

## Minutes from Annual General Meeting

Company	Karolinska Development AB (publ) (556707-5048)
Date	June 15, 2020
Place	Solna

### 1. Opening of the meeting

The meeting was declared opened (digitally) by the chairman of the Board of Directors, Hans Wigzell.

### 2. Election of chairman of the meeting

It was resolved to appoint lawyer Johan Hessius from Cirio law firm as chairman of the meeting. It was noted that Johan Dighed, General Counsel at Karolinska Development, had been appointed to keep the minutes at the meeting.

### 3. Preparation and approval of the voting list

The voting list for the meeting was approved, **Appendix 3**. It was noted that a quorate Board of Directors (digitally), the CEO, and the chairman of the Nomination Committee Peter Lundkvist were present.

### 4. Approval of the agenda

It was resolved to approve the agenda in accordance with the notice of the meeting.

### 5. Election of one or two persons to verify the minutes

It was resolved that the chairman of the meeting together with Louise Berlin from Walthon Advokater, representing Coastal Capital International, Ltd., should verify the minutes.

### 6. Determination of whether the meeting was duly convened

It was noted that the notice of the meeting had been published in *Post- och Inrikes Tidningar* on May 12, 2020 and that information that the notice had been issued was published on the same date in *Svenska Dagbladet*. The notice has also been available on the company's website since May 7, 2020.

The meeting was declared duly convened.

### 7. Presentation of the annual report and the auditor's report and the group annual report and the auditor's group report

It was noted that the annual report and the auditor's report, and the group annual report and the auditor's group report, **Appendix 7**, were available at the meeting and had been available on the company's website and at the company's office three weeks prior to the meeting and had been sent to shareholders upon request.

Björn Ohlsson, from the company's auditor Ernst & Young AB, presented the auditor's reports and the audit work.

It was established that the annual report and the auditor's report, and the group annual report and the auditor's group report had been duly presented.

### 8. Information from the CEO

Viktor Drvota, CEO, presented information about the company's business during the financial year 2019 and part of 2020. The shareholders had the opportunity to ask questions.

### 9. Report on the work of the Board of Directors

The chairman of the Board of Directors presented (digitally) information regarding the work of the Board of Directors and the committees during the financial year 2019. The shareholders had the opportunity to ask questions.

### 10. Resolutions regarding:

#### a) *adoption of the profit and loss statement and the balance sheet, and consolidated profit and loss statement and consolidated balance sheet*

It was resolved, in accordance with the auditor's approval, to adopt the profit and loss statement and the balance sheet and the consolidated profit and loss statement and the consolidated balance sheet.

***b) appropriation of the company's result according to the adopted balance sheet***

It was resolved, in accordance with the auditor's approval, to approve the allocation of the result, proposed by the board and the CEO, in total SEK 1,005,996,980, to be carried forward.

***c) discharge from liability of the directors and the CEO***

It was resolved, in accordance with the auditor's approval, to grant the directors and the CEO discharge from liability for the financial year 2019. It was noted that neither the directors of the board, nor the CEO, that were entitled to vote, participated in the resolution. It was noted that the decision was unanimous.

**11. Resolution regarding the number of directors and auditors and deputy auditors to be appointed**

Peter Lundkvist presented information regarding the Nomination Committee's work.

Peter Lundkvist then presented the Nomination Committee's proposal regarding (i) the number of directors as well as auditors and deputy auditors; (ii) fees for the Board of Directors and the auditors; (iii) election of chairman of the board, directors, and auditors and deputy auditors; and (iv) principles for appointing members of the Nomination Committee and instruction regarding the Nomination Committee.

It was resolved, in accordance with the Nomination Committee's proposal, that the number of directors shall be five without deputies and that the number of auditors shall be one without deputies.

**12. Resolution in respect of the fees for the Board of Directors and for the auditor**

It was resolved that the chairman will be paid a fixed amount of SEK 400,000 to be paid out in proportion to board meetings attended. All other directors not employed by the company will be paid a fixed amount of SEK 200,000 to be paid out in proportion to board meetings attended. The fees remain unchanged compared to the previous year.

It was further resolved, in accordance with the Nomination Committee's proposal, that the auditor will be paid as per invoice.

**13. Election of chairman of the Board of Directors, directors and auditors and deputy auditors**

It was noted that information regarding positions in other companies held by the proposed directors was presented.

It was resolved, in accordance with the Nomination Committee's proposal, to re-elect the directors Hans Wigzell, Tse Ping, Magnus Persson and Theresa Tse, and new election of Björn Cochlovius. Election of Hans Wigzell as chairman of the Board of Directors.

The composition of the Board of Directors fulfils the independence requirements under the Swedish Corporate Governance Code.

It was resolved, in accordance with the Nomination Committee's proposal, to elect Ernst & Young, AB as auditor, currently with Björn Ohlsson as auditor in charge, for the time until the end of the 2021 Annual General Meeting.

