

## Correction: Notice of annual general meeting in Xbrane Biopharma AB

The correction refers to an incorrect MAR-label in the previous press release. The information is not considered to be price-sensitive.

**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 16 May 2019, at 17.30 p.m. at Baker McKenzie's preemies at Vasagatan 7 in Stockholm. The doors to the meeting will open at 17.00 p.m.**

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

Shareholders wishing to attend the annual general meeting must:

- on the record date, which is Friday 10 May 2019, 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 Friday 10 May 2019, via their nominee, temporarily register the shares in their own name in order to be entitled to participate at the general meeting; and
- notify their participation at the general meeting no later than Friday 10 May 2019. Notice of participation at the general meeting shall be sent by regular mail to Xbrane Biopharma AB, Banvaktsvägen 22, 171 48 Stockholm or by e-mail to [ir@xbrane.com](mailto:ir@xbrane.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 Xbrane Biopharma AB, Banvaktsvägen 22, 171 48 Stockholm or by e-mail to [ir@xbrane.com](mailto:ir@xbrane.com), and should, in order to facilitate the entrance to the general meeting, be at the Company's disposal no later than on 10 May 2019. A form proxy will be available for downloading on the Company's website [www.xbrane.com](http://www.xbrane.com).

### **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 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
- Adoption of income statement and balance sheet and the group income statement and the group balance sheet.

- Decision regarding the profit or loss of the company in accordance with the adopted balance sheet.
- Decision regarding discharge from liability for the board of directors and the general manager, if any.
  1. Determining the number of directors and auditors
  2. Determining the fees for the board of directors and the auditor.
  3. Election of board of directors and auditor, and if applicable, deputy directors and any deputy auditor
  4. Resolution regarding adoption of principles for the nomination committee
  5. Resolution regarding guidelines for the determination of remuneration to senior executives
  6. Resolution regarding long term share based incentive program (LTIP 2019)
  7. Resolution to issue warrants for subsequent transfer in order to secure delivery of shares in the Company's long term share based incentive programs
  8. Resolution regarding approval of transfer of warrants
  9. Resolution regarding authorization for the board to issue shares, warrants and/or convertibles

1. 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 Joakim Falkner, attorney at law, Baker & McKenzie Advokatbyrå, is appointed as chairman of the general meeting.

##### **Item 7.b: 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 to the auditors, and election of the board of directors and auditor**

The nomination committee proposes the following:

It is proposed that the board of directors shall comprise of six directors without deputies. The number of auditors shall be one registered audit firm.

The nomination committee proposes that the remuneration is to be SEK 2,500,000 in total, including remuneration for committee work (SEK 1,200,000 previous year), and shall be paid to the board of directors and the members of the established committees in the following amounts:

- SEK 300,000 (SEK 150,000) for each of the non-employed directors and SEK 400,000 (SEK 300,000) to the chairman provided that the chair is not an employee;
- SEK 50,000 (SEK 0) for each of the non-employed members of the remuneration committee and SEK 100,000 (SEK 0) to the chairman of the committee who is not also an employee;
- SEK 50,000 (SEK 0) for each of the non-employed members of the audit committee and SEK 100,000 (SEK 0) to the chairman of the committee who is not also an employee; and
- SEK 50,000 (SEK 0) for each of the non-employed members of the transaction committee and SEK 100,000 (SEK 0) to the chairman of the committee who is not also an employee.

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

It is proposed re-election of the directors Giorgio Chirivi, Peter Edman, Maris Hartmanis, Anders Tullgren and Karin Wingstrand. It is also proposed that Ivan Cohen-Tanguis is appointed as new director. Furthermore, Anders Tullgren is proposed to be re-elected as chairman of the board of directors. Saeid Esmailzadeh and Alessandro Sidoli has declined re-election.

Re-election of the registered audit firm KPMG AB for the period until the end of the next annual general meeting. KPMG AB has announced its appointment of Duane Swanson as main responsible auditor.

