

# Notice of annual general meeting in Xbrane Biopharma AB

**The shareholders of Xbrane Biopharma AB, reg. no. 556749-2375, (the "Company"), are hereby convened to the annual general meeting to be held on Thursday 2 May 2024, at 16.30 CET at Inghesalen, Widerströmska Huset, floor 2, Karolinska Institutet, Tomtebodavägen 18a in Solna.**

## **Right to attend the annual general meeting and notice**

Shareholders wishing to attend the annual general meeting must:

i. on the record date, which is Tuesday 23 April 2024, be registered in the share register maintained by Euroclear Sweden AB. Shareholders, whose shares are registered in the name of a nominee, must temporarily register the shares in their own name at Euroclear Sweden AB. Shareholders whose shares are registered in the name of a nominee must, no later than on Tuesday 23 April 2024, via their nominee, temporarily register the shares in their own name in order to be entitled to participate at the general meeting. Voting registration requested by a shareholder in such time that the registration has been made by the relevant nominee no later than on Thursday 25 April 2024 will be considered in preparations of the share register; and

ii. notify their participation at the general meeting no later than Thursday 25 April 2024. Notice of participation at the general meeting shall be sent by regular mail to Baker & McKenzie Advokatbyrå, Attn: Elsa Sefastsson, Box 180, 101 23 Stockholm, Sweden or by e-mail to elsa.sefastsson@bakermckenzie.com. Upon notification, the shareholder should state their full name, personal identification number or corporate registration number, address and telephone number, and, where applicable, details of representatives, proxy holders and advisors. A shareholder who wishes to be represented by proxy shall issue a written and dated proxy to the proxy holder. If the proxy is issued by a legal entity, a certified copy of the registration certificate or corresponding document ("**Registration Certificate**") shall be enclosed. The proxy must not be more than one year old, however, the proxy may be older if it is stated that it is valid for a longer term, maximum five years. The proxy in original and the Registration Certificate, if any, must be available at the general meeting and a copy should well before the meeting be sent to the Company by regular mail to Baker & McKenzie Advokatbyrå, Attn: Elsa Sefastsson, Box 180, 101 23 Stockholm, Sweden or by e-mail to elsa.sefastsson@bakermckenzie.com, and should, in order to facilitate the entrance to the general meeting, be at the Company's disposal no later than on 25 April 2024. A proxy form will be available for downloading on the Company's website [www.xbrane.com](http://www.xbrane.com).

## **Electronic participation**

The board has decided that shareholders who cannot attend the meeting should be able to take part in the meeting via a link. Further instructions regarding electronic participation will be sent no later than 30 April 2024 to the shareholders who have registered their participation no later than 25 April 2024. Note that it is not possible to vote via link, but a shareholder who does not physically attend the meeting but wishes to have shares represented at the meeting must appoint a proxy, see further information above under the heading " Right to attend the annual general meeting and notice", item "ii".

**Proposed agenda:**

1. Opening of the meeting and election of the chairman of the general meeting
2. Preparation and approval of voting list
3. Approval of the proposed agenda
4. Election of one or more persons to certify the minutes
5. Determination of whether the general meeting has been duly convened
6. Presentation of the annual report and auditor's report and the group annual report and the group auditor's report
7. Resolutions regarding
  - a. adoption of income statement and balance sheet and the group income statement and the group balance sheet
  - b. the profit or loss of the Company in accordance with the adopted balance sheet
  - c. discharge from liability for the board of directors and the CEO
8. Determining the number of directors and auditors
9. Determining the fees for the board of directors and the auditor
10. Election of board of directors and auditor
11. Resolution regarding an incentive program for senior executives and employees
  - a. Resolution to issue warrants for subsequent transfer in order to secure delivery of shares in the Company's share based incentive programs
  - b. Resolution regarding approval of transfer of warrants
12. Resolution regarding authorization for the board to issue shares, warrants and/or convertibles
13. Resolution regarding guidelines for the determination of remuneration to senior executives
14. Resolution regarding approval of the remuneration report
15. Closing of the meeting

**Proposals for resolutions:**

**Item 1: Opening of the meeting and election of the chairman of the general meeting**

The nomination committee proposes that Carl Svernlöv, attorney at law, Baker & McKenzie Advokatbyrå, is appointed as chairman of the general meeting.

