

*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.*

**Minutes from the annual general meeting in Alligator Bioscience AB (publ), Reg. No. 556597-8201, on 1 June 2021.**

**1. Opening of the meeting**

The meeting was opened by the Chairman of the board, Peter Benson.

**2. Election of Chairman of the meeting**

The Chairman of the board, Peter Benson, was elected as Chairman of the meeting in accordance with the proposal of the Nomination Committee. The lawyer Ola Grahn from Setterwalls Advokatbyrå AB was appointed to keep the minutes of the meeting.

It was noted that the meeting was held in accordance with Sections 20 and 22 of the Act (2020:198) on temporary exceptions to facilitate the execution of general meetings in companies and other associations, meaning that the shareholders have exercised their voting rights at the meeting only by advance voting, so called postal voting.

The notice to attend the meeting as well as the form used for advance voting are attached as **Schedule 1** and **Schedule 2**, respectively.

A presentation of the results of the advance votes on each item of the agenda covered by the advance votes follows from **Schedule 3**, which sets out the information specified in Section 26 in the above-mentioned Act (2020:198). It was specifically noted that no shareholder had notified the company of the wish to postpone a resolution under one or more items on the agenda to a so called continued general meeting.

**3. Preparation and approval of the register of voters**

The list presented in **Schedule 4** was approved as the register of voters at the meeting.

**4. Election of two persons to confirm the minutes**

It was resolved that two persons should confirm the minutes together with the Chairman. Lars Bergkvist, representing Lars Spånberg, and Jan Lundström, representing Sunstone Life Science Ventures Fund II K/S, was elected as such persons to confirm the minutes. It was noted that the assignment to confirm the minutes also includes controlling the register of voters and that received advance votes are correctly reproduced in the minutes.

**5. Approval of the agenda**

It was resolved to approve the agenda for the meeting in accordance with the proposal from the board as set out in the notice to attend the annual general meeting.

## **6. Determination as to whether the meeting has been duly convened**

It was noted that the notice to attend the annual general meeting, in accordance with the Articles of Association and the provisions of the Swedish Companies Act (*Sw. aktiebolagslagen* (2005:551)), had been inserted in the Swedish Official Gazette (*Sw. Post- och Inrikes Tidningar*) on 29 April 2021, that the notice to attend the annual shareholders' meeting had been available at the company's website since 26 April 2021, and that the advert regarding the notice to attend the annual general meeting had been inserted in *Dagens Industri* on 29 April 2021.

The meeting was declared to be 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**

It was noted that the Annual Report and the Audit Report, the Consolidated Annual Report and the Consolidated Audit Report for the financial year 2020 as well as the statement by the auditor pursuant to Chapter 8, Section 54 of the Swedish Companies Act on the compliance of the applicable guidelines for remuneration to senior executives were presented by being kept available at the company's office and at the company's website, and had been sent to shareholders upon request.

It was furthermore noted that the shareholders had been given the opportunity to request information from the company in writing, and that no such request had been received by the company.

## **8. Resolution on**

### **a) adoption on the profit and loss statement and balance sheet, as well as the consolidated profit and loss statement and the consolidated balance sheet**

It was resolved to adopt the profit and loss statement and balance sheet, as well as the consolidated profit and loss statement and the consolidated balance sheet, for the financial year 2020 as stated in the presented Annual Report and Consolidated Annual Report.

### **b) distribution of the company's profits according to the adopted balance sheet**

It was resolved to distribute the company's result in accordance with the proposal from the board as set out in the management report meaning that no dividends are paid and that the available funds of SEK 88,860,666 are carried forward to a new account.

### **c) discharge from liability of the members of the board and the CEO**

It was resolved that the members of the board and the CEO should be discharged from liability for the financial year 2020.

It was noted that the members of the board and the CEO did not participate in the resolution regarding their own discharge from liability.

**9. Determination of****a) the number of board members**

It was noted that the Nomination Committee's reasoned statement as well as its proposals for resolutions were presented by being kept available at the company's office and at the company's website, and had been sent to shareholders upon request.

It was thereafter resolved in accordance with the proposal from the Nomination Committee that the board shall consist of five ordinary board members until the end of the next annual general meeting.

**b) the number of auditors and deputy auditors**

It was resolved in accordance with the proposal from the Nomination Committee that one registered public accounting firm without deputy shall be appointed until the end of the next annual general meeting.

**10. Determination of****a) remuneration for the board members**

It was resolved in accordance with the proposal from the Nomination Committee that remuneration to the board shall be paid with SEK 550,000 to the Chairman of the board, with SEK 400,000 to the Vice Chairman of the board and with SEK 300,000 to each of the other board members who are not employed by the company. Furthermore, it was resolved that remuneration for committee work shall be paid with SEK 125,000 to the Chairman of the Audit Committee, with SEK 30,000 to each of the other members in the Audit Committee and with SEK 25,000 to the Chairman of the Remuneration Committee. No remuneration shall be paid for committee work to the remaining members of the Remuneration Committee.

