



Press release

Cantargia AB
556791-6019
26 April 2019

Notice of Annual General Meeting in Cantargia AB (publ)

The shareholders of Cantargia AB (publ) are invited to the Annual General Meeting on Monday, 27 May 2019, at 4 p.m. CET at Medicon Village, Scheelevägen 2, Lund, Sweden.

Right to participate and notice

Shareholders who wish to participate in the meeting must:

- be recorded in the share register maintained by Euroclear Sweden AB on Tuesday, 21 May 2019, and
- notify the company of their intention to participate in the Meeting not later than Tuesday, 21 May 2019. The notice shall be made by mail to Cantargia AB (publ), Medicon Village, Scheelevägen 2, SE-223 81 Lund, Sweden. Notice may also be made by telephone +46 (0)46-27 56 260 or by e-mail info@cantargia.com. The notice shall set forth name, personal- or corporate identity number, number of shares held, address, daytime telephone number and, where applicable, the number of advisors (not more than two) that will accompany the shareholder at the Meeting.

Nominee registered shares

Shareholders whose shares are nominee registered, through a bank or other nominee, must, in order to be entitled to participate in the Meeting, re-register the shares in their own name. Such re-registration, which may be temporary, must be completed on Tuesday, 21 May 2019. Accordingly, shareholders who wish to re-register their shares must inform the nominee of this request well in advance of the date above.

Proxy etc.

Shareholder represented by a proxy shall issue a power of attorney for the proxy. If the power of attorney is issued on behalf of a legal entity, a registration certificate or the equivalent indicating the authorized signatories of the legal entity must be enclosed. The original power of attorney, and any registration certificate or the equivalent document, shall be sent to the company at the address above well in advance of the Meeting. Proxy forms are available at the company's website www.cantargia.com and will be sent to shareholders who so request.

Number of shares and votes

As per the date of this notice, there are 72,804,392 outstanding shares and votes in the company. The company holds no treasury shares.

Proposed agenda:

1. Opening of the Meeting
2. Election of Chairman of the Meeting
3. Preparation and approval of voting list
4. Approval of the agenda
5. Election of one or two persons to verify the minutes
6. Determination of whether the Meeting has been duly convened
7. Presentation by the CEO
8. Presentation of the annual report and auditor's report
9. Resolutions
 - a) on the adoption of the income statement and the balance sheet
 - b) on the disposition of the company's results as per the adopted balance sheet
 - c) on discharge from liability of the members of the Board of Directors and the CEO
10. Determination of the number of members of the Board of Directors and auditors
11. Determination of fees to be paid to the Board of Directors and auditor
12. Election of members of the Board of Directors and auditor
13. Resolution on the Nomination Committee
14. Resolution on guidelines for remuneration of senior executives
15. The Board of Directors' proposed resolution on a long-term incentive scheme
16. The Board of Directors' proposed resolution on share issue authorization
17. Closing of the Meeting

Disposition of the company's results (item 9 b)



The Board proposes that no dividend shall be distributed, and that the company's accumulated results shall be carried forward.

The Nomination Committee's proposal (items 2 and 10 - 12)

The Nomination Committee, consisting of Sten Veland (Sunstone Life Science Ventures), Chairman, Mats Larsson (First Swedish National Pension Fund), Jannis Kitsakis (Fourth Swedish National Pension Fund) and Magnus Persson, Chairman of the Board of Directors, proposes the following:

- that attorney-at-law Erik Sjöman is elected chairman of the Annual General Meeting;
- that the Board of Directors shall consist of six members with no deputies;
- that the remuneration to the members of the Board, including remuneration for the work performed on the Board's committees, shall amount to SEK 1,640,000 in total, of which SEK 450,000 shall be distributed to the Chairman of the Board and SEK 200,000 shall be distributed to each of the other board members. As remuneration for work performed in a committee, an amount of SEK 190,000 in total is proposed to be distributed in accordance with the following: SEK 70,000 shall be distributed to the Chairman of the Audit Committee and SEK 30,000 to each of the other members of the Audit Committee, SEK 30,000 shall be distributed to the Chairman of the Remuneration Committee and SEK 15,000 to each of the other members of the Remuneration Committee. In addition, SEK 20,000 shall be distributed to each member residing outside the Nordic region for each physical board meeting (however, not more than six meetings) held in Sweden, attended by such member;
- that the board members Claus Asbjørn Andersson, Patricia Delaite, Thoas Fioretos, Karin Leandersson, Anders Martin-Löf and Magnus Persson are re-elected. Corinne Savill has declined re-election.
- that Magnus Persson is re-elected Chairman of the Board;
- that the company shall have one auditor with no deputies;
- that remuneration to the auditor shall be paid in accordance with approved invoices; and
- that Öhrlings PricewaterhouseCoopers AB is re-elected as the company's auditor (Ola Bjärehäll is intended to serve as auditor-in-charge).

