

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 5 May 2022, at 17.30 CET at Baker & McKenzie Advokatbyrå's premises at Vasagatan 7 in Stockholm.

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 Wednesday 27 April 2022, 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 Wednesday 27 April 2022, 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 Friday 29 April 2022 will be considered in preparations of the share register; and
- ii. notify their participation at the general meeting no later than Friday 29 April 2022. 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 bolagsstamma@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 bolagsstamma@bakermckenzie.com, and should, in order to facilitate the entrance to the general meeting, be at the Company's disposal no later than on 29 April 2022. A form proxy will be available for downloading on the Company's website www.xbrane.com.

Advance voting

The shareholders may exercise their voting rights at the general meeting by voting in advance, so called postal voting in accordance with section 4 of the Act (2022:121) on temporary exceptions to facilitate the execution of general meetings in companies and other associations. The Company encourages the shareholders to use this opportunity in order to minimize the number of participants attending the general meeting in person and thus reduce the spread of the infection of Covid-19.

A special form shall be used for advance voting. The form is available on www.xbrane.com. A shareholder who is exercising its voting right through advance voting do not need to notify the Company of its attendance to the general meeting. The advance voting form is considered as the notification of attendance to the general meeting.

The completed voting form must be at the Company's disposal no later than on Friday 29 April 2022. The completed and signed form shall be sent to the address stated under "Right to attend the annual general meeting and notice" above. A completed form may also be submitted electronically and is to be sent to bolagsstamma@bakermckenzie.com. If the shareholder is a legal entity, a certificate of incorporation or a corresponding document shall be enclosed to the form. The same apply for shareholders voting in advance by proxy. The shareholder may not provide special instructions or conditions in the voting form. If so, the vote is invalid.

Further instructions and conditions is included in the form for advance voting.

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 adoption of principles for the nomination committee
12. Resolution regarding amendment of the articles of association
13. Resolution regarding long term share based incentive program (LTIP 2022)
 - a. Resolution to issue warrants for subsequent transfer in order to secure delivery of shares in the Company's long term share based incentive programs
 - b. Resolution regarding approval of transfer of warrants
14. Resolution regarding authorization for the board to issue shares, warrants and/or convertibles
15. Resolution regarding approval of the remuneration report
16. 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 to 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 seven directors. The nomination committee further proposes that the number of auditors shall be one registered audit firm.

The nomination committee proposes that the remuneration is to be SEK 3,100,000 in total, including remuneration for committee work (SEK 3,000,000 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 300,000) for each of the directors and SEK 600,000 (SEK 600,000) to the chairman;
- SEK 50,000 (SEK 50,000) for each of the members of the remuneration committee and SEK 100,000 (SEK 100,000) to the chairman of the committee;
- SEK 75,000 (SEK 50,000) for each of the members of the audit committee and SEK 150,000 (SEK 100,000) to the chairman of the committee; and
- SEK 50,000 (SEK 50,000) for each of the members of the transaction committee and SEK 100,000 (SEK 100,000) to the chairman of the committee.

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 Ivan Cohen-Tanugi, Peter Edman, Eva Nilsagård, Mats Thorén, Anders Tullgren and Karin Wingstrand as directors. It is further Kirsti Gjellan is elected as new director. Giorgio Chirivi resigns as director. Furthermore, Anders Tullgren is proposed to be re-elected as chairman of the board of directors.

Further information regarding the proposed director

Name: Kirsti Gjellan

Current assignments: Board director in Bio-Works Technologies AB, Envirotainer Holding AB and Kirsti Gjellan AB

Previous assignments: Board of director in OxThera AB, Bio-Works Sweden AB, SwedenBIO Service AB, PiiA, Swedish Orphan Biovitrum AB (publ) and Biotechvalley AB

Year of birth: 1963

Direct or related person ownership in the Company: None

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.

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 and will also be available in the annual report for 2021.

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 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 set out in the Swedish Corporate Governance Code 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 it is 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 the section above, 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 amendment of the articles of association

The board of directors of the Company proposes that the annual general meeting resolves to amend the Company's articles of association as follows:

It is proposed that the municipality of the registered office of the Company is changed from Stockholm to Solna. As a result, the wording of § 2 of the articles of association is as follows:

"The registered office of the company shall be Solna municipality."

