

**Press Release****5 September 2016****Notice of annual general meeting of Nuevolution AB (publ)**

The shareholders of Nuevolution AB (publ) are hereby summoned to the annual general meeting on Wednesday 5 October 2016 at 3.00 p.m. at Näringlivets Hus, Storgatan 19, Stockholm.

Right to attend the general meeting

Shareholders who wish to attend the general meeting must be registered in the share register maintained by Euroclear Sweden AB on Thursday 29 September 2016, and must notify the company of their intention to attend the meeting no later than Thursday 29 September 2016 at 4.00 p.m.

The notification must be made in writing to Nuevolution AB (publ), Rønnegade 8, 2100 Copenhagen, Denmark or by e-mail to agm@nuevolution.com. The notification shall state the shareholder's name, personal identity number/registration number, shareholding, address, day time telephone number and information about the attendance of any assistants (maximum two) and, if applicable, information about any proxies.

Proxy

Shareholders represented by proxy must submit a dated power of attorney. If the power of attorney is executed by a legal person, a certified copy of the certificate of registration or equivalent should be attached. The power of attorney and the certificate of registration may not be older than one year, however, the power of attorney may be older provided that the power of attorney according to its wording is valid for a longer period, although, not more than five years. The original power of attorney and the certificate of registration should be sent to the company at the address mentioned above well in advance of the general meeting. A proxy form is available at www.nuevolution.com and will also be sent to shareholders who so requests and state their postal address.

Nominee-registered shares

Shareholders whose shares are registered in the name of a nominee through a bank or a securities institution must temporarily re-register their shares in their own names in order to be entitled to attend the general meeting. Such registration must be duly effected in the share register maintained by Euroclear Sweden AB on Thursday 29 September 2016, and the shareholders must therefore advise their nominees well in advance of this date.

Number of shares and votes

In the company, on the day of this notice, there are a total of 42,858,236 ordinary shares that hold one (1) vote per share at the general meeting. Thus, there are a total of 42,858,236 shares and 42,858,236 votes in the company.





The shareholders are reminded of their right to require information in accordance with Chapter 7, Section 32 of the Swedish Companies Act.

Proposed agenda

1. Election of a chairman of the meeting.
2. Preparation and approval of the voting list.
3. Approval of the agenda.
4. Election of one or two persons to approve the minutes of the meeting.
5. Determination of whether the meeting has been duly convened.
6. Report from the managing director Alex Haahr Gouliaev.
7. Presentation of the annual report and the auditor's report and the consolidated financial statements and the auditor's report for the group.
8. Resolution on adoption of the income statement, balance sheet, consolidated income statement and the consolidated balance sheet.
9. Resolution on allocation of the company's profits or losses in accordance with the adopted balance sheet.
10. Resolution on discharge of the members of the board of directors and the managing director from liability.
11. Determination of the number of members and deputy members of the board of directors and the number of auditors and deputy auditors.
12. Determination of fees to be paid to the members of the board of directors and auditors.
13. Election of the members of the board of directors as well as auditors and deputy auditors.
14. Proposal regarding principles for the appointment of a nomination committee for the annual general meeting 2017.
15. The board of directors' proposal regarding authorization to issue new ordinary shares.
16. The board of directors' proposal for the adoption of Warrant Program 2016/2021 and the issue of warrants.
17. Closing of the general meeting.

Allocation of the company's profits or losses (item 9)

The board of directors proposes that the company's result shall be carried forward.

Board of directors, etc (items 1 and 11–13)

As Nuevolution AB (publ) does not have a nomination committee, representatives of the three largest shareholders (David Sonnek from SEB Venture Capital, Lennart Hansson from Industrifonden and Peter Benson from Sunstone Capital) as well as the chairman of the board of directors Stig Løkke Pedersen, hereby propose the following:

- that Charlotte Levin, member of the Swedish Bar Association, shall be appointed chairman of the meeting (item 1).
- that the board of directors shall consist of five members with no deputies and that the company shall have one auditor with one deputy auditor (item 11).





- that the remuneration to the board of directors shall be paid in a total amount of not more than SEK 1,520,000 allocated as follows. The chairman shall receive SEK 600,000, of which SEK 200,000 relates to extraordinary work in connection with the company's listing process on Nasdaq First North in 2015, and other members, who are not employed by the company, shall receive SEK 200,000 each. The remuneration for work in the committees of the board of directors shall be distributed with SEK 50,000 to the chairman of the audit committee and SEK 25,000 to the other member, SEK 30,000 to the chairman of the remuneration committee and SEK 15,000 to the other member. Remuneration to the auditor shall be paid in accordance with approved invoices within the auditor's quotation (item 12).
- that the members of the board Stig Løkke Pedersen, Søren Lemonius, Lars Henriksson, Jutta Monica Heim and Jeanette Wood are re-elected for the period up to the end of the next annual general meeting. Re-election of Stig Løkke Pedersen as chairman of the board. Re-election of the auditing company Ernst & Young Aktiebolag as auditor, with authorized auditor Beata Lihammar as auditor in charge, and Andreas Nyberg as deputy auditor, for the period up to the end of the next annual general meeting (item 13).

