

## Notice of annual general meeting of Vicore Pharma Holding AB (publ)

The shareholders of Vicore Pharma Holding AB (publ), Reg. No. 556680-3804, with registered office in Mölndal, are summoned to the annual general meeting on Wednesday 20 May 2020 at 4 p.m. at Elite Park Aveny Hotel, Kungssportsavenyn 36-38 in Gothenburg.

### Right to attend the annual general meeting

Shareholders who wish to attend the annual general meeting must

- be registered in the share register maintained by Euroclear Sweden AB on Thursday 14 May 2020, and must also
- notify the company of their intention to attend the meeting, no later than Thursday 14 May 2020.

The notification must be made in writing by e-mail to [nina.carlen@vicorepharma.com](mailto:nina.carlen@vicorepharma.com), or by post to Vicore Pharma Holding AB (publ), attn. Nina Carlén, Kronhusgatan 11, SE-411 05 Göteborg, Sweden. The notification must state the shareholder's name, personal identity number/registration number, shareholding, address, day time telephone number and information about the attendance of any assistants (maximum two) and, if applicable, information about any proxies. Information submitted in connection with the notification will be computerised and used exclusively for the general meeting. See below for additional information on the processing of personal data.

### Proxy

Shareholders represented by proxy must submit a dated power of attorney. If the power of attorney is executed by a legal person a certified copy of the certificate of registration or equivalent should be attached. The power of attorney and the certificate of registration may not be older than one year, however, the power of attorney may be older provided that the power of attorney according to its wording is valid for a longer period, although, not more than five years. The original power of attorney and the certificate of registration should be sent to the company at the address mentioned above well in advance of the general meeting. A proxy form is available at [www.vicorepharma.com](http://www.vicorepharma.com) and will also be sent to shareholders who so request and state their postal address.

### Nominee-registered shares

Shareholders whose shares are registered in the name of a nominee through a bank or a securities institution must re-register their shares in their own names in order to be entitled to attend the general meeting. Such registration, which may be temporary, must be duly effected in the share register maintained by Euroclear Sweden AB on Thursday 14 May 2020, and the shareholders must therefore contact their nominees well in advance of this date.

### 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 3 of the Act (2020:198) on temporary exceptions to facilitate the execution of general meetings in companies and other associations. Vicore encourages the shareholders to use this opportunity in order to minimise the number of participants attending the general meeting in person and thus reduce the spread of the infection.

A special form shall be used for advance voting. The form is available on [www.vicorepharma.com](http://www.vicorepharma.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 submitted to Vicore no later than Thursday 14 May 2020. The completed and signed form shall be sent to the address stated under “Right to attend the annual general meeting” above. A completed form may also be submitted electronically and is to be sent to [www.vicorepharma.com](http://www.vicorepharma.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 are included in the form for advance voting

## Information in relation to the Corona virus (Covid-19)

In view of the recent developments of the spread of the Corona virus (Covid-19), Vicore has taken certain precautionary measures in relation to the annual general meeting on 20 May 2020. The measures are being taken to reduce the risk of spread of contagion.

- Shareholders should carefully consider the possibility to vote in advance, please see above, as well as the possibility of participating by way of proxy. Shareholders who display symptoms of infection (dry cough, fever, respiratory distress, sore throat, headache, muscle and joint ache), have been in contact with people displaying symptoms, have visited a risk area, or belong to a risk group, are in particular encouraged to utilize such possibility. A form for advance voting and proxy form is available at [www.vicorepharma.com](http://www.vicorepharma.com).
- No external guests will be invited.
- No refreshments will be served prior to or after the annual general meeting.
- Merely a shorter speech will be held by the CEO on the annual general meeting.
- The annual general meeting will be conducted in the shortest possible time without limiting the rights of the shareholders.
- Kindly review the information and recommendations issued by the Swedish Public Health Authority (Sw. *Folkhälsomyndigheten*).

The continued spread of the Corona virus (Covid-19) and its effects are still difficult to assess with certainty and Vicore is closely following the developments. If any further precautionary measures in relation to the annual general meeting must be taken, information thereof will be published on the company’s website [www.vicorepharma.com](http://www.vicorepharma.com).

