

PRESS RELEASE

April 26, 2019

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

Notice of annual shareholders' meeting in Saniona AB

The shareholders in Saniona AB, Reg. No. 556962-5345, are hereby invited to attend the annual shareholders' meeting (Sw. årsstämma) to be held at the premises of Setterwalls Advokatbyrå AB at Stortorget 23 in Malmö, Sweden on Wednesday 29 May 2019 at 4.00 p.m.

Right to participate and notice of participation

Shareholders wishing to attend the annual shareholders' meeting must:

- be registered in the company's share register kept by Euroclear Sweden AB (the Swedish Securities Register Center) as of Thursday 23 May 2019; and
- no later than on Thursday 23 May 2019 notify the company in writing of their intention to participate in the annual shareholders' meeting to Saniona AB, Baltorpvej 154, DK-2750 Ballerup, Denmark. Such notice can also be given by email to tf@saniona.com. The notice shall specify the shareholder's complete name, personal or company registration number, registered shareholding, address, telephone number during work hours and, when applicable, information on the number of advisors (two at the most).

Trustee registered shares

Shareholders who have their holdings trustee-registered must temporarily register the shares in their own name in order to be entitled to participate in the annual shareholders' meeting. Such temporary re-registration of ownership must be implemented no later than as of Thursday 23 May 2019, meaning that the shareholders must well in advance before this date request their trustees thereof.

Proxies etc.

A proxy representing a shareholder must bring a written, dated and by the shareholder signed power of attorney to the annual shareholders' meeting. The validity term of the power of attorney may be at the longest five years if this is specifically stated. In case no validity term is stated, the power of attorney is only valid for one year. Should the power of attorney be issued by a legal entity, a certified copy of a registration certificate (Sw. registreringsbevis) or equivalent document shall be presented at the meeting. In order to facilitate the preparations before the meeting, a copy of the power of attorney and other proof of authority should be attached to the notice of participation. A template power of attorney can be found at the company website (www.saniona.com), and will be sent to the shareholders who request it and state their address.

Proposed agenda

0. Opening of the meeting.
1. Election of chairman of the meeting.
2. Preparation and approval of the voting list.
3. Approval of the agenda.



4. Election of one or two persons to verify the minutes.
5. Consideration as to whether the meeting has been duly convened.
6. Presentation of the annual report and the auditor's report and the group annual report and the group auditor's report.
7. Resolution on
 - (a) adoption of the profit and loss statement and balance sheet and the group profit and loss statement and the group balance sheet,
 - (b) allocation of the company's loss in accordance with the adopted balance sheet, and
 - (c) discharge of liability of the directors of the board and the CEO.
8. Determination of the number of members of the board as well as the number of auditors and deputy auditors.
9. Determination of remuneration for the board members and the auditors.
10. Election of members of the board, the chairman of the board and accounting firm or auditors.
11. Resolution on instruction and charter for the Nomination Committee.
12. Determination of Remuneration Policy for senior executives.
13. Resolution on authorization for the board of directors regarding new issues.
14. Resolution on (A) employee option program; and (B) directed issue of warrants and approval of transfer of warrants.
15. Resolution on (A) option program for certain members of the board of directors; and (B) directed issue of warrants and approval of transfer of warrants.
16. Closing of the meeting.

Resolution proposals

Item 1: Election of chairman of the meeting

The Nomination Committee, consisting of Søren Skjærbæk, representing Jørgen Drejer, John Haurum, representing Thomas Feldthus, and the chairman of the board, J. Donald deBethizy, proposes that attorney Ola Grahn is elected as chairman of the meeting.

Item 7 (b): Resolution on allocation of the company's loss in accordance with the adopted balance sheet

The board of directors proposes that no dividends are paid and that available funds are carried forward to a new account.

Item 8: Determination of the number of members of the board as well as the number of auditors and deputy auditors

The Nomination Committee proposes that the board of directors shall be composed of six ordinary board members until the end of the next annual shareholders' meeting. Furthermore, it is proposed that one registered accounting firm is appointed as auditor until the end of the next annual shareholders' meeting.

