

The English text is an unofficial translation. In case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.

Notice of annual general meeting in Alligator Bioscience AB

The shareholders of Alligator Bioscience AB, Reg. No. 556597-8201 (“**Alligator**”), are invited to the annual general meeting to be held on Tuesday 1 June 2021.

In light of the ongoing Covid-19 pandemic and in order to reduce the risk of infection spreading, the board has decided that the general meeting will be held only by advance voting (postal vote) in accordance with temporary legislation. This means that the general meeting will be conducted without the physical presence of shareholders, proxies or external parties and that shareholders' exercise of voting rights at the general meeting can only take place by shareholders voting in advance in the order prescribed below. Information on the resolutions passed by the general meeting will be published on Tuesday 1 June 2021, as soon as the outcome of the advance voting is finally compiled.

RIGHT TO PARTICIPATE

Shareholders that wants to participate in the meeting by advance voting must be recorded in the company's share register kept by Euroclear Sweden AB as of Monday 24 May 2021 and, further, have notified their participation no later than Monday 31 May 2021 by casting their advance vote to the company in accordance with the instructions under the heading “Voting in advance” below so that the advance vote is received by the company no later than that day.

TRUSTEE REGISTERED SHARES

Shareholders whose shares are trustee-registered in the name of a bank or other trustee must, to be able to exercise their voting rights at the general meeting by advance voting, request the trustee to register their shares in their own name with Euroclear Sweden AB (so called “voting rights registration”). Such voting rights registration must be implemented by the trustee no later than as of Wednesday 26 May 2021. Accordingly, shareholders must well in advance before this date notify their trustee of their request of such voting rights registration.

VOTING IN ADVANCE

Shareholders may exercise their voting rights at the 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 shareholders' meetings in companies and other associations. A special form shall be used for advance voting. The form is available on the company's website (www.alligatorbioscience.com). The advance voting form is considered as the notification of attendance to the general meeting. The completed voting form must be submitted to the company no later than on Monday 31 May 2021. The completed and signed form shall be sent to Alligator Bioscience AB, att Lotten Almén, Medicon Village, Scheelevägen 2, SE-223 81 Lund, Sweden. A completed form may also be submitted electronically and is to be sent to anmalan@alligatorbioscience.com. If a shareholder votes in advance through a proxy, a written and dated power of attorney signed by the shareholder must be attached to the form. A proxy form is available on the company's website (www.alligatorbioscience.com). If the shareholder is a legal entity, a registration certificate or equivalent document shall be enclosed to the form. 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 advance voting form.

PROPOSED AGENDA

1. Opening of the meeting
2. Election of Chairman of the meeting
3. Preparation and approval of the register of voters
4. Election of two persons to confirm the minutes
5. Approval of the agenda
6. Determination as to whether the meeting has been duly convened
7. Presentation of the Annual Report and Audit Report and the Consolidated Annual Report and Consolidated Audit Report as well as the statement by the auditor on the compliance of the applicable guidelines for remuneration to senior executives
8. Resolution on
 - a) adoption of the profit and loss statement and balance sheet, as well as the consolidated profit and loss statement and the consolidated balance sheet;
 - b) distribution of the company's profits according to the adopted balance sheet; and
 - c) discharge from liability of the members of the board and the CEO
9. Determination of
 - a) the number of board members
 - b) the number of auditors and deputy auditors
10. Determination of
 - a) remuneration for the board members
 - b) remuneration for the auditors
11. Election of board members, Chairman of the board and Vice Chairman of the board
 - a) Anders Ekblom (re-election)
 - b) Graham Dixon (re-election)
 - c) Hans-Peter Ostler (new election)
 - d) Eva Sjökvist Saers (new election)
 - e) Veronica Wallin (new election)
 - f) Chairman of the board: Anders Ekblom (new election)
 - g) Vice Chairman of the board: Hans-Peter Ostler (new election)
12. Election of auditor and deputy auditors
13. Resolution on approval of remuneration report
14. Resolution on authorization regarding issues
15. Resolution on implementation of a long-term incentive program for employees by way of (A) implementation of a performance-based share saving program; (B) amendment of the Articles of Association; (C) authorization on directed issues of series C shares; (D) authorization on repurchase of series C shares; and (E) resolution on transfer of own ordinary shares
16. Closing of the meeting

PROPOSED RESOLUTIONS

Item 2: Election of Chairman of the meeting

The Nomination Committee, consisting of Lars Bergkvist (Chairman), representing Lars Spånberg, Hans-Peter Ostler, representing Jonas Sjögren, and Jan Lundström, representing Sunstone Life Science Ventures Fund II K/S, and the Chairman of the board, Peter Benson, proposes that the Chairman of the board, Peter Benson, is elected as Chairman of the meeting, or, in his absence, the person appointed by the Nomination Committee instead.

