



Stockholm, Sweden

5 November 2018

EXTRAORDINARY GENERAL MEETING IN ONCOPEPTIDES AB (PUBL)

The shareholders in Oncopeptides AB (publ), reg. no. 556596-6438, ("Oncopeptides" or the "Company") are hereby given notice to attend the Extraordinary General Meeting to be held at Tändstickspalatset, Västra Trädgårdsgatan 15, Stockholm, Sweden, Wednesday 5 December 2018 at 3:00 p.m. Coffee will be served starting at 2:00 p.m., at which time the registration for attendees will commence.

Right to participate and notice

Shareholders who wish to participate at the Extraordinary General Meeting must be entered in the share register of the Company, kept by Euroclear Sweden AB (the Swedish Central Securities Depository & Clearing Organisation), on Thursday 29 November 2018 and must notify their intention to participate to the Company so that the notification is received by the Company no later than on Thursday 29 November 2018. Shareholders may bring one or two assistants at the Extraordinary General Meeting if notification of the number of assistants that the shareholder intends to bring has been made to the Company no later than by the aforementioned time.

The notification shall be made in writing to Oncopeptides AB (publ), Luntmakargatan 46, 111 37 Stockholm, Sweden, or by e-mail to adrienne.martin-lof@oncopeptides.com. The notification shall include name, personal identification number or corporate registration number, number of shares, address and daytime telephone number and, where applicable, name of assistant, proxy or representative. A notification form is available on the Company's website, www.oncopeptides.com.

Nominee registered shares

In order to be entitled to participate at the Extraordinary General Meeting, shareholders who have their shares registered in the name of a nominee must temporarily re-register the shares in their own name. Shareholders who wish to make such re-registration, so-called voting rights registration, must make such request with their nominee well in advance of Thursday 29 November 2018, at which time the re-registration must have been made.

Proxy

Shareholders intending to participate by proxy must issue a written, signed and dated power of attorney. If the power of attorney is issued by a legal entity, the power of attorney shall be accompanied by a certified copy of a valid registration certificate of the legal entity (or similar document for a non-Swedish legal entity). The documents must not be older than one year, however the power of attorney may be older in case its wording provides for longer validity, however maximum five years. A power of attorney form is available on the Company's website, www.oncopeptides.com, and will be sent free of charge to shareholders who so request and provide their postal or e-mail address. In order to facilitate registration, original versions of powers of attorney, certificates of registration and other authorization documents should be sent to the Company at the above address well in advance of the Extraordinary General Meeting.

Proposed agenda

1. Opening of the Extraordinary General Meeting;
2. election of chairman of the Extraordinary General Meeting;
3. preparation and approval of voting list;
4. approval of the agenda;
5. election of one or two persons to approve the minutes;
6. determination as to whether the Extraordinary General Meeting has been duly convened;
7. determination of the number of members of the Board of Directors;
8. determination of fees to be paid to the members of the Board of Directors;
9. election of an additional member of the Board of Directors;
10. resolution on the introduction of a long term performance based incentive program for the additional member of the Board of Directors;
11. ending of the Extraordinary General Meeting.

The Nomination Committee's proposed resolutions

Election of chairman of the Extraordinary General Meeting (item 2)

The Nomination Committee proposes that attorney Johan Winnerblad from the law firm Vinge is elected chairman of the Extraordinary General Meeting.

Determination of the number of members of the Board of Directors (item 7)

The Nomination Committee proposes that the Board of Directors shall have one additional director and thus consist of eight directors.

Determination of fees to be paid to the members of the Board of Directors (item 8)

The Nomination Committee proposes remuneration until the end of the annual general meeting 2019 to the additional member of the Board of Directors with a total cash fee amount of SEK 335,000 on a full year basis, of which proposed remuneration for ordinary work amounts to SEK 250,000 and SEK 85,000 is paid as remuneration given that the board member is residing in the United States. However, the total remuneration shall be adjusted pro rata to reflect the time period left after election until the annual general meeting 2019.