**Item 7b: Resolution regarding decision regarding the profit or loss of the Company in accordance with the adopted balance sheet**

The board of directors proposes that all funds available for the annual general meeting shall be carried forward.

**Item 8-10: Determining the number of directors and auditors, determination of fees to the board of directors and the auditors, and election of the board of directors and auditor**

The nomination committee proposes the following:

The nomination committee proposes that the board shall consist of five directors. The nomination committee further proposes that the number of auditors shall be one registered audit firm.

The nomination committee proposes that the remuneration to the board of directors is to be SEK 2,361,300 in total, including remuneration for committee work (SEK 3,220,000 previous year), and shall be paid to the board of directors and the members of the established committees in the following amounts:

- SEK 321,300 (SEK 315,000) for each of the directors and SEK 642,600 (SEK 630,000) to the chairman;
- SEK 51,000 (SEK 50,000) for each of the members of the remuneration committee and SEK 102,000 (SEK 100,000) to the chairman of the committee; and
- SEK 76,500 (SEK 75,000) for each of the members of the audit committee and SEK 153,000 (SEK 150,000) to the chairman of the committee.

It was noted that the transaction committee has been abolished.

The nomination committee proposes that the auditor shall be entitled to a fee in accordance with approved invoice.

The nomination committee proposes the re-election of Eva Nilsagård, Mats Thorén, Anders Tullgren, and Kirsti Gjellan as directors. The nomination committee proposes to elect Kristoffer Bissessar as a new director. Furthermore, Anders Tullgren is proposed to be re-elected as chairman of the board of directors.

It was noted that the directors Ivan Cohen-Tanugi, Peter Edman and Karin Wingstrand have declined re-election.

The nomination committee proposes, in accordance with the audit committee's recommendation, to re-elect the registered audit firm PricewaterhouseCoopers AB as auditor for the period until the end of the next annual general meeting. PricewaterhouseCoopers AB has announced that the authorized auditor Magnus Lagerberg continues as main responsible auditor.

Further information regarding the proposed director

Name: Kristoffer Bissessar

Current assignments: Board member, chair of the audit committee and member of the remuneration committee in BioInvent International Aktiebolag.

Previous assignments: Board member and managing director in Evolvere Partners AB (the assignments ended November 2022).

Year of birth: 1968

Direct or related person ownership in the Company: 2,000,000 shares and 360 000 TO1.

Independence in accordance with the Swedish Corporate Governance Code

After an assessment of the proposed directors' independence, the nomination committee has found that its proposal for the composition of the board of directors of the Company fulfills the requirements stipulated in the Swedish Corporate Governance Code. All proposed directors are considered independent of the Company, the management of the Company and the Company's major shareholders.

The nomination committee's complete proposal and motivated opinion as well as further information regarding the directors proposed for re-election are available at the Company's website [www.xbrane.com](http://www.xbrane.com) and will also be available in the annual report for 2023.

#### **Item 11: Resolution regarding an incentive program for senior executives and employees**

The board of directors of the Company proposes that the annual general meeting resolves to implement an incentive program through issuance of warrants to senior executives and employees within the Company and the group and to the Company or other group company with subsequent transfer to senior executives and employees within the Company and the group ("Incentive Program 2024/2025") in accordance with the below.

##### *Background and rationale*

The purpose of the proposal is to establish conditions to maintain and increase the motivation of senior executives and employees within the Company and company group. The board of directors finds that it is in all shareholders' interest that senior executives and employees, which are considered important to the development of the group, have an interest in growing the value of the Company's share. An ownership engagement is expected to stimulate an increased interest for the business and result as a whole as well as to increase the motivation for the participants and to create a common interest for the Company's shareholders and the participant.

