

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.

Minutes from the annual general meeting in Ascelia Pharma AB, Reg. No. 556571-8797, on 6 May 2020 at 1.00 p.m. in Malmö.

0. Opening of the meeting

The chairman of the board of directors, Peter Benson, opened the meeting and welcomed the shareholders.

It was noted that – due to the current situation with Covid-19 – a quorate board of directors, the company’s CEO, Magnus Corfitzen, and the company’s responsible auditor, Carl Fogelberg from Öhrlings PricewaterhouseCoopers AB, participated via link.

1. Election of chairman of the meeting

The meeting resolved to elect lawyer Ola Grahn as chairman of the meeting. The chairman of the meeting should keep the minutes.

2. Preparation and approval of the voting list

A list of present shareholders, proxies, advisors and other present persons (including those shareholders who had submitted votes in advance) in accordance with **Schedule 1** was prepared.

The above-mentioned list of present shareholders, proxies, advisors and other present persons (including those shareholders who had submitted votes in advance) in accordance with Schedule 1 was approved as the voting list at the meeting.

3. Approval of the agenda

The meeting resolved to approve the agenda in accordance with the proposal from the board of directors as set out in the notice to attend the annual general meeting, **Schedule 2**.

4. Election of one or two persons who shall approve the minutes of the meeting

The meeting resolved that one person should approve the minutes of the meeting. Fredrik Karlsson was elected as such person to approve the minutes of the meeting.

5. Determination of whether the meeting was duly convened

It was noted that the notice to attend the annual general meeting, in accordance with the articles of association and the provisions of the Swedish Companies Act (*Sw. aktiebolagslagen (2005:551)*), had been inserted in the Swedish Official Gazette (*Sw. Post- och Inrikes Tidningar*) on 8 April 2020, that the notice to attend the annual general meeting had been available at the company's website since 3 April 2020, and that the advert regarding the notice to attend the annual general meeting had been inserted in Svenska Dagbladet on 8 April 2020.

The meeting was declared to be duly convened.

6. Address by the CEO

The CEO, Magnus Corfitzen, gave an address on the company's operations during the financial year 2019 and the development for the period after the end of the financial year.

The shareholders were given the opportunity to ask questions to the CEO with regard to his address.

7. Submission of the annual report and the audit report and the consolidated annual report and consolidated audit report

The annual report and the audit report and the consolidated annual report and the consolidated audit report for the financial year 2019 as well as the auditor's report in accordance with Chapter 8, Section 54 of the Swedish Companies Act on whether the guidelines adopted by the annual general meeting regarding remuneration to the senior executives have been complied with, were submitted.

8. Resolutions regarding:

- a. **adoption of the income statement and the balance sheet and the consolidated income statement and the consolidated balance sheet**

The meeting resolved to adopt the income statement and the balance sheet and the consolidated income statement and the consolidated balance sheet as stated in the above-mentioned annual report and consolidated annual report.

b. allocation of the company's profits in accordance with the adopted balance sheet

The meeting resolved – in accordance with the proposal from the board of directors as set out in the report from the board of directors – that no dividends are paid to the shareholders and that the available funds of SEK 217,450,356 are carried forward.

c. discharge of the members of the board of directors and the CEO from liability

The meeting resolved that the members of the board of directors and the CEO should be discharged from liability for the financial year 2019.

It was noted that the members of the board of directors and the CEO did not participate in the resolution regarding their own discharge from liability.

9. Determination of the number of members of the board of directors and the number of auditors and deputy auditors

The Nomination Committee's report and reasoned statement as well as its proposals for resolutions were presented.

The meeting resolved in accordance with the proposal from the Nomination Committee that the board of directors shall be composed of seven ordinary board members for the period up until the end of the next annual general meeting.

Furthermore, the meeting resolved in accordance with the proposal from the Nomination Committee that one registered accounting firm shall be appointed as auditor for the period up until the end of the next annual general meeting.

10. Determination of remuneration for the members of the board of directors and auditors

The meeting resolved in accordance with the proposal from the Nomination Committee that board remuneration shall be paid with SEK 400,000 to the chairman of the board and with SEK 200,000 to each of the other board members who are not employed by the company. The meeting further resolved that remuneration for committee work shall be paid with SEK 100,000 to the chairman of the Audit Committee, with SEK 25,000 to each of the other members of

the Audit Committee, with SEK 100,000 to the chairman of the Commercialization Committee (new committee) and with SEK 25,000 to each of the other members of the Commercialization Committee (new committee). No separate remuneration shall be paid for work in the Remuneration Committee. It was finally resolved that, in addition to the above, board members residing outside of Europe shall be paid additional board remuneration with SEK 10,000 per physical board meeting attended.

The meeting resolved in accordance with the proposal from the Nomination Committee that remuneration for the auditor shall be paid in accordance with customary norms and approved invoice.

11. Election of members of the board of directors, chairman of the board of directors and auditors

The chairman of the meeting noted that information on the proposed members of the board of directors and their other assignments can be found in the Annual Report and on the company's website, and, with regard to information on Lauren Barnes, in the Nomination Committee's complete proposals.

The meeting resolved in accordance with the proposal from the Nomination Committee to re-elect Peter Benson, Niels Mengel, Bo Jesper Hansen, René Spogård, Helena Wennerström and Hans Maier as ordinary board members and to elect Lauren Barnes as new ordinary board member. The meeting further resolved to re-elect Peter Benson as chairman of the board.

Finally, the meeting resolved in accordance with the proposal from the Nomination Committee to re-elect Öhrlings PricewaterhouseCoopers AB as accounting firm. It was noted that Öhrlings PricewaterhouseCoopers AB had informed that the authorized public accountant Carl Fogelberg will continue to be appointed as the responsible auditor.

12. Resolution on guidelines for remuneration to senior executives

The chairman of the meeting presented the proposal from the board of directors regarding guidelines for remuneration to senior executives in accordance with **Schedule 3**.

The meeting thereafter resolved in accordance with the proposal in Schedule 3.

13. Resolution on amendment of the Articles of Association

The chairman of the meeting presented the proposal from the board of directors on amendment of the Articles of Association in accordance with **Schedule 4**.

The meeting thereafter resolved in accordance with the proposal in Schedule 4. It was noted that the resolution was unanimous.

14. Resolution on authorization for the board of directors regarding issues

The chairman of the meeting presented the proposal from the board of directors on authorization for the board of directors to resolve on issues in accordance with **Schedule 5**.

The meeting thereafter resolved in accordance with the proposal in Schedule 5. It was noted that the resolution was supported by shareholders representing at least two thirds of the votes cast as well as of all shares represented at the meeting.

15. Resolution on implementation of a long-term incentive program by way of (A) implementation of a performance-based share saving program; (B) authorization on a directed issue of series C shares; (C) authorization for repurchase of series C shares; and (D) resolution on transfer of own ordinary shares

The chairman of the meeting presented the proposal from the board of directors on implementation of a long-term incentive program by way of (A) implementation of a performance-based share saving program; (B) authorization on a directed issue of series C shares; (C) authorization for repurchase of series C shares; and (D) resolution on transfer of own ordinary shares in accordance with **Schedule 6**, as well as the statement from the board of directors pursuant to Chapter 19, Section 22 of the Swedish Companies Act in accordance with **Schedule 7**.

The meeting thereafter resolved in accordance with the proposal in Schedule 6. It was noted that the resolution was unanimous.

16. Closing of the meeting

The chairman of the meeting declared the meeting closed.

In fidem:

Confirmed by:

Ola Grahn
(Chairman of the meeting)

Fredrik Karlsson

Schedule 2

Malmö, 3 April 2020

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NOTICE OF ANNUAL GENERAL MEETING IN ASCELIA PHARMA AB

The shareholders in Ascelia Pharma AB, Reg. No. 556571-8797, are hereby invited to attend the annual general meeting (Sw. årsstämma) to be held at the premises of Setterwalls Advokatbyrå AB at Stortorget 23 in Malmö, Sweden on Wednesday 6 May 2020 at 1.00 p.m.

Information regarding the coronavirus

As a precautionary measure to reduce the risk of spreading the coronavirus, the board of directors of Ascelia Pharma has decided to keep planned speeches at the general meeting to a minimum and that no refreshments will be served. Participation at the general meeting by members of the board of directors and management as well as the number of non-shareholders present at the general meeting will be limited in an effort to keep the general meeting brief and efficient, and thereby minimizing the risk of spreading the coronavirus. For shareholders who are worried about the spread of infection due to the coronavirus, we want to emphasize the possibility of not attending in person at Ascelia Pharma's general meeting and instead appoint a proxy who can vote on their behalf. Ascelia Pharma also encourages such solution for anyone displaying symptoms of illness, who has been in an area of infection, or who is considered to be part of a risk group. Shareholders who want to authorize a proxy can find relevant documents at the company website (www.ascelia.com). The CEO's presentation from the general meeting will be posted at the company website after the general meeting.

Right to participate in the meeting and notice of participation

Shareholders wishing to attend the annual general meeting must:

- be registered in the company's share register kept by Euroclear Sweden AB (the Swedish Securities Register Center) as of Wednesday 29 April 2020; and
- no later than on Wednesday 29 April 2020, notify the company of their intention to participate in the annual general meeting by mail to Ascelia Pharma AB, att: Kristian Borbos, Hyllie Boulevard 34, SE-215 32 Malmö, Sweden, by e-mail to kb@ascelia.com or by phone +46 (0)735 179 113. The notice should specify the complete name of the shareholder, personal identity number or company registration number, the number of shares held by the shareholder, address, telephone number during work hours and, when applicable, information on the number of advisors (two at the most).