**b) remuneration for the auditors**

It was resolved that remuneration for the auditor shall be paid in accordance with customary norms and approved invoice.

**11. Election of board members, Chairman of the board and Vice Chairman of the board**

It was noted that information on the proposed board members and their other assignments can be found in the Annual Report and on the company's website, and regarding information on Hans-Peter Ostler, Eva Sjökvist Saers and Veronica Wallin, in the Nomination Committee's complete proposal.

It was resolved in accordance with the proposal from the Nomination Committee to re-elect Anders Ekblom and Graham Dixon as board members and to elect Hans-Peter Ostler, Eva

Sjökvist Saers and Veronica Wallin as new board members. It was further resolved to elect Anders Ekblom as new Chairman of the board and Hans-Peter Ostler as new Vice Chairman of the board.

It was noted that the previous board members Peter Benson, Ulrika Danielsson, Kirsten Drejer, Kenth Petersson and Jonas Sjögren had declined re-election.

## **12. Election of auditor and deputy auditors**

It was resolved in accordance with the proposal from the Nomination Committee to re-elect Ernst Young AB as auditor. It was noted that Ernst & Young AB had informed that the authorized public accountant Ola Larsmon will be appointed as the responsible auditor.

## **13. Resolution on approval of remuneration report**

It was noted that the remuneration report for the financial year 2020, **Schedule 5**, was presented by being kept available at the company's office and at the company's website, and had been sent to shareholders upon request.

It was thereafter resolved to approve the remuneration report for the financial year 2020 in accordance with the proposal in Schedule 5.

## **14. Resolution on authorization regarding issues**

It was noted that the proposal from the board regarding an authorization for the board to resolve on issues, **Schedule 6**, was presented by being kept available at the company's office and at the company's website, and had been sent to shareholders upon request.

It was thereafter resolved in accordance with the proposal in Schedule 6. It was noted that the resolution was supported by shareholders representing more than two-thirds of the votes cast as well as of all shares represented at the meeting.

## **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**

It was noted that the proposal from the board regarding 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, **Schedule 7**, and the board of directors statement pursuant to Chapter 19. Section 22 of the Swedish Companies Act, **Schedule 8**, were presented by being kept available at the company's office and at the company's website, and had been sent to shareholders upon request.

It was thereafter resolved in accordance with the proposal in Schedule 7. It was noted that the resolution was supported by shareholders representing more than nine-tenths of the votes cast as well as of all shares represented at the meeting.

**16. Closing of the meeting**

The Chairman of the meeting declared the meeting closed.

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In fidem:

\_\_\_\_\_

Ola Grahn

Confirmed by:

Confirmed by:

Confirmed by:

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Peter Benson

(Chairman of the meeting)

\_\_\_\_\_

Lars Bergkvist

\_\_\_\_\_

Jan Lundström

## Schedule 1

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## **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](http://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](mailto: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](http://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](http://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:

<b>Position</b>	<b>Maximum number of Saving Shares per participant</b>
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](http://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](mailto: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>.

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Lund in April 2021

ALLIGATOR BIOSCIENCE AB (PUBL)

The board of directors

## Schedule 2

## NOTIFICATION AND FORM FOR ADVANCE VOTING

by 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.

**To be received by Alligator Bioscience AB no later than Monday 31 May 2021.**

The shareholder set out below hereby notifies the company of its participation and exercises its voting right for all of the shareholder's shares in Alligator Bioscience AB, Reg. No. 556597-8201, at the annual general meeting on Tuesday 1 June 2021. The voting right is exercised in accordance with the voting options marked in Schedule 1 below.

Name of the shareholder:	Personal identification number or corporate registration number:
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**Assurance (if the undersigned is a legal representative of a shareholder who is a legal entity):** I, the undersigned, am a board member, CEO or a signatory of the shareholder and solemnly declare that I am authorised to submit this advance vote on behalf of the shareholder and that the contents of the advance vote correspond to the shareholder's decisions.

**Assurance (if the undersigned represents the shareholder by proxy):** I, the undersigned, solemnly declare that the enclosed power of attorney corresponds to the original and that it has not been revoked.

Place and date:	
Signature:	
Clarification of signature:	
Telephone number:	E-mail:

If issued by a legal entity, the form must be signed by authorized representative(s) and be accompanied by a registration certificate or, concerning foreign legal entities, corresponding documents evidencing the authorized representative(s) of the shareholder. The same applies if the shareholder votes in advance through a proxy.

The form, and a copy of the registration certificate or corresponding documents (if applicable) shall be sent to Alligator Bioscience AB, att Lotten Almén, Medicon Village, Scheelevägen 2, SE-223 81 Lund, Sweden or via e-mail to: [anmalan@alligatorbioscience.com](mailto:anmalan@alligatorbioscience.com). The completed form must be submitted to Alligator Bioscience AB no later than on Monday 31 May 2021.

