

*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.*

Press release  
Lund on March 21, 2017

## **Notice of annual general meeting in Enzymatica AB (publ)**

**The shareholders in Enzymatica AB (publ), reg. no 556719-9244 (the “Company”) are hereby invited to attend the annual general meeting (“AGM”) to be held on Thursday April 20, 2017 at 2.00 p.m. at Elite Hotel Ideon, Scheelevägen 27 in Lund. Registration for the AGM starts at 01.30 p.m.**

### **Right to participate and notice**

Only shareholders that are recorded in their own name in the Company’s share ledger kept by Euroclear Sweden AB (The Swedish Central Securities Depository Euroclear Sweden AB) as of April 12, 2017 and also have given notice on April 12, 2017 to the Company of their intent to participate, preferably no later than 4.00 p.m., have the right to participate in the shareholders’ meeting. A shareholder may be accompanied by not more than two advisors, provided that the number of such advisors has been notified to the Company no later than the aforementioned time. Proxies need not notify the number of advisors in advance.

Notice may be given in writing to Enzymatica AB (publ), att: AGM, Ideon Science Park, 223 70 Lund or by e-mail to [louise.forssell@enzymatica.com](mailto:louise.forssell@enzymatica.com). The notice should specify the shareholder’s name, personal identity or Company registration number, address, work-hour telephone number and shareholding, and names of any advisors.

### **Trustee-registered shares**

In order to be entitled to participate in the meeting, shareholders whose shares are trustee-registered must temporarily register their shares in their own names. Such registration should be requested from the trustee, and must be executed with Euroclear Sweden AB on April 12, 2017. Shareholders that wish to execute such registration must, well in advance before the said date, notify its trustee thereof.

### **Proxies**

If a shareholder intends to participate by proxy, the proxy must bring a written and dated proxy signed by the shareholder in original to the meeting. The proxy may not be older than five years. Proxy forms can be downloaded from the Company’s website, [www.enzymatica.com](http://www.enzymatica.com). If the proxy is issued by a legal entity, the proxy must also bring current registration certificate (Sw. *registreringsbevis*) of the legal entity or similar document of authorization for the legal entity.

### **Proposed agenda**

1. Opening of the meeting
2. Election of chairman of the meeting
3. Preparation and approval of the register of voters
4. Election of one or two persons to confirm the minutes
5. Determination as to whether the meeting has been duly convened

6. Approval of the agenda
7. Presentation of the Annual Report and Audit Report and the Consolidated Annual Report and Consolidated Audit Report
8. Resolution on
  - a. adoption of the profit and loss statement and balance sheet, as well as the consolidated profit and loss statement and the consolidated balance sheet
  - b. distribution of the Company's profit or loss according to the adopted balance sheet
  - c. discharge from liability of the members of the board of directors and the CEO
9. Resolution regarding amendment of the articles of association
10. Determination of the number of members of the board of directors and auditors
11. Determination of remuneration for the members of the board of directors and the auditors
12. Election of
  - a. members of the board of directors and eventual deputy board of directors
  - b. chairman of the board of directors
  - c. auditors and eventual deputy auditors
13. Resolution on guidelines for remuneration for senior executives
14. Resolution regarding authorization of the board of directors to issue shares
15. a. Resolution regarding authorization of the board of directors to adopt personnel option program  
b. Resolution regarding authorization of the board of directors to issue directed warrants as well as approval of transfer of warrants
16. Closing of the meeting

## **Resolution proposals**

### **Election of chairman of the meeting (item 2)**

The Nomination Committee proposes that advokat Madeleine Rydberger, Mannheimer Swartling Advokatbyrå, shall be elected as chairman of the meeting.

### **Resolution on distribution of the Company's loss (item 8 b)**

The board of directors proposes that the unappropriated funds of SEK 35,592,524, including the year's loss of SEK 45,006,339, are carried forward to a new account, and thus no dividends shall be paid for the business year of 2016.

### **Resolution regarding amendment of the articles of association (item 9)**

The board of directors proposes that the 2017 AGM, in respect of the proposal of the Nomination Committee that the auditor shall be elected for a period of mandate of one year, resolves on the following amendment of § 7 of the articles of association.

#### Present wording

##### § 7 Auditors

The company shall have 1-2 auditors with or without deputy auditors. These are elected by the annual general meeting for the period until the end of the annual general meeting that is held during the fourth financial year after the election of the auditor.

#### Proposed wording

##### § 7 Auditors

The company shall have 1-2 auditors with or without deputy auditors.

**Particular majority requirements**

For a valid resolution on the proposal pursuant to item 9, the proposal has to be supported by shareholders representing at least two-thirds of the votes cast as well as shares represented at the meeting.