Trustee-registered shares

Shareholders, whose shares are trustee-registered, must, in order to be entitled to participate in the general meeting, temporarily register their shares in their own name in the share register kept by Euroclear Sweden AB. Such temporary re-registration of ownership must be implemented no later than as of Wednesday 29 April 2020, meaning that shareholders wishing for such re-registration must notify their trustee well in advance of this date.

Proxies etc.

Shareholders intending to participate by proxy must issue a written, signed and dated power of attorney. The validity term of the power of attorney may be at the longest five years if this is

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specifically stated. In case no validity term is stated, the power of attorney is valid for at the longest one year. Should the power of attorney be issued by a legal entity, a certified copy of a registration certificate (Sw. registreringsbevis) or equivalent document shall be presented at the meeting. In order to facilitate the preparations before the meeting, a copy of the power of attorney and other proof of authority should be attached to the notice of participation. A template power of attorney can be found at the company website (www.ascelia.com) and will be sent by mail to the shareholders who request it and state their address.

Proposed agenda

0. Opening of the meeting.
1. Election of chairman of the meeting.
2. Preparation and approval of the voting list.
3. Approval of the agenda.
4. Election of one or two persons who shall approve the minutes of the meeting.
5. Determination of whether the meeting was duly convened.
6. Address by the CEO.
7. Submission of the annual report and the audit report and the consolidated annual report and consolidated audit report.
8. Resolutions regarding:
 - a. adoption of the income statement and the balance sheet and the consolidated income statement and the consolidated balance sheet;
 - b. allocation of the company's profits in accordance with the adopted balance sheet; and
 - c. discharge of the members of the board of directors and the CEO from liability.
9. Determination of the number of members of the board of directors and the number of auditors and deputy auditors.
10. Determination of remuneration for the members of the board of directors and auditors.
11. Election of members of the board of directors, chairman of the board of directors and auditors.
12. Resolution on guidelines for remuneration to senior executives.
13. Resolution on amendment of the Articles of Association.
14. Resolution on authorization for the board of directors regarding issues.
15. Resolution on implementation of a long-term incentive program by way of (A) implementation of a performance-based share saving program; (B) authorization on directed issues of series C shares; (C) authorization for repurchase of series C shares; and (D) resolution on transfer of own ordinary shares.
16. Closing of the meeting.

Proposed resolutions

Item 1: Election of chairman of the meeting

The Nomination Committee, that has consisted of Jørgen Thorball (chairman), appointed by Sunstone Life Science Ventures II K/S, Nils Lorentzen, appointed by CMC SPV of 3 April 2017 AB, Håkan Nelson, appointed by Øresund Healthcare Management A/S and Peter Benson, chairman of the board of directors, proposes that attorney Ola Grahn is elected as chairman of the meeting.

Item 8 b: Resolution regarding allocation of the company's profits in accordance with the adopted balance sheet

The board of directors proposes that no dividends are paid to the shareholders and that the available funds of SEK 217,450,356 are carried forward.

Item 9: Determination of the number of members of the board of directors and the number of auditors and deputy auditors

The Nomination Committee proposes that the board of directors shall be composed of 7 members. Furthermore, it is proposed, in accordance with the recommendation from the Audit Committee, that one registered accounting firm is appointed as auditor.

Item 10: Determination of remuneration for the members of the board of directors and auditors

The Nomination Committee proposes that board remuneration shall be paid with SEK 400,000 to the chairman of the board (unchanged since previous year) and with SEK 200,000 to each of the other board members who are not employed by the company (unchanged since previous year). It is further proposed that remuneration for committee work shall be paid with SEK 100,000 to the chairman of the Audit Committee (unchanged since previous year), with SEK 25,000 to each of the other members of the Audit Committee (unchanged since previous year), with SEK 100,000 to the chairman of the Commercialization Committee (new committee) and with SEK 25,000 to each of the other members of the Commercialization Committee (new committee). No separate remuneration shall be paid for work in the Remuneration Committee. It is finally proposed that, in addition to the above, board members residing outside of Europe shall be paid additional board remuneration with SEK 10,000 per physical board meeting attended.

Remuneration for the auditor is, in accordance with the recommendation from the Audit Committee, proposed to be paid in accordance with customary norms and approved invoice.

Item 11: Election of members of the board of directors, chairman of the board of directors and auditors

The Nomination Committee proposes that Peter Benson, Niels Mengel, Bo Jesper Hansen, René Spogård, Helena Wennerström and Hans Maier are re-elected as ordinary board members, that Lauren Barnes is elected as new ordinary board member, and that Peter Benson is re-elected as chairman of the board.

Lauren Barnes, born 1974, is Senior Vice President, Market Access for Blueprint Medicines, a commercial stage Boston based precision medicine company focusing on genomically defined cancers, rare diseases and cancer immunotherapy. Lauren Barnes has extensive expertise and experience in pricing, market access, pre-commercialization and managed markets in particular for the US market. She has been involved in launch planning of more than 50 drugs, devices and diagnostics during her career. Prior to her current role Lauren was Vice President at Vertex Pharmaceuticals, SVP Avalere Health and led their Reimbursement & Commercialization practice and

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has also held various roles at Amgen and the agency that runs the United States Medicare Program, the Centers for Medicare and Medicaid Services.

Other current positions: Chair of the National Board of the Cancer Support Community.

Education: MHS in Public Health from the Johns Hopkins School of Public Health and BA in Public Health from the Johns Hopkins University

Shareholding in Ascelia Pharma AB: 0

Information on the board members proposed for re-election can be found at the company website (www.ascelia.com) and in the annual report.

Furthermore, the Nomination Committee proposes, in accordance with the recommendation from the Audit Committee, that Öhrlings PricewaterhouseCoopers AB is re-elected as accounting firm. Öhrlings PricewaterhouseCoopers AB has informed that authorized public accountant Carl Fogelberg will continue to be the auditor in charge.

Item 12: Resolution on guidelines for remuneration to senior executives

The board of directors proposes that the annual general meeting resolves to adopt the following guidelines for remuneration to senior executives.

Scope and applicability of the guidelines

These guidelines comprise the persons who are part of Ascelia Pharma AB's ("**Ascelia**") group management, currently the CEO, CFO, CMO, CCO and Head of IR & Communication. The guidelines also encompass any remuneration to members of the board of directors, in addition to board remuneration.

These guidelines are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the annual general meeting 2020. These guidelines do not apply to any remuneration resolved by the general meeting, such as e.g. board remuneration and share-based incentive programs.

The guidelines' promotion of the company's business strategy, long-term interests and sustainability

Ascelia is an oncology-dedicated orphan drug development company focused on the development of novel drugs to improve the life expectancy and quality of life for people living with cancer. In brief, Ascelia's business strategy is to develop and make available to patients a portfolio of differentiated, underappreciated and de-risked product candidates addressing unmet medical needs in cancer and cancer-related diseases. Ascelia is fully focused on two clinical-stage product candidates under development: Mangoral, a novel non-gadolinium contrast agent used in MRI-scans of the liver in Phase III clinical studies, and Oncoral, an oral chemotherapy tablet ready for Phase II clinical studies for the treatment of gastric cancer. For more information about Ascelia's business strategy, see Ascelia's latest annual report.

A successful implementation of Ascelia's business strategy and safeguarding of Ascelia's long-term interests, including its sustainability, require that the company is able to recruit and retain highly competent senior executives with a capacity to achieve set goals. In order to achieve this, Ascelia must offer a competitive total remuneration on market terms, which these guidelines enable.

Long-term share-based incentive programs have been implemented in Ascelia. For further information about these programs, see Ascelia's latest annual report. The share-based incentive programs have been approved by the general meeting and are therefore not covered by these guidelines.

Types of remuneration, etc.

The remuneration shall be on market terms and be competitive, and may consist of the following components: fixed salary, variable cash remuneration, pension benefits and other benefits. For the individual senior executive, the level of remuneration shall be based on factors such as competence, area of responsibility and performance. Additionally, the general meeting may – irrespective of these guidelines – resolve on, e.g. share and share price-related remuneration.

For employments governed by rules other than Swedish, pension benefits and other benefits may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

Fixed salary

The CEO and other senior executives shall be offered a fixed annual cash salary. The fixed salary shall as a starting point be determined per calendar year with salary revision on an annual basis.

Variable cash remuneration

In addition to fixed salary, the CEO and other senior executives may, according to separate agreements, receive variable cash remuneration. Variable cash remuneration covered by these guidelines is intended to promote Ascelia's business strategy and long-term interests, including its sustainability.

The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one or several years. Variable cash remuneration may, for the CEO, amount to a maximum of 40 percent of the fixed annual salary, and for other senior executives, a maximum of 20 percent of the fixed annual salary. Variable cash remuneration shall not qualify for pension benefits, save as required by mandatory collective bargaining agreements.

The variable cash remuneration shall be linked to one or several predetermined and measurable criteria, which can be financial, such as revenue targets, EBITDA/EBIT targets and budget adherence, or non-financial, such as achievement of clinical and manufacturing milestones. By linking the goals in a clear and measurable way to the remuneration of the senior executives to Ascelia's financial and operational development, they contribute to the implementation of the company's business strategy, long-term interests and sustainability.