In Schedule 1, the votes shall be set forth. A shareholder cannot give any other instructions than selecting one of the options specified at each point in the form. If a shareholder wishes to abstain from voting in relation to a matter, kindly refrain from selecting an option. A vote is invalid if the shareholder has provided the form with specific instructions or conditions or if pre-printed text is amended or supplemented. Only one form per shareholder will be considered. If more than one form is submitted, the form with the latest date will be considered. The latest form received by the company will be considered if two forms are dated at the same date. An incomplete or wrongfully completed form may be discarded without being considered. For complete proposals for resolutions, please refer to the notice of the annual general meeting and the complete proposals, available on the company's website ([www.alligatorbioscience.com](http://www.alligatorbioscience.com)).

Should you have any questions, please contact Alligator Bioscience AB via e-mail: [anmalan@alligatorbioscience.com](mailto:anmalan@alligatorbioscience.com) or phone number: +46 46 540 82 00. For information on how your personal data is processed, see <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

Please note that submitting this form will be regarded as giving notice of your attendance at the meeting. Please note that a prerequisite for an advance vote to be taken into account is that the shareholder who has cast the vote is registered in his/her own name in the share register kept by Euroclear Sweden AB prior to the meeting. Further instructions on this can be found in the notice to the annual general meeting.

This form for advance voting may be revoked by written notice to Alligator Bioscience AB on the address above or via e-mail to [anmalan@alligatorbioscience.com](mailto:anmalan@alligatorbioscience.com), no later than Monday 31 May 2021.

*Schedule 1 follow on the next page*

## Schedule 1 – Voting form for advance voting at annual general meeting in Alligator Bioscience AB on 1 June 2021

The voting alternatives below refer, unless otherwise stated in the form, to the proposals stated in the notice to the annual general meeting.

<b>2. Election of Chairman of the meeting</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
<b>3. Preparation and approval of the register of voters</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
<b>4. Election of two persons to confirm the minutes</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
<b>5. Approval of the agenda</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
<b>6. Determination as to whether the meeting has been duly convened</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
<b>8. Resolution on</b>		
<b>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>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
<b>b) distribution of the company's profits according to the adopted balance sheet</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
<b>c) discharge from liability of the members of the board and the CEO</b>		
a) Per Norlén (as CEO)	Yes <input type="checkbox"/>	No <input type="checkbox"/>
b) Peter Benson	Yes <input type="checkbox"/>	No <input type="checkbox"/>
c) Carl Borrebaeck	Yes <input type="checkbox"/>	No <input type="checkbox"/>
d) Ulrika Danielsson	Yes <input type="checkbox"/>	No <input type="checkbox"/>
e) Graham Dixon	Yes <input type="checkbox"/>	No <input type="checkbox"/>
f) Kirsten Drejer	Yes <input type="checkbox"/>	No <input type="checkbox"/>
g) Anders Ekblom	Yes <input type="checkbox"/>	No <input type="checkbox"/>
h) Kenth Petersson	Yes <input type="checkbox"/>	No <input type="checkbox"/>
i) Jonas Sjögren	Yes <input type="checkbox"/>	No <input type="checkbox"/>
j) Laura von Schantz	Yes <input type="checkbox"/>	No <input type="checkbox"/>
<b>9. Determination of</b>		
<b>a) the number of board members</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
<b>b) the number of auditors and deputy auditors</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
<b>10. Determination of</b>		
<b>a) remuneration for the board members</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
<b>b) remuneration for the auditors</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
<b>11. Election of board members, Chairman of the board and Vice Chairman of the board</b>		
a) Anders Ekblom (re-election)	Yes <input type="checkbox"/>	No <input type="checkbox"/>
b) Graham Dixon (re-election)	Yes <input type="checkbox"/>	No <input type="checkbox"/>
c) Hans-Peter Ostler (new election)	Yes <input type="checkbox"/>	No <input type="checkbox"/>
d) Eva Sjökvist Saers (new election)	Yes <input type="checkbox"/>	No <input type="checkbox"/>
e) Veronica Wallin (new election)	Yes <input type="checkbox"/>	No <input type="checkbox"/>
f) Chairman of the board: Anders Ekblom (new election)	Yes <input type="checkbox"/>	No <input type="checkbox"/>
g) Vice Chairman of the board: Hans-Peter Ostler (new election)	Yes <input type="checkbox"/>	No <input type="checkbox"/>

12. Election of auditor and deputy auditors	Yes <input type="checkbox"/>	No <input type="checkbox"/>
13. Resolution on approval of remuneration report	Yes <input type="checkbox"/>	No <input type="checkbox"/>
14. Resolution on authorization regarding issues	Yes <input type="checkbox"/>	No <input type="checkbox"/>
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	Yes <input type="checkbox"/>	No <input type="checkbox"/>

**The shareholder wishes that resolution(s) under one or several items in the form shall be deferred to a continued shareholders' meeting**

(completed only if the shareholder has such a wish)

