

## ANNUAL GENERAL MEETING IN BIOINVENT INTERNATIONAL AB

The shareholders of **BioInvent International AB (publ)**, Reg. No 556537-7263, are hereby invited to attend the Annual General Meeting (the "AGM") to be held at 4 p.m., Thursday 12 May 2016 at Elite Hotel Ideon on Scheelevägen 27 in Lund, Sweden.

### A. NOTICE OF ATTENDANCE

Shareholders who wish to attend the AGM must:

- (i) be recorded in the printout of the share register maintained by Euroclear Sweden AB ("Euroclear"), as of Friday 6 May 2016;

and

- (ii) notify the company of their intention to attend the meeting at the address Sölvegatan 41, SE-223 70 Lund, Sweden, att: Stefan Ericsson, by telephone +46 46 286 85 54 or by e-mail [stefan.ericsson@bioinvent.com](mailto:stefan.ericsson@bioinvent.com) on Friday 6 May 2016 at the latest, preferably before 4 p.m.

On giving notice of attendance, the shareholder shall state name, personal identity number/registration number, number of shares held, phone number and, if applicable, the name of any representative. Proxy to act on behalf of a shareholder should be sent together with the notice of attendance. Representative of a legal person shall hand in a copy of a registration certificate or similar documents of authorisation. Proxy form is available at the company's website [www.bioinvent.se](http://www.bioinvent.se) and will be supplied directly to shareholders who so request.

In order to participate in the proceedings at the AGM, shareholders with nominee-registered shares must request their bank or broker to have the shares temporarily owner-registered with Euroclear. Such registration must be made as per Friday 6 May 2016 and the bank or broker should therefore be notified in due time before said date.

### B. AGENDA FOR THE MEETING

#### Proposal for agenda

1. Opening of the meeting.
2. Election of Chairman of the meeting.
3. Preparation and approval of the voting list.
4. Election of persons to approve the minutes.
5. Determination of compliance with the rules of convocation.
6. Approval of the agenda.
7. The Managing Director's report for the financial year 2015.
8. Presentation of
  - (a) the Annual Report and the Auditor's Report and the Group Financial Statements and the Group Auditor's Report for the financial year 2015, and
  - (b) the statement by the Auditor on the compliance with applicable guidelines for remuneration.
9. Resolutions regarding
  - (a) adoption of the Statement of Income and the Balance Sheet and the Consolidated Statement of Income and the Consolidated Balance Sheet,
  - (b) appropriation of the company's result according to the adopted Balance Sheet, and
  - (c) discharge from liability of the Board of Directors and the Managing Director.
10. Establishment of the number of members of the Board of Directors.
11. Establishment of fees for the Board members and the Auditor.
12. Election of members and Chairman of the Board of Directors.
13. Election of Auditor.
14. Resolution on guidelines for remuneration to management.
15. Resolution regarding the Board of Directors' proposal for incentive program for employees involving (A) a directed issue of subscription warrants, and (B) approval of transfer of subscription warrants.
16. Resolution regarding authorisation of the Board of Directors to issue new shares.
17. Closing of the meeting.

## **Proposals regarding items on the agenda**

### Election of Chairman of the meeting (item 2)

The Nomination Committee has proposed that the Chairman of the Board of Directors, Björn O. Nilsson, shall be Chairman of the meeting.

### Appropriation of the company's result (item 9 b)

At the disposal of the AGM: share premium reserve of SEK 79,331,454, retained earnings of SEK 116,000 and loss for the year of SEK -90,681,172. The Board of Directors proposes that the accumulated loss of SEK 11,233,718 is carried forward. Thus, it is proposed that no dividend be given for the financial year 2015.

### Elections and fees (items 10-13)

The Nomination Committee, consisting of Mattias Cramby (Mexor i Skellefteå AB), Erik Esveld (van Herk Investments B.V.), Tony Sandell (B&E Participation AB) and Björn O. Nilsson (Chairman of the Board), has informed the company of the following proposals.

The Board of Directors shall consist of seven members elected by the general meeting, without deputy members.

