



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 Gothenburg, are summoned to the annual general meeting on Tuesday 11 May 2021.

The continued spread of COVID-19 remains difficult to assess with any certainty. Due to the prevailing extraordinary situation, Vicore Pharma's annual general meeting will be held in a different way than usually. Vicore Pharma is mindful of the health of the shareholders as well as the work to limit the spread of the virus. Thus, in order to reduce the risk of spreading the virus and having regard to the authorities' regulations and advice on avoiding public gatherings, the annual general meeting is carried out through advance voting (postal voting) pursuant to temporary legislation. No meeting with the possibility to attend in person or to be represented by a proxy will take place. Hence, the annual general meeting will be held without physical presence.

Vicore Pharma welcomes all shareholders to exercise their voting rights at the annual general meeting through advance voting as described below. Information on the resolutions passed at the annual general meeting will be published on 11 May 2021, as soon as the result of the advance voting has been finally confirmed.

The shareholders may request in the advance voting form that a resolution on one or several of the matters on the proposed agenda below should be deferred to a so-called continued general meeting, which cannot be conducted solely by way of advance voting. Such general meeting shall take place if the annual general meeting so resolves or if shareholders with at least one tenth of all shares in the company so requests.

Preconditions for participation

For a person to be entitled to participate through advance voting in the annual general meeting, such person must

be registered in the share register maintained by Euroclear Sweden AB on Monday 3 May 2021,

have notified its intention to participate no later than on Monday 10 May 2021 by casting its advance vote in accordance with the instructions under the heading "*Advance voting*" below so that the advance voting form is received by Vicore Pharma Holding AB (publ) no later than that day.

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 annual general meeting. Such registration, which may be temporary, must be duly effected at Euroclear Sweden AB on Wednesday 5 May 2021, 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 annual general meeting only by voting in advance, so-called postal voting in accordance with Section 22 of the Act (2020:198) on temporary exceptions to facilitate the execution of general meetings in companies and other associations.

A special form shall be used for advance voting. The form is available on www.vicorepharma.com under the heading "*Investors – Corporate Governance – General Meeting*". The advance voting form is considered as the notification of attendance to the general meeting.

The completed voting form must be received by Vicore Pharma Holding AB (publ) no later than Monday 10 May 2021. The form may be submitted via e-mail to nina.carlen@vicorepharma.com, or by post to Vicore Pharma



Holding AB (publ), attn. Nina Carlén, Kronhusgatan 11, SE-411 05 Gothenburg, Sweden. If the shareholder votes in advance by proxy, a power of attorney shall be enclosed to the form. If the shareholder is a legal entity, a certificate of incorporation or a corresponding document shall be enclosed to the form. The shareholder may not provide special instructions or conditions in the voting form. If so, the vote (i.e. the advance vote in its entirety) is invalid. Further instructions and conditions are included in the form for advance voting.

For questions about the annual general meeting or to have the advance voting form sent by post, please contact Nina Carlén on nina.carlen@vicorepharma.com or on telephone +46 76 390 94 04.

Number of shares and votes

As per the date of this notice there are a total of 71,760,293 shares outstanding in the company that entitle to one vote per share at the annual general meeting. As per the date of this notice the company holds no treasury shares.

Proposed agenda

- 1) Election of chairman of the annual general meeting
- 2) Election of one or two persons to verify the minutes
- 3) Preparation and approval of the voting register
- 4) Approval of the agenda
- 5) Determination of whether the annual general meeting was duly convened
- 6) Presentation of the annual report and auditor's report and the consolidated financial statements and auditor's report for the group
- 7) 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
- 8) Determination of the number of board members and auditors
- 9) Determination of fees for the board of directors and the auditors
- 10) Election of members of the board of directors
 - 10.1 Jacob Gunterberg (re-election)
 - 10.2 Heidi Hunter (re-election)
 - 10.3 Maarten Kraan (re-election)
 - 10.4 Sara Malcus (re-election)
 - 10.5 Hans Schikan (re-election)
 - 10.6 Michael Wolff Jensen (re-election)
- 11) Election of the chairman of the board of directors
Michael Wolff Jensen (re-election)
- 12) Election of auditors and, where applicable, deputy auditors
- 13) Resolution on principles for appointing the nomination committee
- 14) Resolution on guidelines on remuneration to members of group management and board members
- 15) Presentation of the board of directors' remuneration report for approval
- 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 certain members of the Board of Directors
- 18) Resolution on introduction of a long-term incentive program for the company's senior management and key persons
- 19) Resolution to amend the articles of association