**List item or items (use numbers):**

\_\_\_\_\_

### Schedule 3



Alligator Bioscience AB

Final outcome of advanced votes pursuant to 26 § Act (2020:198) on temporary exceptions to facilitate the execution of shareholders' meetings in companies and other associations

Total  
 Present shares 22 061 691  
 Present votes 22 061 691  
 Issued share capital 34 266 535,20

	Votes			Shares			% of given votes			% of present shares			% of issued share capital		
	For	Against	Not voted	For	Against	Not voted	For	Against	Not voted	For	Against	Not voted	For	Against	Not vot./rep.
2. Election of Chairman of the meeting	22 061 691	-	-	22 061 691	-	-	100,00%	0,00%	0,00%	100,00%	0,00%	0,00%	25,75%	0,00%	74,25%
3. Preparation and approval of the register of voters	22 061 691	-	-	22 061 691	-	-	100,00%	0,00%	0,00%	100,00%	0,00%	0,00%	25,75%	0,00%	74,25%
4. Election of two persons to confirm the minutes	22 061 691	-	-	22 061 691	-	-	100,00%	0,00%	0,00%	100,00%	0,00%	0,00%	25,75%	0,00%	74,25%
5. Approval of the agenda	22 061 691	-	-	22 061 691	-	-	100,00%	0,00%	0,00%	100,00%	0,00%	0,00%	25,75%	0,00%	74,25%
6. Determination as to whether the meeting has been duly convened	22 061 691	-	-	22 061 691	-	-	100,00%	0,00%	0,00%	100,00%	0,00%	0,00%	25,75%	0,00%	74,25%
8 a) Resolution on adoption of the profit and loss statement and balance sheet, as well as the consolidated profit and loss statement and the consolidated balance sheet	22 061 691	-	-	22 061 691	-	-	100,00%	0,00%	0,00%	100,00%	0,00%	0,00%	25,75%	0,00%	74,25%
8 b) Resolution on distribution of the company's profits according to the adopted balance sheet	22 061 691	-	-	22 061 691	-	-	100,00%	0,00%	0,00%	100,00%	0,00%	0,00%	25,75%	0,00%	74,25%
8 c) a) Resolution on discharge from liability of the members of the board and the CEO - Per Norlén (as CEO)	22 024 422	-	37 269	22 024 422	-	37 269	100,00%	0,00%	0,17%	99,83%	0,00%	0,17%	25,71%	0,00%	74,29%
8 c) b) Resolution on discharge from liability of the members of the board and the CEO - Peter Benson	15 252 104	-	6 809 587	15 252 104	-	6 809 587	100,00%	0,00%	30,87%	69,13%	0,00%	30,87%	17,80%	0,00%	82,20%
8 c) c) Resolution on discharge from liability of the members of the board and the CEO - Carl Borrebaeck	21 010 589	-	1 051 102	21 010 589	-	1 051 102	100,00%	0,00%	4,76%	95,24%	0,00%	4,76%	24,53%	0,00%	75,47%
8 c) d) Resolution on discharge from liability of the members of the board and the CEO - Ulrika Danielsson	21 010 589	-	1 051 102	21 010 589	-	1 051 102	100,00%	0,00%	4,76%	95,24%	0,00%	4,76%	24,53%	0,00%	75,47%
8 c) e) Resolution on discharge from liability of the members of the board and the CEO - Graham Dixon	21 010 589	-	1 051 102	21 010 589	-	1 051 102	100,00%	0,00%	4,76%	95,24%	0,00%	4,76%	24,53%	0,00%	75,47%
8 c) f) Resolution on discharge from liability of the members of the board and the CEO - Kirsten Drejer	21 010 589	-	1 051 102	21 010 589	-	1 051 102	100,00%	0,00%	4,76%	95,24%	0,00%	4,76%	24,53%	0,00%	75,47%
8 c) g) Resolution on discharge from liability of the members of the board and the CEO - Anders Ekblom	21 010 589	-	1 051 102	21 010 589	-	1 051 102	100,00%	0,00%	4,76%	95,24%	0,00%	4,76%	24,53%	0,00%	75,47%