Item 9: Determination of remuneration for the board members and the auditors

The Nomination Committee proposes that board remuneration shall be paid with SEK 300,000 to the chairman of the board (SEK 275,000 previous year) and with SEK 160,000 to each of the members of the board who are not co-founders of Saniona AB (SEK 110,000 previous year). Based on the proposal to the



board of directors in accordance with item 10 below, remuneration is only proposed to be paid to J. Donald deBethizy, Anna Ljung, Carl Johan Sundberg and Edward C. Saltzman. In addition, remuneration is proposed to be paid for committee work with SEK 60,000 to the chairman of the Audit Committee (SEK 30,000 previous year), with SEK 30,000 to each of the other members of the Audit Committee (SEK 0 previous year) and with SEK 30,000 to each member of the Remuneration Committee (SEK 0 previous year), provided that no remuneration for committee work shall be paid to members of the board who are co-founders of Saniona AB.

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

Item 10: Election of members of the board, the chairman of the board and accounting firm or auditors

The Nomination Committee proposes that J. Donald deBethizy, Claus Braestrup, Jørgen Drejer, Anna Ljung and Carl Johan Sundberg are re-elected as ordinary board members, that Edward C. Saltzman is elected as new ordinary board member and that J. Donald deBethizy is re-elected as chairman of the board.

Edward C. Saltzman, born 1955, is Executive Chairman of Cello Health BioConsulting (CHBC), previously Defined Health, after having led the sale of Defined Health to Cello Health in 2017. CHBC is a leading strategic business development advisory firm serving senior executives in pharma, biotech and investment. Edward C. Saltzman possesses a vast knowledge of the pharmaceutical and biotechnology industry accumulated over Defined Health's 25+ years of consultancy to pharma, biotech, specialty pharma and investors. From this breadth and depth of experience, he provides guidance to CHBC's senior project leadership who work with clients across multiple therapeutic areas. Edward C. Saltzman is a well-regarded and in demand speaker on industry issues and has been recognized widely as an early "spotter" of key trends that go on to have significant impact within the life sciences industry, especially as these pertain to the licensing and business development field.

Edward C. Saltzman previous experience includes positions at the Ayerst Laboratories unit of American Home Products, where he had responsibility for evaluation and forecasting of compounds being considered for licensing, and at FIND/SVP, where he managed the Healthcare Information Center.

Other current positions: Edward C. Saltzman serves as a Venture Advisor to the Israel Biotech Fund and is a board member of Vidac Pharma.

Education: Graduate of New York University.

Shareholding in Saniona: 0

The Nomination Committee proposes, in accordance with the recommendation from the Audit Committee, that Deloitte AB is re-elected as accounting firm. Deloitte AB has notified that the certified accountant Jeanette Roosberg will continue to be the auditor in charge.

Item 11: Resolution on instruction and charter for the Nomination Committee

The Nomination Committee proposes that a Nomination Committee shall be appointed before coming elections and remuneration, and that an instruction and charter for the Nomination Committee shall be adopted in accordance with the following substantial terms.

The Nomination Committee shall be comprised of three members which shall be the chairman of the board of directors and two members appointed by the two largest shareholders as of last September. With "largest shareholders" are meant the shareholders registered with Euroclear Sweden AB as of last September. If any of these two largest shareholders refrain from appointing an owner representative, or if an owner representative resigns or relinquishes the position before the assignment is completed and the entitled shareholder does not appoint another representative, the chairman of the board of directors shall invite the next shareholder (i.e. first the third largest owner) to within a week of the request appoint an owner representative. The procedure shall continue until the Nomination Committee is composed of three members.



If a substantial change of ownership occurs no later than seven weeks before the annual shareholders' meeting, a new shareholder representative shall be appointed. The chairman of the board of directors shall then contact the one of the two largest shareholders without an owner representative and request such shareholder to appoint a representative. When such a representative has been appointed, such representative shall be a member of the Nomination Committee and replace the former member of the Nomination Committee who no longer represents one of the two largest shareholders.