**14. Principles for appointing members of and instruction for the Nomination Committee**

It was resolved, in accordance with the Nomination Committee's proposal, that the Nomination Committee shall have five members of which the five largest owners (voting power, as set forth in the share register kept by Euroclear Sweden AB as of 31 August 2020) shall appoint one member each. The chairman of the Board of Directors shall convene the first meeting. If a shareholder does not exercise its right to appoint a member, the shareholder next in order of voting power, who has not already appointed a member or has a right to appoint a member, shall have the right to appoint a member to the Nominating Committee. The members of the Nomination Committee shall be made public as soon as the members have been appointed, and in no case later than six months prior to Annual General Meeting 2021. The members shall among themselves appoint the chairman of the committee. If a member resigns or is prevented from pursuing his/her assignment, the shareholder that has appointed such member shall appoint a new member. In the event that the shareholding in the company is materially changed, before the Nomination Committee has completed its assignment, the Nomination Committee may decide to change the composition of the Nomination Committee, as determined by the Nomination Committee (considering the principles applicable for the appointment of the Nomination Committee). Any change in the composition of the Nomination Committee shall be announced as soon as possible. No fees shall be paid to the members of the Nomination Committee. Out of pocket expenses shall be reimbursed by the company. The mandate of the Nomination Committee shall be until the members of the succeeding Nomination Committee have been announced. The Nomination Committee shall carry out the tasks

that, according to the Swedish Corporate Governance Code, are the responsibility of the Nomination Committee. The Nomination Committee's proposal is based on previously applied principles for the Nomination Committee's composition.

**15. The Board of Directors' proposal regarding principles for remuneration to executive management**  
Björn Ohlsson, auditor in charge of the company's auditors Ernst & Young, presented his report whether the Board of Directors and the CEO during the financial year 2019 had complied with the adopted principles for remuneration to executive management.

It was noted that the proposal was available at the meeting, had been included in the notice and had been available on the company's website and at the company's office three weeks prior to the meeting. Further, the proposal has been sent on request to shareholders which have provided their postal address.

It was resolved to reject the proposal by the Board of Directors regarding principles for remuneration to executive management for the coming year in accordance with **Appendix 15**.

**16. The Board of Directors' proposal regarding authorisation for the Board of Directors to resolve on transfer of own shares**

It was resolved to authorise the Board of Directors to decide, on one or more occasions, with or without deviation from the shareholders' preferential rights, and until the next Annual General Meeting, to transfer all own shares of series B held by the company at any given time. Transfer may take place on Nasdaq Stockholm or otherwise. Transfer on Nasdaq Stockholm shall be made at a price per share within the registered price interval at any given time, being the interval between the highest bid and lowest ask price. Otherwise, transfer shall be made on market terms. Payment for shares shall be made in cash, in kind or by set-off.

It was noted that the resolution was unanimous. It was noted that the proposal was available at the meeting, had been included in the notice and had been available on the company's website and at the company's office three weeks prior to the meeting. Further, the proposal has been sent on request to shareholders which have provided their postal address.

**17. The Board of Directors' proposal regarding authorisation for the Board of Directors to resolve on new issues of shares**

It was resolved to authorise the Board of Directors for the period up to the next Annual General Meeting to resolve, on one or more occasions, with or without deviation from the shareholders' preferential rights, and for payment in cash, by set-off or in kind, to issue new shares of series B up to a number that, at the time of the first resolution under this authorisation, corresponds to ten (10) per cent of the total share capital; provided however that any such issue must not result in the company's share capital exceeding the company's maximum allowed share capital as set out in the articles of association.

It was noted that the decision was unanimous. It was noted that the proposal was available at the meeting, had been included in the notice and had been available on the company's website and at the company's office three weeks prior to the meeting. Further, the proposal has been sent on request to shareholders which have provided their postal address.

**18. The Board of Directors' proposal regarding a) implementation of the Employee Stock Option Program 2020/2023, b) directed issue of warrants to subsidiary, and c) approval of transfer of warrants or shares to senior executives, key employees and other employees in the Company or its subsidiaries**

It was resolved to reject the Board of Directors' proposal regarding a) implementation of the Employee Stock Option Program 2020/2023, b) directed issue of warrants to the wholly owned subsidiary KD Incentive AB, company reg. no. 556745-7675 for fulfilment of the obligations pursuant to the Employee Stock Option Program 2020/2023, and c) transfer of warrants or shares in accordance with **Appendix 18**.

It was noted that the proposal was available at the meeting, had been included in the notice and had been available on the company's website and at the company's office three weeks prior to the meeting. Further, the proposal has been sent on request to shareholders which have provided their postal address.

**19. The Board of Directors' proposal regarding amendment of the articles of association**

It was resolved to, in accordance with the Board of Directors' proposal, amend the company's articles of association § 11 to the following:

*"§ 11 Shareholders' right to participate in shareholders' meetings*

*Shareholders who want to participate in shareholders' meetings, shall be listed in print-outs or other representation of the entire shareholders' register in accordance with aktiebolagslagen (the Swedish Companies Act), as well as notify the company the day which is specified in the notice to the meeting. The last-mentioned day may not be a Sunday, other public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve and not fall earlier than the fifth business days prior to the meeting.*

*Shareholders or representatives may bring up to two counsels at shareholders' meetings only if the shareholder is giving notice of the number of counsels to the company in accordance with the previous paragraph."*

It was noted that the decision was unanimous. It was noted that the proposal was available at the meeting, had been included in the notice and had been available on the company's website and at the company's office three weeks prior to the meeting. Further, the proposal has been sent on request to shareholders which have provided their postal address.

**20. Closing of the meeting**

The meeting was closed.

*Keeping minutes*

Johan Dighed

*Verified*

Johan Hessius

Louise Berlin