The Nomination Committee proposes re-election of board members Lars Ingelmark, Björn O. Nilsson and Birgitta Stymne Göransson, and new election of An van Es Johansson, Leon Kruimer, Martin Nicklasson and Vincent Ossipow. Dharminder Chahal, Jonas Jendi and Elisabeth Lindner have declined re-election. Björn O. Nilsson is proposed to be re-elected as Chairman of the Board.

Information about the candidates proposed for re-election can be found in the company's Annual Report 2015, and information about the candidates proposed for new election can be found in the Nomination Committee's reasoned statement.

Fees to the Board members shall be paid as before in the amounts of SEK 400,000 to the Chairman of the Board and SEK 160,000 to each of the other Board members. In addition hereto, unchanged fees are proposed for committee work, although not to the Chairman of the Board, in the amounts of SEK 20,000 to each of the members in the Remuneration Committee, if any, SEK 50,000 to the Chairman of the Audit Committee and SEK 40,000 to each of the other members in the Audit Committee.

The Nomination Committee proposes to re-elect the auditing company KPMG for a period of two years, whereby the auditing company has informed that the authorized public accountant Eva Melzig Henriksson will be responsible auditor. Fees to the auditor are proposed to be paid according to approved invoice.

### Resolution on guidelines for remuneration to management (item 14)

The Board of Directors' complete proposal for guidelines for remuneration to management is set forth in the Directors' Report and is unchanged compared to the guidelines that were resolved last year. The proposal principally entails that remuneration and employment terms for the management shall be in accordance with market conditions. In addition to the fixed yearly salary, the management may obtain variable remuneration, which shall be limited and mainly related to technical and commercial milestones within the own pharmaceutical projects. In addition to fixed and variable salary, the company may also pay a stay-on bonus, which for a three year period may amount to a maximum of 100 per cent of the fixed salary for one year. Remuneration may also emanate from warrants or other share related incentive programs resolved by the general meeting.

### Resolution regarding the Board of Directors' proposal for incentive program for employees (item 15)

The Board of Directors proposes that the AGM resolves to implement an incentive program for certain employees ("Incentive Program 2016/2019") in the form of a subscription warrants program.

For the implementation of the incentive program, the Board of Directors proposes that the AGM shall resolve on the issue of subscription warrants and approval of transfer of subscription warrants to employees, on the following principal terms:

#### *A. Directed issue of subscription warrants*

1. The subscription warrants are issued in a series 2016/2019. The series shall comprise a total maximum of 2,650,000 subscription warrants.
2. The right to subscribe for the subscription warrants shall, with deviation from the shareholders' preferential right, be granted to the company's wholly-owned subsidiary BioInvent Finans AB.
3. The subscription warrants shall be issued free of charge.
4. Subscription of the subscription warrants shall be made on a separate subscription list no later than 30 June 2016.
5. Each subscription warrant shall entitle the holder to subscribe for one (1) new share in the company.
6. Subscription for shares by virtue of the subscription warrants shall take place during the period from and including 1 July 2019 up to and including 1 December 2019.
7. The subscription price per share shall be equivalent to 130% of the average of the calculated volume-weighted average of the highest and lowest payment price quoted every trading day from and including 27 April 2016 up to and including 11 May 2016 on the official stock exchange list for the company's share on Nasdaq Stockholm.

The reasons for the deviation from the shareholders' preferential rights is that the Board of Directors considers an option program that gives the employees the opportunity to participate in the company's performance promotes a long-term commitment and results in an increased motivation to work for a favorable financial development of the company. An incentive program is also expected to improve the possibilities to recruit and retain competent, motivated and committed employees.

#### *B. The incentive program – transfer of the subscription warrants*

The incentive program will mainly be carried out in accordance with what is described below.