Item 12: Determination of Remuneration Policy for senior executives

The board of directors proposes that a Remuneration Policy regarding determination of remuneration and other benefits for the managing director and other senior executives in the company shall be adopted in accordance with the following substantial terms.

1. *Fundamental principles:* Remuneration shall be payable on terms that enables senior executives to be recruited and retained. Remuneration to senior executives may consist of basic salary and other customary benefits which can be considered reasonable in relation to market practice.
2. *Fixed salary:* The managing director and other senior executives shall be offered a fixed salary based on the individual's work duties, expertise, position, responsibilities, performances and other considerations. Salary shall be determined per calendar year with salary revision on 1 January each year.
3. *Variable remuneration:* Saniona does not offer any variable remuneration to the managing director or other senior executives.
4. *Pensions:* Saniona does not offer any separate pension benefits to the managing director or other senior executives. Certain part of the senior executive's fixed salary is however allocated to pension payments. The proportion of such pension payments can be selected by the senior executive.
5. *Termination etc.:* Upon termination by the company, the notice period for the managing director and other senior executives shall not exceed six months. However, an adjusted notice period may be applied for the managing director and the CFO during an initial period of six months after a transaction with the outcome that a majority shareholding in Saniona or Saniona A/S has been acquired by one or more persons. The adjustment shall mean that the notice period, upon termination by Saniona, may be extended to twelve months immediately after the relevant change in ownership. The notice period shall thereafter be reduced by one month for every month that passes after the change in ownership until the notice period is consistent with the normal notice period of the employment agreements. Severance payment, apart from salary during the notice period, shall not occur.
6. *Outstanding remuneration commitments:* At the time of the annual shareholders' meeting on 29 May 2019, Saniona has no outstanding remuneration commitments towards senior executives except for running commitments.
7. *Consulting assignments for board members:* To the extent that a board member performs consultancy work on behalf of Saniona, in addition to the assignment as board member, consultancy fees and other remuneration for such consultancy work should be payable. Such remuneration shall be paid on market terms and the remuneration as well as other terms shall be resolved upon by the board.
8. *Deviations from the guidelines:* The board of directors shall be entitled to deviate from the guidelines in individual cases if there are special reasons for doing so.

Item 13: Resolution on authorization for the board of directors regarding new issues

The board of directors proposes that the annual shareholders' meeting resolves to authorize the board of directors to, at one or several occasions, during the time up until the next annual shareholders' meeting, with or without deviation from the shareholders' preferential rights, resolve to issue shares and/or convertibles.



A new issue should be able to be made with or without provisions regarding contribution in kind, set-off or other conditions.

In case the authorization is used for a new issue of shares or convertibles, other than in relation to the financing agreement with Nice & Green S.A. (see below), the total number of shares that may be issued (or issued upon conversion of convertibles) shall not exceed 11,961,240 shares and the subscription price shall be on market terms (subject to customary new issue discount, as applicable). The purpose of this part of the authorization is to be able to source working capital, to be able to execute and finance acquisitions of companies as well as to enable new issues to industrial partners within the framework of partnerships and alliances.

In case the authorization is used for issues of convertibles in relation to the financing agreement that the company on 29 December 2017 entered into with Nice & Green S.A. ("**N&G**"), the total number of shares that may be issued upon conversion of convertibles issued thereunder shall not exceed 12,000,000 shares. The conversion rate shall be determined in accordance with the provisions in the financing agreement with N&G which stipulate that the conversion rate for convertibles issued to N&G shall amount to the higher of SEK 6 and 92 per cent of the lowest daily volume weighted average price for the company's share during the 5 trading days preceding the day for the request for conversion. Due to issue technical reasons, each issue resolution regarding convertibles has to stipulate a minimum conversion rate which pursuant to the financing agreement with N&G is stipulated to be SEK 6. At each issue resolution, this minimum conversion rate forms the basis for the maximum numbers of shares that may be issued upon conversion of issued convertibles. Each tranche of convertibles under the financing agreement amounts to SEK 6,000,000 and the stipulated maximum number of shares of 12,000,000 thereby enables the company to draw 12 tranches under the financing agreement with N&G prior to the next annual shareholders' meeting. It should however be noted that as long as 92 per cent of the lowest daily volume weighted average price for the company's share during the 5 trading days preceding the day for the request for conversion exceeds SEK 6, the conversion rate so calculated will be applied and the number of shares issued at conversion will then be lower than the maximum number as per the above. For further information regarding the financing agreement with N&G, please refer to the company's press release issued on 29 December 2017. The purpose of this part of the authorization is to be able to draw tranches under the financing agreement with N&G.