In order to facilitate participation in the Incentive Program 2024/2025, the Company shall subsidize the participants' acquisition of warrants. The subsidy, before deduction of income tax, shall correspond to the option premium paid and is paid as a bonus in connection with the warrants being transferred to the participants. The bonus is estimated to correspond to a half (0.5) gross month's salary for each participant.

The proposed incentive program has a term of less than three years. The reason that the incentive program is less than three years is mainly that (i) a shorter incentive program means that the Company can retain employees on competitive terms with a lower burden on the Company's liquidity, (ii) the Company has carried out a staff reduction at the same time as it faces a number of important business-related milestones during the next 18 months, (iii) the board considers that the remaining workforce is critical to being able to successfully execute the Company's plan and

deliver its business-related milestones, (iv) the Company in the current market situation and strained situation wants to incentivize and motivate employees who are essential to the Company's development ; and (v) ensure market compensation for the employees and (vi) replace a previous cash-based incentive program.

*Terms for resolution and other information*

Resolutions in accordance with item 11a and 11b below shall be made as one resolution and are therefore conditional on each other.

A description of other incentive programs, the preparation of the proposal, costs for the program and effect on important key figures etc. is presented below under item 11b.

**Item 11a: Resolution to issue warrants for subsequent transfer in order to secure delivery of shares in the Company's share based incentive program**

The board of directors of the Company propose that the annual general meeting resolves to issue a maximum of 78,351,741 warrants, which may result in a maximum increase in the Company's share capital of SEK 17,565,368.215392. The warrants shall entitle to subscription of new shares in the Company.

The following terms shall apply to the issuance:

The warrants shall be subscribed for by senior executives and employees in the Company and company group and the Company or any other group company with the right and obligation to, at one or several occasions, transfer the warrants to senior executives and employees, who are or will become employed by the Company or within the group, at a price that is not less than the fair market value of the warrant according to the Black-Scholes valuation model and otherwise on the same terms as in the issuance.

The warrants shall be subscribed for as of 2 May 2024 up to and including 30 June 2024 on a separate subscription list, with a right for the board to extend the subscription period.

The Company or any other group company has the right to subscribe for warrants without consideration and the senior executives and employees in the Company and company group have the right to subscribe for the warrants at a price equal to the warrant's market value, which shall be calculated according to the Black-Scholes valuation model or other generally accepted valuation model made by an independent appraiser or audit firm.

Senior executives and employees within the Company and company group consisting of up to 72 persons will, under Incentive Program 2024/2025, be offered to subscribe for warrants amounting to a maximum of a half (0.5) month's salary (corresponding to the option premium for the number of warrants subscribed for) for each participant, in total a maximum of 78,351,741 warrants.

The Company has the right to subscribe for the warrants which are not subscribed for by the participants as set out above that later may be offered to current (who are not subscribing for their whole offered part) and future senior executives and employees within the group in accordance with the proposed allotment principles, in accordance with item 11b.

Payment for subscribed warrants issued for payment shall be made in cash no later than on 30 June 2024, with a right for the board to extend the payment date.

Each warrant entitles to subscription of one (1) new share in the Company during the period from 1 July 2025 up to and including 31 July 2025 or the earlier date set forth in the terms for the warrants. The board of directors shall have the right to extend the time for subscription for shares in the event that participants are prevented from subscribing for shares at the end of the subscription period due to the EU Market Abuse Regulation.

The subscription price shall be determined to an amount equal to 125 percent of the volume weighted average price at Nasdaq Main Market during the period from and including 17 April 2024 up to and including 30 April 2024. The calculated subscription price shall be rounded to the nearest SEK 0.01, where SEK 0.005 shall be rounded upwards to SEK 0.01. The subscription price may not amount to less than the quota value of the Company's shares. Upon subscription of shares, the part of the subscription price that exceeds the quotient value of the previous shares shall be allocated to the non-restricted share premium fund.