1. The subscription warrants shall, on one or several occasions and, against payment, be transferred by BioInvent Finans AB to approximately 40 employees active in the company where 50,000 warrants per person (or such lower number of warrants that the employee wishes to acquire) may be transferred, regardless of position. The incentive program does not include the CEO and senior executives covered by the stay-on bonus program implemented 2015.
2. Transfer of subscription warrants shall be made at market value at the time of transfer, to be established by an independent valuation institute, by application of the Black & Scholes valuation method.
3. The first allotment is expected to take place at the end of May 2016. Subscription warrants remaining after the first allotment may be allotted to future employees at market value, applicable from time to time, according to the allotment principles stated above, provided however that allotment cannot take place after 31 December 2016.
4. On the acquisition of the subscription warrants, the holder shall enter into a pre-emption agreement with BioInvent Finans AB, on customary conditions established by the Board.
5. Participants in the Incentive Program 2016/2019 who remains in their employment (or equivalent) with the company as per 1 June 2019 receives a stay-on bonus in the form of a one-time bonus from the company corresponding to two times the amount paid for the acquired subscription warrants, however no more than SEK 60,000. If a participant's employment is terminated because of redundancy, death or disability, the bonus will be paid on a pro rata basis for the period up to the participant's last working day.

#### *C. Costs, dilution of shares etc.*

Assuming that all of 2,650,000 issued subscription warrants are exercised to subscribe for new shares, the company's share capital will increase by no more than SEK 212,000, resulting in a maximum dilution effect equivalent to approximately 0.9%, calculated as the number of new shares in the incentive program in relation to the number of shares in the company after completion of the on-going new share issues plus the new shares. The key figure earnings per share had in such case been affected such that the loss per share had been reduced by approximately SEK 0.02 from SEK -0.64 to SEK -0.62 (based on the consolidated results for 2015). The above is subject to conversions of the subscription warrants in accordance with the customary recalculation terms contained in the complete terms and conditions.

The company's costs for the stay-on bonuses to the participants are at full participation estimated to amount to a maximum of approximately SEK 3.2 million. Other than that, the Incentive Program 2016/2019 is not projected to entail any significant costs for the company. Therefore, no measures to secure the program has been taken.

A valid resolution by the AGM in accordance with the Board of Directors' proposal under items A. and B. must be supported by shareholders representing at least nine-tenths of both the votes cast and of the shares represented at the general meeting.

Resolution regarding authorisation of the Board of Directors to issue new shares (item 16)

The Board of Directors proposes the AGM to authorise the Board to resolve on the issue of new shares on one or several occasions during the period up to the next annual general meeting. The number of shares to be issued by virtue of the authorisation shall not exceed 15 per cent of the registered share capital (as per the date of the resolution on the issue of new shares). The issue may take place with or without a deviation from the shareholders' preferential right and with or without provisions on contribution in kind or set-off or any other terms. The purpose of the authorisation is to increase the company's financial flexibility and enable acquisitions by payment of shares. If the Board resolves on an issue with deviation from the shareholders' preferential right the reason may be to add new capital and/or new company owners of strategic importance to the company and/or the acquisition of other companies or businesses. At a deviation from the shareholders' preferential right, the issue rate shall be determined in accordance with market conditions. Other terms may be resolved by the Board.

The proposal is subject to support by shareholders representing at least two-thirds of both the votes cast and the shares represented at the meeting.

**C. SHAREHOLDERS' RIGHT TO ASK QUESTIONS**

At the AGM shareholders have the right to ask questions concerning the company, the company's financial position and matters and proposals to be dealt with at the meeting.

**D. AVAILABLE DOCUMENTS ETC**

The proposal and motivated statement of the Nomination Committee and proxy forms are available at the company's website [www.bioinvent.se](http://www.bioinvent.se). Accounting documents, the Auditor's Report and other documents to be held available according to the Swedish Companies Act, will be available on the company's website from Thursday 21 April 2016, at the latest, and be distributed to shareholders who so request and state their postal address.

At the time of this notice, the total number of shares and votes in the company amounts to 162,918,961. At the time of the AGM, the number of shares and votes in the company will amount to 282,721,619.

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Lund in April 2016  
*The Board of Directors*  
BIOINVENT INTERNATIONAL AB (publ)