Upon full utilization of the authorization, a maximum of 23,961,240 shares will be issued or alternatively be issued upon conversion, which corresponds to a total dilution effect of approximately 50 per cent. However, please see above for a description regarding the number of shares that can be issued pursuant to the financing agreement with N&G.

The company's CEO shall be authorized to make such minor formal adjustments of the resolution as might be necessary in connection with registration with the Swedish Companies Registration Office.

Item 14: Resolution on (A) employee option program; and (B) directed issue of warrants and approval of transfer of warrants

The board of directors proposes that the annual shareholders' meeting resolves to adopt an employee option program for certain employees and key consultants who are active within the Saniona Group in Denmark.

The purpose of the proposed employee option program (the "**Employee Option Program 2019/2024**") is to secure a long term commitment for the employees and key consultants within the Saniona Group through a compensation system which is linked to the company's future value growth. Through the implementation of a share based incentive program, the future value growth in the company is encouraged, which implies common interests and goals for the shareholders of the company and key persons. Such share based incentive program is also expected to increase Saniona's possibilities to retain competent persons.

A. *The board of directors' proposal to resolution on Employee Option Program 2019/2024*

The board of directors proposes that the annual shareholders' meeting resolves to adopt the Employee Option Program 2019/2024 in accordance with the following substantial guidelines:



1. The Employee Option Program 2019/2024 shall be comprised by a maximum of 34,500 employee options.
2. Each employee option entitles the holder a right to acquire one new share in the company against cash consideration at a subscription price amounting to 100 per cent of the average closing price of the company's share on Nasdaq Stockholm during ten trading days after the announcement of the quarterly report for the second quarter of 2019. The thus calculated subscription price shall be rounded to the nearest whole *öre*, whereupon 0.5 *öre* shall be rounded upwards. The subscription price and the number of shares that each employee option entitles right to may be subject to recalculation in the event of a bonus issue, split, rights issue etc., wherein the recalculation terms in the complete terms and conditions of the warrants shall be applied.
3. The Employee Option Program 2019/2024 shall comprise 19 employees and key consultants within the Saniona Group. The board of directors shall, within the framework of the resolution from the annual shareholders' meeting, determine the number of employee options that each participant shall be allotted in according with the following principles.

Senior employees and key consultants
(10 individuals):

at maximum of 30,500 options may in

the aggregate be allotted to this group and no individual may be allotted more than 12,500 options.

Technical employees (9 individuals):

at maximum of 4,000 options may in the aggregate be allotted to this group and no individual may be allotted more than 500 options.

Employees who are also members of the board of directors, managing director or larger shareholders in the company shall not be entitled to participate in the Employee Option Program 2019/2024.

4. Allotment shall take place no later than as of 15 September 2019.
5. The allotted employee options will be vested with 1/48 during 48 months after allotment. Vesting requires, with the exemptions stated below, that the participant is still operational within the Saniona Group as of the date when the respective vesting occurs. If the participant ceases to be operational within the Saniona Group after a vesting date has occurred, but before the last date of exercise, the already vested employee options may be exercised on the ordinary dates of exercise, but further vesting will not take place with the exemption of what is stated below.

For employees in Saniona A/S (the "**Subsidiary**") who are subject to the Danish law (*Dan. lov om brug af køberet eller tegningsret til anpartar m.v. i ansættelsesforhold (lov nr. 309 af 5. maj 2004 som ændret ved lov nr. 1524 af 18. december 2018)*) the following will apply regardless of what has been stated above:

- (i) If the Subsidiary terminates the employee's employment in the Subsidiary, without the employee having violated the employment relationship, the employee has the right to retain and exercise the allotted and unexercised employee options in accordance with the terms and conditions of the Employment Option Program 2019/2024 (including that vesting shall continue in accordance with the terms and conditions), regardless of the termination of the employment.
- (ii) If the employment is terminated by the employee due to the fact that the Subsidiary, in a substantial way, has violated the employment relationship, the employee has the right to retain and exercise the allotted and unexercised employee options in accordance with the terms and conditions of the Employment Option Program 2019/2024 (including that



vesting shall continue in accordance with the terms and conditions), regardless of the termination of the employment.