## Number of shares and votes

As per the date of this notice there are a total of 50,418,239 shares outstanding in the company that entitle to one vote per share at the general meeting. As per the date of this notice the company holds no treasury shares.

## Proposed agenda

- 1) Opening of the meeting
- 2) Election of chairman of the meeting
- 3) Preparation and approval of the voting register
- 4) Approval of the agenda
- 5) Election of one or two persons to verify the minutes
- 6) Determination of whether the meeting was duly convened
- 7) Presentation of the annual report and auditor’s report and the consolidated financial statements and auditor’s report for the group
- 8) Resolutions regarding
  - a. adoption of the income statement and balance sheet and the consolidated income statement and consolidated balance sheet
  - b. allocation of the company’s profit or loss according to the adopted balance sheet, and

- c. discharge from liability for board members and the managing director
- 9) Determination of the number of board members and auditors
- 10) Determination of fees for the board of directors and the auditors
- 11) Election of members of the board of directors
  - 11.1 Jacob Gunterberg (re-election)
  - 11.2 Maarten Kraan (re-election)
  - 11.3 Sara Malcus (re-election)
  - 11.4 Hans Schikan (re-election)
  - 11.5 Peter Ström (re-election)
  - 11.6 Heidi Hunter (election)
  - 11.7 Michael Wolff Jensen (election)
- 12) Election of the chairman of the board of directors  
Michael Wolff Jensen (election)
- 13) Election of auditors and, where applicable, deputy auditors
- 14) Resolution on principles for appointing the nomination committee
- 15) Resolution on guidelines on remuneration to members of group management and board members
- 16) Resolution to authorize the board of directors to issue new shares
- 17) Resolution on the introduction of a long-term performance-based incentive program for the new members of the Board of Directors
- 18) Resolution to amend the articles of association
- 19) Closing of the meeting

## **Item 2, 9-13 – The nomination committee’s proposal to the annual general meeting 2020**

The nomination committee of Vicore Pharma, which consists of Leif Darner (chairman of the board of directors), Staffan Lindstrand (appointed by HealthCap VII L.P.), Göran Wessman (appointed by Protem Wessman AB) and Evert Carlsson (appointed by Swedbank Robur), proposes the following:

- that the chairman of the board Leif Darner or the one proposed by the nomination committee if he has an impediment to attend, is appointed to chair the annual general meeting,
- that the number of members of the board of directors shall be seven without deputies,
- that a registered audit company shall be appointed as auditor,
- that the directors’ fees shall be paid with SEK 300,000 to the chairman of the board of directors and SEK 100,000 to each one of the other members, with SEK 75,000 to the chairman of the audit committee and SEK 50,000 to the other members of the audit committee, with SEK 50,000 to the chairman of the remuneration committee and SEK 25,000 to the other members of the remuneration committee and, SEK 50,000 to the chairman of the scientific committee and SEK 25,000 to the other members of the scientific committee,
- that the fee to the auditor shall be paid in accordance with approved statement of costs,
- that the board members Jacob Gunterberg, Maarten Kraan, Sara Malcus, Hans Schikan and Peter Ström are re-elected, and that Heidi Hunter och Michael Wolff Jensen are elected, as board members for the period up until the end of the next annual general meeting. Leif Darner has declined re-election,
- that Michael Wolff Jensen is elected chairman of the board of directors, and
- that the audit company EY AB is re-elected as auditor for the period up until the end of the next annual general meeting, with the request that Andreas Mast acts as auditor in charge, in accordance with the audit committee’s recommendation.

*Information regarding the proposed new members of the board of directors*

### **Michael Wolff Jensen**

Michael Wolff Jensen (born 1971) has 20 years of experience from strategic leadership from Pharma/Biotech – as CFO, Chairman of the Board, responsible partner and as Chief Legal Officer. Michael has been main responsible for four IPOs; Genmab (Nasdaq Copenhagen and Neuer Markt Frankfurt 2000), LifeCycle Pharma (Nasdaq Copenhagen 2006), Ascendis Pharma (Nasdaq US 2015) and Xspray Pharma (Nasdaq First North Stockholm 2017 and Nasdaq Main Market Stockholm 2020). He has also been responsible for several funding rounds and in total raised more than 20 billion SEK. Furthermore, Michael has more than 15 years of experience as board member and as chairman, both in private and publicly traded companies. Michael does not own any shares in Vicore Pharma and is independent both in relation to the company and its management as well as in relation to major shareholders.