Item 3: Preparation and approval of the register of voters

The register of voters that is proposed to be approved is the register of voters prepared by the company, based on the share register of the meeting and received advance votes, controlled by the persons confirming the minutes of the meeting.

Item 4: Election of two persons to confirm the minutes

Lars Bergkvist, representing Lars Spånberg, and Jan Lundström, representing Sunstone Life Science Ventures Fund II K/S, are proposed to, together with the chairman, confirm the minutes of the meeting, or should one or both of these individuals be unable to fulfil this role, the individual or individuals appointed by the board instead. The assignment to confirm the minutes also includes controlling the register of voters and that received advance votes are correctly reproduced in the minutes.

Item 8 b: Resolution on distribution of the company's result

The board proposes that no dividends are paid and that the available funds of SEK 88,860,666 are carried forward to a new account.

Item 9 a: Determination of the number of board members

The Nomination Committee proposes that the board shall consist of five ordinary board members.

Item 9 b: Determination of the number of auditors and deputy auditors,

The Nomination Committee proposes, in accordance with the recommendation from the Audit Committee, that one registered public accounting firm without deputy is appointed.

Item 10 a: Determination of remuneration for the board members

The Nomination Committee proposes that board remuneration shall be paid with SEK 550,000 to the Chairman of the board (SEK 440,000 previous year), with SEK 400,000 to the Vice Chairman of the board (SEK 0 previous year) and with SEK 300,000 to each of the other board members who are not employed by the company (SEK 240,000 previous year). Furthermore, remuneration for committee work is proposed with SEK 125,000 to be paid to the Chairman of the Audit Committee (SEK 100,000 previous year), SEK 30,000 to each of the other members of the Audit Committee (SEK 24,000 previous year) and SEK 25,000 to the Chairman of the Remuneration Committee (SEK 20,000 previous year). For other members of the Remuneration Committee, it is proposed that no remuneration should continue to be paid.

Regarding the previous year's remuneration, it should be noted that the remuneration resolved by the annual general meeting 2020 were 20 per cent lower than the remuneration resolved by the annual general meeting 2019. The background to the reduction in 2020 was the prevailing dramatic situation created by the Covid-19 pandemic with the need for accompanying cost reduction measures. The remuneration proposed for the annual general meeting 2021 correspond to the remuneration resolved by the annual general meeting 2019.

Item 10 b: Determination of remuneration for the auditors

Remuneration for the auditor is proposed to be paid in accordance with customary norms and approved invoice.

Item 11: Election of board members, Chairman of the board and Vice Chairman of the board

The Nomination Committee proposes that Anders Ekblom and Graham Dixon are re-elected as board members, that Hans-Peter Ostler, Eva Sjökvist Saers and Veronica Wallin are elected as new board members, that Anders Ekblom is elected as new Chairman of the board, and that Hans-Peter Ostler is elected as new Vice Chairman of the board. The current board members Peter Benson, Carl Borrebaeck, Ulrika Danielsson, Kirsten Drejer, Kenth Petersson and Jonas Sjögren have declined re-election.

Hans-Peter Ostler, born 1971, has many years of experience in investment banking and private banking, including from Danske Bank, and currently works as wealth manager at Söderberg & Partners. Hans-Peter Ostler's previous experiences include assignments such as board member of IRLAD Therapeutics AB.

Other ongoing assignments: Chairman of OBLIQUE THERAPEUTICS AB. Board member of S.P. HMSO Göteborg AB. Deputy board member of O Mgmt AB.

Education: University studies in economics and law etc. at the School of Business, Economics and Law at Gothenburg University.

Shareholding in Alligator Bioscience AB: 110,000 shares.