Item 1 – Election of chairman of the annual general meeting

The nomination committee of Vicore Pharma, which consists of Staffan Lindstrand as representative of HealthCap VII L.P., Johannes Eckerstein as representative of Proteom Wessman AB, Evert Carlsson as representative of Swedbank Robur, and Michael Wolff Jensen, Chairman of the Board, proposes that the chairman of the board Michael Wolff Jensen, or the person proposed by the board of directors if he has an impediment to attend, is elected chairman of the annual general meeting.

Item 2 – Election of one or two persons to verify the minutes

Kjell Stenberg and Johannes Eckerstein, or if one or both of them have an impediment to attend, the person or persons instead appointed by the board of directors, are proposed to be elected to approve the minutes of the annual general meeting together with the chairman. The task of approving the minutes of the annual general meeting also includes verifying the voting list and that the advance votes received are correctly stated in the minutes of the annual general meeting.

Item 3 – Preparation and approving of the voting list

The voting list proposed for approval under item 3 on the proposed agenda is the voting list drawn up by the company, based on the annual general meeting's share register and advance votes received, as verified by the persons approving the minutes of the annual general meeting.

Item 7 b). – Resolution regarding allocation of the company's profit or loss according to the adopted balance sheet

The board of directors proposes that there shall be no dividend for 2020 and that the results of the company shall be carried forward.

Item 8 – Determination of the number of board members and auditors

The nomination committee proposes that the board of directors shall consist of six board members with no deputy members and that the number of auditors shall be one with no deputy auditors.

Item 9 – Determination of fees for the board of directors and the auditors

The nomination committee proposes that directors' fees shall be paid with SEK 450,000 to the chairman of the board of directors and SEK 150,000 to each one of the other members, with SEK 100,000 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.

Furthermore, the nomination committee proposes that the fee to the auditor shall be paid in accordance with approved statement of costs.

Item 10 – Election of members of the board of directors

The nomination committee proposes that the board members Jacob Gunterberg, Heidi Hunter, Maarten Kraan, Sara Malcus, Hans Schikan and Michael Wolff Jensen are re-elected as board members. Peter Ström has declined re-election.

Item 11 – Election of the chairman of the board of directors

The nomination committee proposes that Michael Wolff Jensen is re-elected chairman of the board of directors.

Item 12 – Election of auditors and, where applicable, deputy auditors

The nomination committee proposes 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.

Item 13 – 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, 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 and the above principles shall remain in force until new principles are adopted.

Item 14 – 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.

Guidelines for executive 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 2021. These guidelines do not apply to any remuneration already 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 a rare disease pharmaceutical company with a focus on fibrotic lung diseases and related indications. The company currently has three drug development programs, VP01, VP02 and VP03. The VP01 program aims to develop the substance C21 for the treatment of idiopathic pulmonary fibrosis (IPF) and COVID-19. The VP02 program is based on a new formulation and delivery route of an existing immunomodulatory compound (an "IMiD"). The VP02 program focuses on the underlying disease and the severe cough associated with IPF. Both projects are also being actively evaluated for other indications within the field of fibrotic lung diseases which have a significant unmet need. The VP03 program includes follow-up molecules for C21. 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 a competitive European level 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 and medical insurance (Sw: sjukvårdsförsäkring). 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 executive 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.