**Election of members of the board of directors and auditor and remuneration (items 10-12)**

As resolved on the AGM of 2016 the Nomination Committee shall consist of the chairman of the board of directors together with a representative of each of the three largest shareholders by votes at the end of October 2016. Consequently, the Nomination Committee consists of Håkan Roos, representing Abanico Invest AB, Guðmundur Pálmason, representing Protenus Holding Ltd, Águstá Guðmundsdóttir representing Gadice ehf. and Björn Algvist, representing Fibonacci Asset Management AB.

*Proposal pursuant to item 10:* The Nomination Committee proposes that the board of directors shall consist of six (6) ordinary members without deputies until the end of the next AGM. Further, the Nomination Committee proposes that a registered auditing company is appointed as auditor until the end of the next AGM.

*Proposal pursuant to 11:* The Nomination Committee proposes that remuneration for the board of directors, excluding remuneration for committee work, shall be paid with a total of SEK 950,000, of which SEK 350,000 is remuneration for the chairman of the board of directors and SEK 120,000 to every other member of the board of directors. In addition, the Nomination Committee proposes that remuneration for work in the Audit Committee shall be paid with SEK 50,000 to the chairman of the Audit Committee and no remuneration shall be paid to other members of the Audit Committee. Further, it is proposed that no remuneration shall be paid for work in the Remuneration Committee.

*Proposal pursuant to item 12:* The Nomination Committee proposes re-election of Bengt Baron, Mats K Andersson, Guðmundur Pálmason, Marianne Dicander Alexandersson, Sigurgeir Guðlaugsson and Louise Nicolin as ordinary members. It is furthermore proposed that Bengt Baron is re-elected as chairman of the board.

The audit tender process is ongoing and the Nomination Committee's proposal for election of an auditing company will be disclosed separately.

**Resolution on guidelines for remuneration for senior executives (item 13)**

The board of directors proposes that guidelines regarding determination of remuneration and other benefits for the CEO and other senior executives in the Company shall be adopted with the following substantial terms.

- a) Senior executives include the individuals that together with the CEO constitute the Company's executive management. Enzymatica's principle is that the Company shall offer remuneration levels and employment conditions needed to enable recruitment and retention of senior executives with the required competence and capacity in order to achieve the business objective. The remuneration shall be decided on market-based terms.
- b) The fixed salary for the senior executives shall be market-based and based on the individual's work duties, responsibilities, expertise and performance.

- c) To the extent a member of the board of directors performs work for the Company alongside the work as a member of the board of directors, a market-based consultancy fee should be payable.
- d) Enzymatica offers other customary benefits to senior executives, such as company car, and occupational health services, equivalent to what is considered as reasonable in reference to market practice and the benefit for the Company.
- e) In addition to fixed salary, variable remuneration may be offered for rewarding target-related performance. The variable remuneration shall not exceed 30 per cent of fixed annual salary.
- f) Pension benefits shall be contribution based occupational pension insurances, which shall be marked-based in relation to what generally applies for equivalent senior executives on the market.
- g) Notice period and eventual severance payment shall not exceed salary and other benefits of 18 months.
- h) The board of directors shall be entitled to deviate from these guidelines in individual cases if there are special reasons for doing so, for example additional variable remuneration in case of exceptional performance. If such deviation occurs, the board of directors shall report the reasons for the deviation at the closest following AGM.

**Resolution regarding authorization of the board of directors to issue new shares (item 14)**

The board of directors proposes that the meeting authorizes the board of directors until the next annual shareholders' meeting to, on one or more occasions, resolve to increase the Company's share capital by issue of no more than 9,000,000 new shares.

However, such issues may not cause the share capital in the Company to exceed the Company's highest allowed share capital according to the articles of association. The board of directors may deviate from the shareholders' preferential rights. The reason for the board of directors' authorization to deviate from the shareholders' preferential rights is to enable the Company's possibilities to raise new capital and to take advantage of future opportunities to attract new long-term owners of strategic importance to the Company, as well as to finance the Company's growth strategy. The authorization also includes the right to decide on payment for the issued shares in kind, set-off or other conditions as referred in Chap. 13 Sec. 5 item 6 of the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*). At a deviation from the shareholders' preferential rights, the issue rate shall be determined in accordance with market conditions.

***Particular majority requirements***

For a valid resolution on the proposal pursuant to item 14, the proposal has to be supported by shareholders representing at least two-thirds of the votes cast as well as shares represented at the meeting.