- (iii) If the employment is terminated due to the fact that the employee (i) achieves the retirement age as defined from time to time within the Saniona Group; (ii) qualifies for Danish retirement pension (*Dan. Folkepension*) or (iii) suffers of invalidity, the employee has the right to retain and exercise the allotted and unexercised employee options in accordance with the terms and conditions of the Employment Option Program 2019/2024 (including that vesting shall continue in accordance with the terms and conditions).
 - (iv) If the employment is terminated by the employee and the Subsidiary has not in a substantial way violated the employment relationship, all rights to the allotted unexercised employee options will expire on the date of the termination of the employment relationship, without notice and without any consideration, regardless if the employee options are vested or not.
 - (v) If the Subsidiary terminates or dismisses the employee due to the employee's violation of the employment relationship, all rights to the allotted unexercised employee options will expire on the date of the termination of the employment relationship, without notice and without any consideration, regardless if the employee options are vested or not.
6. The employee options shall not constitute securities and shall not be able to be transferred or pledged. However, in the event of death, the rights constituted by the employee options shall accrue to the beneficiaries of the holder of the employee options.
7. The employee options shall be allotted without consideration. The holders can exercise allotted and vested employee options 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 2023 and the last time after the announcement of the quarterly report for the third quarter of 2024. 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 2023 and the last time in December 2024.
8. Participation in the Employee Option Program 2019/2024 requires that such participation is in accordance with applicable laws, as well as that such participation can take place with reasonable administrative costs and financial efforts according to the company's opinion.
9. The employee options shall be governed by separate agreements with each respective participant. The board of directors shall be responsible for the preparation and management of the Employee Option Program 2019/2024 within the above mentioned substantial terms and guidelines, and by taking into account such minor adjustments that may be required due to tax reasons in Denmark. In extraordinary cases, the board of directors is entitled to limit the extent of or terminate the Employee Option Program 2019/2024 in advance, in whole or in part.

B. The board of directors' proposal to resolution on a directed issue of warrants and approval of transfer of warrants

In order to enable the company's delivery of shares under the Employee Option Program 2019/2024, the board of directors proposes that the annual shareholders' meeting resolves on a directed issue of a maximum of 34,500 warrants in accordance with the following terms and conditions:

- 1. The warrants shall be issued without consideration and the warrants may only, with deviation from the shareholders' preferential rights, be subscribed for by the Subsidiary. The reason for the deviation from the shareholders' preferential rights and the reason for that the warrants are issued without consideration are due to that the warrants are issued as part of the implementation of the



Employee Option Program 2019/2024. In the light of the above, the board of directors considers that it is for the benefit of the company and its shareholders that key persons within the Saniona Group are offered to participate in the Employee Option Program 2019/2024.

2. Subscription shall be made no later than as of 30 September 2019. The board of directors shall be entitled to postpone the last day for subscription.
3. Each warrant entitles the holder a right to acquire one new share in the company against cash consideration at a subscription price amounting to 100 per cent of the average closing price of the company's share on Nasdaq Stockholm during ten trading days after the announcement of the quarterly report for the second quarter of 2019. The subscription price shall be rounded to the nearest whole *öre*, whereupon 0.5 *öre* shall be rounded upwards. The subscription price and the number of shares that each warrant entitles right to may be subject to recalculation in the event of a bonus issue, split, rights issue etc.
4. The warrants may be exercised during the time period from and including the registration of the warrants at the Swedish Companies Registration Office (Sw. Bolagsverket) to and including 31 December 2024.
5. The shares issued upon exercise of a warrant shall confer right to dividends as from the first time on the record date for dividends that occurs immediately following effectuation of subscription.
6. If all warrants are exercised for subscription of new shares, the share capital will increase with SEK 1,725.
7. The company's CEO shall be entitled to make such minor adjustments of the issue resolution that might be necessary in connection with registration with the Swedish Companies Registration Office.