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 and newly proposed directors is available at the Company's website [www.xbrane.com](http://www.xbrane.com) and will also be available in the coming annual report for 2018.

#### **Item 11: Resolution regarding adoption of principles for the nomination committee**

The nomination committee proposes that the following principles for the nomination committee are adopted. The principles are mainly the same as last year.

##### ***Role of the nomination committee***

The Company shall have a nomination committee with the task of preparing and proposing decisions to the shareholders' meetings on electoral and remuneration issues and, where applicable, procedural issues for the appointment of the subsequent nomination committee. The nomination committee is to propose:

- the chairman of the annual general meeting;
- candidates for the post of chairman and other directors of the board;
- fees and other remuneration for board work to each director;
- fees to members of committees within the board;
- election and remuneration of the Company auditor; and
- principles for the nomination committee.

The nomination committee shall in its assessment of the evaluation of the board and in its proposal in particular take into consideration the requirement of diversity and breadth on the board and strive for equal gender distribution. Regardless of how they have been appointed, the members of the nomination committee are to promote the interests of all shareholders of the Company.

##### ***Members of the nomination committee***

The nomination committee, which shall be appointed for the time until a new nomination

committee has been appointed, shall consist of four members, of whom three shall be nominated by the Company's three largest shareholders with respect to voting power and the fourth shall be the chairman of the board. The chairman of the board shall as soon as reasonably practicable after the end of the third quarter, in an adequate manner, contact the three owner-registered largest shareholders, with respect to votes, according to the share register kept by Euroclear Sweden AB at that time and request that they, taken into consideration the circumstances, within a reasonable time which may not exceed 30 days, nominate in writing to the nomination committee that person whom the shareholder wishes to appoint as member of the nomination committee. If any of the three largest shareholders elects not to exercise their right to appoint a member of the nomination committee, the next shareholder in consecutive order shall be entitled to appoint a member of the nomination committee. In the case that several shareholders abstain their right to appoint a member of the nomination committee, the chairman of the board shall not be required to contact more than eight shareholders, unless its necessary in order to obtain a nomination committee consisting of a minimum of three members.

Unless otherwise agreed between the members, the chairman of the nomination committee shall be nominated by the largest shareholder. A member of the board shall never be the chairman of the nomination committee.

If a shareholder who has appointed a member of the nomination committee during the year ceases to be one of the Company's three largest shareholders, the member appointed by such shareholder shall resign from the nomination committee. Instead, a new shareholder among the three largest shareholders shall be entitled to independently and in its sole discretion appoint a member of the nomination committee. However, no marginal changes in shareholding and no changes in shareholding which occur later than three months prior to the annual general meeting shall lead to a change in the composition of the nomination committee, unless there are exceptional reasons.

If a member of the nomination committee resigns before the nomination committee has completed its assignment, for reasons other than set out in item 2.3, the shareholder who has appointed the member shall be entitled to independently and in its sole discretion appoint a replacement member. If the chairman of the board resigns from the board, his/her successor shall replace the chairman of the board also on the nomination committee.

A change in the composition of the nomination committee shall be published immediately.

#### ***Announcement of the nomination committee members***

The chairman of the board shall ensure that the names of the members of the nomination committee, together with the names of the shareholders they have been nominated by, are published on the Company's website no later than six months before the annual general meeting.

If a member leaves the nomination committee during the year, or if a new member is appointed, the nomination committee shall ensure that such information, including the corresponding information about the new nomination committee member, is published on the website.

#### ***Proposals to the nomination committee***

Shareholders shall be entitled to propose board members for consideration by the nomination committee. The nomination committee shall provide the Company with information on how shareholders may submit recommendations to the nomination committee. Such information shall be announced on the Company's website.

The chairman of the board of directors shall, as part of the work of the nomination committee, keep the nomination committee informed about the work of the board of directors, the need for particular qualifications and competences, etc., which may be of importance for the work of the nomination committee.