Election of an additional member of the Board of Directors (item 9)

The Nomination Committee proposes the election of Jennifer Jackson as new board member until the end of the annual general meeting 2019. It is noted that the Board of Directors also consists of Per Wold-Olsen (Chairman), Brian Stuglik, Jonas Brambeck, Cecilia Daun Wennborg, Jarl Ulf Jungnelius, Per Samuelsson and Olof Tydén, for the period until the end of the annual general meeting 2019.

A short presentation of Jennifer Jackson, who is proposed for new election, is set out below. A more detailed presentation of Jennifer Jackson is available on the Company's website, www.oncopeptides.com.

Jennifer Jackson is a US citizen born in 1953. Jennifer is Senior Vice President of Regulatory Affairs and Quality Assurance and a member of the executive leadership team at TESARO, a US oncology-focused biopharmaceutical company. She has over 25 years extensive experience in global pharmaceutical regulatory affairs with successful development and approval of drugs and biologics in multiple therapeutic areas, including oncology. At TESARO, Jennifer built the Regulatory Affairs and Quality functions and was instrumental in the US and EU approval of ZEPJULA, a PARP inhibitor for maintenance treatment of ovarian cancer; a product with US and EU orphan drug designation and US FDA breakthrough status.

Prior to TESARO, Jennifer was Senior Vice President, Regulatory Affairs at Cubist Pharmaceuticals. She previously served in senior regulatory roles at Biogen, Vertex and Bristol-Myers Squibb, where she gained broad experience in negotiation and collaboration with FDA, EMA and other international regulatory authorities to guide drug and biologic pharmaceutical development from laboratory discovery to product approval and commercialization.

Jennifer earned her Ph.D. in Genetics at Cornell University and did her postdoctoral work at Massachusetts Institute of Technology. She is a member of the American Society of Clinical Oncology.

Resolution on the introduction of a long term performance based incentive program for the additional member of the Board of Directors (item 10)

The Nomination Committee proposes that the Extraordinary General Meeting resolves to implement a long term performance based incentive program for the additional member of the Board of Directors ("Board LTIP 2018.2") in accordance with items 10a – 10b below. The resolutions under items 10a–10b below are proposed to be conditional upon each other and for that reason it is proposed that all resolutions are to be passed as one resolution. Should the majority requirement for item 10b below not be met, the Nomination Committee proposes that Oncopeptides shall be able to enter into an equity swap agreement with a third party in accordance with item 10c below and resolutions under items 10a and 10c shall then be conditional upon each other and passed as one resolution.

Board LTIP 2018.2 is a program under which the participant will be granted, free of charge, share awards subject to performance vesting ("Share Awards") that entitle to shares in Oncopeptides to be calculated in accordance with the principles stipulated below, however not more than 2,750 shares. As part of the implementation of Board LTIP 2018.2, not more than 2,750 warrants will be issued in accordance with item 10b below.

Proposal for resolution on adoption of a long term performance based incentive program for the additional member of the Board of Directors (item 10a)

The rationale for the proposal

Board LTIP 2018.2 is intended for the newly elected, main owner independent, member of the Board of Directors in Oncopeptides. The Nomination Committee believes that an equity based incentive program is a central part of an attractive and competitive remuneration package in order to attract, retain and motivate internationally competent members of the Board of Directors, and to focus the participants on delivering exceptional performance which contributes to value creation for all shareholders. Board LTIP 2018.2 is adapted to the current position and needs of Oncopeptides. The Nomination Committee is of the opinion that Board LTIP 2018.2 will increase and strengthen the participant's dedication to Oncopeptides' operations, improve Company loyalty and that Board LTIP 2018.2 will be beneficial to both the shareholders and Oncopeptides.

Conditions for Share Awards

The following conditions shall apply for the Share Awards:

- The Share Awards shall be granted free of charge to the participant after the Extraordinary General Meeting and at the latest before the annual general meeting 2019, as decided by the Company's Remuneration Committee (excluding any participating member).
- The Share Awards shall vest gradually over three years, corresponding to three terms, each a period of 12 months, as from grant date ("Grant Date") up to the time period three years after the date of grant (the "Final Vesting Date") (each such vesting period a "Term"). The Share Awards shall vest by 1/3 at the end of each Term, provided that the participant is still a Board member of Oncopeptides

on said date. In addition to the vesting conditions just stated, the Share Awards are subject to performance vesting based on the development of the Oncopeptides share price, in accordance with the vesting conditions below.