Further, the board of directors proposes that the annual shareholders' meeting shall resolve to approve that the Subsidiary may transfer warrants to the participants in the Employee Option Program without consideration in connection with the exercise of employee options in accordance with the terms and conditions under Section A above.

Other information regarding the Employee Option Program 2019/2024

The proposal of the Employee Option Program 2019/2024 has been prepared by the board of directors of the company. When preparing the proposal, the board of directors has considered that the Employee Option Program 2019/2024 is intended for individuals who are active in Denmark. The terms and conditions of the Employee Option Program 2019/2024 have therefore been prepared in order to comply with market practice in Denmark.

The Employee Program 2019/2024 will be accounted for in accordance with "IFRS 2 – Share based payments". IFRS 2 stipulates that the options shall be expensed as personnel costs over the vesting period and will be accounted for directly against equity. Personnel costs in accordance with IFRS 2 do not affect the company's cash flow. The board of directors has made the assessment that the Employee Option Program 2019/2024 will not trigger any social costs for the company.

The employee options do not have a market value since they are not transferable. However, the board of directors has calculated a theoretical value of the employee options using the "Black Scholes" formula. Assuming a share price at the time of allocation of the options of SEK 27 and that 100 per cent of the options are vested, the total cost for the Employee Option Program 2019/2024 is estimated to approximately SEK 456 thousand before tax during the period 2019-2024 calculated in accordance with the Black-Scholes formula, according to IFRS 2.

It shall be noted that the calculations are based on preliminary assumptions 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 23,922,480.

In case all warrants that are issued in relation to the Employee Option Program 2019/2024 are exercised for subscription of shares, a total of 34,500 shares will be issued, which corresponds to a dilution of approximately 0.14 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 all warrants which have been issued in relation to the Employee Option Program 2019/2024. The dilution is only expected to have a marginal effect on the company's key ratio "Earnings per share before taxes" for the full year 2018.

In addition to the Employee Option Program 2019/2024, the Nomination Committee has proposed that the annual shareholders' meeting on 29 May 2019 also resolves to adopt an option program for certain members of the board of directors in the company. In connection with the option program, a total of 15,770 warrants will be issued. In case all warrants under the option program are exercised for subscription of shares, a total of 15,770 new shares will be issued, which corresponds to a dilution of approximately 0.07 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 all warrants which have been issued under the option program.

Currently, there are incentive programs in the form of three employee option programs and two option programs for certain members of the board of directors outstanding in the company, in relation to which in the aggregate 433,766 warrants have been issued. For further information regarding the existing incentive programs, please see "Share Based Payments" in note 9 in the Annual Report. In case all outstanding warrants as well as the warrants proposed to be issued upon resolution by the annual shareholders' meeting on 29 May 2019 are exercised for subscription of shares, a total of 484,036 new shares will be issued, which corresponds to a dilution of approximately 1.98 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 all outstanding and proposed warrants.

The above calculations regarding dilution and impact on key ratios are subject to re-calculation of the warrants in accordance with the customary recalculation terms included in the applicable warrant terms.

Item 15: Resolution on (A) option program for certain members of the board of directors; and (B) directed issue of warrants and approval of transfer of warrants

The Nomination Committee proposes that the annual shareholders' meeting resolves to adopt an option program for certain members of the board of directors in the company.

The Nomination Committee considers that a share based incentive program is a central part of an attractive and competitive remuneration package in order to attract, retain and motivate experienced members of the board of directors and to incentivize the members of the board of directors to perform their outmost on delivering maximal value growth for all shareholders. The Nomination Committee hence considers that the proposed incentive program (the "**Option Program**") will increase and strengthen the board of directors' dedication to the company's business, improve the loyalty towards the company and be beneficial for the company as well as its shareholders. The details of the Option Program are set out under Section A below.