Further information on the proposed members of the board is available at www.nuevolution.com.

Nomination committee (item 14)

The three major shareholders and the chairman of the board of directors propose that the annual general meeting shall resolve to adopt the following principles for the appointment of a nomination committee for the annual general meeting 2017.

The committee shall be composed of representatives of the three largest shareholders listed in the shareholders' register maintained by Euroclear Sweden as of 31 March each year, as well as the chairman of the board, who will also convene the first meeting of the committee. The member representing the largest shareholder shall be appointed chairman of the committee, unless the committee unanimously appoints someone else. If earlier than three months prior to the annual general meeting, one or more of the shareholders having appointed representatives to the committee no longer are among the three largest shareholders, the representatives appointed by such shareholders shall resign and the shareholders who then are among the three largest shareholders may appoint their representatives. Should a member resign from the committee before its work is completed and the committee considers it necessary to replace him or her, such substitute member shall

represent the same shareholder or, if such shareholder no longer is one of the largest shareholders, the largest shareholder in turn. Changes to the composition of the committee must be announced immediately.

The nomination committee shall prepare and submit proposals to the annual general meeting on: chairman of the meeting, board members, chairman of the board, board fees to each of the board





members and the chairman as well as remuneration for committee work, if any, fees to the company's auditor, and, when applicable, proposal regarding election of new auditor. The composition of the committee for the annual general meeting shall normally be announced no later than six months before the meeting. Remuneration shall not to be paid to the members of the committee. The company shall pay any necessary expenses that the committee may incur in its work. The term of office for the committee ends when the composition of the following committee has been announced.

Authorization to issue new ordinary shares (item 15)

The board of directors proposes that the annual general meeting resolves to authorize the board of directors, for the period up to the next annual general meeting, to adopt decisions, whether on one or several occasions and whether with or without pre-emption rights for the shareholders, to issue new ordinary shares to an amount not exceeding in total 10 percent of the total number of outstanding ordinary shares in the company following utilization of the authorization. New issues may be made with or without provisions concerning non-cash consideration, set-off or other provisions specified in Chapter 13 Section 5, first paragraph, 6, of the Swedish Companies Act. The purpose of the authorization is to provide the board with flexibility in its work to secure that the company, in a suitable way, can be provided with capital to enable a broadening of the ownership structure of the company, increase the liquidity in, and trading volume of, the share and to be used in strategic partnerships.

Proposal for the adoption of Warrant Program 2016/2021 and the issue of warrants (item 16)

Background

The board of directors proposes that the general meeting resolves to implement a warrant program ("**Warrant Program 2016/2021**"), with two series, addressed to new members of the group management and other new employees of the company, in order to promote and stimulate continued loyalty with the operations by linking the interests of these persons with the interests of the shareholders.



**Number of warrants and exercise price**

The board of directors proposes that the meeting resolves to issue not more than 493,000 warrants, in two series, of which 480,000 warrants of Series 1 and 13,000 warrants of Series 2, within the scope of an incentive program for the group management and other employees. In total, the incentive programme will encompass a maximum of approximately 18 individuals.

Each warrant shall entitle the holder to subscribe for one new ordinary share. The warrants shall be issued free of charge and be subscribed for by the wholly-owned subsidiary Nuevolution A/S for further transfer free of charge to the participants in accordance with the below. There can be no over-subscription. The company shall in connection with the transfer of the warrants to the participants reserve a pre-emption right regarding the warrants, with certain exceptions, if the participant's employment or assignment within the group is terminated or if the participant wishes to transfer its warrants.

The warrants are granted to the participants over a period of four years, of which one quarter of the warrants shall be deemed granted on 31 October 2017, 2018, 2019 and 2020, respectively. Each warrant shall, during the period from 31 October 2017 and up to and including 31 August 2021, entitle the holder to subscribe for one new ordinary share in Nuevolution AB (publ) at an exercise price in accordance with the below.