Eva Sjökvist Saers, born 1962, has many years of experience from the pharmaceutical industry where she has worked in various leading positions within Astra/AstraZeneca, Apoteket AB and as CEO of the pharmaceutical company Apotek Produktion & Laboratorier AB (APL) for more than 10 years. Eva Sjökvist Saers is currently involved in a number of boards within life science, including the role as Chairman of the board of Dicot AB. Eva Sjökvist Saers is also Chairman of the strategic innovation area Swelife and has previously been Chairman of Apotekarsocieteten and Vice Chairman of SwedenBIO.

Other ongoing assignments: Chairman of the board of Dicot AB. Board member of Bluefish Pharmaceuticals AB (publ), IDL Biotech AB and Oxcia AB. Deputy board member of Brainstorm Aktiebolag.

Education: Doctoral degree in pharmaceutical science from Uppsala University.

Shareholding in Alligator Bioscience AB: -

Veronica Wallin, born 1986, has since 2017 worked as CFO at the medical technology company Episurf Medical AB. Veronica Wallin has previously, among other things, been CFO at the pharmacy company ApoEx AB.

Other ongoing assignments: Episurf Europe AB, Episurf IP-Management AB and Episurf Operations AB.

Education: Master of Science in Business and Economics from Stockholm University.

Shareholding in Alligator Bioscience AB: -

Information on the board members proposed for re-election can be found at the company's website and in the Annual Report (see www.alligatorbioscience.com).

Item 12: Election of auditor and deputy auditors

The Nomination Committee proposes, in accordance with the recommendation from the Audit Committee, that Ernst Young AB is re-elected as auditor. Ernst & Young AB has informed that the public authorized public accountant Ola Larsmon will be appointed as the responsible auditor.

Item 13: Resolution on approval of remuneration report

The board proposes that the annual general meeting resolves to approve the board's remuneration report for the financial year 2020.

Item 14: Resolution on authorization regarding issues

The board proposes that the annual general meeting resolves to authorize the board, up until the next annual general meeting, at one or several occasions, with or without deviation from the shareholders' preferential rights and with or without provisions regarding contribution in kind, set-off or other conditions, to resolve to issue new ordinary shares, convertibles and/or warrants. The reason for why a deviation from the shareholders' preferential rights should be possible is to enable the company to source working capital, to be able to execute acquisitions of companies or operating assets as well as to enable new issues to industrial partners within the framework of partnerships and alliances. The total number of ordinary shares that may be issued (alternatively be issued through conversion of convertibles and/or exercise of warrants) shall not exceed 20 percent of the current number of outstanding ordinary shares as per the date of the annual general meeting.

In case the authorization is used for an issue with deviation from the shareholders' preferential rights, the issue shall be made on market terms.

The company's CEO shall be authorized to make the minor formal adjustments of the resolution which may be required for registration with the Swedish Companies Registration Office (Sw. Bolagsverket).

Item 15: Resolution on implementation of a long-term incentive program for employees by way of (A) implementation of a performance-based share saving program; (B) amendment of the Articles of Association; (C) authorization on directed issues of series C shares; (D) authorization on repurchase of series C shares; and (E) resolution on transfer of own ordinary shares

The board of directors proposes that the annual general meeting resolves to implement a long-term incentive program in the form of a performance-based share saving program (the "LTI 2021") for employees in the company in accordance with A below. The resolution is conditional upon that the annual general meeting also resolves to amend the Articles of Association in

accordance with B below whereby the possibility to issue series C shares is introduced and that the annual general meeting resolves on hedging measures in accordance with C – E below

A. Implementation of a performance-based share saving program

Background

The overall purpose with LTI 2021 is to align the interests of the employees with those of the shareholders and thus ensure a maximum long-term value adding commitment. LTI 2021 is also considered to create a long-term focus on increase in earnings and growth among the participants. LTI 2021 is further considered to facilitate for the company to recruit and retain employees.