#### ***Proposals by the nomination committee***

When preparing its proposals, the nomination committee shall take into account that the board of directors is to have a composition appropriate to the Company's operations, phase of development and other relevant circumstances. The directors shall collectively exhibit diversity and breadth of qualifications, experience and background. The nomination committee shall further strive for equal gender distribution.

The nomination committee shall provide the Company with its proposals for board members in such time that the Company can present the proposals in the notice of the shareholders' meeting where an election is to take place.

When the notice of the shareholders' meeting is issued, the nomination committee shall issue a statement on the Company's website explaining its proposals regarding the composition of the board of directors. The nomination committee shall in particular explain its proposal against the background of the requirement to strive for an equal gender distribution. The statement is also to include an account of how the nomination committee has conducted its work. In case a resigning managing director is nominated for the position of chairman of the board of directors, the nomination committee shall specifically explain the reasons for such proposal.

The nomination committee shall ensure that the following information on candidates nominated for election or re-election to the board of directors is posted on the Company's website at the latest when the notice to the shareholders' meeting is issued:

- year of birth, principal education and work experience;
- any work performed for the Company and other significant professional commitments;
- any holdings of shares and other financial instruments in the Company owned by the candidate or the candidate's related natural or legal persons;
- whether the nomination committee deems the candidate to be independent from the Company and its executive management, as well as of the major shareholders in the Company. If the committee considers a candidate independent regardless of the existence of such circumstances which, according to the criteria of the Swedish Code of Corporate Governance, may give cause to consider the candidate not independent, the nomination committee shall explain its proposal; and
- in the case of re-election, the year that the person was first elected to the board.

#### ***Account of the work of the nomination committee***

All members of the nomination committee, where possible, and as a minimum one of the members, shall be present at the annual general meeting.

The nomination committee shall at the annual general meeting, or other shareholders' meetings where an election is to be held, give an account of how it has conducted its work and explain its proposals against the background of what is provided about the composition of the board as set out above. The nomination committee shall in particular explain its proposal against the background of the requirement set out above to strive for an equal gender distribution.

### ***Fees and Costs***

No fee shall be payable by the Company to any member of the nomination committee.

The Company shall bear all reasonable costs associated with the work of the nomination committee. Where necessary, the nomination committee may engage external consultants to assist in finding candidates with the relevant experience, and the Company shall bear the costs for such consultants. The Company shall also provide the nomination committee with the human resources needed to support the nomination committee's work.

### ***Confidentiality***

A member of the nomination committee may not unduly reveal to anyone what he/she has learned during the discharge of his/her assignment as a nomination committee member. The duty of confidentiality applies to oral as well as written information and applies also after the assignment has terminated.

A nomination committee member shall store all confidential materials that he/she receives by reason of the nomination committee assignment in a manner so that the materials are not accessible to third parties. After the assignment has terminated, a nomination committee member shall hand over to the chairman of the board all confidential materials that the nomination committee member has received in his/her capacity as nomination committee member and still has in his/her possession, including any copies of the materials, to the extent reasonably possible taking into account inter alia technical aspects.

The chairman of the nomination committee may make public statements about the work of the nomination committee. No other nomination committee member may make statements to the press or otherwise make public statements regarding the Company and the Company group unless the chairman of the board has given permission thereto.

### **Item 12: Resolution regarding guidelines for the determination of remuneration to senior executives**

Upon recommendation of the remuneration committee, the board of directors proposes that the annual general meeting resolves to adopt the following guidelines for remuneration to senior executives. The guidelines are mainly the same as last year.

The remuneration to the senior executives in the Company shall comprise of fixed salary, possible variable salary, other customary benefits and pension payments. The total remuneration shall, on a yearly basis, be in line with market practice and competitive on the labor market where the senior executive is based and take into account the individual qualifications and experiences of the senior executive as well as reflecting any notable achievements. The fixed salary shall be revised on a yearly basis. Senior executives mean the managing director and the other members of the group

management.