The exercise price for one ordinary share subscribed for by the exercise of one warrant of Series 1 shall be SEK 1,000,000 and the exercise price for one ordinary share subscribed for by the exercise of one warrant of Series 2 shall be SEK 11.25. Subject to the fulfillment of an Exit Event (as described below and in the terms and conditions of the warrants), the subscription price per ordinary share for warrants of Series 1 shall instead be SEK 17.50.

Pursuant to the terms and conditions for warrants of Series 1, an "Exit Event" occurs if more than 90 percent of the shares are sold to a buyer and the purchase price corresponds to at least SEK 22.975 per share, if the company's operations or a substantial part of the company's assets are sold and the purchase price corresponds to at least SEK 22.975 per share, if the company is liquidated and the distribution proceeds correspond to at least SEK 22.975 per share or if the trading price of the company's share on Nasdaq First North or Nasdaq Stockholm at the time of applying for subscription of shares corresponds to at least SEK 22.975 per share.





The exercise price and the number of ordinary shares that each warrant entitles to subscription for shall be recalculated in the event of a split, consolidation, new share issue etc., in accordance with market practice.

Allocation of warrants

Group management and other employees who have entered into a pre-emption agreement with Nuevolution AB (publ) shall be entitled to be transferred warrants, where a maximum of 90,000 warrants shall be allocated to one member of the group management, of which 85,000 are warrants of Series 1 and 5,000 of Series 2; a maximum of 148,000 to Other key employees, of which 140,000 are warrants of Series 1 and 8,000 of Series 2, whereof no individual Other key employee can be granted more than 74,000 warrants; and a maximum of 255,000 warrants of Series 1 shall be allocated to Other employees, whereof no individual Other employee can be granted more than 17,000 warrants. Board members shall not be eligible to participate in the incentive programme.

Scope and costs of the program

The fair value of the warrants under Warrant Program 2016/2021 amounts to SEK 3.1 million, using the so-called Black&Scholes model (based on a risk-free interest rate of -0.53 percent, assumed volatility of 45 percent and estimated maturity of the warrants of 4.9 years). The amount will, in accordance with IFRS, be recognized as non-cash expenses in the consolidated financial statements as the warrants are granted to the individuals. The company estimates that the costs for advisors will amount to, in total, approximately SEK 0.2 million during the term of the program.

Dilution of existing shares and votes

Based on the number of shares and votes outstanding in the company, the proposed incentive programme implies, upon exercise of all 493,000 warrants, a full dilution corresponding to approximately 1.0 per cent of the total number of shares and votes outstanding in the company. If all outstanding incentive programs in the company are included in the calculation, the corresponding maximum level of dilution amounts to approximately 11.5 per cent.

Information about Nuevolution's current incentive programs is available in the annual report for the financial year 2015/16, note 20, and on the company's website, www.nuevolution.com.

If all warrants are exercised the share capital will increase by SEK 493,000.





The rationale for the proposal

According to the board of directors, it is important that the company's employees have sufficient incentives and hold shares in the company in order to align the employees' and the company's interests in order to create opportunities to keep and increase motivation among its employees. The board of directors considers that the adoption of Warrant Program 2016/2021 is beneficial to the Nuevolution group and the shareholders of the company.

Preparations of the proposal

The program has been prepared by the company's board of directors in consultation with external advisors.

Majority requirements

A resolution in accordance with this item 16 requires approval of least nine tenths (9/10) of the shares represented and votes cast at the general meeting.

The annual report and all other relevant documents are available at the company's offices at Rønnegade 8, 2100 Copenhagen, Denmark and at www.nuevolution.com no later than three weeks before the general meeting and will be sent to shareholders who so request and who inform the company of their postal address. This notice is a translation of a Swedish notice and in case of any deviations between the language versions, the Swedish version shall prevail.

Stockholm, September 2016

Nuevolution AB (publ)

The board of directors





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Information about Nuevolution AB (publ)

Nuevolution AB (publ) is a leading small molecule drug discovery biotech company founded in 2001, and headquartered in Copenhagen, Denmark. Nuevolution partners its discovery platform and programs with pharmaceutical and biotechnology companies to seek future benefit of patients in need of novel medical treatment option. Nuevolution's internal programs are focused on therapeutically important targets within inflammation, oncology and immuno-oncology.

Nuevolution AB (publ) is required to disclose the information provided herein pursuant to the Securities Markets Act. The information was sent for publication on Monday 5 September, 17.00 (CEST).

Nuevolution AB (publ) is listed at Nasdaq First North in Stockholm, Sweden (ticker: NUE.ST). Västra Hamnen Corporate Finance AB acts as Certified Advisor to Nuevolution AB (publ). More information about Nuevolution can be found on: www.nuevolution.com