A new share subscribed for by exercise of a warrant has a right to dividends as of the first record day for dividends following registration of the new share issue with the Companies Registration Office and after the share has been registered in the share register maintained by Euroclear Sweden AB.

The purpose of the issuance and the deviation from the shareholders preferential rights is to implement the Incentive Program 2024/2025. The purpose is to establish conditions to maintain and increase the motivation of senior executives and employees within the Company and company group. The board of directors finds that it is in all shareholders interest that senior executives and employees, which are considered important to the future development of the group, have a long term interest in developing high value of the Company's share. A ownership engagement is expected to stimulate an increased interest for the business and result in a whole as well as to increase the motivation for the participants and to create a common interest for the Company's shareholders and the participant.

The proposed incentive program has a term of less than three years. The reason that the incentive program is less than three years is mainly that (i) a shorter incentive program means that the Company can retain employees on competitive terms with a lower burden on the Company's liquidity, (ii) the Company has carried out a staff reduction at the same time as it faces a number of important business-related milestones during the next 18 months, (iii) the board considers that the remaining workforce is critical to being able to successfully execute the Company's plan and deliver its business-related milestones, (iv) the Company in the current market situation and strained situation wants to incentivize and motivate employees who are essential to the Company's development ; and (v) ensure market compensation for the employees and (vi) replace a previous cash-based incentive program.

In connection with the subscription of the warrants by the participants, the Company shall through an agreement reserve the right to repurchase the warrants, if the participant's employment or assignment in the group ceases or if the participant, in turn, wishes to transfer the warrants.

The complete terms and conditions for the warrants are available on the Company's website no later than three weeks before the annual general meeting, which includes conditions regarding recalculation, in certain cases, of the subscription price and the number of shares a warrant entitles to.

The board of directors or a person nominated by it, shall be authorized to make such minor adjustments as may be required in connection with registration of the resolution with the Swedish Companies Registration Office and, if applicable, Euroclear Sweden AB.

#### **Item 11b: Resolution regarding approval of transfer of warrants**

The board of directors of the Company proposes that the annual general meeting resolves to approve that the Company or other group company may transfer a maximum of 78,351,741 warrants in the Company of series 2024/2025, that are not subscribed for by the categories as set out in item 11a, to future senior executives and employees within the Company and company group, or in any other matter dispose of the warrants to fulfill the obligations under Incentive Program 2024/2025.

The Company or any other group company shall be entitled to retain warrants that later may be offered to current (who are not subscribing for their whole offered part) and future senior executives and employees within the group in accordance with the principles for allotment set out in item 11a.

Future senior executives and employees within the Company and company group will within Incentive Program 2024/2025, be offered to acquire warrants in accordance with the principles for allotment set out in item 11a.

The board of directors of the Company will not participate in Incentive Program 2024/2025.

Notification to acquire warrants shall be made no later than 25 June 2024. The warrants shall be transferred to the participants as soon as possible after the end of the notification period, provided that the transfers in accordance with item 11a do not exceed the maximum number of warrants issued.

Transfer of the warrants shall be made at a price equal to the warrant's market value at the time of transfer, which shall be calculated according to the Black-Scholes valuation model or other generally accepted valuation model. Valuation of the options shall be performed by an independent appraiser or audit firm. In connection with the transfer of the warrants to the participants, the Company shall through an agreement reserve the right to repurchase the warrants, if the participant's employment or assignment in the group ceases or if the participant.

The warrants shall be transferred to senior executives and employees no later than 30 June 2024, where any not transferred warrants shall be cancelled.