Fixed and variable salary shall be related to the senior executive's responsibility and authority. The variable remuneration shall be paid in cash and/or shares/warrants/convertibles other share-based instruments such as synthetic options or employee stock options and be based on the outcome of pre-determined targets and should be designed with the aim of achieving greater alignment of interest between the participating senior executive and the Company's shareholders. The vesting period, or the time from the conclusion of the contract until the shares may be acquired, shall not be less than three years. The variable remuneration shall amount to a maximum of 50 per cent of the fixed salary (calculated at the date for vesting or, as regards, shares/warrants or share-based incentive programs the date of allotment). Terms for variable remuneration should be designed so that the board of directors may limit or omit payment of variable remuneration, provided that exceptional economic circumstances are at hand, if the board of directors finds the payments unreasonable and incompatible with the Company's responsible in relation to its shareholders. With respect to yearly bonuses, it should be possible to limit or omit payments, if the board of directors finds it motivated because of any other reasons.

Payment of consultancy fees and additional remuneration may be paid to directors after decision by the board of directors, if a director performs services on behalf of the Company, which do not constitute board work.

Fixed salary during the notice period and severance pay shall in total not exceed an amount corresponding to a maximum of a two years' fixed salary.

Pension payments shall be determined. Senior executives shall be entitled to pension commitments based on those that are customary in the country in which they are employed. The maximum pension commitment shall not exceed 30 percent of the fixed annual salary. Pension commitments will be secured through premiums paid to insurance companies.

The board of directors shall be entitled to deviate from the guidelines in an individual case if there are special reasons for it.

Decisions regarding salary and other remuneration to the managing director and other senior executives are prepared by the remuneration committee and resolved on by the board of directors.

The total amount of remuneration granted or to be granted directly or indirectly by the Company to the senior executives is fully described in the consolidated financial accounts of the Company, as disclosed in its annual accounts for 2017, which is available at the Company's website, [www.xbrane.com](http://www.xbrane.com).

### **Item 13: Resolution regarding long term share based incentive program (LTIP 2019)**

Upon recommendation of the remuneration committee, the board of directors in Xbrane Biopharma AB, reg. no. 556749-2375, (the "**Company**") proposes that the annual general meeting resolves on a long term share based incentive plan ("**LTIP 2019**"). The LTIP 2019 is proposed to include in total 35 senior executives, employees and other key persons within the company group, where 27 persons who are or will be employed by the Company and eight persons are employed



by the subsidiary Primm Pharma s.r.l. (the "**Subsidiary**"). The participants in the LTIP 2019 are required to personally invest in shares in the Company. These shares may either be shares already acquired during 2019 or shares purchased on the market in connection with the LTIP 2019. The participants will thereafter be granted, free of charge, retention and performance share rights on the terms stipulated below, which may entitle to shares in the Company depending on the Company's total shareholder return. Entitlement to shares is further conditional upon the participant remaining employed by the company group and that all his/her investment shares are retained under the LTIP 2019 during the vesting period

#### Participants in LTIP 2019

LTIP 2019 includes in total 35 senior executives, employees and other key persons within the company group, where 27 persons who are or will be employed by the Company and eight persons are employed by the Subsidiary (the "**Executives**")

#### The personal investment, allotment of Share Rights and Vesting Period

To participate in the LTIP 2019, an Executive must own shares in the Company ("**Investment Shares**") and allocate these to the LTIP 2019. These Investment Shares can either be shares already acquired during 2019 (provided that they have not already been allocated to an on-going incentive plan) or shares purchased for the purpose to participate in the LTIP 2019. The Executives are offered to invest in maximum 1,500 Investment Shares to the LTIP 2019 as from 1 June 2019 up to and including 31 January 2020. The Executives will, free of charge, be granted a certain number of share rights (each a "**Share Right**") per Investment Share. The Share Rights will be granted to the Executive following the annual general meeting 2019 in connection with, or shortly thereafter, an agreement is made between the Executive and the Company concerning participation in the LTIP 2019. Each Share Right will, if vested, entitle to one share in the Company at a subscription price corresponding to the quota value of the shares. Allotment of shares under the LTIP 2019 shall be made following the annual general meeting held in 2022. The time period that runs from the date the incentive plan agreement is entered into, and which ends on the day of the annual general meeting 2022, is referred to as the "**Vesting Period**".