- The Share Awards are subject to performance vesting based on the development of the Oncopeptides share price over the period from the Grant Date up to and including the Final Vesting Date. The development of the share price will be measured based on the volume weighted average price of the Oncopeptides share on Nasdaq Stockholm for the 10 trading days immediately following the Grant Date and the 10 trading days immediately preceding the Final Vesting Date. In the event the price of Oncopeptides' share has thereby increased by more than 60 percent, 100 percent of the Share Awards shall vest, and should the share price have increased by 20 percent, 33 percent of such Share Awards shall vest. In the event of an increase of the share price of between 20 and 60 percent, vesting of the Share Awards will occur linearly. Should the increase of the share price be less than 20 percent, no vesting will occur.
- The earliest point in time at which vested Share Awards may be exercised shall be the day falling immediately following the Final Vesting Date.
- Each vested Share Award entitles the holder to receive one share in Oncopeptides without any compensation being payable provided that the holder is still a Board member of Oncopeptides at the relevant time of vesting. In some customary "good leaver"-situations (including death and permanent incapacity to act as board member due to illness or accident), this shall also apply during the first Term, despite the participant ceasing to be a Board member of Oncopeptides.
- The number of Share Awards will be re-calculated in the event that changes occur in Oncopeptides' equity capital structure, such as a bonus issue, merger, rights issue, share split or reverse share split, reduction of the share capital or similar measures.
- The Share Awards are non-transferable and may not be pledged.
- The Share Awards can be granted by the parent company as well as any other company within the Oncopeptides group.
- In the event of a public take-over offer, asset sale, liquidation, merger or any other such transaction affecting Oncopeptides, the Share Awards will vest in their entirety upon completion of such transaction.

Allocation

The number of Share Awards that shall be granted to the participant shall equal an amount of SEK 270,000 divided by the volume weighted average price of the Oncopeptides share on Nasdaq Stockholm for the 10 trading days preceding the Grant Date.

In any event, Board LTIP 2018.2 will comprise a total of Share Awards which, if all Share Awards are vested in accordance with the vesting conditions above, entitle to not more than 2,750 shares in Oncopeptides.

Preparation, administration and the right to amend the terms of the Share Awards

The Remuneration Committee of Oncopeptides (excluding any participating member) shall be responsible for preparing the detailed terms and conditions of Board LTIP 2018.2, in accordance with the above mentioned terms and guidelines. To this end, the Remuneration Committee (excluding any participating member) shall be entitled to make adjustments to meet foreign regulations or market conditions, including resolving on cash or other settlement if deemed favourable for Oncopeptides based on foreign tax regulations.

Preparation of the proposal

Board LTIP 2018.2 has been initiated by the Nomination Committee and has been structured based on an evaluation of prior incentive programs and market practice for comparable European (including Swedish) listed companies.

Dilution

Assuming a volume weighted average price of the Oncopeptides share on Nasdaq Stockholm for the 10 trading days preceding the Grant Date of SEK 125, Board LTIP 2018 will comprise not more than 2,160 shares in total, which corresponds to a dilution of approximately 0.005 percent on a fully diluted basis. Taking into account also the shares which may be issued pursuant to previously implemented incentive programs in the Company, the maximum dilution amounts to 0.004 percent on a fully diluted basis. The dilution is expected to have a marginal effect on the company's key performance indicator "Earnings (loss) per share".

Information about Oncopeptides' existing incentive programs can be found in Oncopeptides' annual report for 2017, note 21, which is available on the Company's website, www.oncopeptides.com, and on the Company's website under "Remuneration".

Scope and costs of the program

Board LTIP 2018.2 will be accounted for in accordance with "IFRS 2 – Share-based payments". IFRS 2 stipulates that the Share Awards shall be expensed as personnel costs over the vesting period and will be accounted for directly against equity. Personnel costs in accordance with IFRS 2 do not affect the Company's cash flow. Social security costs will be expensed in the income statement according to UFR 7 during the vesting period.