Description of significant changes to the guidelines and how the shareholders' views have been taken into account

No significant changes have been made to these proposed guidelines compared to previously adopted guidelines. No shareholders have provided any comments.

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, assets or to raise working capital or broaden the shareholder base. 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 certain 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 independent board members in the company who are not participants in Board LTIP 2020 ("Board LTIP 2021") 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 2021 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. The number of share awards will be determined based on the volume weighted average price of the company's share on Nasdaq Stockholm for the five trading days immediately prior to the grant date (as defined below), however a maximum of 73,000 share awards. As part of the implementation of Board LTIP 2021, a maximum of 73,000 warrants can be issued in accordance with item 17b below.

Proposal for resolution on adoption of a long-term performance-based incentive program for certain members of the Board of Directors (item 17a)

The rationale for the proposal

Board LTIP 2021 is intended for board members who are independent in relation to the main owner and who are not participants in Board LTIP 2020. 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 2021 is adapted to the current position and needs of the company. The Nomination Committee is of the opinion that Board LTIP 2021 will increase and strengthen the participants' dedication to the company's operations, improve company loyalty and that Board LTIP 2021 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 2024 or (ii) June 1, 2024 ("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 80 percent, 100 percent of the share awards shall vest, and should the share price have increased by 40 percent, 25 percent of the share awards shall vest. In the event of an increase of the share price between 40 and 80 percent, vesting of the share awards will occur linearly. Should the increase of the share price be less than 40 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.
- 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 2021 shall be awarded in accordance with the following. Board LTIP 2021 shall comprise Maarten Kraan, Sara Malcus and Hans Schikan. Each participant will be allotted share awards pursuant to the below.

The number of share awards will be determined by dividing SEK 500,000 with the volume weighted average price of the company's share on Nasdaq Stockholm for the five trading days immediately prior to the grant date. Thus, the number of share awards will be determined in close connection to the date of grant.

However, Board LTIP 2021 will not under any circumstance comprise more than a total of 73,000 share awards which, if all share awards are vested in accordance with the vesting conditions above, entitle to a maximum of 73,000 shares in the company.

Should the maximum number of share awards be lower than the share awards that are to be allocated pursuant to the above, the share awards shall be allocated pro rata.

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 2021, 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 2021 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 2021 will comprise a maximum of 73,000 shares in total, which corresponds to a dilution of approximately 0.1 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 4.1 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 2020, note 8, which is available on the company's website, www.vicorepharma.com.

Scope and costs of the program

Board LTIP 2021 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. The market value of the share awards is calculated to be 0.7 MSEK. The market value has been determined by PwC based on a Monte Carlo simulation.

Assuming a volume weighted average price of the Vicore share on Nasdaq Stockholm for the 30 trading days after the grant date of SEK 26.9, the annual cost for the Board LTIP 2021, according to IFRS 2, is estimated at approximately 0.2 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 0.2 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 2021 during the term of the program, including costs according to IFRS 2 and social security charges, is therefore estimated to approximately 0.5 MSEK.

The total cost of the Board LTIP 2021, including all costs referred to above and social security charges, is estimated to amount to approximately 1.4 MSEK under the above assumptions.

Delivery of shares under Board LTIP 2021

In order to ensure the delivery of shares under Board LTIP 2021, 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 2021, it is proposed that the Annual General Meeting resolves to issue a maximum of 73,000 warrants, whereby the company's share capital may be increased by a maximum of approximately SEK 36,499.999646 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 2021.
2. Vicores' fully-owned subsidiary shall be entitled to transfer the warrants to participants in Board LTIP 2021, 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, 2021. The Board of Directors may extend the subscription period.
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, 2024.
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 2021 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 on introduction of a long-term incentive program for the company’s senior management and key persons