8 c) h) Resolution on discharge from liability of the members of the board and the CEO - Kenth Petersson	21 010 589	-	1 051 102	21 010 589	-	1 051 102	100,00%	0,00%	4,76%	95,24%	0,00%	4,76%	24,53%	0,00%	75,47%
8 c) i) Resolution on discharge from liability of the members of the board and the CEO - Jonas Sjögren	20 210 589	-	1 851 102	20 210 589	-	1 851 102	100,00%	0,00%	8,39%	91,61%	0,00%	8,39%	23,59%	0,00%	76,41%
8 c) j) Resolution on discharge from liability of the members of the board and the CEO - Laura von Schantz	21 010 589	-	1 051 102	21 010 589	-	1 051 102	100,00%	0,00%	4,76%	95,24%	0,00%	4,76%	24,53%	0,00%	75,47%
9 a) Determination of the number of board members	22 061 691	-	-	22 061 691	-	-	100,00%	0,00%	0,00%	100,00%	0,00%	0,00%	25,75%	0,00%	74,25%
9 b) Determination of the number of auditors and deputy auditors	22 061 691	-	-	22 061 691	-	-	100,00%	0,00%	0,00%	100,00%	0,00%	0,00%	25,75%	0,00%	74,25%
10 a) Determination of remuneration for the board members	16 303 206	5 758 485	-	16 303 206	5 758 485	-	73,90%	26,10%	0,00%	73,90%	26,10%	0,00%	19,03%	6,72%	74,25%
10 b) Determination of remuneration for the auditors	22 061 691	-	-	22 061 691	-	-	100,00%	0,00%	0,00%	100,00%	0,00%	0,00%	25,75%	0,00%	74,25%
11 a) Election of board members, Chairman of the board and Vice Chairman of the board - Anders Ekblom (re-election)	22 061 691	-	-	22 061 691	-	-	100,00%	0,00%	0,00%	100,00%	0,00%	0,00%	25,75%	0,00%	74,25%
11 b) Election of board members, Chairman of the board and Vice Chairman of the board - Graham Dixon (re-election)	22 061 691	-	-	22 061 691	-	-	100,00%	0,00%	0,00%	100,00%	0,00%	0,00%	25,75%	0,00%	74,25%
11 c) Election of board members, Chairman of the board and Vice Chairman of the board - Hans-Peter Ostler (new election)	21 047 858	1 013 833	-	21 047 858	1 013 833	-	95,40%	4,60%	0,00%	95,40%	4,60%	0,00%	24,57%	1,18%	74,25%
11 d) Election of board members, Chairman of the board and Vice Chairman of the board - Eva Sjökvist Saers (new election)	21 047 858	1 013 833	-	21 047 858	1 013 833	-	95,40%	4,60%	0,00%	95,40%	4,60%	0,00%	24,57%	1,18%	74,25%
11 e) Election of board members, Chairman of the board and Vice Chairman of the board - Veronica Wallin (new election)	21 047 858	1 013 833	-	21 047 858	1 013 833	-	95,40%	4,60%	0,00%	95,40%	4,60%	0,00%	24,57%	1,18%	74,25%
11 f) Election of board members, Chairman of the board and Vice Chairman of the board - Chairman of the board: Anders Ekblom (new election)	15 289 373	1 013 833	5 758 485	15 289 373	1 013 833	5 758 485	93,78%	6,22%	26,10%	69,30%	4,60%	26,10%	17,85%	1,18%	80,97%
11 g) Election of board members, Chairman of the board and Vice Chairman of the board - Vice Chairman of the board: Hans-Peter Ostler (new election)	15 289 373	1 013 833	5 758 485	15 289 373	1 013 833	5 758 485	93,78%	6,22%	26,10%	69,30%	4,60%	26,10%	17,85%	1,18%	80,97%
12. Election of auditor and deputy auditors	22 061 691	-	-	22 061 691	-	-	100,00%	0,00%	0,00%	100,00%	0,00%	0,00%	25,75%	0,00%	74,25%
13. Resolution on approval of remuneration report	22 061 691	-	-	22 061 691	-	-	100,00%	0,00%	0,00%	100,00%	0,00%	0,00%	25,75%	0,00%	74,25%
14. Resolution on authorization regarding issues	18 776 048	3 285 643	-	18 776 048	3 285 643	-	85,11%	14,89%	0,00%	85,11%	14,89%	0,00%	21,92%	3,84%	74,25%