Terms and conditions for LTI 2021

1. LTI 2021 shall comprise employees in the company.
2. LTI 2021 means that the participants will invest in ordinary shares in the company (“**Saving Shares**”). Following a predefined time period, the participants will, free of charge, have the right to receive additional shares in the company (“**Matching Shares**”). In addition, conditional upon fulfilment of a goal related to the development of the share price, the participants will further, free of charge, have the right to receive additional shares in the company (“**Performance Shares**”). The conditions for receipt of Matching Shares and Performance Shares are set out below.
3. The maximum number of Saving Shares that each participant shall be entitled to invest in shall amount to the following:

Position	Maximum number of Saving Shares per participant
CEO	15,000
Other members of the executive management team	10,000
Other members of the senior management team	8,000
Department directors and senior scientists	6,000
Other employees	3,000

4. The board of directors shall, within the intervals stated above, resolve on the maximum number of Saving Shares that each individual participant in the respective category may acquire.
5. The investment in Saving Shares shall be made through acquisition of ordinary shares on the stock market on 30 September 2021 at the latest (the “**Investment Period**”). The board of directors shall be entitled to prolong the Investment Period in

case participants have been unable to acquire shares due to applicable insider regulations.

6. For each Saving Share, the participant shall be entitled to receive 1 Matching Share. In addition, for each Saving Share, the participant shall have the possibility to receive up to 4 Performance Shares for each Saving Share.
7. The total number of Matching Shares will not exceed 175,500 and the total number of Performance Shares will not exceed 702,000, meaning that the total number of shares that can be issued to the participants in connection with LTI 2021 will not exceed 877,500. The number of shares that can be issued in connection with LTI 2021 might be recalculated in accordance with what is set out in Section 11 below.
8. Receipt of both Matching Shares and Performance Shares are conditional upon the fulfilment of the following conditions:
 - (a) that the participant has retained all Saving Shares during the period from the expiration of the Investment Period to 30 September 2024 (the "**Saving Period**"); and
 - (b) that the participant has continued to be employed by the company (or another company in its group) throughout the Saving Period.

As regards the employment condition as per (b) above, customary "good leaver" provisions shall apply as set out in Section 14 below.

9. Receipt of Performance Shares is further, in addition to the conditions pursuant to Section 8 above, conditional upon that the requirement related to the development of the company's share price from the date of the annual general meeting 2021 up to and including 30 September 2024 (the "**Performance Target**") is fulfilled. The development of the company's share price will be based on the volume weighted average share price 30 trading days immediately after the annual general meeting 2021 and 30 trading days immediately before 30 September 2024. In the event of an increase in the share price by less than 200 per cent, no Performance Shares are vested, in the event of an increase in the share price by or exceeding 200 per cent, 1 Performance Share per Saving Share is vested, in the event of an increase in the share price by or exceeding 500 per cent, 2 Performance Shares per Saving Share are vested, and in the event of an increase in the share price by or exceeding 900 per cent, 4 Performance Shares per Saving Share are vested. There will be no proportional vesting of Performance Shares in the event of an increase in the share price between the specified levels but additional Performance Shares will be received only if the next target level is met or exceeded.
10. Before the number of Performance Shares to be allocated is finally determined, the board of directors shall evaluate if allocation pursuant to the principles set out above is reasonable, having regard to the company's results and financial standing, to conditions on the stock market and to other circumstances in general. If the board of directors finds that it is not reasonable, then the board of directors may decrease

the number of Performance Shares to be allocated to the lower number of shares that the board of directors finds reasonable.

11. The number of Matching Shares and Performance Shares that may be allotted by virtue of Saving Shares shall be subject to recalculation in consequence of a bonus issue, split or reverse split, rights issue, and/or other similar company actions.
12. Allotment of Matching Shares and Performance Shares shall take place within 60 days after 30 September 2024. However, the board of directors shall be entitled to postpone the allotment if allotment to the participants, due to applicable insider regulations, cannot be made during this period.
13. Participation in LTI 2021 is conditional upon that the participation is legally possible and that the participation in the company's sole opinion can be made with reasonable administrative costs for the company.
14. LTI 2021 shall be governed by separate agreements with the respective participant. The board of directors shall be responsible for the preparation and management of LTI 2021 within the above mentioned principal terms and guidelines. In connection herewith, the board of directors shall be entitled to resolve on terms for the allocation of Matching Shares and Performance Shares in connection with cessation of employment during the Saving Period due to death, early retirement or similar occasions or due to termination by the company that is not related to misconduct by the participants. In these cases the participant shall be entitled to receive Matching Shares and the board of directors shall also be able to resolve that the participant shall be entitled to receive a proportionate part of the Performance Shares. Furthermore, in the event of a public take-over offer, a sale of the company's business, liquidation, merger or any other such transaction affecting the company, the board of directors shall, at its sole discretion, be entitled to resolve that the Matching Shares and Performance Shares (partially or in full) shall vest and be allotted on completion of such transaction. The board of directors will make this resolution based on the level of achievement of the Performance Target, the remainder of the Saving Period and any other factors deemed relevant by the board of directors.