In the event delivery of shares under the LTIP 2019 cannot be achieved at reasonable costs, with reasonable administrative efforts or due to market conditions, participants may instead be offered a cash-based settlement.

#### Conditions for Share Rights

The Share Rights are divided into Series A Rights (matching right), Series B Rights, Series C Rights, Series D Rights. Vesting of these Share Rights is dependent on the degree of fulfillment of certain financial and operational performance conditions during the measurement period 1 January 2019 – 31 December 2021 (the "**Measurement Period**"). Series A Rights are allotted to the Executives as matching rights, one right for each Investment Share, provided that they remain employed by the company group and that all their Investment Shares are retained under the LTIP 2019 during the Vesting Period.

The financial and operational performance conditions relate to:

Series B: The total return on the Company's shares during the Measurement Period exceeding 100



percent. Each Investment Share entitles to 1.0 Share Right of Series B.

Series C: The total return on the Company's shares during the Measurement Period exceeding 150 percent. Each Investment Share entitles to 1.0 Share Right of Series C.

Series D: The total return on the Company's shares during the Measurement Period exceeding 100 percent. Each Investment Share entitles to 1.0 Share Right of Series D.

The following maximum number of Investment Shares may be invested in the LTIP 2019 and the following maximum number of Share Rights may be allotted to Executives:

- **Senior Executives** may invest in maximum 1,500 Investment Shares within the LTIP 2019. Each Investment Share entitles to a maximum of 1.0 Share Right of Series A, 1.0 Share Right of Series B, 1.0 Share Right of Series C and 1.0 Share Right of Series D, which entitles the Executive to a maximum allotment of 4.0 Share Rights at full allocation. In case not all Executives invest their full part of Investment Shares no later than on 31 January 2020, the other Executives are entitled to invest in additional Investment Shares no later than on 31 January 2020, which shall entitle to the same right to Share Rights as set out above. There will be no guaranteed allocation in connection with an investment in additional Investment Shares. In case of over notification by the above persons covered by the allotment principles, the allotment shall be made as follows. First, allocation shall be made pro rata in relation to the number of additional invested Investment Shares. Secondly, allocation shall be made through the drawing of lots executed.

The board of directors intends to disclose the outcome of the LTIP 2019 in the annual report of 2022.

Further, the following conditions shall apply for all Share Rights:

- The Share Rights are granted free of charge.
- Entitlement to shares (based on Share Rights) is further conditional upon the Executive remaining employed by the company group and that all his/her Investment Shares are retained under the LTIP 2019 during the Vesting Period.
- The Executives are not entitled to transfer, pledge or dispose of the Share Rights or exercise any shareholders' rights regarding the Share Rights during the Vesting Period.
- So-called "good leaver" and "bad leaver" provisions will be agreed with the Executives, tailored to incentivize the Executives to stay with the company group.
- The number of shares that may be allotted will be subject to recalculation in case the Company resolves on a bonus issue with issuance of new shares, split of shares or reverse split of shares, issue of new shares with preferential rights for the shareholders or similar corporate actions.
- The board of directors are granted the right to terminate or adjust the program in case of a takeover bid or similar event.

The Executives' maximum profit per Share Right is SEK 450 (corresponding to 10 times the average closing price of the Company's shares on Nasdaq First North 12 April 2019 (rounded to closest SEK 1)). If the value of the Company's share (including any dividends paid and other adjustments) exceeds SEK 450 at vesting, the number of shares that each Share Right entitles the Executive to receive will be reduced correspondingly.

Scope of LTIP 2019

As a result of the LTIP 2019, a maximum of 210,000 shares in the Company may be allotted. The dilution impact on the total share capital and voting powers in the Company will as a maximum be app. 2.47 percent, based on the number of shares in Company currently outstanding. The dilution effect of LTIP 2019 including all current issued warrants, is estimated to approximately 6.15 percent of the total number of shares and votes in the Company, provided that full subscription of warrants and exercise of all issued warrants occurs.