## Schedule 5

*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.*

## **REMUNERATION REPORT 2020**

### **Introduction**

This remuneration report describes how the guidelines for remuneration to senior executives of Alligator Bioscience AB, adopted by the annual general meeting 2020, were implemented in 2020. The report also provides information on remuneration to the CEO and a summary of the company's outstanding share-related and share price-related incentive programs. The report has been prepared in accordance with the Swedish Companies Act and the *Remuneration Rules* issued by the Swedish Corporate Governance Board.

Further information on remuneration to senior executives is available in note 12 (Payments to senior executives) on pages 82-84 in the annual report 2020. Information on the work of the Remuneration Committee in 2020 is set out in the corporate governance report available on pages 49-53 in the annual report 2020.

Remuneration of the board of directors is not covered by this report. Such remuneration is resolved annually by the annual general meeting and disclosed in note 12 on page 83 in the annual report 2020. During 2020, the board member Carl Borrebaeck has, through CB Ocean Capital AB, received remuneration for consulting services corresponding to kSEK 720 as specified in note 35 on page 93 in the annual report 2020.

### **Developments during 2020**

The CEO summarizes the company's overall performance in his statement on pages 8-10 in the annual report 2020.

### **The company's remuneration guidelines: scope, purpose and deviations**

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 can recruit and retain qualified personnel. To this end, the company must offer competitive remuneration on market terms. The company's remuneration guidelines enable the company to offer executives a competitive total remuneration on market terms. According to the remuneration guidelines, remuneration to senior executives may consist of the following components: fixed salary, variable cash remuneration, pension benefits and other benefits. The variable cash remuneration shall be linked to financial or non-financial criteria. They may be individualized quantitative or qualitative objectives. The criteria shall be designed 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 promote the executive's long-term development.

The guidelines are found on pages 40-42 in the annual report 2020. During 2020, the company has complied with the applicable remuneration guidelines adopted by the general meeting. No deviations from the guidelines have been made and no derogations from the procedure for implementation of the guidelines have been made. The auditor's report regarding the company's compliance with the guidelines is available on the company's website, [www.alligatorbioscience.se/en/corporate-governance/general-meeting/](http://www.alligatorbioscience.se/en/corporate-governance/general-meeting/). No remuneration has been reclaimed. In addition to remuneration covered by the remuneration guidelines, the general meetings of the company have resolved to implement long-term share-related incentive programs.

Table 1 – Total remuneration to the CEO in 2020 (kSEK)\*

Name of director (position)	1 Fixed remuneration		2 Variable remuneration		3	4	5	6
	Base salary**	Other Benefits	One- year variable	Multi-year variable***	Extraordinary items	Pension expense****	Total remuneration	Proportion of fixed and variable remuneration
Per Norlén (CEO)	1 949	-	158	0	-	611	2719	94/6

\* Except for Multi-year variable remuneration, the table reports remuneration earned in 2020. Multi-year variable remuneration is reported if vested in 2020, as set out in column 10 of Table 2. Disbursement of any payments may or may not have been made the same year.

\*\* Including holiday pay of kSEK 29.

\*\*\* Vested employee options as set out in column 10 of Table 2 below.

\*\*\*\* Pension expense (column 4), which in its entirety relates to Base salary and is premium defined, has been accounted entirely as fixed remuneration.

## Share-based remuneration

### Ended share-related and share price-related incentive programs in 2020

The annual general meeting 2016 resolved to implement two incentive programs, employee option program 2016/2020 and warrant program 2016/2020. Within the employee option program, a total of 900,000 employee options were allotted free of charge to participants in the program, of which a total of 846,664 employee options were vested by the participants. A total of 1,000,000 warrants were issued in the warrant program, of which a total of 857,000 warrants were transferred at market value to participants in the program. Each employee option and warrant in the respective incentive program entitled the holder to subscription of one new share in the company at a subscription price of SEK 75 during the periods from and including 1 June 2019 to and including 31 August 2019 and from and including 1 March 2020 to and including 31 May 2020. No employee options or warrants in the respective incentive program were exercised for subscription of shares.

### Outstanding share-related and share price-related incentive programs

The annual general meeting 2018 resolved to implement employee option program 2018/2022 according to which a total of 2,275,000 employee options have been allotted free of charge to the participants. The employee options are vested in instalments until 1 May 2021. Vesting requires that the participant continues to be employed by the company and that the participant has not terminated the employment as of the date when the relevant vesting occurs. As per 31 December 2020, 1,072,500 of the allotted employee options had been vested, an additional 755,000 employee options could be vested and 447,500 employee options had lapsed. In order to enable delivery of shares under the employee option program as well as to hedge ancillary costs, primarily social security contributions, a total of 2,989,805 warrants have been issued to a wholly-owned subsidiary, of which 2,275,000 warrants have been issued to secure delivery of shares to the participants and 714,804 warrants have been issued to cover social security contributions. As a consequence of the employee options that have lapsed, a maximum of 2,401,700 warrants can be exercised in connection with the program. As per 31 December 2020, each option in the program entitled to subscription of one new share at an exercise price of SEK 75.00. After completion of the right issue in January 2021, each option in the program entitles, after re-calculation, to subscription of 1.03 new shares at an exercise price of SEK 73.01. The employee options can be exercised one month after the quarterly reports for the first quarters of 2021 and 2022 have been announced. In case all warrants issued in connection with program, and which still can be exercised as per 31 December 2020 as per the above (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 2,473,751 shares can be issued, which corresponds to a dilution of approximately 2.8 per cent of the company's share capital and votes.

Table 2 – Share-related incentive programs (CEO)

Name of director (position)	The main conditions of share option programs							Information regarding the reported financial year*					
								Opening balance	During the year		Closing balance		
	1 Name	2 Performance period	3 Allotment date	4 Vesting date	5 End of retention period	6 Exercise period	7 Exercise price (SEK)	8 Options held at beginning of year	9 Allotted	10 Vested	11 Subject to performance conditions	12 Allotted and unvested	13 Subject to retention period
Per Norlén (CEO)	2018/2022	N/A	2018-05-15	2021-05-01	2021-05-01	2021-2022**	75***	230,000	0	57,500****	0	115,000	115,000
<b>Total</b>								<b>230,000</b>	<b>0</b>	<b>57,500</b>	<b>0</b>	<b>115,000</b>	<b>115,000</b>

\* The CEO holds 230,000 employee options in employee option program 2018/2022, of which 57,500 employee options were vested on 1 May 2019 and 57,500 employee options were vested on 1 May 2020. The remaining 115,000 employee options will vest on 1 May 2021.