#### *Valuation and Costs and effects on key figures*

Subscription (except by the Company or any company within the group) and transfer of the warrants shall be made at a price equal to the warrant's fair market value. The warrant's fair market value, according to a preliminary valuation based on the market value of the underlying share of SEK 0.26, SEK 0.024 per warrant, assuming an exercise price of SEK 0.325 per share. The Black-Scholes valuation model has been used for the valuation, assuming a risk free interest rate of 4 percent and a volatility of 40 percent, taking into account that no dividends and other distributions to shareholders are expected during the period of the program.

In order to facilitate participation in the Incentive Program 2024/2025, the Company shall subsidize the participants' acquisition of warrants. The subsidy, before deduction of income tax, shall correspond to the option premium paid and is paid as a bonus in connection with the warrants being transferred to the participants. The bonus corresponds to a half (0.5) gross month's salary for each participant.

As the Company intends the subsidies the participants' subscription of warrants (payment of option premium), the Company estimates that the costs of the program, including social costs and administration of the program, amount to approximately SEK 600,000.

#### *Other outstanding share based incentive programs*

The Company has previously established three incentive programs, long term share-based incentive plan 2021 ("**LTIP 2021**"), long term share-based incentive plan 2022 ("**LTIP 2022**") and long term share-based incentive plan 2023 ("**LTIP 2023**").

There are 390,000 outstanding warrants under LTIP 2021. Each such warrant entitles, after recalculation, the holder to subscribe for approximately 45.2 new shares in the Company during the period from 14 May 2021 up to and including 30 June 2024.

There are 540,000 outstanding warrants under LTIP 2022. Each such warrant entitles, after recalculation, the holder to subscribe for approximately 45.2 new shares in the Company during the period from 12 May 2022 up to and including 30 June 2025.

There are 690,000 outstanding warrants under the LTIP 2023. Each such warrant entitles, after recalculation, the holder to subscribe for approximately 45.2 new shares in the Company during the period from 18 October 2023 up to and including 30 June 2026.

For more information, see the Company's annual report for 2023.

#### *Dilution*

The total number of registered shares and votes at the time of this proposal amount to 1,529,483,397.



In case all warrants issued under Incentive Program 2024/2025 are exercised for subscription of new shares, the number of shares and votes in the Company will increase with 78,351,741 (with reservation for any re-calculation in accordance with the warrant terms and conditions), which corresponds to a dilution of approximately 4.87 percent of the Company's share capital and votes.

The maximum dilution of Incentive Program 2024/2025 plus the other outstanding incentive programs in the Company is estimated to be a maximum of approximately 9.01 percent, assuming full subscription and exercise of all warrants offered and outstanding. The maximum dilution of Incentive Program 2024/2025 plus the actual allocated saving shares in LTIP 2022 and LTIP 2023, is expected by the board of directors to amount of a maximum of 5.00 percent assuming full subscription and exercise of all warrants offered in Incentive Program 2024/2025.

#### **Item 12: Resolution regarding authorization for the board to issue shares, warrants and/or convertibles**

The board of directors of the Company proposes that the annual general meeting resolves to authorize the board of directors during the period up until the next annual general meeting, on one or more occasions, to resolve to issue shares, convertibles and/or warrants, with or without preferential rights for the shareholders, corresponding to not more than 20 percent of the share capital of the Company after completed issuances based on the number of shares at the time of the annual general meeting, to be paid in cash, in kind and/or by way of set-off.

The purpose for the board to resolve on issuances with deviation from the shareholders' preferential rights in accordance with the above is primarily for the purpose to broaden the shareholder base, raise new capital to increase flexibility of the Company or in connection with acquisitions. If issuances are carried out with deviation from the shareholders' preferential rights, such issue shall be made in accordance with customary market terms. If the board of directors finds it suitable in order to enable delivery of shares in connection with a share issuance as set out above it may be made at a subscription price corresponding to the shares quota value.

The board of directors or anyone appointed by the board of directors is given the right to make the adjustments necessary in connection with the registration of the resolution at the Companies Registration Office.

#### **Item 13: Resolution regarding guidelines for the determination of remuneration to senior executives**

Upon recommendation of the remuneration committee, the board of directors of the Company proposes that the annual general meeting resolves to adopt the following guidelines for remuneration to senior executives.