### **Heidi Hunter**

Heidi Hunter (born 1958) has more than 25 years of experience from leading positions in different roles within pharmaceutical development and commercialization. She has worked strategically and operationally from clinical and commercial development to launch execution. Her leadership experience spans alliance management, investment risk mitigation, global clinical and commercial management, new business strategy development, product launch, and business sustainability. Heidi has a unique, multicultural and global experience of engaging people from different cultures to work towards the same vision and goals. Heidi does not own any shares in Vicore Pharma and is independent both in relation to the company and its management as well as in relation to major shareholders.

Information regarding the members of the board of directors proposed for re-election is available on the company's webpage [www.vicorepharma.com](http://www.vicorepharma.com), as well as in the company's annual report.

## **Item 8b – Allocation of the company's profit or loss according to the adopted balance sheet**

The board of directors proposes that no dividends shall be paid for the financial year 2019.

## **Item 14 – Resolution on principles for appointing the nomination committee**

The nomination committee proposes that the annual general meeting resolves on principles for appointing the nomination committee in accordance with the following.

The nomination committee shall consist of members appointed by each of the three largest shareholders, in terms of votes, based on the shareholders' register maintained by Euroclear Sweden as of 31 August 2020, and the chairman of the board of directors. Should any of the three largest shareholders renounce its right to appoint one representative to the nomination committee, such right shall be transferred to the shareholder who then in turn, after these three shareholders, is the largest shareholder in the company. The chairman of the board of directors shall convene the nomination committee. The member representing the largest shareholder shall be appointed chairman of the nomination committee, unless the nomination committee unanimously appoints someone else.

Should a shareholder having appointed a member to the nomination committee no longer be among the three largest shareholders, the member appointed by such shareholder shall resign and the shareholder who is then among the three largest shareholders shall have the right to appoint one member to the nomination committee. Unless there are specific reasons at hand, the already established composition of the nomination committee shall, however, remain unchanged in case such change in the ownership is only marginal or occurs within three months of the annual general meeting. Where a shareholder has become one of the three largest shareholders due to a material change in the ownership at a point in time falling later than three months before the annual

general meeting, such shareholder shall in any event have the right to appoint a member of the nomination committee to take part of the work of the committee and participate at its meetings. Should a member resign from the nomination committee before its work is completed, the shareholder who has appointed such member shall appoint a new member. If such shareholder no longer is one of the three largest shareholders, any substitute member shall be appointed in the above order. A shareholder who has appointed a member of the nomination committee shall have the right to discharge such member and appoint a new member.

Changes to the composition of the nomination committee shall be announced immediately. The term of office for the nomination committee ends when the next nomination committee has been appointed. The nomination committee shall carry out its duties as set out in the Swedish Code of Corporate Governance.

## **Item 15 – Resolution on guidelines on remuneration to members of group management and board members**

The board of directors proposes that the annual general meeting adopts the following guidelines on remuneration to members of group management and board members.

### **The board of directors' proposal for guidelines for executives' remuneration**

The board of directors, the CEO and other members of the executive management fall within the provisions of these guidelines. The guidelines are forward-looking, i.e. they are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the annual general meeting 2020. These guidelines do not apply to any remuneration decided or approved by the general meeting.

### **The guidelines' promotion of the company's business strategy, long-term interests and sustainability**

In short, the company's business strategy is the following.

Vicore Pharma is an orphan drug company with a focus on fibrotic lung diseases and related indications. The company currently has two drug development programs, VP01 and VP02. VP01 aims to develop the drug substance C21 for the treatment of idiopathic pulmonary fibrosis (IPF). VP02 is based on a new formulation and delivery route for an existing immunomodulatory substance (a so-called "IMiD"). VP02 focuses on IPF with respect to both the underlying disease and the severe cough associated with IPF. VP01 and VP02 are also evaluated for other indications in the field of fibrotic lung disease. Vicore's long-term goal is to obtain regulatory approvals and establish the company as a pharmaceutical company specializing in fibrotic lung disease.