The Board of Directors of Vicore Pharma Holding AB (publ), Reg. No. 556680-3804 (the “Company”) proposes that the Annual General Meeting 2021 resolves to implement a long-term incentive program for senior management and key persons (including employees and consultants) in the Company (“Co-worker LTIP 2021”) in accordance with items 18a – 18b below, which in all material respects corresponds to the Company’s previous long-term incentive program Co-worker LTIP 2018. The resolutions under items 18a – 18b below are proposed to be conditional upon each other. Co-worker LTIP 2021 is proposed to include members of senior management and key persons (including employees and consultants as noted above) in the Company. Should the majority requirement for item 18b below not be met, the Board of Directors proposes that the Annual General Meeting resolves on item 18c, which means that the Company shall be able to enter into an equity swap agreement with a third party in accordance with item 18c below and resolutions under items 18a and 18c shall then be conditional upon each other.

Co-worker LTIP 2021 is a program under which the participants will be granted, free of charge, options (“Options”) which are subject to a three-year vesting period and entitle to subscription of shares in the Company after the vesting period. Co-worker LTIP 2021 is based upon yearly grants of Options. Delivery of shares to participants in connection with exercise of vested Options will be enabled through warrants. It is envisaged that the social security costs relating to the exercise of granted and vested Options will be covered by the cash received from the participants at exercise. In connection with the allocation of Options, the Company will however assess, whether there is need for a financial hedge through warrants held by the Company or a subsidiary. As part of the implementation of Co-worker LTIP 2021, a total of not more than 3,000,000 warrants will be issued in accordance with item 18b below. The 3,000,000 warrants will cover delivery of shares to participants as well as, if necessary, related social security costs.

Proposal regarding adoption of a long-term incentive program for certain senior management and key persons (item 18a)

The rationale for the proposal

Co-worker LTIP 2021 is intended for members of senior management and key persons (including employees and consultants) in the Company. The Board of Directors of the Company believes that an equity-based incentive program is a central part of an attractive and competitive remuneration package in order to attract, retain and motivate competent members of senior management and key persons (including employees and consultants) in the Company, and to focus the participants on delivering exceptional performance which contributes to value creation for all shareholders.

The Board of Directors of the Company believes that Co-worker LTIP 2021 will create a strong alignment of the interests of the participants and the interests of the shareholders. Co-worker LTIP 2021 is adapted to the current position and needs of the Company. The Board of Directors is of the opinion that Co-worker LTIP 2021 will increase and strengthen the participants’ dedication to the Company’s operations, improve Company loyalty and that Co-worker LTIP 2021 will be beneficial to both the shareholders and the Company.

Conditions for Options

The following conditions shall apply for the Options:

- The Options shall be granted free of charge to the participants.
- The Board of Directors shall annually resolve upon the allocation of Options no later than the day falling three years after the Annual General Meeting 2021 (with each respective date of granting being a “Grant Date”).

- Each Option entitles the holder to acquire one share in the Company for a pre-determined exercise price. The exercise price shall correspond to 125 percent of the volume weighted average price of the Company's share on Nasdaq Stockholm for the five trading days preceding the Grant Date.
- The Options shall vest over a three-year period with one third each year on the anniversary of the Grant Day, whereby all Options shall vest on the third anniversary of the Grant Date, provided that the holder, with some customary exceptions (including retirement and permanent incapacity to work due to illness or accident), still is employed by the Company (or, in the case of consultants, still providing services to the Company). Vesting, otherwise, takes place annually where 1/3 of the Options will be vested after 12 months, but no Options shall be deemed vested at a time that falls within 12 months from the Grant Date.
- The latest point in time at which vested Options may be exercised shall be the fifth anniversary of the Grant Date.
- The number of Options will be re-calculated in the event that changes occur in the Company's equity capital structure, such as a bonus issue, merger, rights issue, share split or reverse share split, reduction of the share capital or similar measures.
- The Options are non-transferable and may not be pledged.
- The Options can be granted by the parent company as well as any other company within the group.
- In the event of a public take-over offer, asset sale, liquidation, merger or any other such transaction affecting the Company, the Options will vest in their entirety if the option holder's employment or consultancy engagement, within 24 months following the completion of such event, is involuntarily terminated other than for cause.