##### *General*

The guidelines shall apply to remuneration that has been agreed upon or to changes in already agreed remunerations after the guidelines have been adopted by the annual general meeting. The guidelines do not apply to remunerations that has been resolved by the general meeting and any remuneration through shares, warrants, convertibles or other share-related instruments such as synthetic options or employ stock options shall therefore be resolved by the general meeting.

These guidelines apply to the CEO and other senior executives in the company group and all other remuneration to members of the board except fees to the board of directors.

Regarding employment conditions that are governed by rules other than Swedish, appropriate adjustments may be made in order to comply with such mandatory rules or established local practice, whereby the general objectives of these guidelines shall, to the extent possible, be met.

*The guidelines promotion of the Company's business strategy, long-term interest and sustainability*

The Company's strategy is to develop and manufacture high quality and cost-effective biosimilars based on unique platform technology and leading expertise. The Company is focused on difficult-to-manufacture and niche pharmaceutical products with limited competition from other biosimilar developers. Based on its platform technology, the Company will have a significant competitive advantage in relation to originator drugs and other biosimilar companies by having the lowest production cost within each market. For more information regarding the Company's business strategy, please see [www.xbrane.com](http://www.xbrane.com).

The guidelines shall contribute to the possibility to create conditions for the Company to retain and recruit competent and committed employees in order to successfully implement the Company's business strategy and meet the Company's long-term interests, including sustainability. The guidelines shall further stimulate an increased interest in the business and earnings development as a whole, and to increase the motivation for the senior executives and increase positive cohesion in the Company. The Guidelines shall also contribute to good ethics and corporate culture.

In order to achieve the Company's business strategy, the total annual remuneration must be market-based and competitive in the employment market in which the senior executive is situated and taking into account the individual's qualifications and experience and that exceptional performance must be reflected in the total remuneration, which these guidelines enable. The Company's ambition is that remuneration should be market-based in comparison with other biotech and Life Science companies listed on Nasdaq Stockholm, which are in a similar phase regarding maturity and size and have similar financial opportunities as the Company.

The Company has implemented long-term share-related incentive programs in 2021, 2022, and 2023 in which all senior executives and some board members, respectively, have had the opportunity to participate. These programs have been resolved by each general meeting and are therefore excluded from these guidelines. The short-term share-related incentive program proposed by the board of directors to the annual general meeting 2024 to resolve on, or any other future share-related incentive program resolved by the general meeting, are excluded for the same reason. For information regarding performance criteria, terms and conditions, and costs for these programs, see information on the Company's website and in the Company's annual report.

Variable cash payments covered by these guidelines are intended to promote the Company's business strategy and long-term interests, including its sustainability.

*The forms of remuneration etc.*

Remuneration may consist of fixed cash salary, possible variable cash compensation, other customary benefits and pension. The total annual cash remuneration, including pension benefits, must be market-based and competitive in the employment market and in the work area in which

the employee is situated, taking into account the individual's qualifications and experience and that outstanding achievements are to be reflected in the total remuneration. Fixed cash salary and variable cash remuneration shall be related to the executive's responsibility and authority. The fixed cash salary shall be revised annually.

The fulfillment of criteria for payment of variable cash compensation shall be measurable over a period of one year. The variable cash payment may amount to a maximum of 50 percent of the total fixed cash salary during the measurement period for such criteria.

Additional variable cash compensation may be payable in exceptional circumstances, provided that such arrangements are time-limited and made only at the individual level. The purpose of such arrangements must be to recruit or retain executives, or as compensation for extraordinary work in addition to the person's ordinary duties. Such compensation shall not exceed an amount corresponding to 50 percent of the fixed annual cash salary and shall not be paid more than once per year and per individual. A decision on such remuneration shall be made by the board of directors on proposal from the remuneration committee.