For more information regarding the company's business strategy, please see Vicore Pharma's company presentation at <https://vicorepharma.com/investors/events-presentations/>.

A prerequisite for the successful implementation of the company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the company is able to recruit and retain qualified personnel. To this end, it is necessary that the company offers competitive remuneration.

These guidelines enable the company to offer the executive management a competitive total remuneration.

Variable cash remuneration covered by these guidelines shall aim at promoting the company's business strategy and long-term interests, including its sustainability.

The company also has long-term share-related incentive plans in place. The plans have been resolved by the general meeting and aim to align the interests of the board members and key employees with those of the shareholders.

### **Types of remuneration, etc.**

The remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. Furthermore, additional variable cash remuneration may be awarded in extraordinary circumstances. Additionally, the general meeting may – irrespectively of these guidelines – resolve on, among other things, share-related or share price-related incentive programs.

The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one to several years. The variable remuneration payable in cash may amount to a maximum of 40 percent of the annual fixed cash salary for the CEO and a maximum of 30 percent of the annual fixed cash salary to other senior executives under the measurement period for such criteria. Further variable cash remuneration may be awarded in extraordinary circumstances, provided that such extraordinary arrangements are limited in time and only made on an individual basis, either for the purpose of recruiting or retaining executives, or as remuneration for extraordinary performance beyond the individual's ordinary tasks. Such remuneration may not exceed an amount corresponding to 50 per cent of the fixed annual cash salary and may not be paid more than once per year for each individual. Any resolution on such remuneration shall be made by the board of directors based on a proposal from the remuneration committee.

For the CEO, pension benefits, including health insurance (Sw: sjukförsäkring), shall be premium defined. Variable cash remuneration shall not qualify for pension benefits. The pension premiums for premium defined pension shall amount to not more than 30 per cent of the fixed annual cash salary. For other executives, pension benefits, including health insurance, shall be premium defined unless otherwise required by for example collective agreements. The pension premiums for premium defined pension shall amount to not more than 30 per cent of the fixed annual cash salary.

Other benefits may include, for example, life insurance, medical insurance (Sw: sjukvårdsförsäkring) and company cars. Such benefits may not amount to more than 10 per cent of the fixed annual cash salary.

For employments governed by rules other than Swedish, pension benefits and other benefits may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

### **Termination of employment**

For all executives, the notice period may be up to six months if notice of termination of employment is made by the company. For the CEO, fixed cash salary during the notice period and severance pay may, in total, not exceed twelve months' fixed salary, and for other executives, such remuneration may not correspond to an amount which exceeds six months fixed salary. The period of notice may be up to six months without any right to severance pay when termination is made by the executive.

Additionally, remuneration may be paid for non-compete undertakings. Such remuneration shall compensate for loss of income and shall only be paid in so far as the previously employed executive is not entitled to severance pay. The remuneration shall amount to not more than 60 per cent of the monthly income at the time of termination of employment and be paid during the time the non-compete undertaking applies, however not for more than 12 months following termination of employment.

### **Criteria for awarding variable cash remuneration, etc.**

The variable cash remuneration shall be linked to predetermined and measurable criteria. These criteria can be measurable advancements in the company's preclinical and clinical trials and other associated activities. The criteria can be financial or non-financial. They may also be individualized, quantitative or qualitative objectives.

The criteria shall be designed so as to contribute to the company's business strategy and long-term interests, including its sustainability, by for example being clearly linked to the business strategy or the executive's long-term development. The board of directors shall have the possibility, under applicable law or contractual provisions, subject to the restrictions that may apply under law or contract, to in whole or in part reclaim variable remuneration paid on incorrect grounds (claw-back).

To which extent the criteria for awarding variable cash remuneration have been satisfied shall be evaluated/determined when the measurement period has ended. The remuneration committee is responsible for the evaluation so far as it concerns variable remuneration to the CEO. For variable cash remuneration to other executives, the CEO is responsible for the evaluation, subject to approval by the board of directors for those executives who report directly to the CEO. For financial objectives, the evaluation shall be based on the latest financial information made public by the company.

