



PRESS RELEASE

NOTICE OF EXTRAORDINARY GENERAL MEETING IN LIPIDOR AB (publ)

STOCKHOLM, Sweden, 24 May 2021: The shareholders of Lipidor AB (publ) reg. no. 556779-7500 (the "Company" or "Lipidor") are hereby given notice of the Extraordinary General Meeting (the "EGM") to be held on 8 June 2021.

N.B. This is an unofficial translation of the original Swedish notice. In case of discrepancies, the Swedish version shall prevail.

Due to the extraordinary situation relating to the covid-19 pandemic, Lipidor's extraordinary general meeting will be carried out through advance voting (postal voting) pursuant to temporary legislation. There will be no meeting with the possibility to attend in person or to be represented by a proxy.

Lipidor welcomes all shareholders to exercise their voting rights at the EGM through advance voting as described below. Information on the resolutions passed at the EGM will be published on 8 June 2021 as soon as the result of the advance voting has been finally confirmed.

The shareholders may request in the advance voting form that a resolution on one or several of the matters on the proposed agenda below should be deferred to a so-called continued general meeting, which cannot be conducted solely by way of advance voting. Such general meeting shall take place if the EGM so resolves or if shareholders representing at least one tenth of all shares in the Company so requests.

Right to participate

Shareholders that wish to participate in the EGM through advance voting, shall be registered in the share register maintained by Euroclear Sweden AB no later than on 31 May 2021; and shall have notified the Company of their intention to participate at the EGM no later than on 7 June 2021 by casting their advance vote in accordance with the instructions under the heading "Advance voting".

Nominee-registered shares

Shareholders whose shares are registered in the name of a nominee/custodian must register their shares in their own names in order to be entitled to participate in the EGM. Such registration, which may be temporary, must be effected no later than on 2 June 2021 and shareholders must, therefore, instruct their nominees well in advance thereof.

Advance voting

The shareholders may only exercise their voting rights at the EGM by voting in advance, so-called postal voting, in accordance with Section 22 of the Act (2020:198) on temporary exceptions to facilitate the execution of general meetings in companies and other associations.

A special form shall be used for advance voting. The form is considered as notice to participate in the EGM. The form is available at www.lipidor.se

The completed form must be submitted to the Company no later than on 7 June 2021. The completed form shall be sent to Lipidor AB (publ), "Extra bolagsstämma", c/o Fredersen Advokatbyrå, Turning Torso, SE-211 15 Malmö, or by e-mail to lipidor@fredersen.se. If the shareholder votes in advance by



PRESS RELEASE

proxy, a power of attorney shall be enclosed to the form. If the shareholder is a legal entity, a certificate of incorporation or a corresponding authorization document shall be enclosed to the form. The shareholder may not provide special instructions or conditions in the voting form. If so, the entire postal vote is invalid. Further instructions and conditions can be found in the postal voting form.

Proposal of agenda

1. Election of chairman of the meeting
2. Preparation and approval of the voting register
3. Approval of the agenda
4. Election of one or two persons to attest the minutes
5. Determination as to whether the meeting has been duly convened
6. Resolution on approval of Emollivet AB's resolution on an issue of warrants to the management in Emollivet AB
7. Resolution on approval of Emollivet AB's resolution on an issue of warrants to members of the Board of Directors in Emollivet AB

The Board of Directors' proposed resolutions

Election of chairman of the Extraordinary General Meeting (item 1)

The Board of Directors has proposed that Nils Fredrik Dehlin from the law firm Fredersen Advokatbyrå, or the person proposed by the Board of Directors if he has an impediment to attend, is elected chairman of the EGM.

Preparation and approval of the voting register (item 2)

The voting list proposed to be approved is the voting list prepared by Fredersen Advokatbyrå on behalf of the Company, based on the EGM share register and received postal votes, controlled and checked by the persons assigned to check the minutes.

Election of one or two persons to attest the minutes (item 4)

The Board of Directors proposes Fredrik Sjövall or if he is prevented from participating, the person appointed by the Board of Directors, to attest the minutes. The assignment to attest the minutes also include checking the voting list and that the received postal votes are correctly reflected in the minutes of the meeting.