\*\* Allotted and vested employee options can be exercised during 30 days from the day following after the announcement of the company's quarterly reports, or for full year, the year-end report, the first time after the announcement of the quarterly report for the first quarter of 2021 and the last time after the announcement of the quarterly report for the first quarter of 2022. If the company does not render any quarterly report or year-end report after the end of any calendar quarter, the allotted and vested employee options may instead be exercised during the last month of the following calendar quarter, the first time in June 2021 and the last time in June 2022.

\*\*\* After completion of the right issue in January 2021, each employee option entitles, after re-calculation, to subscription of 1.03 new shares at an exercise price of SEK 73.01.

\*\*\*\* Value 0 SEK, calculated as the share price that day less the exercise price multiplied by the number of vested employee options.

### Application of performance criteria

The performance criteria for the CEO's variable remuneration have been selected to deliver the company's strategy and to encourage behaviour which is in the long-term interest of the company. In the selection of performance criteria, the strategic objectives and short-term and long-term business priorities for 2020 have been taken into account. The non-financial performance measures further contribute to alignment with sustainability as well as the company values.

Table 3 – Performance of the CEO in the reported financial year: variable cash remuneration

Name of director (position)	1 Description of the criteria related to the remuneration component	2 Relative weighting of the performance criteria	3 a) Measured performance; and b) actual award / remuneration outcome
Per Norlén (CEO)	Outlicensing agreement/partner agreement	50%	a) 0% b) kSEK 0
	Development of /progress in the clinical programs	50%	a) 60% b) kSEK 158

### Comparative information on the change of remuneration and company performance

Table 4 – Change of remuneration and company performance over the last five reported financial years (RFY) (kSEK)

	RFY 2020	RFY 2019	RFY 2018	RFY 2017	RRY 2016
CEO remuneration	2,719	2,806	2,599	2,589	2,516
Group operating profit	-144,298	-214,519	-153,080	-62,299	-56,082
Average remuneration on a full time equivalent basis of employees* of the parent company	769	704	667	631	600

\* Excluding members of the group executive management.

Lund in March 2021

The Board of Directors of Alligator Bioscience AB (publ)

## Schedule 6

*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.*

## **PROPOSAL FOR RESOLUTION ON AUTHORIZATION REGARDING ISSUES**

The board of Alligator Bioscience AB, Reg. No. 556597-8201, proposes that the annual general meeting on 1 June 2021 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.

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For a valid resolution, 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 annual general meeting.

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*).

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Lund in April 2021

The board of directors of Alligator Bioscience AB (publ)

## Schedule 7



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.

**PROPOSAL FOR 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 of Alligator Bioscience AB, Reg. No. 556597-8201 (the “**Company**”), proposes that the annual general meeting on 1 June 2021 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:

<b>Position</b>	<b>Maximum number of Saving Shares per participant</b>
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. Following the amendments, the Articles of Association will have the wording set out in **Appendix A**.

**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 provided with this proposal.

#### **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.

### **Preparation of the proposal**

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.

### **Majority requirement**

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 resolution is subject to the provisions in Chapter 16 of the Swedish Companies Act (*Sw. aktiebolagslag 2005:551*)), and a valid resolution hence requires that the proposal is supported by shareholders representing at least nine-tenths of the votes cast as well as of all shares represented at the annual general meeting.

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.

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Lund in April 2021

The board of directors of Alligator Bioscience AB (publ)

**ARTICLES OF ASSOCIATION****§ 1 Company name**

The Company name is Alligator Bioscience AB. The Company is a public limited liability company (publ).

**§ 2 Registered office of the board of directors**

The registered office of the board of directors shall be in the municipality of Lund, county of Skåne.

**§ 3 Business activity**

The Company's field of activity shall be to, directly or through subsidiaries or other associated companies, conduct research and development work and manufacturing and trade within the field of protein chemistry and to conduct other business compatible therewith.

**§ 4 Share capital**

The share capital of the Company shall be no less than SEK 23,600,000 and no more than SEK 94,400,000.

**§ 5 Number of shares**

The number of shares shall not be less than 59,000,000 and shall not exceed 236,000,000.

**§ 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.

## **§ 7 Board of directors**

The board shall, in addition to the members that pursuant to law can be elected by other than the shareholders' meeting, consist of at least three (3) and not more than eight (8) members.

The company shall have at least one (1) and not more than two (2) auditors with up to two (2) deputy auditors. An authorized auditor or a registered audit company shall be appointed as auditor.