**Resolution regarding authorization of the board of directors to adopt personnel option program and resolution regarding authorization of the board of directors to issue directed warrants as well as approval of transfer of warrants (item 15 a and b)**

The board of directors proposes (based on a proposal from the Remuneration Committee) that the annual shareholders' meeting resolves to adopt the Personnel Option Program 2017/2023 to an elected circle of the Company's employees. The personnel option program shall be offered to an, by the board of directors, elected circle of the individuals from and including 21 April 2017 to and including 1 May 2017. The holders can utilize allotted personnel options until 31 July 2023. The final proposal to the annual shareholders' meeting will also include vesting and milestone provisions.

The Personnel Option Program shall consist of a maximum of 3,750,000 personnel options. The offer shall be submitted in accordance with the following guidelines:

- (a) CEO at maximum 1,600,000 personnel options;
- (b) chairman of the board at a maximum 450,000 personnel options;
- (c) other senior executives at maximum 800,000 personnel options per individual; and
- (d) other employees at maximum 120,000 personnel options per individual

Each personnel option confers the holder a right to acquire one new share in the Company against cash consideration at a utilization price of 150 % of the average value of the Enzymatica AB share on Nasdaq First North during the period from and including the 5 April to and including 19 April 2017. However, the utilization price will not be lower than the quotient value of the shares. The personnel options shall be allotted without consideration and shall not constitute securities and shall not be able to be transferred or pledged.

In order to enable the Company's delivery of shares under the proposal as well as to hedge ancillary costs, primarily social security charges, the board of directors proposes that the annual shareholders' meeting resolves on a directed issue of warrants as well as an approval of transfer of warrants. The board of directors therefore proposes that the ordinary shareholders' meeting resolves on an issue of a maximum of 4,928,250 warrants to the wholly owned subsidiary of Enzymatica Care AB on essentially the conditions indicated above. The reason for deviation from the shareholders' preferential rights is that the issue is part of the establishment of the personnel option program as described above. The board of directors further proposes that the annual shareholders' meeting resolves to approve that the Subsidiary may transfer warrants to the participants in the Personnel Option Program without consideration in connection with the utilization of personnel options in accordance with the terms indicated above, or in another way to dispose the warrants options in order to be able to secure the Company's commitments and costs in relation to the Personnel Option Program.

In case all warrants within the Personnel Option Program are utilized for subscription of shares, a total of 4,928,250 new shares will be issued, which corresponds to a dilution of approximately 5.1 per cent of the Company's share capital and votes after full dilution, calculated based on the number of shares that will be added upon full utilization of the Personnel Option Program.

Since previously, there is one warrant program outstanding which was resolved upon by the extra ordinary shareholders' meeting of 15 February 2016. In that warrant program there are a total of 3,982,084 outstanding warrants. Each warrant confers right to the holder of the warrant to subscribe for one new share in the Company at a subscription price of SEK 5 during the time period from 1 October 2017 to and including 1 April 2018. In case all warrants are utilized for subscription, a total of 3,982,084 new shares will be issued.

In case all warrants (outstanding as well as the now proposed for the ordinary shareholders' meeting of 20 April 2017 to resolve upon) are utilized, a total of 8,910,334 shares will be issued, which corresponds to a dilution of approximately 8.9 per cent of the Company's share capital and votes after full dilution, calculated based on the number of shares that will be added upon full utilization of all warrants (outstanding as well as the proposed).

In case all warrants are utilized for subscription of new shares, the share capital will increase with SEK 356,413.

The Board's proposal regarding issue of warrants must be approved by shareholders representing at least nine tenths of the votes as well as nine tenths of the represented shares on the meeting.

#### **Total number of shares and votes**

The total number of shares and votes in the Company amounts as per the date of this notice to 90,887,808. The Company does not hold any own shares.

The shareholders are reminded of their right to request information from the board of directors and the CEO at the meeting in accordance with Chap. 7 Sec. 32 of the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*).

#### **Meeting documents**

The board of directors' complete proposal for a resolution pursuant to items 9-15 are available for the shareholders at the Company's website and at the Company at its above mentioned address at the latest from April 6, 2017 and will free of charge be sent to the shareholders upon their request to the Company, provided that such shareholders state their current address.

Lund in March 2017  
The board of directors

#### **For further information, contact:**

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#### **Enzymatica**

Enzymatica is a life science company who develops and sells medical device products against infectious-related diseases. Over a short period the company has developed a unique oral spray for colds, ColdZyme<sup>®</sup>, and launched it on seven markets. The product has become one of the leading articles for colds in Swedish pharmacies. Enzymatica's strategy is to continue growing by strengthening its position in existing markets and to expand to more geographical markets through well-established partners. The company is headquartered in Lund, Sweden and is listed on Nasdaq First North. For more information, please visit [www.enzymatica.com](http://www.enzymatica.com).

Enzymaticas Certified Adviser is Erik Penser Bank.