B. Amendment of the Articles of Association

In order to enable the issuance of series C shares under LTI 2021, the board of directors proposes that the annual general meeting resolves to incorporate a new § 6 in the company's Articles of Association in accordance with the following wording. Following the incorporation of the new section in the Articles of Association, the already existing shares shall be ordinary shares.

§ 6 Share classes

Shares may be issued in two classes, ordinary shares and series C shares. The ordinary shares shall carry one vote per share and series C shares shall carry one-tenth of a vote per share.

Shares of either share class may be issued up to an amount corresponding to the full share capital.

Series C shares do not entitle to dividends. Upon the dissolution of the company, series C shares shall carry equivalent right to the company's assets as other shares, however, not to an amount exceeding the quota value of the share.

If the company resolves to issue new ordinary shares and series C shares, against payment other than contribution in kind, owners of ordinary shares and series C shares shall have pre-emption rights to subscribe for new shares of the same class pro rata to the number of shares previously held by them (primary pre-emption right). Shares which are not subscribed for pursuant to the primary pre-emption rights shall be offered to all shareholders for subscription (secondary pre-emption right). If the shares thus offered are not sufficient for the subscription pursuant to the secondary pre-emption rights, the shares shall be allocated between the subscribers pro rata to the number of shares previously held and, to the extent such allocation cannot be effected, by the drawing of lots.

If the company resolves to issue new shares of either solely ordinary shares or series C shares, against payment other than contribution in kind, all shareholders shall, irrespective of whether their shares are ordinary shares or series C shares, have pre-emption rights to subscribe for new shares pro rata to the number of shares previously held by them.

What is set out above with regard to pre-emption rights shall apply mutatis mutandis in the event of issues of warrants and convertible bonds, and shall not limit the right to resolve upon an issue with deviation from the shareholders' pre-emption rights.

In the event of a bonus issue, new shares of each class shall be issued pro rata to the number of shares of the same class previously issued. In connection therewith, the owners of existing shares of a certain class shall entitle the holder to new shares of the same class. This shall not entail any restrictions on the possibility of issuing new shares of a new class by means of a bonus issue, following the required amendments of the Articles of Association.

Reduction of share capital, which in any case shall not fall below the minimum share capital, may, at the request of a holder of a series C share and after resolution by the company's board of directors or a shareholders' meeting, take place through redemption of series C shares. A request from a shareholder must be submitted in writing. When a resolution on reduction has been passed, an amount corresponding to the reduction amount shall be transferred to the company's reserve fund, if the required funds are available. The redemption amount per series C share shall be the quota value of such share.

Following receipt of the redemption resolution, holders of shares subject to redemption shall promptly receive payment for the shares, or, if authorization for the redemption from the Swedish Companies Registration Office (Sw. Bolagsverket) or a court is required, following the receipt of notice that the final and effected resolution has been registered.

Series C shares held by the company may, upon resolution of the board of directors be reclassified into ordinary shares. Immediately thereafter, the board of directors shall register the reclassification with the Swedish Companies Registration Office. The reclassification is

effected when it has been registered and the reclassification has been reflected in the central securities depository register.

As a result of the incorporation of the new section, the existing sections 6 – 10 of the Articles of Association will be renumbered.

C. Authorization on directed issues of series C shares

The board of directors proposes that the annual general meeting resolves to authorize the board of directors, for the period up until the next annual general meeting, on one or several occasions, to issue a maximum of 1,153,211 series C shares. The new shares may, with deviation from the shareholders' preferential rights, only be subscribed for by a bank or a securities company at a subscription price which corresponds to the quota value of the shares. The purpose of the authorization and the reason for the deviation from the shareholders' preferential rights in connection with an issue of shares is to secure delivery of Matching Shares and Performance Shares under LTI 2021 and, in terms of liquidity, to hedge payments of future social security contributions related to LTI 2021. It is noted that this shall be achieved through the company repurchasing the series C shares issued pursuant to the authorization in section D below whereafter the repurchased series C shares will be converted to ordinary shares and transferred in accordance with section E below.