To which extent the criteria for awarding variable cash remuneration has been satisfied shall be evaluated and determined when the measurement period has ended. The Remuneration Committee is responsible for the evaluation. For financial objectives, the evaluation shall be based on the latest financial information made public by the company.

Additional variable cash remuneration may be awarded in extraordinary circumstances, provided that such extraordinary arrangements are only made on an individual basis, either for the purpose of recruiting or retaining senior executives, or as remuneration for extraordinary performance beyond the individual's ordinary tasks. Such remuneration may not exceed an amount corresponding to 30 percent of the fixed annual salary and may not be paid more than once each year per individual. Any resolution on such remuneration shall be made by the board of directors based on a proposal from the Remuneration Committee.

The board of directors shall have the possibility to, in whole or in part, reclaim variable cash remuneration paid on incorrect grounds.

Pension benefits

Pension benefits, including health insurance, shall be defined contribution, insofar as the senior executive is not covered by defined benefit pension under mandatory collective bargaining

agreements. Premiums for defined contribution pensions, including health insurance, may amount to a maximum of 30 percent of the fixed annual salary.

In addition, senior executives may be entitled to arrange individual pension schemes where refrained salaries and variable remuneration can be used for increased pension contributions, provided that the total cost for the company is unchanged over time.

Other benefits

Other benefits may include life insurance, medical insurance and a company car. Premiums and other costs relating to such benefits may amount to a total of not more than 20 percent of the fixed annual salary.

Termination of employment and severance payment

Senior executives shall be employed until further notice or for a specified period of time. Upon termination of an employment by Ascelia, the notice period may not exceed 12 months. Fixed salary and other remuneration during the notice period and severance pay may not together exceed an amount corresponding to the fixed annual salary for 18 months. Upon termination by the senior executive, the notice period may not exceed six months, without any right to severance pay.

In addition to fixed salary during the period of notice and severance pay, additional remuneration may be paid for non-compete undertakings. Such remuneration shall compensate for loss of income and shall only be paid in so far as the previously employed senior executive is not entitled to severance pay for the period for which the non-compete undertaking applies. The remuneration shall be based on the fixed annual salary at the time of termination of employment and amount to not more than 60 percent of the fixed annual salary at the time of termination of employment, save as otherwise provided by mandatory collective bargaining agreements, and shall be paid during the time as the non-compete undertaking applies, however not for more than 12 months following termination of employment.

Salary and employment conditions for employees

In the preparation of the board of directors' proposal for these remuneration guidelines, salary and employment conditions for employees of Ascelia have been taken into consideration by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the Remuneration Committee's and the board of directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

Consultancy fees to the members of the board of directors

To the extent a member of the board of directors renders services for the company, in addition to his or her assignment as a member of the board of directors, an additional consultancy fee on market terms may be paid to the member of the board of directors, or to a company controlled by such member of the board of directors, provided that such services contribute to the implementation of Ascelia's business strategy and the safeguarding of Ascelia's long-term interests, including its sustainability.

Preparation and decision-making progress

The board of directors has established a Remuneration Committee. The Remuneration Committee's duties include i.a. preparing the board of directors' resolution to propose guidelines for remuneration to senior executives. The board of directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the general meeting. The guidelines shall be in force until new guidelines have been adopted by the general meeting. The Remuneration Committee shall also monitor and evaluate programs for variable remuneration for the senior executives as well as the current remuneration structures and compensation levels in the company. The members of

the Remuneration Committee are independent in relation to the company and its senior management. The CEO and other members of the senior management do not participate in the board of directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Deviation from these guidelines

The board of directors may temporarily resolve to deviate from these guidelines, in whole or in part, if in a specific case there is special cause for the deviation and a deviation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As set out above, the Remuneration Committee's tasks include preparing the board of directors' resolutions in remuneration-related matters, which include any resolutions to deviate from these guidelines.

Information regarding resolved remunerations that have not yet fallen due

Apart from the commitments to pay ongoing remuneration such as salary, pension and other benefits, there are no previously resolved remuneration to any senior executives that have not yet fallen due. For further information on remuneration to senior executives, please see note 4 in Ascelia's annual report.

Item 13: Resolution on amendment of the Articles of Association

The board of directors proposes that the annual general meeting resolves to amend the company's Articles of Association in accordance with the following:

§ 1 Name (proposed wording "Company name")

Current wording

The name of the company is Ascelia Pharma AB. The company is a public company (publ).

Proposed wording

The company name is Ascelia Pharma AB. The company is a public company (publ).

§ 4 Share capital

Current wording

The share capital shall not be less than SEK 11,200,000 and shall not exceed SEK 44,800,000.

Proposed wording

The share capital shall not be less than SEK 23,950,000 and shall not exceed SEK 95,800,000.

§ 5 Number of shares

Current wording

The number of shares shall not be less than 11,200,000 and shall not exceed 44,800,000.

Proposed wording

The number of shares shall not be less than 23,950,000 and shall not exceed 95,800,000.

§ 9 Notice of general meeting

Current wording

Notice convening a general meeting shall be made by announcement in the Swedish Official Gazette (Sw. Post- och Inrikes Tidningar) and by making the notice available on the company's website. It shall further be announced in Svenska Dagbladet that a notice has been made.

Shareholders wishing to participate in the general meetings must be listed as shareholder in a printout or other transcript of the entire share register reflecting the circumstances five weekdays before the general meeting and notify participation to the company no later than on the date specified in the notice. The last mentioned day may not be a Sunday, other public holiday, Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve and may not occur earlier than the fifth weekday before the general meeting. A shareholder may be accompanied by advisors at a general meeting only if the shareholder notifies the number of advisors to the company in accordance with the procedure prescribed for notification of shareholders' intention to participate in the general meeting.

Proposed wording

Notice convening a general meeting shall be made by announcement in the Swedish Official Gazette (Sw. Post- och Inrikes Tidningar) and by making the notice available on the company's website. It shall further be announced in Svenska Dagbladet that a notice has been made.

Shareholders wishing to participate in the general meetings must notify participation to the company no later than on the date specified in the notice. This day may not be a Sunday, other public holiday, Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve and may not occur earlier than the fifth weekday before the general meeting. A shareholder may be accompanied by advisors at a general meeting only if the shareholder notifies the number of advisors to the company in accordance with the procedure prescribed for notification of shareholders' intention to participate in the general meeting.

The CEO shall be authorized to make minor formal adjustments of the resolution which may be required for registration with the Swedish Companies Registration Office (Sw. Bolagsverket).

Item 14: Resolution on authorization for the board of directors regarding issues

The board of directors proposes that the annual general meeting resolves to authorize the board of directors, at one or several occasions, during the time up until the next annual general meeting, with or without deviation from the shareholders' preferential rights, and with or without provisions regarding payment in kind or through set-off or other provisions, to resolve to issue new shares, convertibles and/or warrants. The reason for that deviation from the shareholders' preferential rights shall be permitted is to enable the company to raise working capital, to execute acquisitions of companies or operating assets as well as to enable issues to industrial partners within the framework of partnerships and alliances. The total number of shares that that may be issued (alternatively be issued through conversion of convertibles and/or exercise of warrants) shall not exceed 5,872,227, which corresponds to a dilution of approximately 20 percent calculated on the current number of outstanding ordinary shares in the company. To the extent an issue is made with deviation from the shareholders' preferential rights, the issue should be made on market terms.

The CEO shall be authorized to make minor formal adjustments of the resolution which may be required for registration with the Swedish Companies Registration Office (Sw. Bolagsverket).

Item 15: Resolution on implementation of a long-term incentive program by way of (A) implementation of a performance-based share saving program; (B) authorization on directed issues of series C shares; (C) authorization for repurchase of series C shares; and (D) resolution on transfer of own ordinary shares

The board of directors proposes that the annual general meeting resolves to implement a long-term incentive program in the form of a performance-based share saving program (the "LTI 2020") for employees in accordance with A below. The resolution is conditional upon that the annual general meeting also resolves on hedging measures in accordance with B – D below.

A. Implementation of a performance-based share saving program

Background

The overall purpose with LTI 2020 is to align the interests of the employees with those of the shareholders and thus ensure a maximum long-term value adding commitment. LTI 2020 is also considered to create a long-term focus on increase in earnings and growth among the participants. LTI 2020 is further considered to facilitate for the company to recruit and retain employees.

At the annual general meeting 2019, it was resolved to implement a corresponding incentive program for employees in the company (LTI 2019).