Pension benefits, including health insurance, must be defined in contribution schemes with respect to the CEO. Variable cash payments shall not entitle to pension. Pension premiums for defined contribution schemes shall amount to a maximum of 30 percent of the fixed annual cash salary.

For other senior executives, pension benefits, including health insurance, must be defined in contribution schemes unless the employee is covered by defined-benefit pensions under compulsory collective agreement provisions. Variable cash compensation must be pension-based insofar as it is compelled by compulsory collective agreement provisions applicable to the senior executive. Pension premiums for defined contribution schemes shall amount to a maximum of 30 percent of the fixed annual cash salary.

Other benefits may include: life insurance, health insurance and car benefit. Such benefits may amount to a maximum of 10 percent of the fixed annual cash salary.

For executives who are stationed in a country other than their home country, additional remuneration and other benefits may be paid to a reasonable extent, taking into account the particular circumstances associated with such expatriation, whereby the overall purpose of these guidelines is to be met as far as possible. Such benefits may amount to a maximum of 30 percent of the fixed annual cash salary.

If a member of the board of directors performs work on behalf of the Company, in addition to the work of the board, consultancy fees and other remuneration for such work may be payable after special resolution by the board of directors, after preparation of the remuneration committee. Such compensation shall be constructed in accordance with these guidelines.

### *Termination of employment*

Upon termination of employment, the notice period may not exceed six months. Fixed cash salary during the notice period and severance pay may not, in total, exceed an amount corresponding to the fixed cash salary for one year. In the event of termination by the senior executive, the period of notice may not exceed six months.

In addition, compensation for any commitment to restrict competition may be paid. Such remuneration shall compensate for any loss of income and shall only be paid to the extent that the former executive has no right to severance pay. Compensation shall amount to a maximum of 60 percent of the monthly income at the time of termination and shall be payable during the period subject to the restriction of competition, which shall not exceed 24 months after termination of employment.

### *Criteria for payment of variable cash compensation etc.*

The variable cash remuneration shall be based on and be related to the outcome in relation to predetermined and measurable concrete defined objectives based on the Company's business strategy and the long-term business plan approved by the board of directors. The objectives may include financial objectives, either at the group or unit level, operational objectives as well as objectives for sustainability and social responsibility, employee engagement or customer satisfaction, as well as individualized quantitative or qualitative goals. These objectives must be established and documented annually in order to promote the long-term development of executives. The Company has established financial targets and KPI's based on strategic and business-critical initiatives and projects that ensure fulfillment in accordance with the business plan and business strategy for a sustainable continued business and safeguarding the Company's long-term interests.

Conditions for variable cash compensation should be designed so that the board of directors, if particularly difficult economic conditions occur, has the option of limiting or neglecting to issue variable remuneration if such a resolution is deemed unreasonable and incompatible with the Company's responsibility vis-à-vis the shareholders. For annual bonuses, there should be the option of limiting or neglecting to pay variable remuneration, if the board of directors deems it justified for other reasons. The Company must be able to recover, in full or in part, variable cash compensation according to law or agreement subject to any restrictions that may follow.

When the measurable period for fulfillment of the criteria for payment of variable cash compensation has ended, the extent to which the criteria have been met shall be determined. The board of directors, after preparation from the remuneration committee, is responsible for the assessment of variable cash remuneration to the CEO and the CEO is responsible for the assessment of variable cash remuneration to other executives. With respect to financial targets the evaluation shall be based on the Company's latest publicly available financial information.

*Salary and terms of employment for employees*

In preparing the board of directors' proposal for these guidelines, salary and terms of employment for the Company's employees have been taken into account, with respect to information on the employees' total remuneration, the components of the remuneration and the rate of increase and increase over time, when the remuneration committees and the boards of directors have decided on the evaluation of the reasonableness of these guidelines and the limitations that follows from the guidelines.