The proposal regarding the auditor is in accordance with the Audit Committee's recommendation.

Nomination Committee (item 13)

The Nomination Committee proposes that the Annual General Meeting resolves:

- to instruct the Chairman of the Board to convene a Nomination Committee, based on the ownership structure in the company as per the end of September 2019, consisting of one member appointed by each of the three largest shareholders of the company as well as the Chairman of the Board,
- that in the event any of the three largest shareholders refrain from its right to appoint a member of the Nomination Committee, this right shall be vested in the shareholder that, after these three shareholders, has the largest shareholding,
- that the Chairman of the Nomination Committee shall, unless otherwise resolved by the Nomination Committee, be the member appointed by the shareholder with the largest shareholding,
- that in the event any of the shareholders that have appointed a member of the Nomination Committee sells a nonnegligible portion of its shareholding during the Nomination Committee's period of mandate, or for other reason ceases to be a major shareholder entitled to appoint a member of the Nomination Committee, the member appointed by that shareholder shall resign from the Nomination Committee. Such member shall, if deemed appropriate by the Nomination Committee, be replaced by a member appointed by the shareholder who instead qualifies as one of the three largest shareholders of the company,
- that in the event a member no longer represents the shareholder that he was appointed by, or if the member for other reasons resigns from the Nomination Committee before its work has been completed, the shareholder shall be given the opportunity to appoint a new member of the Nomination Committee, and
- that the Nomination Committee shall fulfil the duties incumbent upon it under the Swedish Corporate Governance Code.

Resolution on guidelines for remuneration of senior executives (item 14)

The Board of Directors proposes guidelines for remuneration of senior executives in accordance with the following. In essence, the guidelines stipulate that the company shall offer its senior executives remuneration in accordance



with market terms, that the remuneration shall be prepared by the Remuneration Committee and that the applicable criteria shall embrace the senior executive's responsibilities, role, expertise and position.

The remuneration to the senior executives may consist of fixed remuneration, variable remuneration, non-monetary benefits, pension, other benefits and share-based incentive schemes, as resolved upon by a shareholders' meeting.

Variable remuneration shall be in accordance with the market terms and be based on outcomes of predetermined financial and individual targets. The terms and bases of calculation for variable remuneration shall be determined annually.

Variable remuneration is determined the year after it was earned and can be disbursed as either salary or as a single paid out pension contribution. Annual variable remuneration is capped at 20 per cent of the fixed annual salary. As far as the CEO is concerned, the amount of variable remuneration is capped at SEK 500,000, excluding social security contributions.

Incentive scheme (item 15)

The Board of Directors proposes that the Annual General Meeting resolves to adopt a long-term variable share-based incentive scheme for senior executives and key personnel within the company. The proposal is based on the incentive scheme that was adopted by the 2018 Annual General Meeting. It has been initiated by Cantargia's Board of Directors and has been designed in collaboration with external advisors and prepared by the Remuneration Committee and examined at board meetings.

Purpose and scope of the scheme

In order to create a long-term incentive for the company's management team and to promote investments in and ownership of Cantargia shares, all members of the company's management team, including the CEO, as well as other key personnel will be offered variable long-term remuneration in the form of a group bonus for acquisition of shares of the company (the "Scheme"). The Scheme is a variable long-term remuneration scheme under which the participants commit to use distributed variable cash remuneration to acquire shares in the company. The participants will acquire the shares on the stock market. As far as the CEO is concerned, the scheme applies in addition to any variable remuneration in accordance with the above. It is intended that the Scheme shall recur annually.

The maximum pay out to each Scheme participant for 2019 is capped at 10 per cent of the participant's fixed annual salary. The total size of the Scheme for 2019 is capped at SEK 900,000, excluding social security contributions. In case of partial target achievement, a portion of the maximum amount will be distributed.

Performance requirements and target achievement

The Scheme is based on the annual bonus target or targets set up by the company's Board of Directors and that refer to the company's activities, financial key performance indicators and internal processes. The resolution on the annual amount available under the Scheme will be integrated in the annual evaluation process for the total variable remuneration in order to link annual performances to long-term targets, to increase employee shareholding in Cantargia and to retain competent staff at competitive terms.