Terms and conditions for LTI 2020

1. LTI 2020 shall comprise senior executives and key employees divided into three categories.
2. LTI 2020 means that the participants will invest in ordinary shares in the company ("**Saving Shares**"). Following a predefined time period, the participants will, free of charge, have the right to receive additional shares in the company ("**Matching Shares**"). In addition, conditional upon fulfilment of a goal related to the development of the share price, the participants will further, free of charge, have the right to receive additional shares in the company ("**Performance Shares**"). The conditions for receipt of Matching Shares and Performance Shares are set out below.
3. The maximum number of Saving Shares that each participant shall be entitled to invest in shall amount to the following:

Position	Maximum number of Saving Shares
CEO	11,000
Other senior executives (3) persons)	6,000 – 12,000
Directors (4 persons)	2,500 – 5,000
Other employees (3 persons)	750 – 1,500

4. The board of directors shall, within the intervals stated above, resolve on the maximum number of Saving Shares that each individual participant may acquire. It is noted that when determining the intervals, the board of directors has considered, and when determining the maximum number of Saving Shares that each individual participant may acquire within the intervals, the board of directors will, consider that certain participants (including the CEO and 2 of the other senior executives) are also participating in LTI 2019 that was approved at the annual general meeting held in November 2019 and these participants will then only be offered to acquire 50 per cent of the number of Saving Shares that would otherwise have been offered.
5. The investment in Saving Shares shall be made through acquisition of ordinary shares on the stock market on 30 September 2020 at the latest (the "**Investment Period**"). The board of directors shall be entitled to prolong the Investment Period in case participants have been unable to acquire shares due to applicable insider regulations.

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6. For each Saving Share, the participant shall be entitled to receive 1 Matching Share. In addition, for each Saving Share, the participant shall have the possibility to receive up to 5 Performance Shares for each Saving Share.
7. The total number of Matching Shares will not exceed 55,750 and the total number of Performance Shares will not exceed 278,750, meaning that the total number of shares that can be issued to the participants in connection with LTI 2020 will not exceed 334,500. The number of shares that can be issued in connection with LTI 2020 might be recalculated in accordance with what is set out in Section 11 below.
8. Receipt of both Matching Shares and Performance Shares are conditional upon the fulfilment of the following conditions:
 - (a) that the participant has retained all Saving Shares during the period from the expiration of the Investment Period to 30 September 2023 (the “**Saving Period**”); and
 - (b) that the participant has continued to be employed by the company (or another company in its group) throughout the Saving Period.

As regards the employment condition as per (b) above, the board of directors shall in certain cases be entitled to resolve on proportionate allocation in case the employment is terminated prior to the expiration of the Saving Period as set out in Section 14 below.

9. Receipt of Performance Shares is further, in addition to the conditions following from Section 8 above, conditional upon that the requirement related to the development of the company’s share price from the date of the annual general meeting on 6 May 2020 to and including 30 September 2023 (the “**Performance Target**”) is fulfilled. The Performance Target will be measured based on the volume weighted average share price 30 trading days immediately following the annual general meeting on 6 May 2020 and 30 trading days immediately preceding 30 September 2023. An increase in the share price with less than 20 per cent does not entitle to any vesting of any of the Performance Shares, an increase in the share price with 20 per cent entitles to vesting of 1 Performance Share per Saving Share and an increase in the share price with 80 per cent or more entitles to vesting of all the 5 Performance Shares per Saving Share. In the event of an increase in the share price of between 20 and 80 per cent, vesting of the Performance Shares will occur linearly between 1 and 5.
10. Before the number of Performance Shares to be allocated is finally determined, the board of directors shall evaluate if allocation pursuant to the principles set out above is reasonable, having regard to the company’s results and financial standing, to conditions on the stock market and to other circumstances in general. If the board of directors finds that it is not reasonable, then the board of directors may decrease the number of Performance Shares to be allocated to the lower number of shares that the board of directors finds reasonable.
11. The number of Matching Shares and Performance Shares that may be allotted by virtue of Saving Shares shall be subject to recalculation in consequence of a bonus issue, split or reverse split, rights issue, and/or other similar company actions.
12. Allotment of Matching Shares and Performance Shares shall take place within 30 days from the publication of the financial report for the period June – September 2023.

13. Participation in LTI 2020 is conditional upon that the participation is legally possible and that the participation in the company's sole opinion can be made with reasonable administrative costs for the company.
14. LTI 2020 shall be governed by separate agreements with the respective participant. The board of directors shall be responsible for the preparation and management of LTI 2020 within the above mentioned principal terms and guidelines. In connection herewith, the board of directors shall be entitled to resolve on diverging terms for the allocation of Matching Shares and Performance Shares in connection with cessation of employment during the Saving Period due to death, early retirement or similar occasions or due to termination by the company that is not related to misconduct by the participants. In these cases the board of directors may resolve that the participant will be entitled to receive a proportionate part of the Matching Shares and the Performance Shares. Furthermore, in the event of a public take-over offer, a sale of the company's business, liquidation, merger or any other such transaction affecting the company, the board of directors shall, at its sole discretion, be entitled to resolve that the Matching Shares and Performance Shares (partially or in full) shall vest and be allotted on completion of such transaction. The board of directors will make this resolution based on the level of achievement of the Performance Target, the remainder of the Saving Period and any other factors deemed relevant by the board of directors.

B. Authorization on directed issues of series C shares

The board of directors proposes that the annual general meeting resolves to authorize the board of directors, for the period up until the next annual general meeting, on one or several occasions, to issue a maximum of 423,350 series C shares. The new shares may, with deviation from the shareholders' preferential rights, only be subscribed for by a bank or a securities company at a subscription price which corresponds to the quota value of the shares. The purpose of the authorization and the reason for the deviation from the shareholders' preferential rights in connection with an issue of shares is to secure delivery of Matching Shares and Performance Shares under LTI 2020 and, in terms of liquidity, to hedge payments of future social security contributions related to LTI 2020. It is noted that this shall be achieved through the company repurchasing the series C shares issued pursuant to the authorization in section C below whereafter the repurchased series C shares will be converted to ordinary shares and transferred in accordance with section D below.

C. Authorization on repurchase of series C shares

The board of directors proposes that the annual general meeting resolves to authorize the board of directors, for the period up until the next annual general meeting, on one or several occasions, to repurchase its own series C shares. Repurchase may only be effected through a public offer directed to all holders of series C shares and shall comprise all outstanding series C shares. Repurchase may also be made of so-called interim shares, by Euroclear Sweden AB designated as a Paid Subscribed Share (Sw. Betald Tecknad Aktie (BTA)), regarding a series C share. Repurchase shall be made at a purchase price per share which corresponds to the quota value of the share. The purpose of the proposed repurchase authorization is to secure delivery of Matching Shares and Performance Shares under LTI 2020 and, in terms of liquidity, to hedge payments of future social security contributions related to LTI 2020.

The board of directors' statement pursuant to Chapter 19, Section 22 of the Swedish Companies Act (Sw. aktiebolagslagen) is presented in a separate document.

D. Resolution on transfer of own ordinary shares

In order to fulfil the company's obligations towards participants in LTI 2020, the board of directors proposes that the annual general meeting resolves that the company shall be entitled to transfer the company's own ordinary shares as follows:

1. The company shall have the right to transfer the number of ordinary shares that the company has a maximum obligation to allocate as Matching Shares and Performance Shares to participants in LTI 2020, at most 334,500 shares.
2. The number of shares that may be transferred pursuant to LTI 2020 shall be subject to recalculation in consequence of a bonus issue, split or reverse split, rights issue, and/or other similar corporate action which affects the number of shares in the company.
3. The right to acquire ordinary shares shall, with deviation from the shareholders' preferential rights, vest in participants in LTI 2020 who are entitled to be allotted Matching Shares and Performance Shares in accordance with the terms and conditions of the program.
4. Transfer of shares to participants in LTI 2020 shall be made free of charge and be executed at the relevant time specified in the terms and conditions for LTI 2020.

The reason for the deviation from the shareholders' preferential rights in connection with the transfers of own ordinary shares is to enable the company's delivery of Matching Shares and Performance Shares to participants in LTI 2020.

Since LTI 2020 is not expected to initially give rise to any costs for social security contributions for the company (and since a resolution on transfer is valid only until the next annual general meeting), the board of directors has decided not to propose that the annual general meeting 2020 resolves on an authorization for the board of directors to transfer the company's own ordinary shares on a regulated market for hedging of cash flow for social security payments. However, before any transfers of shares to participants in LTI 2020 are made, the board of directors intends to propose to a later general meeting to resolve on an authorization for the board of directors to transfer own ordinary shares on a regulated market in order to hedge such payments.

Costs, impact on key ratios, existing incentive programs and dilution

The board of directors has made a preliminary cost calculation for LTI 2020. The costs for LTI 2020 are accrued over the vesting period which runs until 30 September 2023. The calculation has been made using the generally accepted modelling technique Monte-Carlo simulation based on the quoted closing price for shares in the company as per 30 March 2020, i.e. SEK 17.80 per share, and with the following assumptions: (i) all participants acquire the maximum number of Saving Shares; (ii) an annual dividend yield of 0 per cent; (iii) an estimated annual employee turnover of 0 per cent; and (iv) a share price volatility of 55 per cent. Based on these assumptions, the total costs for LTI 2020 are estimated to amount to approximately SEK 3.5 million, excluding social security contributions. The costs for social security contributions are estimated to amount to approximately SEK 1.0 million, based on the above assumptions, and an average tax rate of 27.16 per cent for social security contributions.

The anticipated annual costs of approximately SEK 1.5 million, including social security contributions, correspond to approximately 8.5 per cent of the company's total employee costs for the financial year 2019 on an annualized basis (i.e. adjusted to reflect that the financial year 2019 was a shortened financial year only comprising six months). Based on the calculation of costs as described above, the key figure earnings per share for the financial year 2019 had been changed from SEK -1.70 to SEK -1.76. It should be noted the calculations are based on the assumptions stated above and are only intended to provide an illustration of the outcome.

