



xspray

Resolution on long-term incentive programme at extraordinary general meeting in Xspray Pharma on 28 November 2018

Xspray Pharma AB (publ) has today held an extraordinary general meeting where the meeting resolved, in accordance with the Board's proposal, to adapt a long-term incentive programme (LTI 2018) and to issue a maximum of 234,505 warrants, entailing an increase of the share capital, at full exercise, of maximum SEK 234,505.

LTI 2018 includes around 17 persons. The company's board members are not included in LTI 2018. The right to subscribe for warrants shall, by way of deviation from the preferential right of the shareholders, be vested in the CEO, senior executives and other people employed by the company or who has entered into employee agreements with Xspray Pharma during the subscription period.

The reason for deviating from the shareholders' preferential right is to implement an incentive programme and thereby a remuneration structure which connects a major part of the key employees in Xspray Pharma's remuneration with Xspray Pharma and Xspray Pharma's long term value creation and align the employees' interests with those of the shareholders.

The warrants shall be subscribed for on market terms at a price (premium) established on the basis of a market value of the warrants calculated by an independent valuation institute using the Black & Scholes valuation model. The value has preliminarily been calculated to SEK 6.40 per warrant based on a subscription price per share of SEK 147.60. The company will subsidize the participant's premium with an amount corresponding to the premium earnings.

Each warrant shall entitle to subscription for one (1) share in the company. Subscription for shares in accordance with the terms of the warrants is possible during the period from and including 1 December 2021 up to and including 17 January 2022.

The subscription price per share shall correspond to around 170 per cent of the calculated volume-weighted average price for each trading day for Xspray Pharma's share according to Nasdaq First North's official exchange list for the share during five trading days after the disclosure of the company's interim report for the period July-September 2018, rounded to the nearest full ten cents (Sw. öre) whereby five cents shall be rounded up.

LTI 2018 corresponds to, provided full exercise of outstanding warrants under previous resolved incentive programmes, approximately 1.63 per cent of the share capital and votes after dilution (subject to potential recalculation in accordance with the terms and conditions of the warrants).

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This information was submitted for publication, through the agency of the contact person set out above, at 12.00 CET on 28 November 2018.

Xspray Pharma in short

Xspray Pharma AB (publ) is a product development company with several product candidates in clinical development. Xspray Pharma uses its innovative patented RightSize technology to develop improved generic versions of marketed drugs, primarily protein kinase inhibitors (PKIs) for the treatment of cancer. The segment is the second-largest in the field of oncology and drug prices are high. Through its innovative technology, Xspray Pharma's strategy is, through outlicensing to an appropriate pharmaceutical company, to enter the market as first competitor to the original drugs before the exclusivity from secondary patents expires. Three PKIs have been identified as the initial product candidates (HyNap-Dasa, HyNap-Sora and HyNap-Nilo). Xspray Pharma's goal is to have up to seven products ready for launch in the US market, where the first product to launch in 2021 will be HyNap-Dasa. The substance patents for Sprycel (dasatinib) expire in 2020 and the secondary patents expire in 2026, which can give Xspray Pharma's HyNap-Dasa a six-year period of special position before other competitors get access to the market. The company has patented manufacturing technology, equipment and the resulting products. The shares in Xspray Pharma are traded on Nasdaq First North Stockholm. The company's Certified Adviser is Redeye AB, (www.redeye.se).

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