Resolution on approval of Emollivet AB's resolution on an issue of warrants to the management in Emollivet AB (item 6)

The Annual General Meeting of the Company's subsidiary Emollivet AB ("**Emollivet**" or the "**Subsidiary**") resolved on 19 May 2021 to issue a maximum of 50 warrants of series 2021/2026 with deviation from the shareholders' pre-emption rights as part of an incentive program to the management of the Subsidiary (the "**LTI 2021**"). The resolution in the Subsidiary was conditional upon a general meeting in the Company resolving to approve the Subsidiary's resolution on implementing LTI 2021. The Board of Directors of Lipidor therefore proposes that the general meeting resolves to approve the resolution of LTI 2021 in Emollivet in accordance with the following:



PRESS RELEASE

- a) a maximum of 50 warrants shall be issued. Each warrant shall entitle to the subscription of one share in Emollivet;
- b) the right to subscribe for warrants shall, with deviation from the shareholders' pre-emption rights, only be granted to a maximum of three employees in Emollivet. Each person shall be entitled to subscribe for a maximum of 20 warrants in accordance with the Board of Directors of the Subsidiary's instructions. The subscribers entitled to the above have the right to acquire the warrants through a wholly owned company;
- c) subscription of warrants shall be made on a subscription list on 30 June 2021 at the latest. The Board of Directors of the Subsidiary shall be entitled to extend the subscription period;
- d) payment for the warrants shall be made no later than 14 calendar days after the subscription has taken place. The Board of Directors of the Subsidiary shall be entitled to extend the payment period;
- e) the warrants shall be issued on market terms at a price per warrant determined on the basis of a calculated market value for the warrants using the Black & Scholes valuation model;
- f) the exercise period for the warrants shall be from 1 January 2026 up to and including 30 June 2026;
- g) the maximum amount that the share capital can be increased by is SEK 5,000;
- h) the subscription price per share shall be SEK 10,000. Any premium shall be transferred to the Subsidiary's unrestricted share premium account;
- i) shares acquired as a result of subscription entitle the holder to a dividend for the first time on the record date for the dividend, which occurs after the new shares have been registered in Emollivet's share register;
- j) the chairman of the Board of Directors' of Emollivet, or the person he designates, is authorized to make minor adjustments to the resolution and the conditions that may prove necessary in connection with registration and execution.

The full terms and conditions for the warrants are set out in the complete proposal.

The reason for the deviation from the shareholders' pre-emption rights is that the Board of Directors of the Subsidiary wishes to offer the subscribers to take part in Emollivet's future value growth. A long-term financial interest in Emollivet is believed to stimulate interest in Emollivet's activities, increase motivation and strengthen involvement in Emollivet. Thus, the Board of Directors of the Subsidiary considers it to be beneficial for the Subsidiary and its shareholders that the subscribers in this way are offered to acquire warrants in Emollivet.

A full subscription and exercise of all the warrants in LTI 2021 will result in a dilution effect of approximately 2.5 percent of the total current number of shares and votes in Emollivet, however, with reservation to any potential recalculation in accordance with the full terms and conditions for the warrants.

Since subscription of the warrants takes place at market value, Emollivet is not affected by social security costs. Therefore, with the exception of administrative costs, the issue does not result in any costs for Emollivet. Thus, there is no need to take any hedging measures.

As the resolution falls under chapter 16 of the Swedish Companies Act it is conditional upon the approval of the general meeting in Emollivet's parent company, Lipidor AB (publ).



PRESS RELEASE

Resolution on approval of Emollivet AB's resolution on an issue of warrants to members of the Board of Directors in Emollivet AB (item 7)

The Annual General Meeting of the Subsidiary resolved to on 19 May 2021, after a proposal from Lipidor, to issue a maximum of 50 warrants of series 2021/2026 with deviation from the shareholders' pre-emption rights as part of an incentive program to the members of the Board of Directors in the Subsidiary (the "**Board program**"). The resolution in the Subsidiary was conditional upon the general meeting in the Company resolving to approve the Subsidiary's resolution to implement the Board program. The Board of Directors of Lipidor therefore proposes that the general meeting resolves to approve the resolution of LTI 2021 in Emollivet in accordance with the following:

- a) a maximum of 50 warrants shall be issued. Each warrant shall entitle to the subscription of one share in Emollivet;
- b) the right to subscribe for warrants shall, with deviation from the shareholders' pre-emption rights, only be granted to the members of the Board of Directors that are elected on the Annual General Meeting 2021 in Emollivet, whereby the chairman of the board shall be entitled to subscribe for a maximum of 20 warrants and the other members of the Board of Directors shall be entitled to subscribe for a maximum of 10 warrants each. The subscribers entitled to the above have the right to acquire the warrants through a wholly owned company;
- c) subscription of warrants shall be made on a subscription list on 30 June 2021 at the latest;
- d) payment for the warrants shall be made no later than 14 calendar days after the subscription has taken place;
- e) the warrants shall be issued on market terms at a price per warrant determined on the basis of a calculated market value for the warrants using the Black & Scholes valuation model;
- f) the exercise period for the warrants shall be from 1 January 2026 up to and including 30 June 2026;
- g) the maximum amount that the share capital can be increased by is SEK 5,000;
- h) the subscription price per share shall be SEK 10,000. Any premium shall be transferred to the Subsidiary's unrestricted share premium account;
- i) shares acquired as a result of subscription entitle the holder to a dividend for the first time on the record date for the dividend, which occurs after the new shares have been registered in Emollivet's share register.

The full terms and conditions for the warrants are set out in the complete proposal.

The reason for the deviation from the shareholders' pre-emption rights is that it is deemed appropriate that the members of the Board of Directors of the Subsidiary are offered the opportunity to take part in Emollivet's future value growth. A long-term financial interest in Emollivet is believed to stimulate interest in Emollivet's activities, increase motivation and strengthen involvement in Emollivet. Thus, the proposer of the resolution considers it to be beneficial for the Subsidiary and its shareholders that the members of the Board of Directors of the Subsidiary in this way are offered to acquire warrants in Emollivet.



PRESS RELEASE

A full subscription and exercise of all the warrants in the Board program will result in a dilution effect of approximately 2.5 percent of the total current number of shares and votes in Emollivet, however, with reservation to any potential recalculation in accordance with the full terms and conditions for the warrants.

Since subscription of the warrants takes place at market value, Emollivet is not affected by social security costs. Therefore, with the exception of administrative costs, the issue does not result in any costs for Emollivet. Thus, there is no need to take any hedging measures.

As the resolution falls under chapter 16 of the Swedish Companies Act it is conditional upon the approval of the general meeting in Emollivet's parent company, Lipidor AB (publ).

Majority requirements

Resolutions in accordance with items 6 and 7 above require approval of at least nine tenths (9/10) of the shares represented and votes cast at the EGM.

Further information

As per the date of this notice, the total number of shares and votes in the Company are 28 396 863. The Company does not hold any own shares.

Complete proposals as well as postal notification and proxy forms will be made available by the Company and at the Company's website at least two weeks before the EGM. The documents will be sent to shareholders who request it and provide their postal address.

The Board of Directors and the CEO shall, if any shareholder so requests and the Board of Directors believes that it can be done without material harm to the Company, provide information regarding circumstances that may affect the assessment of an item on the agenda, and the Company's relation to other companies within the Group. A request for such information shall be made in writing to the Company no later than 29 May 2021, to Lipidor AB (publ), "Extra bolagsstämma" c/o Fredersen Advokatbyrå, Turning Torso, SE-211 15 Malmö, or via email to lipidor@fredersen.se. The information will be made available on the Company's website www.lipidor.se and at the Company's offices at Lipidor, Karolinska Institutet Science Park, Fogdevreten 2, SE-171 65 Solna, no later than 3 June 2021. The information will also be sent to the shareholder who has requested the information and stated its address.

The Company has its registered office in Stockholm.

Processing of personal data

For information on how your personal data is processed, see:

<https://www.euroclear.com/dam/ESw/Legal/Integritetspolicy-bolagsstammor-svenska.pdf>

Stockholm, May 2021

Lipidor AB (publ)

The Board of Directors



PRESS RELEASE

Information

The information was provided for publication through the office of Lipidor's CEO on 24 May 2021 at 07.00am (CEST).

For more information, please contact:

Ola Holmlund, CEO
Telephone: +46 (0)72 50 70 369
Email: ola.holmlund@lipidor.se

Certified Adviser

Erik Penser Bank AB
Telephone: +46 (0)8 463 80 00
E-mail: certifiedadviser@penser.se

About Lipidor AB

Lipidor AB (www.lipidor.se) is a Swedish, Stockholm-based research and development company with a pipeline of pharmaceutical development projects in preclinical and clinical phases. The Company develops topical medical products for the treatment of diseases such as psoriasis, bacterial skin infections and atopic dermatitis by reformulation of proven pharmaceutical substances.