PRESS RELEASE



As per the date of the notice, the number of shares in the company amounts to 23,999,453 shares, of which 23,488,908 are ordinary shares and 510,545 are series C shares which were issued in connection with the share saving program resolved at the annual general meeting 2019 and which will be converted into ordinary shares prior to delivery to the participants.

The maximum number of shares that can be issued in relation to LTI 2020 is 423,350, whereof 334,500 for delivery of Matching Shares and Performance Shares to the participants and in the aggregate 88,850 related to hedging of cash flow for social security payments, which corresponds to a dilution of approximately 1.73 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 issuance of shares in connection with LTI 2020.

Since previously, there are incentive programs in the form of two employee option programs and one performance-based share saving program outstanding in the company. In case all outstanding incentive programs as well as the proposed LTI 2020 are exercised in full, a total of 2,230,175 new ordinary shares will be issued, which corresponds to an aggregate dilution of approximately 8.50 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 outstanding incentive programs as well as the suggested LTI 2020.

The above calculations regarding dilution are subject to re-calculation of the warrants in accordance with the customary recalculation terms included in the complete applicable warrant terms.

Preparation of the proposal

The proposal for LTI 2020 has been prepared by the Remuneration Committee together with external consultants. The final proposal has been resolved upon by the board of directors.

Particular majority requirements

For valid resolutions on the proposals pursuant to items 13 and 14, the proposals have to be supported by shareholders representing at least two thirds of the votes cast as well as of all shares represented at the annual general meeting. For a valid resolution on the proposal pursuant to item 15, the proposal has to be supported by shareholders representing at least nine-tenths of the votes cast as well as of all shares represented at the annual general meeting.

Information at the annual general meeting

The board and the CEO shall at the annual general meeting, if any shareholder so requests and the board believes that it can be done without significant harm to the company, provide information regarding circumstances that may affect the assessment of items on the agenda, circumstances that can affect the assessment of the company's or its subsidiaries financial position and the company's relation to other companies within the group.

Financial statements and complete proposals

Financial statements, the audit report, the statement by the auditor on the compliance of the applicable guidelines for remuneration to senior executives as well as the complete proposals for resolutions, will be available for the shareholders at the company's office at Hyllie Boulevard 34, SE-215 32 Malmö, Sweden, and at the company's website (www.ascelia.com) as from no later than three weeks prior to the annual general meeting. Copies of the documents will be sent to the shareholders upon their request to the company, provided that such shareholders state their address, and will also be made available at the annual general meeting.

PRESS RELEASE



Number of shares and votes in the company

The total number of shares in the company amounts to 23,999,453 shares, of which 23,488,908 are ordinary shares with one vote per share and 510,545 are series C shares with one-tenth of a vote per share. The number of votes in the company amounts to 23,539,962.5 votes. The company holds all 510,545 outstanding series C shares, corresponding to 51,054.5 votes, which cannot be represented at the annual general meeting.

Processing of personal data

For information on how your personal data is processed, see <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-GM-English.pdf>.

Malmö in April 2020

Ascelia Pharma AB (publ)

The Board of Directors

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About Ascelia Pharma

Ascelia Pharma is an oncology-dedicated orphan drug development company located in Malmö, Sweden. The company's strategy is to develop drugs, which target unmet medical needs, have an established mode of action and a relatively low development risk. Ascelia Pharma has two drug candidates – Mangoral and Oncoral – currently under development.

Mangoral is a novel contrast agent for MR-scans, currently in the pivotal Phase 3 clinical study SPARKLE. Mangoral is developed to improve the visualisation of focal liver lesions (liver metastases) in patient with impaired kidneys that cannot tolerate current gadolinium contrast agents on the market. Oncoral is an oral chemotherapy tablet ready for Phase II for the treatment of gastric cancer. Ascelia Pharma is listed on Nasdaq Stockholm (ticker: ACE). For more information, please visit www.ascelia.com.

Schedule 3

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.

Proposal by the Board of Directors of Ascelia Pharma AB on guidelines for remuneration to senior executives

Scope and applicability of the guidelines

These guidelines comprise the persons who are part of Ascelia Pharma AB's ("Ascelia") group management, currently the CEO, CFO, CMO, CCO and Head of IR & Communication. The guidelines also encompass any remuneration to members of the board of directors, in addition to board remuneration.

These guidelines are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the annual general meeting 2020. These guidelines do not apply to any remuneration resolved by the general meeting, such as e.g. board remuneration and share-based incentive programs.

The guidelines' promotion of the company's business strategy, long-term interests and sustainability

Ascelia is an oncology-dedicated orphan drug development company focused on the development of novel drugs to improve the life expectancy and quality of life for people living with cancer. In brief, Ascelia's business strategy is to develop and make available to patients a portfolio of differentiated, underappreciated and de-risked product candidates addressing unmet medical needs in cancer and cancer-related diseases. Ascelia is fully focused on two clinical-stage product candidates under development: Mangoral, a novel non-gadolinium contrast agent used in MRI-scans of the liver in Phase III clinical studies, and Oncoral, an oral chemotherapy tablet ready for Phase II clinical studies for the treatment of gastric cancer. For more information about Ascelia's business strategy, see Ascelia's latest annual report.

A successful implementation of Ascelia's business strategy and safeguarding of Ascelia's long-term interests, including its sustainability, require that the company is able to recruit and retain highly competent senior executives with a capacity to achieve set goals. In order to achieve this, Ascelia must offer a competitive total remuneration on market terms, which these guidelines enable.

Long-term share-based incentive programs have been implemented in Ascelia. For further information about these programs, see Ascelia's latest annual report. The share-based incentive programs have been approved by the general meeting and are therefore not covered by these guidelines.

Types of remuneration, etc.

The remuneration shall be on market terms and be competitive, and may consist of the following components: fixed salary, variable cash remuneration, pension benefits and other benefits. For the individual senior executive, the level of remuneration shall be based on factors such as competence, area of responsibility and performance. Additionally, the general meeting may – irrespective of these guidelines – resolve on, e.g. share and share price-related remuneration.

For employments governed by rules other than Swedish, pension benefits and other benefits may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

Fixed salary

The CEO and other senior executives shall be offered a fixed annual cash salary. The fixed salary shall as a starting point be determined per calendar year with salary revision on an annual basis.

Variable cash remuneration

In addition to fixed salary, the CEO and other senior executives may, according to separate agreements, receive variable cash remuneration. Variable cash remuneration covered by these guidelines is intended to promote Ascelia's business strategy and long-term interests, including its sustainability.

The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one or several years. Variable cash remuneration may, for the CEO, amount to a maximum of 40 percent of the fixed annual salary, and for other senior executives, a maximum of 20 percent of the fixed annual salary. Variable cash remuneration shall not qualify for pension benefits, save as required by mandatory collective bargaining agreements.

The variable cash remuneration shall be linked to one or several predetermined and measurable criteria, which can be financial, such as revenue targets, EBITDA/EBIT targets and budget adherence, or non-financial, such as achievement of clinical and manufacturing milestones. By linking the goals in a clear and measurable way to the remuneration of the senior executives to Ascelia's financial and operational development, they contribute to the implementation of the company's business strategy, long-term interests and sustainability.

To which extent the criteria for awarding variable cash remuneration has been satisfied shall be evaluated and determined when the measurement period has ended. The Remuneration Committee is responsible for the evaluation. For financial objectives, the evaluation shall be based on the latest financial information made public by the company.

Additional variable cash remuneration may be awarded in extraordinary circumstances, provided that such extraordinary arrangements are only made on an individual basis, either for the purpose of recruiting or retaining senior executives, or as remuneration for extraordinary performance beyond the individual's ordinary tasks. Such remuneration may not exceed an amount corresponding to 30 percent of the fixed annual salary and may not be paid more than once each year per individual. Any resolution on such remuneration shall be made by the board of directors based on a proposal from the Remuneration Committee.

The board of directors shall have the possibility to, in whole or in part, reclaim variable cash remuneration paid on incorrect grounds.

Pension benefits

Pension benefits, including health insurance, shall be defined contribution, insofar as the senior executive is not covered by defined benefit pension under mandatory collective bargaining agreements. Premiums for defined contribution pensions, including health insurance, may amount to a maximum of 30 percent of the fixed annual salary.

In addition, senior executives may be entitled to arrange individual pension schemes where refrained salaries and variable remuneration can be used for increased pension contributions, provided that the total cost for the company is unchanged over time.

Other benefits

Other benefits may include life insurance, medical insurance and a company car. Premiums and other costs relating to such benefits may amount to a total of not more than 20 percent of the fixed annual salary.

Termination of employment and severance payment

Senior executives shall be employed until further notice or for a specified period of time. Upon termination of an employment by Ascelia, the notice period may not exceed 12 months. Fixed salary and other remuneration during the notice period and severance pay may not together exceed an amount corresponding to the fixed annual salary for 18 months. Upon termination by the senior executive, the notice period may not exceed six months, without any right to severance pay.

In addition to fixed salary during the period of notice and severance pay, additional remuneration may be paid for non-compete undertakings. Such remuneration shall compensate for loss of income and shall only be paid in so far as the previously employed senior executive is not entitled to severance pay for the period for which the non-compete undertaking applies. The remuneration shall be based on the fixed annual salary at the time of termination of employment and amount to not more than 60 percent of the fixed annual salary at the time of termination of employment, save as otherwise provided by mandatory collective bargaining agreements, and shall be paid during the time as the non-compete undertaking applies, however not for more than 12 months following termination of employment.