Allocation

The Board of Directors shall annually resolve upon the allocation of Options no later than the day falling three years after the Annual General Meeting. The right to receive Options shall accrue to the Company's employees and consultants. The total number of Options that may be allocated to the participants pursuant to Co-worker LTIP 2021 amounts to not more than 3,000,000, entitling to not more than 3,000,000 shares in the Company. The maximum allocation per category shall be 600,000 Options for the CEO, 1,800,000 Options for senior management and key employees and 600,000 Options for other employees and consultants, as applicable. The maximum individual allocation for senior management and key employees amounts to 400,000 Options and the maximum individual allocation for other employees and consultants amounts to 200,000 Options.

Preparation, administration and the right to amend the terms of the Options

The Board of Directors is responsible for preparing the detailed terms and conditions of Co-worker LTIP 2021, in accordance with the above-mentioned terms and guidelines. To this end, the Board of Directors 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. The Board of Directors may also make other adjustments if significant changes in the Company or its environment would result in a situation where the adopted terms and conditions of Co-worker LTIP 2021 no longer serve their purpose.

Preparation of the proposal

Co-worker LTIP 2021 has been initiated by the Board of Directors of the Company and has been structured based on an evaluation of prior incentive programs and market practice for European (including Swedish) listed companies. Co-worker LTIP 2021 has been prepared by the Remuneration Committee and reviewed by the Board of Directors.

Dilution

The Options in Co-worker LTIP 2021 may be allocated annually and no later than the day falling three years after the Annual General Meeting 2021. The maximum number of shares that may be issued pursuant to an exercise of all Options in Co-worker LTIP 2021 will comprise of not more than 3,000,000 shares in total, which corresponds to a maximum dilution of approximately 4.0 percent on a fully diluted basis. Also taking into account the shares which may be issued pursuant to the Company's previously implemented incentive programs, the maximum dilution amounts to approximately 7.7 percent on a fully diluted basis. The dilution is expected to have a marginal effect on the Company's key performance indicator "Earnings (loss) per share".

Information on the Company's existing incentive programs can be found in the Company's annual report for 2020, note 8, which will be available on the Company's website, www.vicorepharma.com, under "Investors – Financial reports" no later than 20 April 2021 and on the Company's website under "Investors – Corporate governance – Remuneration and incentives".

Scope and costs of the program

Co-worker LTIP 2021 will be accounted for in accordance with "IFRS 2 – Share-based payments". IFRS 2 stipulates that the Options shall be expensed as personnel costs over the vesting period. 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. The market value of the Options is calculated to be MSEK 29.1. The market value has been determined by PwC by way of a Black & Scholes formula.

Assuming a share price at the time of allocation of Options of SEK 26.9, an annual increase in the share price of 20 percent and that all Options are allocated up-front and a volatility of 50 percent, the average annual cost for Co-worker LTIP 2021 according to IFRS 2 is estimated to approximately MSEK 9.7 per year before tax during the vesting period. The average annual social security costs are estimated to approximately a total of MSEK 6.3, based on the above assumptions, that all Options are fully vested, a remaining two years until maturity date for all Options and social security costs of 31.42 percent. It is envisaged that the social security costs associated with Co-worker LTIP 2021 will be covered by the cash received from the participants at exercise of Options. If necessary, social security costs will be covered by hedging measures through the issue of warrants, subject to the general meeting resolving in accordance with item 18b below, which will be exercised by a financial intermediary in connection with the exercise of the Options. In either case, the social security costs associated with Co-worker LTIP 2021 will be fully covered and will hence not affect the Company's cash flow. The hedging measures will instead entail a dilution of current shareholders (the hedging measure is part of the proposal and is taken into consideration in the dilution calculations above).