### **Salary and employment conditions for employees**

In the preparation of the board of directors' proposal for these remuneration guidelines, salary and employment conditions for employees of the company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the remuneration committee's and the board of directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable

### **The decision-making process to determine, review and implement the guidelines**

The board of directors has established a remuneration committee. The committee's tasks include preparing the board of directors' decision to propose guidelines for executives' remuneration. The board of directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the general meeting. The guidelines shall be in force until new guidelines are adopted by the general meeting. The remuneration committee shall also monitor and evaluate programs for variable remuneration for the executive management, the application of the guidelines for executive remuneration as well as the current remuneration structures and compensation levels in the company. The members of the remuneration committee are independent of the company and its executive management. The CEO and other members of the executive management do not participate in the board of directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

### **Derogation from the guidelines**

The board of directors may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As set out above, the remuneration committee's tasks include preparing the board of directors' resolutions in remuneration-related matters. This includes any resolutions to derogate from the guidelines.

## **Item 16 – Resolution to authorize the board of directors to issue new shares**

The board of directors proposes that the annual general meeting resolves to authorize the board of directors, at one or several occasions and for the period until the next annual general meeting, to increase the company's share capital by issuing new shares. Such share issue may be carried out with or without deviation from the shareholders' preferential rights and with or without provisions for contribution in kind, set-off or other conditions. The number of shares that may be issued under the authorization may not entail a dilution effect of more than 20 per cent, based on the number of outstanding shares and votes at the time of the annual general meeting.



The purpose of the authorization is to increase the financial flexibility of the company and the general flexibility of the board of directors. Should the board of directors resolve on a share issue with deviation from the shareholders' preferential rights, the reason for this shall be to finance acquisitions of businesses or to procure capital to finance the development of projects. Upon such deviation from the shareholders' preferential rights, the new issue shall be made at market terms and conditions.

The CEO shall be authorized to make such minor adjustments to this resolution that may be necessary in connection with the registration.

## **Item 17 – Resolution on the introduction of a long-term performance-based incentive program for the new members of the Board of Directors**

The Nomination Committee proposes that the Annual General Meeting resolves to implement a long-term performance-based incentive program for the new members of the Board of Directors ("Board LTIP 2020") in accordance with items 17a – b below. The resolutions under items 17a – b below are proposed to be conditional upon each other. Should the majority requirement for item 17b not be met, the Nomination Committee proposes that the company shall be able to enter into an equity swap agreement with a third party in accordance with item 17c below and resolutions under items 17a and 17c shall then be conditional upon each other.

Board LTIP 2020 is a program under which the participants will be granted, free of charge, share awards subject to performance vesting ("share awards") that entitle to shares in the company to be calculated in accordance with the principles stipulated below, however a maximum of 525,000 shares. As part of the implementation of Board LTIP 2020, a maximum of 525,000 warrants can be issued in accordance with item 17b below.

### **The rationale for the proposal**

Board LTIP 2020 is intended for the newly elected, main owner independent, members of the Board of Directors in the company. The Nomination Committee believes that an equity-based incentive program is a central part of a competitive remuneration package in order to attract, retain and motivate internationally competent members of the Board of Directors, and to focus the participants on delivering exceptional performance which contributes to value creation for all shareholders. Board LTIP 2020 is adapted to the current position and needs of the company. The Nomination Committee is of the opinion that Board LTIP 2020 will increase and strengthen the participant's dedication to the company's operations, improve company loyalty and that Board LTIP 2020 will be beneficial to both the shareholders and the company.

### **Conditions for share awards**

The following conditions shall apply for the share awards:

- The share awards shall be granted free of charge to the participants immediately after the Annual General Meeting.
- The share awards shall vest gradually over approximately three years, corresponding to three terms up to the date of, whichever is earliest, (i) the Annual General Meeting 2023 or (ii) June 1, 2023 ("vesting date"), where each term equals the period from one Annual General Meeting up until the day falling immediately prior to the next Annual General Meeting or the vesting date, as applicable (each such period a "term"). The share awards shall vest by 1/3 at the end of each term, provided that the participant is still a member of the Board of Directors of the company on said date. In addition to the vesting conditions just stated, the share awards are subject to performance vesting based on the development of the company's share price, in accordance with the vesting conditions below.
- The share awards are subject to performance vesting based on the development of the company's share price over the period from the date the share awards are allocated ("grant date") up to and including the vesting date. The development of the share price will be measured based on the volume weighted