In order to secure the company's undertakings under the Option Program, the Nomination Committee also proposes that the annual shareholders' meeting resolves on a directed issue of warrants and an approval of transfer of warrants in accordance with Section B below.

A. *The Nomination Committee's proposal to resolution on implementation of an option program for certain members of the board of directors*

The Nomination Committee proposes that the annual shareholders' meeting resolves to adopt the Option Program in accordance with the following guidelines:

1. The Option Program shall be comprised by a maximum of 12,000 options.
2. Each option entitle the holders a right to acquire one new share in the company against cash consideration at a subscription price amounting to 100 per cent of the average closing price of the



company's share on Nasdaq Stockholm during ten trading days after the announcement of the quarterly report for the second quarter of 2019. The thus calculated subscription price shall be rounded to the nearest whole öre, whereupon 0.5 öre shall be rounded upwards. The subscription price and the number of shares that each option entitles right to may be subject to recalculation in the event of a bonus issue, split, rights issue etc., wherein the recalculation terms in the complete terms and conditions of the warrants shall be applied.

3. The Option Program shall comprise the members of the board of directors in the company who are not co-founders of the company, excluding the chairman of the board of directors, which, based on the Nomination Committee's proposal regarding board of directors, means that only Anna Ljung, Carl Johan Sundberg and Edward C. Saltzman should be entitled to participate in the Option Program. Each participant shall be allotted at maximum 4,000 options.
4. Allotment shall take place no later than 15 September 2019.
5. The allotted options will be vested as follows:
 - (i) 1/3 will vest on the date when the annual shareholders' meeting of 2020 is held;
 - (ii) additionally 1/3 will vest on the date when the annual shareholders' meeting of 2021 is held; and
 - (iii) the remaining 1/3 will vest on the date when the annual shareholders' meeting of 2022 is held.

If the number of allotted options is not evenly divisible with 1/3, the number of vested options shall be rounded downwards and any excess options shall be considered vested on the last vesting date. Vesting is conditional upon that the participant still holds the position as member of the board of directors in each date when vesting occurs.

6. The options shall not constitute securities and shall not be possible to transfer or pledge. However, in the event of death, the rights to vested options shall accrue to the beneficiaries of the holder of the options.
 7. The options shall be allotted without consideration. The holders can exercise allotted and vested options 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 second quarter of 2022 and the last time after the announcement of the quarterly report for the second quarter of 2023. If the company does not render any quarterly report or year-end report after the end of any calendar quarter, the allotted and vested options may instead be exercised during the last month of the following calendar quarter, the first time in September 2022 and the last time in September 2023.
 8. In the event of a public take-over offer, asset sale, liquidation, merger or any other such transaction affecting the company, the options will vest in their entirety and be exercisable in connection with the relevant transaction.
 9. The options shall be governed by a separate agreement with the participant. The company's CEO shall be responsible for the preparation and management of the Option Program in accordance with the above mentioned substantial terms and guidelines.
- B. *The Nomination Committee's proposal to resolution on a directed issue of warrants and approval of transfer of warrants*

In order to enable the company's delivery of shares under the Option Program and to secure social security charges which may arise in connection with the Option Program, the Nomination Committee proposes that the annual shareholders' meeting resolves on a directed issue of warrants and approval of transfer of



warrants. The Nomination Committee thus proposes that the annual shareholders' meeting resolves on a directed issue of a maximum of 15,770 warrants in accordance with the following terms and conditions:

