Chapter 13, Section 5, first paragraph 6 of the Swedish Companies Act.

The decision by the Board of Directors in relation to a new share issue that deviates from shareholders' pre-emption rights (directed issue) shall not exceed a twenty percent increase in share capital in relation to the share capital when the mandate for new issue is first utilised by the Board of Directors.

The share issue under this authorization shall be on market terms. The Board shall have the right to determine the conditions of the issue under this authorization as well as mandate to determine who has the right to subscribe for shares. The purpose of the authorization is to provide the Board with flexibility in efforts to ensure that the company, in an appropriate manner, has additional capital to finance the company's ongoing clinical activities, and to enable a broadening of the owner base of the company.

The CEO, or the person who is appointed by the Board of Directors, shall be authorised to make such adjustments to this resolution that may be necessary in connection with the registration thereof.

Item 18 – The Board’s proposal for a resolution regarding implementation of an incentive program

The Board of Directors proposes that the Annual General Meeting resolves to adopt an incentive program for the company’s employees and key persons engaged as consultants via i) a directed issue of warrants to the company or its wholly owned subsidiary IBT Baby AB, Reg. No. 559110-7353 (the “**Subsidiary**”), and ii) approval of transfer of warrants to participants in the incentive program. Each warrant entitles to subscription of one (1) new Class B share in the company.

The Board of Directors believes that it is important and in the interest of all shareholders that the employees and other key persons, who are deemed to be important for the company’s further development, have a long-term interest in a good value increase of the company’s shares. A personal long-term ownership commitment can be expected to contribute to an increased interest in the company’s operations and earnings and raise the participants’ motivation and connection with the company and its shareholders.

Based on the existing number of shares in the company, the dilution resulting from the proposed incentive program, assuming that all warrants are exercised for subscription of new Class B shares, will be approximately 1.21 percent of the shares and approximately 0.93 percent of the votes. The percentage dilution in respect of the shares has been calculated according to the following formula: $1 - (\text{existing number of shares} / \text{new number of shares})$, and in respect of the votes according to the following formula: $1 - (\text{existing number of votes} / \text{new number of votes})$. This calculation does not consider already outstanding warrants in the incentive programs that were implemented in 2020, 2022 and 2023, respectively. The dilution is expected to have a limited effect on the company’s key performance indicators.

This proposal has been prepared by the remuneration committee and thereafter by the Board of Directors in consultation with external advisors.

Directed issue of warrants to the company or the Subsidiary

The Board of Directors proposes that the Annual General Meeting resolves on a directed issue of a maximum of 165,000 warrants on the following terms:

1. The right to subscribe for the warrants shall, with deviation from the shareholders’ preferential rights, belong to the company or the Subsidiary. Over-subscription cannot occur.

2. The reason for the deviation from shareholders' preferential rights is that the issue is a part of the implementation of the incentive program, with which the company's employees and other key persons are given the opportunity to take part in a positive development in the company. The existence of such a program is expected to increase the company's ability to attract and retain qualified employees.
3. Subscription of the warrants shall be made through subscription on a subscription list no later than May 17, 2024. The Board of Directors shall be entitled to extend the subscription period.
4. The warrants are issued free of charge.
5. Each warrant will entitle the holder to subscribe for one (1) new Class B share in the company at a subscription price corresponding to 200 percent of the volume-weighted average price of the company's share according to Nasdaq Stockholm's official price list during the period ten (10) trading days before May 8, 2024. Any share premium shall be transferred to the unrestricted premium reserve.
6. Subscription of Class B shares by exercise of warrants shall be made in accordance with the terms of the warrants from June 1, 2027 up to and including September 30, 2027.
7. If all warrants are exercised for subscription of Class B shares, the company's registered share capital will increase by SEK 44,970.254221 (given current quota value and provided that no recalculation is carried out pursuant to the warrant terms).
8. Class B shares issued as a result of subscription shall entitle to dividends on the dividend record date occurring after the share capital is registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) and Class B shares have been recorded in the share register kept by Euroclear Sweden AB.
9. The warrants will otherwise be subject to customary terms regarding *inter alia* recalculation, which are included in the board's complete proposal.

Approval of transfer of warrants to participants in the incentive program

The Board of Directors proposes that the Annual General Meeting resolves to approve that the company or the Subsidiary transfers a maximum of 165,000 warrants to the company's CEO, senior executives and other employees and key persons engaged as consultants, or to companies wholly owned by such persons, according to the following principles.

- Category A – CEO: the CEO may be allotted a maximum of 50,000 warrants.

- Category B – other senior executives: participants in this category may be allotted a maximum of 100,000 warrants collectively and each participant in the category may be allotted a maximum of 25,000 warrants individually.
- Category C – other employees and key persons engaged as consultants: participants in this category may be allotted a maximum of 50,000 warrants collectively and each participant may be allotted a maximum of 10,000 warrants individually.

In addition to the above-mentioned maximum number of warrants for each category, the allotment may not exceed the total number of warrants specified above (165,000).

The warrants shall be transferred on market terms at a price established on the basis of an estimated market value of the warrants at the time of the transfer by applying the Black & Scholes method of valuation (option premium). Calculation of the option premium shall be performed by an independent valuation expert.

In order to enable the participants acquisition of the warrants, the board may decide on an extra bonus payment which net after deduction for taxes and social security contributions is equivalent to 100 percent of the option premium.