Salary and employment conditions for employees

In the preparation of the board of directors' proposal for these remuneration guidelines, salary and employment conditions for employees of Ascelia have been taken into consideration by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the Remuneration Committee's and the board of directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

Consultancy fees to the members of the board of directors

To the extent a member of the board of directors renders services for the company, in addition to his or her assignment as a member of the board of directors, an additional consultancy fee on market terms may be paid to the member of the board of directors, or to a company controlled by such member of the board of directors, provided that such services contribute to the implementation of Ascelia's business strategy and the safeguarding of Ascelia's long-term interests, including its sustainability.

Preparation and decision-making progress

The board of directors has established a Remuneration Committee. The Remuneration Committee's duties include i.a. preparing the board of directors' resolution to propose guidelines for remuneration to senior executives. The board of directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the general meeting. The guidelines shall be in force until new guidelines have been adopted by the general meeting. The Remuneration Committee shall also monitor and evaluate programs for variable remuneration for the senior executives as well as the current remuneration structures and compensation levels in the company. The members of the Remuneration Committee are independent in relation to the company and its senior management. The CEO and other members of the senior management do not participate in the board of directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Deviation from these guidelines

The board of directors may temporarily resolve to deviate from these guidelines, in whole or in part, if in a specific case there is special cause for the deviation and a deviation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As set out above, the Remuneration Committee's tasks include preparing the board of directors' resolutions in remuneration-related matters, which include any resolutions to deviate from these guidelines.

Information regarding resolved remunerations that have not yet fallen due

Apart from the commitments to pay ongoing remuneration such as salary, pension and other benefits, there are no previously resolved remuneration to any senior executives that have not yet fallen due. For further information on remuneration to senior executives, please see note 4 in Ascelia's annual report.

Malmö in April 2020

The Board of Directors of Ascelia Pharma AB (publ)

Schedule 4

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.

Proposal for resolution on amendment of the Articles of Association

The board of directors of Ascelia Pharma AB, Reg. No. 556571-8797, proposes that the annual general meeting resolves to amend the company's Articles of Association in accordance with the following:

§ 1 Name (proposed wording "Company name")

Current wording

The name of the company is Ascelia Pharma AB. The company is a public company (publ).

Proposed wording

The company name is Ascelia Pharma AB. The company is a public company (publ).

§ 4 Share capital

Current wording

The share capital shall not be less than SEK 11,200,000 and shall not exceed SEK 44,800,000.

Proposed wording

The share capital shall not be less than SEK 23,950,000 and shall not exceed SEK 95,800,000.

§ 5 Number of shares

Current wording

The number of shares shall not be less than 11,200,000 and shall not exceed 44,800,000.

Proposed wording

The number of shares shall not be less than 23,950,000 and shall not exceed 95,800,000.

§ 9 Notice of general meeting

Current wording

Notice convening a general meeting shall be made by announcement in the Swedish Official Gazette (*Sw. Post- och Inrikes Tidningar*) and by making the notice available on the company's website. It shall further be announced in Svenska Dagbladet that a notice has been made.

Shareholders wishing to participate in the general meetings must be listed as shareholder in a printout or other transcript of the entire share register reflecting the circumstances five weekdays before the general meeting and notify participation to the company no later than on the date specified in the notice. The last mentioned day may not be a Sunday, other public holiday, Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve and may not occur earlier than the fifth weekday before the general meeting. A shareholder may be

accompanied by advisors at a general meeting only if the shareholder notifies the number of advisors to the company in accordance with the procedure prescribed for notification of shareholders' intention to participate in the general meeting.

Proposed wording

Notice convening a general meeting shall be made by announcement in the Swedish Official Gazette (*Sw. Post- och Inrikes Tidningar*) and by making the notice available on the company's website. It shall further be announced in *Svenska Dagbladet* that a notice has been made.

Shareholders wishing to participate in the general meetings must notify participation to the company no later than on the date specified in the notice. This day may not be a Sunday, other public holiday, Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve and may not occur earlier than the fifth weekday before the general meeting. A shareholder may be accompanied by advisors at a general meeting only if the shareholder notifies the number of advisors to the company in accordance with the procedure prescribed for notification of shareholders' intention to participate in the general meeting.

Following the amendment, the Articles of Association will have the wording set out in **Appendix A**.

The company's CEO shall be authorized to make such minor formal adjustments of the resolution as might be necessary in connection with registration with the Swedish Companies Registration Office.

For a valid resolution, the proposal has to be supported by shareholders representing at least two-thirds of the votes cast as well as of all shares represented at the annual general meeting.

Malmö in April 2020

The Board of Directors of Ascelia Pharma AB (publ)

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.

Appendix A

ARTICLES OF ASSOCIATION

§ 1 Company name

The company name is Ascelia Pharma AB. The company is a public company (publ).

§ 2 Registered office of the board of directors

The registered office shall be in the municipality of Malmö, Skåne county.

§ 3 Object of the company's business

The company shall, directly or indirectly, develop, market and sell medical devices and pharmaceutical products and conduct other activities compatible therewith.

§ 4 Share capital

The share capital shall not be less than SEK 23,950,000 and shall not exceed SEK 95,800,000.

§ 5 Number of shares

The number of shares shall not be less than 23,950,000 and shall not exceed 95,800,000.

§ 6 Share classes

Shares may be issued in two classes, ordinary shares and series C shares. The ordinary shares shall carry one vote per share and series C shares shall carry one-tenth of a vote per share. Shares of either share class may be issued up to an amount corresponding to the full share capital.

Series C shares do not entitle to dividends. Upon the dissolution of the company, series C shares shall carry equivalent right to the company's assets as other shares, however, not to an amount exceeding the quota value of the share.

If the company resolves to issue new ordinary shares and series C shares, against payment other than contribution in kind, owners of ordinary shares and series C shares shall have pre-emption rights to subscribe for new shares of the same class pro rata to the number of shares previously held by them (primary pre-emption right). Shares which are not subscribed for pursuant to the primary pre-emption rights shall be offered to all shareholders for subscription (secondary pre-emption right). If the shares thus offered are not sufficient for the subscription pursuant to the secondary pre-emption rights, the shares shall be allocated between the subscribers pro rata to the number of shares previously held and, to the extent such allocation cannot be effected, by the drawing of lots.

If the company resolves to issue new shares of either solely ordinary shares or series C shares, against payment other than contribution in kind, all shareholders shall,

irrespective of whether their shares are ordinary shares or series C shares, have pre-emption rights to subscribe for new shares pro rata to the number of shares previously held by them.

What is set out above with regard to pre-emption rights shall apply *mutatis mutandis* in the event of issues of warrants and convertible bonds, and shall not limit the right to resolve upon an issue with deviation from the shareholders' pre-emption rights.

In the event of a bonus issue, new shares of each class shall be issued pro rata to the number of shares of the same class previously issued. In connection therewith, the owners of existing shares of a certain class shall entitle the holder to new shares of the same class. This shall not entail any restrictions on the possibility of issuing new shares of a new class by means of a bonus issue, following the required amendments of the Articles of Association.

Reduction of share capital, which in any case shall not fall below the minimum share capital, may, at the request of a holder of a series C share and after resolution by the company's board of directors or a shareholders' meeting, take place through redemption of series C shares. A request from a shareholder must be submitted in writing. When a resolution on reduction has been passed, an amount corresponding to the reduction amount shall be transferred to the company's reserve fund, if the required funds are available. The redemption amount per series C share shall be the quota value of such share.

Following receipt of the redemption resolution, holders of shares subject to redemption shall promptly receive payment for the shares, or, if authorization for the redemption from the Swedish Companies Registration Office (*Sw. Bolagsverket*) or a court is required, following the receipt of notice that the final and effected resolution has been registered.

Series C shares held by the company may, upon resolution of the board of directors be reclassified into ordinary shares. Immediately thereafter, the board of directors shall register the reclassification with the Swedish Companies Registration Office. The reclassification is effected when it has been registered and the reclassification has been reflected in the central securities depository register.

§ 7 Board of directors

The board of directors shall, to the extent appointed by the shareholders' meeting, be composed of not less than 3 and not more than 8 members.

§ 8 Auditor

The company shall have not less than 1 and not more than 2 auditors with not more than 2 deputy auditors. As auditor and, when applicable, deputy auditor, an authorized public accountant or a registered accounting firm shall be appointed.

§ 9 Notice of general meeting

Notice convening a general meeting shall be made by announcement in the Swedish Official Gazette (*Sw. Post- och Inrikes Tidningar*) and by making the notice available on

the company's website. It shall further be announced in Svenska Dagbladet that a notice has been made.

Shareholders wishing to participate in the general meetings must notify participation to the company no later than on the date specified in the notice. This day may not be a Sunday, other public holiday, Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve and may not occur earlier than the fifth weekday before the general meeting. A shareholder may be accompanied by advisors at a general meeting only if the shareholder notifies the number of advisors to the company in accordance with the procedure prescribed for notification of shareholders' intention to participate in the general meeting.