The costs associated with the preparation of Co-worker LTIP 2021 are estimated to in total MSEK 0.1, and the yearly costs for the administration of Co-worker LTIP 2021 are estimated to in total MSEK 0.1. Furthermore, certain minor costs could arise in connection with the exercise of warrants by a financial intermediary. The total cost of the Co-worker LTIP 2021, including all social security costs, is estimated to amount to approximately MSEK 60.9 under the above assumptions. The costs associated with Co-worker LTIP 2021 are expected to have a marginal effect on the Company's key performance indicator "R&D expenses/operating expenses".

Delivery of shares under Co-worker LTIP 2021

In order to ensure the delivery of shares under Co-worker LTIP 2021 and if necessary for hedging of social security costs, the Board of Directors proposes that the Annual General Meeting resolves to issue and use warrants in accordance with item 18b below.

Proposal regarding issue of warrants (item 18b)

In order to ensure the delivery of shares under Co-worker LTIP 2021, and if necessary for hedging of social security costs, the Board of Directors proposes that the Annual General Meeting resolves to issue not more than 3,000,000 warrants (which includes warrants for potential hedging of social security costs), whereupon the Company's share capital may be increased by not more than SEK 1,499,999.99 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 Vicore Pharma AB, a wholly-owned subsidiary of Vicore Pharma Holding AB (publ). The reason for the deviation from the shareholders' pre-emptive rights is the implementation of Co-worker LTIP 2021. Vicore Pharma AB shall be entitled to transfer the warrants to participants or a financial intermediary in connection with exercise.
2. The warrants shall be issued free of charge and shall be subscribed for on a subscription list no later than 15 June 2021, however with a right for the Board of Directors to extend the subscription period.
3. The exercise price for subscription for shares based on the warrants shall correspond to the share's quota value.
4. 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.
5. 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 until and including 1 December 2030.
6. 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 18c)

Should the majority requirement for item 18b above not be met, the Board of Directors proposes that the Annual General Meeting resolves that Co-worker LTIP 2021 shall instead be hedged so that the Company can 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 19 – Resolution to amend the articles of association

The board of directors proposes that the annual general meeting resolves to amend paragraphs 4 and 5 in accordance with the below. The reason for the amendment is that the number of shares in the company has increased.

§ 4. Share capital

The share capital shall be no less than SEK 35,000,000 and no more than SEK 140,000,000.

§ 5. Number of shares



The number of shares in the company shall be no less than 70,000,000 and no more than 280,000,000.

Majority requirements

A resolution in accordance with items 16 and 19 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 17a – 17b and 18a – 18b above requires the approval of at least nine tenths (9/10) of the shares represented and votes cast at the general meeting.

Shareholders' right to request information

The shareholders are reminded of their right to request information in accordance with Chapter 7 Section 32 of the Swedish Companies Act. The board of directors and the chief executive officer shall, if any shareholder so requests and the board of directors believes that it can be done without material harm to the company, provide information regarding circumstances that may affect the assessment of an item on the agenda and the company's relation to other companies within the group. A request for such information shall be made in writing to Vicore Pharma Holding AB (publ), attn. Nina Carlén, Kronhusgatan 11, SE-411 05 Gothenburg, Sweden or via e-mail to nina.carlen@vicorepharma.com, no later than on 1 May 2021. The information will be made available at Vicore Pharma Holding AB (publ), Kronhusgatan 11, SE-411 05 Gothenburg, Sweden and on www.vicorepharma.com, under the heading "*Investors – Corporate Governance – General Meeting*" on 6 May 2021 at the latest. The information will also be sent, within the same period of time, to the shareholder who has requested it and stated its address.

Other information

The annual report, the auditor's report for the financial year 2020 and the remuneration report 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, 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.

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.

Gothenburg, April 2021

Vicore Pharma Holding AB (publ)

The Board of Directors

This information was submitted for publication on April 8 2021 at 14:00 CET.