In addition, a so-called pre-emption agreement shall be entered into, pursuant to which the warrant holder shall be obliged to offer the company or the Subsidiary to acquire the warrants, or a portion of them, under certain conditions.

Transfer of warrants to participants in the incentive program requires that such transfer may be lawfully made and that it, according to the Board of Directors' assessment, may be made to reasonable administrative costs.

The employees who are entitled to acquire warrants must notify their intention to acquire warrants during the period from May 20, 2024 up to and including June 7, 2024. However, the Board of Directors shall have the right to extend the time for such notification and to resolve on a new notification period for employees whose acquisitions occur after the initial acquisition period has ended.

Costs for the incentive program

The incentive program has been prepared in consultation with external legal and financial advisers and the costs for this guidance is estimated to amount to a maximum of SEK 80,000. The company's costs for bonus payments to cover the option premium are currently expected to amount to approximately SEK 3,600,000. Bonus payments may however only amount to a maximum of SEK 4,500,000.

According to a preliminary valuation, the market value of the warrants corresponds to approximately SEK 8.35 per warrant (assuming a price of the company's shares of approximately SEK 76.40 per share, a risk-free interest rate of approximately 2.6 percent and an assumed volatility of 40 percent), calculated by applying the Black-Scholes method of valuation. Upon transfer of warrants to participants, the market value will be determined based on updated assumptions and then known parameters.

In addition to the costs stated above, the Board of Directors deems that the incentive program will cause certain administrative costs in connection with registration, transfer and share subscription by exercise of warrants.

Other outstanding share-related incentive programs in the company

Warrant program 2020/2024

On June 16, 2020, the Annual General Meeting decided on an incentive program by a directed issue of warrants to the Subsidiary. The number of issued warrants is 375,000. In total 244,073 warrants have been transferred to employees. The transfers have been carried out on market terms at a price determined at the time of the transfers by applying the Black & Scholes method of valuation.

The holder of warrants may, during the period from July 1, 2024 up to and including September 30, 2024, for each warrant subscribe for 1.01 new Class B share in the company at a subscription price per share amounting to SEK 397.56.

Warrant program 2022/2025

On May 4, 2022, the Annual General Meeting decided on an incentive program by a directed issue of warrants to the Subsidiary. The number of issued warrants is 304,500. In total 272,000 warrants have been transferred to employees. The transfers have been carried out on market terms at a price determined at the time of the transfers by applying the Black & Scholes method of valuation.

The holder of warrants may, during the period from June 1, 2025 up to and including September 30, 2025, for each warrant subscribe for 1.01 new Class B share in the company at a subscription price per share amounting to SEK 128.77.

Warrant program 2023/2026

On May 8, 2023, the Annual General Meeting decided on an incentive program by a directed issue of warrants to the Subsidiary. The number of issued warrants is 165,000. In total 155,000 warrants have been transferred to employees. The transfers have been carried out on market terms at a price determined at the time of the transfers by applying the Black & Scholes method of valuation.

The holder of warrants may, during the period from June 1, 2026, up to and including September 30, 2026, for each warrant subscribe for 1.01 new Class B share in the company at a subscription price per share amounting to SEK 100.05.

The number of shares as well as the subscription price in the above-mentioned incentive programs have been recalculated in connection with the company's rights issue conducted in July 2023. There are no other share-based incentive programs in the company.

Majority requirements

The resolutions above are conditional on each other and are therefore to be adopted jointly. A valid resolution requires approval of shareholders representing at least nine tenths (9/10) of both the votes cast and the shares represented at the Meeting.

Other

The CEO, or any other person appointed by the Board of Directors, shall have the right to take those smaller measures that may be required in order to register and implement the resolution.

Further information

Special majority requirements

A resolution in accordance with the proposal in item 17 above shall only be valid where supported by not less than two-thirds of both votes cast and the shares represented at the Annual General Meeting.

Shareholders' right to obtain information

Shareholders are reminded of their right to, at the Annual General Meeting, obtain information from the Board of Directors and CEO in accordance with Chapter 7, Section 32 of the Swedish Companies Act. Shareholders who wish to submit questions in advance may do so by sending post to Bryggargatan 10, 111 21 Stockholm, Sweden or via e-mail to ibt@ibtherapeutics.com.

Number of shares and votes

There are 13,471,420 shares outstanding in IBT, corresponding to 17,550,967 votes, of which 453,283 are Class A shares which entitles to 10 votes per share and 13,018,137 are Class B shares which entitles to 1 vote per share. As of the date of this notice, the company holds no own shares.

Available documentation and proxy forms

The annual report, the Board of Directors' remuneration report and all other documentation for resolutions are available at the company's office at Bryggargatan 10, 111 21 Stockholm, Sweden, and on the company's website www.ibtherapeutics.com, no later than three weeks before the Annual General Meeting. Moreover, the Nominating Committee's motivated statement is available at the company's above address, as well as on www.ibtherapeutics.com, from the date of this notice. Copies of the documents will be sent to shareholders who so request and who inform the company of their postal address.

Personal data

For information on how your personal data is processed, see the integrity policy available on Euroclear's website: www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf.

This notice is a translation of a Swedish notice and in case of any deviations between the both language versions, the Swedish version shall prevail.

Stockholm in April 2024

The Board of Directors of Infant Bacterial Therapeutics AB (publ)

Attachments

[Notice of Annual General Meeting of Infant Bacterial Therapeutics](#)