§ 10 Annual general meeting

The following matters shall be addressed at the annual general meeting:

- 1) Election of a 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 verify the minutes.
- 5) Determination as to whether the meeting has been duly convened.
- 6) Presentation of the annual report and the auditor's report and, if applicable, the consolidated annual report and the auditor's report on the consolidated annual report.
- 7) Resolution:
 - a) in respect of the adoption of the profit and loss statement and the balance sheet and, if applicable, the consolidated profit and loss statement and the consolidated balance sheet;
 - b) in respect of the allocation of the company's profits or losses as set forth in the adopted balance sheet; and
 - c) in respect of discharge from liability of the board members and the managing director.
- 8) Determination of the number of board members, auditors and deputy auditors.
- 9) Determination of fees for the board of directors and fees for the auditors.
- 10) Election of board of directors and auditors.
- 11) Any other matter which rests with the general meeting in accordance with the Swedish Companies Act or the company's articles of association.

§ 11 Financial year

The financial year of the company shall be 1 January – 31 December.

§ 12 Record day provision

The company's shares shall be registered in a record day register pursuant to the Swedish Central Securities Depositories and Financial Instruments Act (SFS 1998:1479).

Schedule 5

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.

Proposal for resolution on authorization for the board of directors regarding issues

The board of directors of Ascelia Pharma AB, Reg. No. 556571-8797 (the “**Company**”), proposes that the annual general meeting resolves to authorize the board of directors, at one or several occasions, during the time up until the next annual general meeting, with or without deviation from the shareholders’ preferential rights, and with or without provisions regarding payment in kind or through set-off or other provisions, to resolve to issue new shares, convertibles and/or warrants. The reason for that deviation from the shareholders’ preferential rights shall be permitted is to enable the Company to raise working capital, to execute acquisitions of companies or operating assets as well as to enable issues to industrial partners within the framework of partnerships and alliances. The total number of shares that that may be issued (alternatively be issued through conversion of convertibles and/or exercise of warrants) shall not exceed 5,872,227, which corresponds to a dilution of approximately 20 percent calculated on the current number of outstanding ordinary shares in the Company. To the extent an issue is made with deviation from the shareholders’ preferential rights, the issue should be made on market terms.

The Company’s CEO shall be authorized to make such minor formal adjustments of the resolution as might be necessary in connection with registration with the Swedish Companies Registration Office.

For a valid resolution, the proposal has to be supported by shareholders representing at least two-thirds of the votes cast as well as of all shares represented at the annual general meeting.

Malmö in April 2020

The Board of Directors of Ascelia Pharma AB (publ)

Schedule 6

Proposal for resolution on implementation of a long-term incentive program for employees by way of (A) implementation of a performance-based share saving program; (B) authorization on directed issues of series C shares; (C) authorization on repurchase of series C shares; and (D) resolution on transfer of own ordinary shares

The board of directors of Ascelia Pharma AB, Reg. No. 556571-8797 (the "**Company**"), proposes that the annual general meeting on 6 May 2020 resolves to implement a long-term incentive program in the form of a performance-based share saving program (the "**LTI 2020**") for employees in accordance with A below. The resolution is conditional upon that the annual general meeting also resolves on hedging measures in accordance with B – D below.

A. Implementation of a performance-based share saving program

Background

The overall purpose with LTI 2020 is to align the interests of the employees with those of the shareholders and thus ensure a maximum long-term value adding commitment. LTI 2020 is also considered to create a long-term focus on increase in earnings and growth among the participants. LTI 2020 is further considered to facilitate for the Company to recruit and retain employees.

At the annual general meeting 2019, it was resolved to implement a corresponding incentive program for employees in the Company (LTI 2019).

Terms and conditions for LTI 2020

1. LTI 2020 shall comprise senior executives and key employees divided into three categories.
2. LTI 2020 means that the participants will invest in ordinary shares in the Company ("**Saving Shares**"). Following a predefined time period, the participants will, free of charge, have the right to receive additional shares in the Company ("**Matching Shares**"). In addition, conditional upon fulfilment of a goal related to the development of the share price, the participants will further, free of charge, have the right to receive additional shares in the Company ("**Performance Shares**"). The conditions for receipt of Matching Shares and Performance Shares are set out below.
3. The maximum number of Saving Shares that each participant shall be entitled to invest in shall amount to the following:

Position	Maximum number of Saving Shares
CEO	11,000
Other senior executives (3 persons)	6,000 – 12,000
Directors (4 persons)	2,500 – 5,000
Other employees (3 persons)	750 – 1,500

4. The board of directors shall, within the intervals stated above, resolve on the maximum number of Saving Shares that each individual participant may acquire. It is noted that when determining the intervals, the board of directors has considered, and when determining the maximum number of Saving Shares that each individual participant may acquire within the intervals, the board of directors will, consider that certain participants (including the CEO and 2 of the other senior executives) are also participating in LTI 2019 that was approved at the annual general meeting held in November 2019 and these participants will then only be offered to acquire 50 per cent of the number of Saving Shares that would otherwise have been offered.
5. The investment in Saving Shares shall be made through acquisition of ordinary shares on the stock market on 30 September 2020 at the latest (the “**Investment Period**”). The board of directors shall be entitled to prolong the Investment Period in case participants have been unable to acquire shares due to applicable insider regulations.
6. For each Saving Share, the participant shall be entitled to receive 1 Matching Share. In addition, for each Saving Share, the participant shall have the possibility to receive up to 5 Performance Shares for each Saving Share.
7. The total number of Matching Shares will not exceed 55,750 and the total number of Performance Shares will not exceed 278,750, meaning that the total number of shares that can be issued to the participants in connection with LTI 2020 will not exceed 334,500. The number of shares that can be issued in connection with LTI 2020 might be recalculated in accordance with what is set out in Section 11 below.
8. Receipt of both Matching Shares and Performance Shares are conditional upon the fulfilment of the following conditions:
 - (a) that the participant has retained all Saving Shares during the period from the expiration of the Investment Period to 30 September 2023 (the “**Saving Period**”); and
 - (b) that the participant has continued to be employed by the Company (or another company in its group) throughout the Saving Period.

As regards the employment condition as per (b) above, the board of directors shall in certain cases be entitled to resolve on proportionate allocation in case the employment is terminated prior to the expiration of the Saving Period as set out in Section 14 below.

9. Receipt of Performance Shares is further, in addition to the conditions following from Section 8 above, conditional upon that the requirement related to the development of the Company's share price from the date of the annual general meeting on 6 May 2020 to and including 30 September 2023 (the "**Performance Target**") is fulfilled. The Performance Target will be measured based on the volume weighted average share price 30 trading days immediately following the annual general meeting on 6 May 2020 and 30 trading days immediately preceding 30 September 2023. An increase in the share price with less than 20 per cent does not entitle to any vesting of any of the Performance Shares, an increase in the share price with 20 per cent entitles to vesting of 1 Performance Share per Saving Share and an increase in the share price with 80 per cent or more entitles to vesting of all the 5 Performance Shares per Saving Share. In the event of an increase in the share price of between 20 and 80 per cent, vesting of the Performance Shares will occur linearly between 1 and 5.
10. Before the number of Performance Shares to be allocated is finally determined, the board of directors shall evaluate if allocation pursuant to the principles set out above is reasonable, having regard to the Company's results and financial standing, to conditions on the stock market and to other circumstances in general. If the board of directors finds that it is not reasonable, then the board of directors may decrease the number of Performance Shares to be allocated to the lower number of shares that the board of directors finds reasonable.
11. The number of Matching Shares and Performance Shares that may be allotted by virtue of Saving Shares shall be subject to recalculation in consequence of a bonus issue, split or reverse split, rights issue, and/or other similar company actions.
12. Allotment of Matching Shares and Performance Shares shall take place within 30 days from the publication of the financial report for the period June – September 2023.
13. Participation in LTI 2020 is conditional upon that the participation is legally possible and that the participation in the Company's sole opinion can be made with reasonable administrative costs for the Company.
14. LTI 2020 shall be governed by separate agreements with the respective participant. The board of directors shall be responsible for the preparation and management of LTI 2020 within the above mentioned principal terms and guidelines. In connection herewith, the board of directors shall be entitled to resolve on diverging terms for the allocation of Matching Shares and Performance Shares in connection with cessation of employment during the Saving Period due to death, early retirement or similar occasions or due to termination by the Company that is not related to misconduct by the participants. In these cases the board of directors

may resolve that the participant will be entitled to receive a proportionate part of the Matching Shares and the Performance Shares. Furthermore, in the event of a public take-over offer, a sale of the Company's business, liquidation, merger or any other such transaction affecting the Company, the board of directors shall, at its sole discretion, be entitled to resolve that the Matching Shares and Performance Shares (partially or in full) shall vest and be allotted on completion of such transaction. The board of directors will make this resolution based on the level of achievement of the Performance Target, the remainder of the Saving Period and any other factors deemed relevant by the board of directors.

B. Authorization on directed issues of series C shares

The board of directors proposes that the annual general meeting resolves to authorize the board of directors, for the period up until the next annual general meeting, on one or several occasions, to issue a maximum of 423,350 series C shares. The new shares may, with deviation from the shareholders' preferential rights, only be subscribed for by a bank or a securities company at a subscription price which corresponds to the quota value of the shares. The purpose of the authorization and the reason for the deviation from the shareholders' preferential rights in connection with an issue of shares is to secure delivery of Matching Shares and Performance Shares under LTI 2020 and, in terms of liquidity, to hedge payments of future social security contributions related to LTI 2020. It is noted that this shall be achieved through the Company repurchasing the series C shares issued pursuant to the authorization in section C below whereafter the repurchased series C shares will be converted to ordinary shares and transferred in accordance with section D below.