average price of the company's share on Nasdaq Stockholm for the 30 trading days immediately following the grant date and the 30 trading days immediately preceding the vesting date, respectively. In the event the price of the company's share has thereby increased by more than 150 percent, 100 percent of the share awards shall vest, and should the share price have increased by 50 percent, 25 percent of the share awards shall vest. In the event of an increase of the share price between 50 and 150 percent, vesting of the share awards will occur linearly. Should the increase of the share price be less than 50 percent, no vesting will occur.

- The earliest point in time at which vested share awards may be exercised shall be the day falling immediately after the vesting date.
- Each vested share award entitles the holder to receive one share in the company without any compensation being payable provided that the holder is still a member of the Board of Directors of the company at the relevant time of vesting. In some customary "good-leaver"-situations (including retirement, death and permanent incapacity to complete the assignment due to illness or accident), this shall also apply during the first annual period up until the day of the Annual General Meeting 2021, despite the participant ceasing to be a member of the Board of Directors of the company. On the recommendation of the Remuneration Committee, excluding members of the Board of Directors participating in Board LTIP 2020, a member of the Board of Directors may, on a case-by-case basis, be a "good leaver" in other situations than those stated above.
- The number of share awards will be recalculated in the event that changes occur in the company's equity capital structure, such as bonus issue, merger, rights issue, share split or reverse share split, reduction of the share capital or similar measures.
- The share awards are non-transferable and may not be pledged.
- The share awards can be granted by the parent company as well as any other company within the group where the company is parent company.
- In the event of a public takeover offer, asset sale, liquidation, merger or any other such transaction affecting the company, the share awards will vest in their entirety upon completion of such transaction.

### **Allocation**

The share awards under Board LTIP 2020 shall be awarded in accordance with the following:

- Michael Wolff-Jensen      350,000
- Heidi Hunter                175,000

Thus, Board LTIP 2020 will comprise a total of 525,000 share awards which, if all share awards are vested in accordance with the vesting conditions above, entitle to a maximum of 525,000 shares in the company.

### **Preparation, administration and the right to amend the terms of the share awards**

The Remuneration Committee of the company (excluding any participating member) shall be responsible for preparing the detailed terms and conditions of Board LTIP 2020, in accordance with the above mentioned terms and guidelines. To this end, the Remuneration Committee (excluding any participating member) shall be entitled to make adjustments to meet foreign regulations or market conditions, including resolving on cash or other settlement if deemed favorable for the company based on foreign tax regulations.

### **Preparation of the proposal**

Board LTIP 2020 has been initiated by the Nomination Committee of the company and has been structured based on a current market practice for comparable European (including Swedish) listed companies.

## **Dilution**

Board LTIP 2020 will comprise a maximum of 525,000 shares in total, which corresponds to a dilution of approximately 1.0 percent on a fully diluted basis. Taking into account also the shares which may be issued pursuant to previously implemented incentive programs in the company, the maximum dilution amounts to 5.6 percent on a fully diluted basis. The dilution is expected to have a marginal effect on the company's key performance indicator "Earnings per share". Information about Vicores' existing incentive programs can be found in Vicores' annual report for 2019, note 8, which is available on the company's website, [www.vicorepharma.com](http://www.vicorepharma.com).

## **Scope and costs of the program**

Board LTIP 2020 will be accounted for in accordance with "IFRS 2 – Share-based payments". IFRS 2 stipulates that the share awards shall be expensed as personnel costs over the vesting period and will be accounted for directly against equity. Personnel costs in accordance with IFRS 2 do not affect the company's cash flow. Social security costs will be expensed in the income statement according to UFR 7 during the vesting period.

Assuming a volume weighted average price of the Vicore share on Nasdaq Stockholm for the 30 trading days after the grant date of SEK 13.35, the annual cost for the Board LTIP 2020, according to IFRS 2, is estimated at approximately 0.8 MSEK before tax. The estimated IFRS 2 cost has been calculated using a Monte Carlo simulation. The annual cost for social security contributions is estimated at approximately 0.5 MSEK, based on an annual increase in the share price of 20 per cent, the aforementioned assumptions and a social security tax rate of 31.42 per cent. The total annual cost for Board LTIP 2020 during the term of the program, including costs according to IFRS 2 and social security charges, is therefore estimated to approximately 1.4 MSEK.

