

## PRESS RELEASE

October 23, 2020

*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.*

### **Bulletin from the extraordinary general meeting on October 23, 2020 in Saniona AB**

Today, on October 23, 2020, an extraordinary general meeting was held in Saniona AB. A summary of the resolutions adopted follows below. All resolutions were adopted with the required majority of votes.

#### **Resolution on (A) employee option program; and (B) directed issue of warrants and approval of transfer of warrants**

The meeting resolved, in accordance with the proposal from the board of directors, to adopt an option program for all company employees, including the company's CEO, the executive team (excluding the CSO Jørgen Drejer), vice presidents and all other employees. The employee options will cover all current employees, including the employees that have recently been hired, as well as the employees that will be hired up until the next annual general meeting (AGM). The meeting also resolved on directed issue of warrants and approval of transfer of warrants.

The program implies that a maximum of 7,976,690 employee options shall be offered to the participants. The holders can exercise allotted and vested employee options from the time of vesting until the date that falls 10 years after the allotment date. Each employee option entitles the holder a right to acquire one new share in the company against cash consideration at a pre-determined exercise price. The exercise price will correspond to the closing price of the company's share on Nasdaq Stockholm on the trading day immediately prior to the date when the participant was allotted the options. The participants shall however, subject to certain limitations applicable to certain options granted to US participants, also be entitled to exercise employee options through a "net-exercise mechanism" where the exercise price instead shall equal the quota value of the share (currently SEK 0.05). In case the participant chooses to utilize the net-exercise mechanism, the number of shares that each employee option gives right to acquire shall be reduced so that the "net gain" for the participant is the same as if the participant would instead have exercised at the ordinary exercise price. The employee options shall be allotted without consideration, the employee options shall not constitute securities and shall not be able to be transferred or pledged.

In order to enable the company's delivery of shares under the employee option program, the meeting also resolved to issue a maximum of 7,976,690 warrants to a subsidiary within the Saniona Group. The warrants may thereafter be transferred to the participants in the employee option program without consideration in connection with the exercise of employee options. The purpose of the employee option program is to secure that the company can offer remuneration packages that are competitive, especially on the US market, to enable the company to attract, retain and motivate key personnel. The purpose is further to secure a long term commitment for the employees 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 of retaining competent key personnel. In the event all warrants that are issued in relation to the employee option program are exercised for subscription of shares, a total of 7,976,690 shares will be issued, which corresponds to a dilution of approximately 10.93 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 7,976,690 warrants proposed to be issued in relation to the employee option program, all 1,154,384 warrants issued in relation to existing employee incentive programs, as well as the exercise of all 1,479,742 TO3 warrants issued in the unit issue resolved in the beginning of 2020.

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

The meeting resolved, in accordance with the proposal from the Nomination Committee, to adopt an option program for members of the board of directors of the company (excluding the chairman of the board of directors). The meeting also resolved on directed issue of warrants and approval of transfer of warrants.

The program implies that a maximum of 308,000 options shall be offered to the members of the board of directors of the company (excluding the chairman of the board of directors). Each participant shall be allotted 77,000 options. The holders shall be entitled to 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 third 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 options may instead be exercised during the last month of the following calendar quarter, the first time in December 2023 and the last time in December 2024. 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 volume weighted average share price of the company's share on Nasdaq Stockholm during the ten trading days immediately prior to the extraordinary general meeting on October 23, 2020. The options shall be allotted without consideration, the options shall not constitute securities and shall not be able to be transferred or pledged.

In order to enable the company's delivery of shares under the option program, the meeting also resolved on a directed issue of a maximum of 308,000 warrants to a wholly owned subsidiary within the Saniona Group. The warrants may thereafter be transferred to the participants without consideration in connection with the exercise of the options. 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. In the event all warrants that are issued in relation to the option program are exercised for subscription of shares, a total of 308,000 shares will be issued, which corresponds to a dilution of approximately 0.47 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 308,000 warrants proposed to be issued in relation to the option program, all 1,154,384 warrants issued in relation to existing employee incentive programs, as well as the exercise of all 1,479,742 TO3 warrants issued in the unit issue resolved in the beginning of 2020.

Malmö on October 23, 2020

Saniona AB (publ)

**For more information, please contact**

Trista Morrison, Chief Communications Officer, Office +1 (781) 810 9227. Email: [trista.morrison@saniona.com](mailto:trista.morrison@saniona.com)

*The information was submitted for publication, through the agency of the contact person set out above, at 5:15 p.m. CEST on October 23, 2020.*



## **About Saniona**

*Saniona is a rare disease biopharmaceutical company focused on research, development and commercialization of treatments for the central nervous system. The company has four programs in clinical development. Saniona intends to develop and commercialize treatments for rare disease indications such as hypothalamic obesity and Prader-Willi syndrome on its own. The research is focused on ion channels and the company has a broad portfolio of research programs. Saniona also has out-licensing agreements with Boehringer Ingelheim GmbH, Productos Medix, S.A de S.V and Cadent Therapeutics. Saniona is based in Copenhagen, Denmark, and in Boston, US. The company's shares are listed on Nasdaq Stockholm Small Cap (OMX: SANION). Read more at [www.saniona.com](http://www.saniona.com).*