Target achievement will be assessed by the company's Board of Directors in connection with the adoption of the annual report for each year. To be entitled to a portion of the group bonus for acquisition of shares under the Scheme, the employee must be a permanent employee. In addition, the employee must have been employed by the company for at least one year. A draft resolution on which employees that will be subject to the Scheme will be drawn up by the Remuneration Committee in consultation with the CEO. The Board of Directors will resolve upon which employees that will be subject to the Scheme.

Distribution and acquisition of Cantargia share

When the target achievement has been determined by the company's Board of Directors, the amount will be distributed to each participant in the Scheme within four weeks of the adoption of the annual report. The acquisition of shares by the participant shall be made as soon as possible after the distribution from the company. In the event the participant is prevented from acquiring shares of the company, due to for example applicable market abuse regulations, the company's Board of Directors may permit that the acquisition of shares under the Scheme takes place at a later stage.

Participants are required to use their entire remuneration under the Scheme, net of tax, to acquire Cantargia shares on the stock market. Shares acquired by a participant under the Scheme must be held by the participant under a three-year period after the distribution.

The company will pay social-security contributions on variable remuneration distributed under the Scheme. However, the remuneration distributed under the Scheme will not entitle to pension contributions or holiday pay in



addition to what is provided under mandatory legislation.

Termination of employment or breach of contract

A participant whose employment ceases as a result of termination by the employee or by the company or for other reasons will be required to continue to hold shares acquired in accordance with the provisions of the Scheme.

In the event a participant violates the terms of the Scheme, for example by failing to provide information on the status of its shareholding, the company may require that the participant sells all shares acquired under the Scheme, whereby the gross amount received by the participant through the sale shall be reimbursed to the company. In the event the participant sells shares in breach of the terms of the Scheme, the participant is required to pay a penalty to the company corresponding to the gross amount that the employee has received through the sale of the shares.

Principles for annual variable remuneration and the Scheme

When designing the annual variable remuneration and the Scheme, the Board of Directors shall consider introducing conditions which:

- disqualify a person from future participation in variable or long-term remuneration schemes, if that person sells shares in breach of the provisions of the Scheme;
- make the distribution of a certain portion of such remuneration contingent on that the performance, on which the remuneration is based, proves to be sustainable over time;
- give the company the right to reclaim remuneration which has been distributed based on information which subsequently has proved to be manifestly incorrect; and
- stipulate that distribution to a participant shall be entirely or partially delayed, reduced or cancelled if the payment, in the view of the Board of Directors, is considered inappropriate with regards to the company's results, position or liquidity situation.

Share issue authorization (item 16)

The Board of Directors proposes that the Annual General Meeting resolves to authorize to the Board, up and until the next Annual General Meeting, on one or several occasions and with or without pre-emptive rights for shareholders, to resolve on the issue of new shares, provided that such issue or issues may not comprise a total of more than ten per cent of the number of outstanding shares in the company as per the day of the Annual General Meeting. It shall also be possible to make such an issue resolution stipulating in-kind payment, the right to offset debt or other conditions.

The purpose of the authorization is to raise working capital for the company. If the Board resolves on a share issue with deviation from the shareholders' pre-emptive rights, the reason therefor shall be to raise working capital for the company, to provide new shareholders of strategic importance to the company or to acquire other companies or businesses.

Other information

Complete documentation is available at the company's offices, Scheelevägen 2 in Lund, Sweden, and at the company's website (www.cantargia.com) no later than three weeks prior to the Meeting. Copies of the documentation will be sent to shareholders who so request. Shareholders are reminded of their right to require information under Chapter 7 Section 32 of the Swedish Companies Act.

Processing of personal data

For information about the processing of your personal data, please refer to <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>. Cantargia's AB (publ) corporate registration number is 556791-6019 and its registered office is in Lund, Sweden.

Lund, April 2019
Cantargia AB (publ)
The board of directors

About Cantargia

Cantargia AB (publ), reg. no. 556791-6019, is a biotechnology company that develops antibody-based treatments for life-threatening diseases. The basis for this is the protein IL1RAP that is involved in a number of diseases and where Cantargia has established a platform. The main project, the antibody CAN04 (nidanimab) is being studied in the clinical phase I/IIa CANFOUR with a primary focus on non-small cell lung cancer and pancreatic cancer. The study is conducting both monotherapy and



combination therapy. Cantargia's other project, CANxx, is in the research phase and is aiming to develop a IL1RAP binding antibody optimised for the treatment of autoimmune and inflammatory diseases.

Cantargia is listed on Nasdaq Stockholm (ticker: CANTA). More information about Cantargia is available at <http://www.cantargia.com>.