*Preparation, decision-making etc.*

Questions regarding cash salary and variable cash remuneration to the CEO and other senior executives are prepared by the remuneration committee and resolved by the board of directors and, where applicable, the CEO.

The remuneration committee shall also prepare the board of directors' resolution on matters regarding remuneration principles for senior executives, including guidelines for remuneration to senior executives. The remuneration committee shall also monitor and evaluate ongoing and completed programs for variable remuneration for senior executives during the year, and follow and evaluate the application of these guidelines for remuneration to senior executives as well as current remuneration structures and remuneration levels in the Company. At the board of directors preparations of and resolutions on remuneration-related matters, the CEO or other members of the executive management are not present, insofar as they are affected by the resolutions.

The board of directors shall prepare proposals for new guidelines at least every four years and submit the proposal for resolution at the annual general meeting. The guidelines shall apply until new guidelines have been adopted by the annual general meeting.

The board of directors considers that the guidelines on remuneration to senior executives are proportionate in relation to salary levels, remuneration levels and conditions for other employees in the group.

*Deviations from the guidelines*

The board of directors shall have the right to deviate from the above guidelines if the board of directors considers that, in a particular case, there are special reasons which justify it and an exception is necessary to meet the Company's long-term interests and sustainability or to ensure the Company's financial viability. Such deviation shall also be approved by the remuneration committee. An agreement that deviates from the guidelines may be renewed, but any such agreement should be limited in time and not exceed 24 months or an amount that is twice as high as the compensation that the person concerned would have received without any agreement.

*Information on deviations from the remuneration guidelines adopted by the annual general meeting for 2020*

No deviations has occurred.

#### *Information regarding remuneration*

For information on remuneration please refer to the annual report for 2023, which is available on the Company's website [www.xbrane.com](http://www.xbrane.com).

#### Number of shares and votes

The total number of shares and votes in the Company as of the date hereof amounts to 1,529,483,397. The Company holds no own shares.

#### Majority requirements

A resolution in accordance with items 11a and 11b requires support by shareholders holding not less than nine-tenths of both the shares voted and of the shares represented at the general meeting.

A resolution in accordance with item 12 requires support by shareholders holding not less than two-thirds of both the shares voted and of the shares represented at the general meeting.

#### Further information

Copies of accounts, auditor statement and proxy form are available at least three weeks in advance of the annual general meeting. The complete proposals and other documents that shall be available in accordance with the Swedish Companies Act are available at least three weeks in advance of the meeting. All documents are available at the Company at Retzius väg 8 in Solna and at the Company's website [www.xbrane.com](http://www.xbrane.com) in accordance with the above and will be sent free of charge to shareholders who request it and provide their e-mail or postal address. The remuneration report, the nomination committee's complete proposal regarding election of directors including the statement on the nomination committee's proposal regarding the board of directors are available on the Company's web site [www.xbrane.com](http://www.xbrane.com) as from today and will be sent free of charge to shareholders who request this report and provide their e-mail or postal address.

The shareholders hereby notified regarding the right to, at the annual general meeting, request information from the board of directors and managing director according to Ch. 7 § 32 of the Swedish Companies Act.

#### Processing of personal data

For information on how personal data is processed in relation the meeting, see the Privacy notice available on Euroclear Sweden AB's website: <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

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Stockholm in April 2024

**Xbrane Biopharma AB**

The board of directors

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## Contacts

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## About Us

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Xbrane Biopharma AB develops biological drugs based on a patented platform technology that provides significantly lower production costs compared to competing systems. Xbrane has a portfolio of biosimilar candidates targeting EUR 26 billion in estimated annual peak sales of the respective reference product. The lead candidate Ximluci® is granted market authorization approval in Europe and was launched during 2023. Xbrane's head office is in Solna, just outside Stockholm. Xbrane is listed on Nasdaq Stockholm under the ticker XBRANE. For more information, visit [www.xbrane.com](http://www.xbrane.com)

## Attachments

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[Notice of annual general meeting in Xbrane Biopharma AB](#)