It is also proposed that a new provision regarding the place for a general meeting of the shareholders is introduced, whereby a general meeting may also be held in the municipality of Stockholm (subsequent provisions are therefore renumbered). The articles of association will thereby include a new § 9 with the following wording:

"A general meeting of the shareholders is to be held at the registered office of the company or in the municipality of Stockholm."

It is further proposed that a new item (item 8) regarding the determination of the number of directors and auditors, and if applicable, deputy directors is added in the agenda at the annual general meeting. As a result, the wording of § 10 of the articles of association is as follows:

"The annual general meeting shall be held annually within six months after the end of the financial year. At the annual general meeting, the following matters shall be considered:

- 1. Election of chairman of the meeting.*
- 2. Preparation and approval of the voting list.*
- 3. Approval of the proposed agenda.*
- 4. Election of one or more persons to certify the minutes.*
- 5. The issue of whether the meeting has been duly called.*
- 6. Presentation of the annual report and auditor's report and, if any, the group annual report and the group auditor's report.*
- 7. Resolution regarding:*
 - a. Adoption of income statement and balance sheet and, if any, the group income statement and the group balance sheet.*
 - b. Decision regarding the profit or loss of the company in accordance with the adopted balance sheet.*
 - c. Decision regarding discharge from liability for the board of directors and the general manager, if*

any.

8. *Determining the number of directors and auditors, and if applicable, deputy directors.*

9. *Determining the fees for the board of directors and the auditor.*

10. *Election of board of directors and auditor, and if applicable, deputy directors and any deputy auditor.*

11. *Any other matter which has been referred to the meeting according to the Companies Act or the articles of association."*

It is finally proposed that the board of directors or a person appointed by the board of directors be authorised to make such minor adjustments in the above resolution that may be required in connection with the registration with the Swedish Companies Registration Office.

Item 13: Resolution regarding long term share based incentive program (LTIP 2022)

Upon recommendation of the remuneration committee, the board of directors the Company proposes that the annual general meeting resolves on a long term share-based incentive plan ("**LTIP 2022**"). The LTIP 2022 is proposed to include a maximum of 90 senior executives, employees and other key persons who are or will be employed by the Company or the group (the "**Employees**"). The participants in the LTIP 2022 are required to personally invest in shares in the Company. These shares may either be shares already acquired during 2022 or shares purchased on the market in connection with the LTIP 2022. 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 2022 during the vesting period.

Participants in LTIP 2022

LTIP 2022 includes a maximum of 90 senior executives, employees and other key persons, who are or will be employed by the Company or the group.

The personal investment, allotment of Share Rights and Vesting Period

To participate in the LTIP 2022, an Executive must own shares in the Company ("**Investment Shares**") and allocate these to the LTIP 2022. These Investment Shares can either be shares already acquired during 2022 (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 2022. The Executives are offered to invest in maximum 1,500 Investment Shares to the LTIP 2022 as from 1 June 2022 up to and including 31 January 2023. 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 2022 in connection with, or shortly thereafter, an agreement is made between the Executive and the Company concerning participation in the LTIP 2022. 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 2022 shall be made following the annual general meeting held in 2025. 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 2025, is referred to as the "**Vesting Period**".

In the event delivery of shares under the LTIP 2022 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 2022 – 31 December 2024 (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 2022 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 50 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 75 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 2022 and the following maximum number of Share Rights may be allotted to Executives:

- **Executives** may invest in maximum 1,500 Investment Shares within the LTIP 2022. 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 2023, the other Executives are entitled to invest in additional Investment Shares no later than on 31 January 2023, 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 by the board of directors.

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 2022 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 701 (corresponding to seven times the closing price of the Company's shares on Nasdaq Stockholm on 25 March 2022 (rounded to closest SEK 1)). If the value of the Company's share (including any dividends paid and other adjustments) exceeds SEK 701 at vesting, the number of shares that each Share Right entitles the Executive to receive will be reduced correspondingly.