D. Authorization on repurchase of series C shares

The board of directors proposes that the annual general meeting resolves to authorize the board of directors, for the period up until the next annual general meeting, on one or several occasions, to repurchase its own series C shares. Repurchase may only be effected through a public offer directed to all holders of series C shares and shall comprise all outstanding series C shares. Repurchase may also be made of so-called interim shares, by Euroclear Sweden AB designated as a Paid Subscribed Share (*Sw. Betald Tecknad Aktie (BTA)*), regarding a series C share. Repurchase shall be made at a purchase price per share which corresponds to the quota value of the share. The purpose of the proposed repurchase authorization is to secure delivery of Matching Shares and Performance Shares under LTI 2021 and, in terms of liquidity, to hedge payments of future social security contributions related to LTI 2021.

The board of directors' statement pursuant to Chapter 19, Section 22 of the Swedish Companies Act (*Sw. aktiebolagslagen*) is presented in a separate document.

E. Resolution on transfer of ordinary shares

In order to fulfil the company's obligations towards participants in LTI 2021, the board of directors proposes that the annual general meeting resolves that the company shall be entitled to transfer the company's own ordinary shares as follows:

1. The company shall have the right to transfer the number of ordinary shares that the company has a maximum obligation to allocate as Matching Shares and Performance Shares to participants in LTI 2021, at most 877,500 shares.

2. The number of shares that may be transferred pursuant to LTI 2021 shall be subject to recalculation in consequence of a bonus issue, split or reverse split, rights issue, and/or other similar corporate action which affects the number of shares in the company.
3. The right to acquire ordinary shares shall, with deviation from the shareholders' preferential rights, vest in participants in LTI 2021 who are entitled to be allotted Matching Shares and Performance Shares in accordance with the terms and conditions of the program.
4. Transfer of shares to participants in LTI 2021 shall be made free of charge and be executed at the relevant time specified in the terms and conditions for LTI 2021.

The reason for the deviation from the shareholders' preferential rights in connection with the transfers of own ordinary shares is to enable the company's delivery of Matching Shares and Performance Shares to participants in LTI 2021.

Since LTI 2021 is not expected to initially give rise to any costs for social security contributions for the company (and since a resolution on transfer is valid only until the next annual general meeting), the board of directors has decided not to propose that the annual general meeting 2021 resolves on an authorization for the board of directors to transfer the company's own ordinary shares on a regulated market for hedging of cash flow for social security payments. However, before any transfers of shares to participants in LTI 2021 are made, the board of directors intends to propose to a later general meeting to resolve on an authorization for the board of directors to transfer own ordinary shares on a regulated market in order to hedge such payments.

Costs, impact on key ratios, existing incentive programs and dilution

The board of directors has made a preliminary cost calculation for LTI 2021. The costs for LTI 2021, which are reported in the income statement, are calculated according to the auditing standard IFRS 2, and are accrued over the vesting period which runs until 30 September 2024. The calculation has been made inter alia on the basis of a so-called Monte Carlo simulation that has been based on the quoted closing price for shares in the company as per 21 April 2021, i.e. SEK 5.70 per share, and with the following assumptions: (i) all participants acquire the maximum number of Saving Shares; (ii) an annual dividend yield of 0 per cent; (iii) an estimated annual employee turnover of 0 per cent; (iv) a volatility of 45 per cent; (v) a risk-free interest rate of -0.26 per cent; and (vi) that in total a maximum of 877,500 Matching Shares and Performance Shares may be allocated. Based on these assumptions, the total costs for LTI 2021 are, according to IFRS 2, estimated to amount to approximately SEK 1.1 million, excluding social security contributions. The costs for social security contributions are estimated to amount to approximately SEK 0.6 million, based on the above assumptions, and under the assumption of a share price increase of 100 per cent during the duration of LTI 2021 and an average tax rate of 31.42 per cent for social security contributions. Based on the same assumptions, but assuming a share price increase of 900 per cent during the duration of LTI 2021 and an average tax rate of 31.42 per cent for social security contributions, the costs for social security contributions would amount to approximately SEK 15.7 million.

The anticipated annual costs of approximately SEK 0.6 million, including social security contributions (assuming a share price increase of 100 per cent during the duration of LTI 2021), respectively SEK 5.6 million, including social security contributions (assuming a share price increase of 900 per cent during the duration of LTI 2021), correspond to approximately 1.1 per cent, respectively 10.1 per cent of the company's total employee costs for the financial year 2020. Based on the calculation of costs as described above, the key figure earnings per share for the full year 2020 had been changed from SEK -2.01 to SEK -2.02, respectively SEK -2.09. It should be noted the calculations are based on the assumptions stated above and are only intended to provide an illustration of the outcome.