## **§ 8 Notice**

Notice of a general meeting shall be given by announcement in the Swedish Official Gazette (*Sw. Post- och Inrikes Tidningar*) and by keeping the notice available at the Company's website. Announcement that notice has been given shall at the same time be given in *Dagens Industri*.

In order to be entitled to participate in the meeting, shareholders shall notify the Company accordingly on the day specified in the notice. This day may not be a Sunday, other public holiday, Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve and not fall earlier than on the fifth business day before the meeting.

A shareholder may bring one or two advisors to the general meeting and only if the shareholder has notified the Company of the number of such advisors in accordance with the provisions of the previous paragraph.

## **§ 9 Annual general meeting**

The following matters shall be addressed at the annual general meeting:

1. Election of a chairman of the meeting.
2. Preparation and approval of the voting register.
3. Election of two persons to verify the minutes.
4. Approval of the agenda.
5. Determination as to whether the meeting has been duly convened.
6. Presentation of the annual report and the auditor's report and, if applicable, the consolidated annual report and the auditor's report on the consolidated annual report.
7. Resolution in respect of:
  - a) the adoption of the profit and loss statement and the balance sheet and, if applicable, the consolidated profit and loss statement and the consolidated balance sheet;
  - b) the allocation of the company's profits or losses as set forth in the adopted balance sheet; and
  - c) discharge from liability for the board members and the managing director.
8. Determination of the number of board members and auditors and deputy auditors.
9. Determination of fees for the board of directors and fees for the auditors.
10. Election of board of directors, auditors and deputy auditors.
11. Any other matter which rests with the general meeting in accordance with the Swedish Companies Act or the company's articles of association.

## **§ 10 Financial year**

The financial year shall be calendar year.

## **§ 11 Record day provision**

The Company's shares shall be registered in a record day register pursuant to the Swedish Central Securities Depositories and Financial Instruments Act (SFS 1998:1479).

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**Schedule 8**

*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.*

**STATEMENT OF THE BOARD OF DIRECTORS PURSUANT TO CHAPTER 19, SECTION 22 OF THE SWEDISH COMPANIES ACT (2005:551)**

As the board of directors of Alligator Bioscience AB, Reg. No. 556597-8201 (the "**Company**"), proposes that the annual general meeting on 1 June 2021 resolves to authorize the board of directors to resolve on acquisition of own series C shares, the board of directors of the Company hereby issues the following statement.

In accordance with the proposed authorization, the Company will be entitled to repurchase a maximum of 1,153,211 own series C shares for a price corresponding to the quota value of the shares, i.e. SEK 0.40 per share. Thus, the total amount that may be paid upon acquisition pursuant to the proposed authorization amounts to SEK 461,284.40.

The nature and the scope of the Company's business are set forth in the Company's articles of association and the annual report for the financial year 2020. The annual report sets forth the Company's and the group's financial position as of 31 December 2020. It also sets forth the principles applied with respect to the valuation of the Company's and the group's assets and liabilities. No assets or liabilities have been reported at their fair value pursuant to Chapter 4, Section 14 a of the Swedish Annual Accounts Act (*Sw. årsredovisningslagen* (1995:1554)).

According to the annual report for the financial year 2020, the Company's unrestricted equity (available profit and unrestricted reserves) amounts to approximately SEK 89 million. As per the balance sheet date, 31 December 2020, the Company's restricted equity amounted to approximately SEK 29 million.

The board of directors has made the assessment that the Company's restricted equity will be intact if the proposed authorization to acquire own series C shares is exercised in full. Even if the proposed repurchase authorization is exercised in full, the impact on the Company's and the group's liquidity will be marginal.

The board of directors is of the opinion that acquisition of own series C shares pursuant to the proposed authorization will not affect the Company's and the group's ability to meet their short or long term payment obligations. Nor is the exercise of the proposed authorization expected to negatively affect the Company's and the group's ability to make commercially justifiable investments. The board of directors is also of the opinion that the Company's and the group's equity, after exercise of the proposed authorization for acquisition of own series C shares, will be sufficient seen in relation to the nature, scope and risks of the business operations of the Company and the group.

In view of the above and considering such other circumstances which have come to the board of directors attention, the board of directors is of the opinion, based on an overall assessment of the Company's and the group's financial position, that the proposed authorization to resolve on acquisition of own series C shares is justifiable with respect to the requirements imposed by the nature, scope and risks of the operations in relation to the size of the Company's and the group's equity, as well as consolidation needs, liquidity and general position of the Company and the group.

The board of directors therefore considers that the proposed authorization is justified with respect to the requirements set out in Chapter 17, Section 3, paragraph 2 and 3 of the Swedish Companies Act (*Sw. aktiebolagslagen* (2005:551)).

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*(Signature page follows)*

Lund on 26 April 2021

The board of directors of Alligator Bioscience AB (publ)

Peter Benson

Carl Borrebaeck

Ulrika Danielsson

Graham Dixon

Kirsten Drejer

Anders Ekblom

Kenth Petersson

Jonas Sjögren

Laura von Schantz