The total cost of the Board LTIP 2020, including all costs referred to above and social security charges, is estimated to amount to approximately 4.1 MSEK under the above assumptions.

## **Delivery of shares under Board LTIP 2020**

In order to ensure the delivery of shares under Board LTIP 2020, it is proposed that the Annual General Meeting resolves to issue warrants in accordance with item 17b below.

## **Proposal regarding issue of warrants (item 17b)**

In order to ensure the delivery of shares under Board LTIP 2020, it is proposed that the Annual General Meeting resolves to issue a maximum of 525,000 warrants, whereby the company's share capital may be increased by a maximum of approximately SEK 262,500 in accordance with the following:

1. The right to subscribe for the warrants shall, with deviation from the shareholders' pre-emptive rights, only vest with a fully-owned subsidiary to Vicore. The reason for the deviation from the shareholders' pre-emptive rights is the implementation of Board LTIP 2020.
2. Vicores' fully-owned subsidiary shall be entitled to transfer the warrants to participants in Board LTIP 2020, or a financial intermediary in connection with exercise of the share awards.
3. The warrants shall be issued free of charge and shall be subscribed for on a subscription list no later than June 15, 2020.
4. The exercise price for subscription for shares based on the warrants shall correspond to the share's quota value.

5. The company's CEO shall be authorized to make such minor adjustments that may be necessary in connection with the registration of the new issue.
6. Notification of subscription of shares by the exercise of warrants can be made from and including the day of registration of the warrants with the Swedish Companies' Office up until and including December 31, 2023.
7. Shares which are issued following subscription shall entitle to participation in the distribution of profits for the first time on the nearest record date occurring after the subscription has been exercised.

#### **Equity swap agreement with a third party (item 17c)**

Should the majority requirement for item 17b above not be met, it is proposed that the Annual General Meeting resolves that Board LTIP 2020 shall instead be hedged so that the Board of Directors is authorized, on the company's behalf, to enter into an equity swap agreement with a third party on terms in accordance with market practice, whereby the third party in its own name shall be entitled to acquire and transfer shares of the company to the participants.

#### **Item 18 – Resolution to amend the articles of association**

The board of directors proposes that the annual general meeting resolves to amend para 2 and 10 first sentence of the articles of association in accordance with the below. The reason for the amendment is that the company has moved its headquarters to Gothenburg.

##### **§ 2. Registered Head Office**

*The board of directors shall have its registered head office in Gothenburg.*

##### **§ 10. General meetings**

*General meetings shall be held in Stockholm or Gothenburg.*

#### **Majority requirements**

A resolution in accordance with items 16 and 18 above requires approval of at least two thirds (2/3) of the shares represented and votes cast at the general meeting. A resolution in accordance with item 17b above requires the approval of at least nine tenths (9/10) of the shares represented and votes cast at the general meeting.

#### **Other information**

The shareholders are reminded of their right to request information in accordance with Chapter 7 Section 32 of the Swedish Companies Act. The annual report and the auditor's report for the financial year 2019 will be held available at the company's office on Kronhusgatan 11, SE-411 05 Gothenburg, Sweden and on the company's website, [www.vicorepharma.com](http://www.vicorepharma.com), at least three weeks before the general meeting, together with the board of directors' complete proposals. Further, the nomination committee's proposal and motivated statement will be available on the address and website stated above at least four weeks before the general meeting. Copies of the documents will be sent to the shareholders who so requests and informs the company of their postal address.

For information on how your personal data is processed, see the integrity policy that is available at Euroclear's webpage, [www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf](http://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf).



*This is an in-house translation of the Swedish original wording. In case of differences between the English translation and the Swedish original, the Swedish version shall prevail.*

---

Mölnadal, April 2020

**Vicore Pharma Holding AB (publ)**

*The Board of Directors*

*This information was submitted for publication on 17 April 2020 at 8:30 a.m. CEST.*