C. Authorization on repurchase of series C shares

The board of directors proposes that the annual general meeting resolves to authorize the board of directors, for the period up until the next annual general meeting, on one or several occasions, to repurchase its own series C shares. Repurchase may only be effected through a public offer directed to all holders of series C shares and shall comprise all outstanding series C shares. Repurchase may also be made of so-called interim shares, by Euroclear Sweden AB designated as a Paid Subscribed Share (*Sw. Betald Tecknad Aktie (BTA)*), regarding a series C share. Repurchase shall be made at a purchase price per share which corresponds to the quota value of the share. The purpose of the proposed repurchase authorization is to secure delivery of Matching Shares and Performance Shares under LTI 2020 and, in terms of liquidity, to hedge payments of future social security contributions related to LTI 2020.

The board of directors' statement pursuant to Chapter 19, Section 22 of the Swedish Companies Act (*Sw. aktiebolagslagen*) is presented in a separate document provided with this proposal.

D. Resolution on transfer of own ordinary shares

In order to fulfil the Company's obligations towards participants in LTI 2020, the board of directors proposes that the annual general meeting resolves that the Company shall be entitled to transfer the Company's own ordinary shares as follows:

1. The Company shall have the right to transfer the number of ordinary shares that the Company has a maximum obligation to allocate as Matching Shares and Performance Shares to participants in LTI 2020, at most 334,500 shares.
2. The number of shares that may be transferred pursuant to LTI 2020 shall be subject to recalculation in consequence of a bonus issue, split or reverse split, rights issue, and/or other similar corporate action which affects the number of shares in the Company.
3. The right to acquire ordinary shares shall, with deviation from the shareholders' preferential rights, vest in participants in LTI 2020 who are entitled to be allotted Matching Shares and Performance Shares in accordance with the terms and conditions of the program.
4. Transfer of shares to participants in LTI 2020 shall be made free of charge and be executed at the relevant time specified in the terms and conditions for LTI 2020.

The reason for the deviation from the shareholders' preferential rights in connection with the transfers of own ordinary shares is to enable the Company's delivery of Matching Shares and Performance Shares to participants in LTI 2020.

Since LTI 2020 is not expected to initially give rise to any costs for social security contributions for the Company (and since a resolution on transfer is valid only until the next annual general meeting), the board of directors has decided not to propose that the annual general meeting 2020 resolves on an authorization for the board of directors to transfer the Company's own ordinary shares on a regulated market for hedging of cash flow for social security payments. However, before any transfers of shares to participants in LTI 2020 are made, the board of directors intends to propose to a later general meeting to resolve on an authorization for the board of directors to transfer own ordinary shares on a regulated market in order to hedge such payments.

Costs, impact on key ratios, existing incentive programs and dilution

The board of directors has made a preliminary cost calculation for LTI 2020. The costs for LTI 2020 are accrued over the vesting period which runs until 30 September 2023. The calculation has been made using the generally accepted modelling technique Monte-Carlo simulation based on the quoted closing price for shares in the Company as per 30 March 2020, i.e. SEK 17.80 per share, and with the following assumptions: (i) all participants acquire the maximum number of Saving Shares; (ii) an annual dividend yield of 0 per cent; (iii) an estimated annual employee turnover of 0 per cent; and (iv) a share price volatility of 55 per cent. Based on these assumptions, the total costs for LTI 2020 are estimated to amount to approximately SEK 3.5 million, excluding social security contributions. The costs for social security contributions are estimated to amount to approximately SEK 1.0 million, based on the above assumptions, and an average tax rate of 27.16 per cent for social security contributions.

The anticipated annual costs of approximately SEK 1.5 million, including social security contributions, correspond to approximately 8.5 per cent of the Company's total employee costs for the financial year 2019 on an annualized basis (i.e. adjusted to reflect that the financial year 2019 was a shortened financial year only comprising six months). Based on

the calculation of costs as described above, the key figure earnings per share for the financial year 2019 had been changed from SEK –1.70 to SEK –1.76. It should be noted the calculations are based on the assumptions stated above and are only intended to provide an illustration of the outcome.

As per the date of the notice, the number of shares in the Company amounts to 23,999,453 shares, of which 23,488,908 are ordinary shares and 510,545 are series C shares which were issued in connection with the share saving program resolved at the annual general meeting 2019 and which will be converted into ordinary shares prior to delivery to the participants.

The maximum number of shares that can be issued in relation to LTI 2020 is 423,350, whereof 334,500 for delivery of Matching Shares and Performance Shares to the participants and in the aggregate 88,850 related to hedging of cash flow for social security payments, which corresponds to a dilution of approximately 1.73 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 issuance of shares in connection with LTI 2020.

Since previously, there are incentive programs in the form of two employee option programs and one performance-based share saving program outstanding in the Company. In case all outstanding incentive programs as well as the proposed LTI 2020 are exercised in full, a total of 2,230,175 new ordinary shares will be issued, which corresponds to an aggregate dilution of approximately 8.50 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 outstanding incentive programs as well as the suggested LTI 2020.

The above calculations regarding dilution are subject to re-calculation of the warrants in accordance with the customary recalculation terms included in the complete applicable warrant terms.

Preparation of the proposal

The proposal for LTI 2020 has been prepared by the Remuneration Committee together with external consultants. The final proposal has been resolved upon by the board of directors.

Majority requirement

The board of directors' proposal on implementation of a long-term incentive program in accordance with Sections A to D above constitutes an overall proposal which shall be resolved upon as one resolution. The resolution is subject to the provisions in Chapter 16 of the Swedish Companies Act (*Sw. aktiebolagslag 2005:551*), and a valid resolution hence requires that the proposal is supported by shareholders with at least nine-tenths of the votes cast as well as of all shares represented at the annual general meeting.

The chairman of the board of directors, or anyone appointed by him, shall be authorized to make minor formal adjustments of the resolution which may be required for registration with the Swedish Companies Registration Office (*Sw. Bolagsverket*) or Euroclear Sweden AB.

Malmö in April 2020
The Board of Directors of Ascelia Pharma AB (publ)

Schedule 7

Statement of the board of directors pursuant to Chapter 19, Section 22 of the Swedish Companies Act (2005:551)

As the board of directors of Ascelia Pharma AB, Reg. No. 556571-8797 (the “**Company**”), proposes that the annual general meeting on 6 May 2020 resolves to authorize the board of directors to resolve on acquisition of own series C shares, the board of directors of the Company hereby issues the following statement.

In accordance with the proposed authorization, the Company will be entitled to repurchase a maximum of 423,350 own series C shares for a price corresponding to the quota value of the shares, i.e. SEK 1 per share. Thus, the total amount that may be paid upon acquisition pursuant to the proposed authorization amounts to SEK 423,350.

The nature and the scope of the Company's business are set forth in the Company's articles of association and the annual report for the financial year 2019. The annual report sets forth the Company's and the group's financial position as of 31 December 2019. It also sets forth the principles applied with respect to the valuation of the Company's and the group's assets and liabilities. As set out in the annual report, financial instruments are valued at fair value in accordance with Chapter 4, Section 14 a of the Swedish Annual Accounts Act (*Sw. årsredovisningslagen (1995:1554)*). Since the recognized value corresponds to the fair value, the equity has not been impacted by the applied valuation method.

According to the annual report for the financial year 2019, the Company's unrestricted equity (available profit and unrestricted reserves) amounts to approximately SEK 217 million. As per the balance sheet date, 31 December 2019, the Company's restricted equity amounted to approximately SEK 23 million.

The board of directors has made the assessment that the Company's restricted equity will be intact if the proposed authorization to acquire own series C shares is exercised in full. Even if the proposed repurchase authorization is exercised in full, the impact on the Company's and the group's liquidity will be marginal.

The board of directors is of the opinion that acquisition of own series C shares pursuant to the proposed authorization will not affect the Company's and the group's ability to meet their short or long term payment obligations. Nor is the exercise of the proposed authorization expected to negatively affect the Company's and the group's ability to make commercially justifiable investments. The board of directors is also of the opinion that the Company's and the group's equity, after exercise of the proposed authorization for acquisition of own series C shares, will be sufficient seen in relation to the nature, scope and risks of the business operations of the Company and the group.

In view of the above and considering such other circumstances which have come to the board of directors attention, the board of directors is of the opinion, based on an overall assessment of the Company's and the group's financial position, that the proposed authorization to resolve on acquisition of own series C shares is justifiable with respect to the requirements imposed by the nature, scope and risks of the operations in relation to the

size of the Company's and the group's equity, as well as consolidation needs, liquidity and general position of the Company and the group.

The board of directors therefore considers that the proposed authorization is justified with respect to the requirements set out in Chapter 17, Section 3, paragraph 2 and 3 of the Swedish Companies Act (*Sw. aktiebolagslagen (2005:551)*).

Malmö on 1 April 2020

The Board of Directors of Ascelia Pharma AB (publ)

Peter Benson

Bo Jesper Hansen

Hans Maier

Niels Mengel

René Spogård

Helena Wennerström