As per the date of the notice, the number of shares in the company amounts to 85,666,338. The maximum number of shares that can be issued in relation to LTI 2021 is 1,153,211, whereof 877,500 for delivery of Matching Shares and Performance Shares to the participants and in the aggregate 275,711 related to hedging of cash flow for social security contributions, which corresponds to a dilution of approximately 1.3 per cent of the company's share capital and votes after full dilution, calculated on the number of shares that will be added upon full issuance of shares in connection with LTI 2021.

There is currently one outstanding incentive program in the company in the form of one employee option program resolved upon by the annual general meeting 2018. The program expires in May/June 2022. For a description of the outstanding incentive program, see page 90 in the Annual Report for 2020. In light of that the exercise price in the outstanding program (after recalculation following the directed share issue carried out earlier this year) amounts to SEK 73.01 per share, which by far exceeds the current share price, the board of directors considers it less likely that the program will lead to any actual dilution. However, in case all warrants issued in connection with the existing incentive program and which still can be exercised (including the warrants issued to hedge payments of future social security contributions, in terms of liquidity), are exercised for subscription of shares, a total of 2,412,837 new shares would be issued.

In case both the existing employee option program and the proposed LTI 2021 are exercised in full, a total of 3,566,048 new shares will be issued, which corresponds to a total dilution of approximately 4.0 per cent of the company's share capital and votes after full dilution, calculated on the number of shares that will be added upon full exercise of the outstanding incentive program as well as the proposed incentive program. However and as stated above, the board of directors considers it less likely that the existing employee option program will lead to any actual dilution.

The proposal for LTI 2021 has been prepared by the Remuneration Committee together with external consultants. The final proposal has been resolved upon by the board of directors.

The board of directors' proposal on implementation of a long-term incentive program in accordance with Sections A to E above constitutes an overall proposal which shall be resolved upon as one resolution.

The chairman of the board of directors, or anyone appointed by him, shall be authorized to make minor formal adjustments of the resolution which may be required for registration with the Swedish Companies Registration Office (Sw. Bolagsverket) or Euroclear Sweden AB.

PARTICULAR MAJORITY REQUIREMENTS

For a valid resolution on the proposal pursuant to item 14, the proposal has to be supported by shareholders representing at least two-thirds of the votes cast as well as of all shares represented at the general meeting. For a valid resolution on the proposal pursuant to item 15, the proposal has to be supported by shareholders representing at least nine-tenths of the votes cast as well as of all shares represented at the general meeting.

GENERAL MEETING DOCUMENTS AND OTHER INFORMATION

Accounting documents, the audit report, the board's remuneration report, the statement by the auditor on the compliance of the applicable guidelines for remuneration to senior executives, the complete proposals for resolutions and other documents for the general meeting are presented by keeping them available at the company's office at Medicon Village, SE-223 81 Lund, Sweden and at the company's website (www.alligatorbioscience.com) as from no later than three weeks prior to the general meeting, and will also be sent to shareholders who request it and provide their address. The share register of the general meeting will also be available at the company's office.

The board of directors and the CEO shall, if any shareholder so requests and the board of directors believes that it can be done without significant harm to the company, provide information regarding circumstances that may affect the assessment of items on the agenda, circumstances that can affect the assessment of the company's or its subsidiaries' financial position and the company's relation to other companies within the group. Requests for such information must be submitted via e-mail to anmalan@alligatorbioscience.com or by post to Alligator Bioscience AB, att Lotten Almén, Medicon Village, Scheelevägen 2, SE-223 81 Lund, Sweden, no later than Saturday 22 May 2021. The information is provided by keeping it available at the company's office and website, no later than Thursday 27 May 2021. The information will also be sent within the same time to the shareholders who have requested it and provided their postal or e-mail address.

The total number of shares and votes in the company amounts to 85,666,338. The company does not hold any own shares.

PROCESSING OF PERSONAL DATA

For information on how your personal data is processed, see <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

Lund in April 2021

ALLIGATOR BIOSCIENCE AB (PUBL)

The board of directors