1. With deviation from the shareholders' preferential rights, the warrants may only be subscribed for by a wholly owned subsidiary in the group (the "**Subsidiary**"). The reason for the deviation from the shareholders' preferential rights is that the warrants are issued as part of the implementation of the Option Program. In the light of what has been stated above, the Nomination Committee considers that it is for the benefit of the company and its shareholders that the existing members of the board of directors are offered to participate in the Option Program.
2. Subscription shall be made no later than 30 September 2019. The board of directors shall be entitled to postpone the last day for subscription.
3. The warrants shall be issued without consideration. The reason hereof is due to that the warrants shall be issued as part of the implementation of the Option Program.
4. Each warrant entitles the holder a right to acquire one new share in the company against cash consideration at a subscription price amounting to 100 per cent of the average closing price of the company's share on Nasdaq Stockholm during ten trading days after the announcement of the quarterly report for the second quarter of 2019. The subscription price shall be rounded to the nearest whole öre, whereupon 0.5 öre shall be rounded upwards. The subscription price and the number of shares that each warrant entitles right to may be subject to recalculation in the event of a bonus issue, split, rights issue etc.
5. The warrants may be exercised during the time period from and including the registration of the warrants at the Swedish Companies Registration Office (Sw. Bolagsverket) to and including 30 September 2023.
6. The shares issued upon exercise of a warrant shall confer right to dividends as from the first time on the record date for dividends that occurs immediately following effectuation of subscription.
7. If all warrants are exercised for subscription of new shares, the share capital will increase with SEK 788.50.
8. The company's CEO shall be entitled to make such minor adjustments of the issue resolution that might be necessary in connection with registration with the Swedish Companies Registration Office.

Further, the Nomination Committee proposes that the annual shareholders' meeting resolves to approve that the Subsidiary may transfer warrants to the participants in the Option Program without consideration in connection with the exercise of options in accordance with the terms and conditions under Section A above or otherwise dispose over the warrants to secure the company's commitments and costs in relation to the Option Program.

Other information regarding the Option Program

The proposal for the Option Program has been prepared by the Nomination Committee.

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

The options do not have a market value since they are not transferable. However, the Nomination Committee has calculated a theoretical value of the options using the "Black Scholes" formula. Assuming a share price at the time of allocation of options of SEK 27 and that 100 per cent of the options are vested, the total cost for the Option Program according to IFRS 2 is estimated to approximately SEK 138 thousand before tax during



the period 2019-2023 using the Black-Scholes formula. The total cost for the Option Program during the term of the program, including costs according to IFRS 2 and social security costs, is estimated to approximately SEK 181 thousand. The company's costs for social charges are proposed to be hedged through a directed issue of warrants as per B above.

It shall be noted that the calculations are based on preliminary assumptions and are only intended to provide an illustration of the outcome.

Information on existing incentive programs and dilution effects are presented above in the proposal under item 14.

Particular majority requirements

For a valid resolution on the proposal pursuant to item 13, 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 shareholders' meeting. For a valid resolution on the proposals pursuant to items 14 and 15, the proposals have to be supported by shareholders representing at least nine-tenths of the votes cast as well as of all shares represented at the annual shareholders' meeting.

Duty of disclosure at the annual shareholders' meeting

The shareholders' are reminded of their right to request information at the shareholders' meeting pursuant to chapter 7 section 32 of the Swedish Companies Act (*Sw. Aktiebolagslagen (2005:551)*).

Accounting documents and complete proposals

Accounting documents, the audit report, the statement by the auditor on the compliance of the applicable guidelines for remuneration to senior executives and complete proposals for resolutions will be available for the shareholders at the company's office at Baltorpvej 154, DK-2750 Ballerup, Denmark and at the company website (www.saniona.com) as from no later than three weeks prior to the annual shareholders' meeting, and will be sent to the shareholders upon their request to the company, provided that such shareholders state their current address. Copies of the documents will also be available at the annual shareholders' meeting.

Number of shares and votes in the company

The total number of shares and votes in the company amounts to 23,922,480. 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>.

Malmö in April 2019

Saniona AB (publ)

The Board of Directors

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About Saniona

Saniona is a research and development company focused on drugs for diseases of the central nervous system and eating disorders. The company has five programs in clinical development. Saniona intends to develop and commercialize treatments for orphan indications such as Prader-Willi syndrome and hypothalamic obesity on its own. The research is focused on ion channels and the company has a broad portfolio of research programs. Saniona has partnerships with Boehringer Ingelheim GmbH, Productos Medix, S.A de S.V and Cadent Therapeutics. Saniona is based in Copenhagen, Denmark, and the company's shares are listed at Nasdaq Stockholm Small Cap (OMX: SANION). Read more at www.saniona.com.