#### Hedging and delivery of shares under the LTIP 2019

The board of directors proposes that the annual general meeting resolves to issue warrants in accordance with item 14, in order to secure delivery of shares under LTIP 2019. The warrants shall be subscribed for by the Subsidiary, any other group company or a third party, which shall undertake to transfer the warrants to the Executives to cover the number of shares that the Share Rights may entitle.

The arrangement set out above if a third party is used to secure the obligation of the Company to deliver shares under the plan, if applied, will mean that the third party will deliver the warrants or shares (after exercise of the warrants) to the Executives in the LTIP 2019 once the shares are vested. In the meantime, while the warrants, or, if applicable, shares are in the third party's custody, the Company will pay interest on the cost for purchasing the shares. Any dividend on the shares during such period will be refunded to the Company. Any remaining shares not delivered to the Executives will be sold on Nasdaq First North. Any profit will be paid to the Company, who also will carry the risk of potential losses. As an alternative, the shares in the swap arrangement may be rolled-over to future LTIP programs.

#### Estimated costs and value of LTIP 2019

The cost for the LTIP 2019 will be charged to the income statement during the Vesting Period. Based on the assumptions of a maximum participation and full vesting of the Share Rights, the cost for the LTIP 2019, including social security costs, is estimated to approximately SEK 2.5 million. Social security costs will also be recorded as a personnel expense in the income statement by current provisions.

For information on other incentive programs refer to the annual report for 2018.

#### Preparation and administration

The board of directors and the remuneration committee shall be responsible for preparing the detailed terms and conditions of the LTIP 2019 between the Company and the Executives, within the scope of resolved terms and guidelines. To this end, the board of directors shall be entitled to make adjustments to meet foreign regulations or market conditions. The board of directors may also make other adjustments, including a right to resolve on a reduced allotment of shares, if significant changes in the company group, or its operating environment, or in case of a takeover bid, would result in a situation where the resolved terms and conditions of the LTIP 2019 no longer serve their purpose. The board of directors' possibility to make such adjustments does not include the grant of continued participation for Executives in the Company's long-term incentive programs after the termination of their respective employments. The board of directors, or a committee established by the board of directors for these purposes, shall further be responsible for the administration of the LTIP 2019.

New persons in the Company or the Subsidiary that have not yet commenced their employment at the time when notification to participate in the LTIP 2019 at the latest shall be given, may, upon the condition that the employment commences during 2019, be offered to participate in the LTIP 2019 if the board of directors deems it to be in line with the purpose of the LTIP 2019.

#### The rationale for the proposal

The purpose of the LTIP 2019 is to allow the Company to attract competent employees and to encourage these to stay with the company group, and to encourage them to drive shareholder value. The LTIP 2019 has been designed based on the view that it is desirable that employees and other key persons within the group are shareholders in the Company. Participation in the LTIP 2019 requires that the participants own shares in the Company, which either are shares already held or shares purchased on the market in connection with the LTIP 2019. By offering an allotment of performance rights which are based on profits and other retention and performance based conditions, the participants are rewarded for increased shareholder value. Linking the employees' remuneration to the Company's result and value creation will also promote continued loyalty to the Company and thereby long-term value. Against this background, the board of directors is of the opinion that the adoption of the LTIP 2019 as set out above will have a positive effect on the company group's future development and thus be beneficial for both the Company and its shareholders.

#### Preparation of the proposal

The LTIP 2019 has been prepared by the Company's remuneration committee in consultation with external advisors and major shareholders. The proposal for LTIP 2019 is supported by major shareholders in the Company.