Scope of LTIP 2022 and dilution

As a result of the LTIP 2022, a maximum of 540,000 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. 2.11 percent, based on the number of shares in the Company currently outstanding. The dilution effect of LTIP 2022 including all current issued warrants, is estimated to approximately 5.53 percent of the total number of shares and votes in the Company, provided that full subscription warrants and exercise of all issued warrants occurs.

Hedging and delivery of shares under the LTIP 2022

The board of directors proposes that the annual general meeting resolves to issue warrants in accordance with item 13a in order to secure delivery of shares under LTIP 2022. The warrants shall be subscribed for by the Company or 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 2022 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 Stockholm. 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, effects on important key ratios and value of LTIP 2022

LTIP 2022 will be recognized in accordance with IFRS 2, which means that the rights will be expensed as a non-cash personnel expense over the Vesting period.

The cost of LTIP 2022 may amount to a maximum of approximately SEK 54.1 million, excluding social security costs, based on the following assumptions: (i) 540,000 Share Rights are granted; (ii) the share price at the start of the 2022 Share Rights program 2022 amounts to SEK 100.2 per share (share price as of 25 March 2022); (iii) the performance terms and conditions are fully met.

Based on the same assumptions, the social security costs are estimated to amount to approximately SEK 7.8 million, provided that social security contributions amount on average to approximately 14 percent. Social security contributions will be recognized as personnel expenses over the Vesting period.

The annual cost of the 2022 share savings plan, including social security costs, is estimated to be approximately SEK 20.6 million, based on the same assumptions as described above.

The final outcome of LTIP 2022 will be affected by the degree of participation, probable outcome on performance shares and share price. Important key ratios that will be affected include operating profit, EBITDA, earnings for the period, earnings per share and equity ratio.

For information on other incentive programs refer to the Company's annual report for 2021.

Preparation and administration

The board of directors and the remuneration committee shall be responsible for preparing the detailed terms and conditions of the LTIP 2022 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 2022 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 2022.

New persons in the Company that have not yet commenced their employment at the time when notification to participate in the LTIP 2022 at the latest shall be given, may, upon the condition that the employment commences during 2022, be offered to participate in the LTIP 2022 if the board of directors deems it to be in line with the purpose of the LTIP 2022.

The rationale for the proposal

The purpose of the LTIP 2022 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 2022 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 2022 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 2022. 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 2022 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 2022 has been prepared by the Company's remuneration committee in consultation with external advisors and major shareholders. The proposal for LTIP 2022 is supported by major shareholders in the Company.

Resolutions in accordance with items 13a and 13b below shall be made as one resolution and are therefore conditional on each other.

Item 13a: 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 of the Company proposes that the annual general meeting shall resolve to issue a maximum of 540,000 warrants, which may result in a maximum increase in the Company's share capital of SEK 121,060.48. 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 Company or any other group company or a third party who undertakes to deliver warrants or shares in accordance with item 13b.

The warrants are issued at no consideration and shall be subscribed for through a separate subscription list payment no later than on 15 June 2022. 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 2025 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 2022 to secure delivery of shares to the participants of the program.

The complete terms and conditions for the warrants are available on the Company's website no later than three weeks before the general meeting, which includes provisions on, among other things, that the subscription price as well as the number of shares that the warrant entitles to subscribe will be recalculated in certain cases

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 13b: 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 540,000 warrants in the Company to participants of LTIP 2022 or previous share saving programs, or in any other matter dispose of the warrants to fulfill the obligations under LTIP 2022 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 2022 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 2022 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 2022. 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.

As applicable, a general meeting in any other group company shall also approve the subsequent transfers of warrants as set out above.

Item 14: 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 10 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.

Number of shares and votes

The total number of shares and votes in the Company as of the date hereof amounts to 25,039,906. The Company holds no own shares.

Majority requirements

A resolution in accordance with items 13a and 13b 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 14 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, proxy form and advance voting 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 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 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 2022

Xbrane Biopharma AB

The board of directors

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About Us

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 SEK 332 billion in annual sales of the respective reference products, with the leading one under registration in Europe. 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

Attachments

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