#### **Item 14: Resolution to issue warrants for subsequent transfer in order to secure delivery of shares in the company's long term share based incentive programs**

The board of directors proposes of the Company that the annual general meeting shall resolve to issue a maximum of 210,000 warrants, which may result in a maximum increase in the Company's share capital of SEK 47,079.07. The warrants shall entitle to subscription of new shares in the Company. The following terms shall apply to the issuance:

The warrants may, with deviation from the shareholders' priority right, be subscribed for by the subsidiary Primm Pharma s.r.l. (the "**Subsidiary**"), any other group company or a third party who undertakes to deliver warrants or shares in accordance with 13.

The warrants are issued at no consideration and shall be subscribed for through a separate subscription list payment no later than on 15 June 2019. The board has the right to extend the time for subscription.

Each warrant entitles to subscription of one new share in the Company during the period from registration up to and including 30 June 2022 or the earlier date set forth in the terms for the warrants.

The subscription price shall be at every time current quota value rounded upwards to two decimals.

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 deviation from the shareholders' preferential rights, is within the LTIP 2019 to secure delivery of shares to the participants of the program.

The complete terms and conditions for the warrants are available no later than two weeks prior to the meeting, including conditions regarding re-calculation, in certain cases, of the subscription price and the number of shares a warrant entitles to.

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 and possibly Euroclear Sweden AB.

#### **Item 15: Resolution regarding approval of transfer of warrants**

The board of directors proposes that the annual general meeting resolves to approve that the Subsidiary, any other group company or a third party may transfer a maximum of 210,000 warrants in the Company to participants of LTIP 2019 or previous share saving programs, or in any other matter dispose of the warrants to fulfill the obligations under LTIP 2019 or previous share saving programs.

Transfer of the warrants shall be made at no consideration.

The number of the warrants that may be transferred to the participants of LTIP 2019 and other share saving programs shall be subject to recalculation in the event of an intervening bonus issue, reversed split, split, rights issue with preemptive rights for the shareholders and/or other similar events. Transfer of warrants shall be made at the time and according to the other terms pursuant to which participants in the LTIP 2019 and other saving programs are entitled to receive shares. The reason for deviating from the shareholders' preferential right is that the transfer of warrants is part of the execution of the LTIP 2019. Therefore, the board of directors is of the opinion that the transfer of warrants in accordance with the proposal is to the benefit of the Company.

A general meeting in the Subsidiary or other group company shall also approve the subsequent transfers of warrants as set out above.

#### **Item 16: 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, in the amount not exceeding 2,000,000 shares in the Company, 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 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.

#### Number of shares and votes

The total number of shares in the Company as of the date hereof amounts to 8,307,126 shares, with a corresponding number of votes. The Company holds no own shares.

#### Majority requirements

A resolution in accordance with items 14 and 15 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 16 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 two weeks in advance of the meeting. All documents are available at the Company at Banvaktsvägen 22 in Solna and at the Company's website [www.xbrane.com](http://www.xbrane.com) in accordance with the above and will be sent to shareholders who request it and provide their e-mail or postal address. 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 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-bolagsstammorengelska.pdf>.

\*\*\*\*

Stockholm in April 2019

**Xbrane Biopharma AB**

The board of directors

#### Contacts

---

Martin Åmark, CEO/IR  
M: +46 (0) 763-093 777  
E: [martin.amark@xbrane.com](mailto:martin.amark@xbrane.com)

Susanna Helgesen, CFO  
M: +46 (0) 708-278 636  
E: [susanna.helgesen@xbrane.com](mailto:susanna.helgesen@xbrane.com)

## About Us

---

Xbrane is a commercial phase Swedish biopharmaceutical company specialized in biosimilars. Xbrane has a patented protein production platform for development of biosimilars and world leading expertise in biosimilars. Xbrane's headquarter is located in Solna outside of Stockholm and the company's in-house research and development facilities are in Sweden and Italy. Xbrane is listed at Nasdaq First North since February 3rd, 2016 under the name XBRANE and Avanza Bank AB is Xbrane's certified adviser ([corp@avanza.se](mailto:corp@avanza.se), +46 (0)8 409 421 20). For more information see [www.xbrane.com](http://www.xbrane.com).

## Attachments

---

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