Assuming a share price at the time of allocation of Share Awards of SEK 125, an increased value of the Company of SEK 4.0 billion (corresponding to an annual increase in the share price of 20 per cent) and that the Share Awards at the Grant Date is valued in accordance with a Monte Carlo simulation, the average annual personnel cost for Board LTIP 2018.2 according to IFRS 2 is estimated to approximately SEK 50,000 before tax. The average annual cost for social security charges are estimated to approximately a total of SEK 50,000, based on the above assumptions and a social security tax rate of 31.42 per cent. The average total annual cost for Board LTIP 2018.2 during the term of the program, including costs according to IFRS 2 and social security costs, is therefore estimated to approximately SEK 100,000.

The total cost of the Board LTIP 2018.2, including all costs referred to above and social security charges, is estimated to amount to approximately SEK 300,000 under the above assumptions.

Delivery of shares under Board LTIP 2018.2

In order to ensure the delivery of shares under Board LTIP 2018.2, the Nomination Committee proposes that the Extraordinary General Meeting resolves to issue warrants in accordance with item 10b below.

Proposal regarding issue of warrants (item 10b)

In order to ensure the delivery of shares under Board LTIP 2018.2, the Nomination Committee proposes that the Extraordinary General Meeting resolves to issue not more than 2,750 warrants, whereupon the Company's share capital may be increased by not more than approximately SEK 306.

The right to subscribe for the warrants shall, with deviation from the shareholders' pre-emptive rights, only vest with Oncopeptides Incentive AB, a wholly owned subsidiary of Oncopeptides. The reason for the deviation from the shareholders' pre-emptive rights is the implementation of Board LTIP 2018.2. Oncopeptides Incentive AB shall be entitled to transfer the warrants to the participant in Board LTIP 2018.2, or a financial intermediary in connection with exercise of Share Awards.

The warrants shall be issued free of charge. The exercise price for subscription for shares

based on the warrants shall correspond to the share's quota value.

Equity swap agreement with a third party (item 10c)

Should the majority requirement for item 10b above not be met, the Nomination Committee proposes that the Extraordinary General Meeting resolves that Board LTIP 2018.2 shall instead be hedged so that Oncopeptides can enter into an equity swap agreement with a third party on terms in accordance with market practice, whereby the third party in its own name shall be entitled to acquire and transfer shares of Oncopeptides to the participant.

Required majority

A valid resolution in respect of the introduction of a long term performance based incentive program for the additional member of the Board of Directors (item 10b) requires that the proposals are supported by shareholders holding at least nine-tenths of both the votes cast and the shares represented at the Extraordinary General Meeting.

Documents

The full proposed resolution according to item 10 and information regarding the proposed member of the Board of Directors will be made available at the Company's website, www.oncopeptides.com, no later than Wednesday 14 November 2018 and at the premises of the Company, address Luntmakargatan 46, 111 37 Stockholm, Sweden, and will be sent free of charge to shareholders who so request and state their postal address or email 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.

Number of shares and votes and information

The number of shares and votes in Oncopeptides amounts to 44,070,321 at the date of the issue of this notice. The shareholders are reminded of their right to require information in accordance with Chapter 7, Section 32 of the Swedish Companies Act.

Processing of personal data

For information about how personal data is processed, it is referred to the privacy notice available at Euroclear's webpage <https://www.euroclear.com/dam/ESw/Legal/privacy-notice-boss.pdf>.

Stockholm in November 2018
The Board of Directors

For further information, please contact:

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About Oncopeptides

Oncopeptides is a pharmaceutical company developing drugs for the treatment of cancer. The company is focusing on the development of the lead product candidate melflufen (Ygalo®), an alkylating peptide, belonging to a new class of drugs (Peptidase Enhanced Compounds - PEnCs). Melflufen (Ygalo®) is intended as an effective treatment of hematological cancers, and in particular multiple myeloma. The goal with the current clinical study program is to demonstrate better results from treatment with melflufen (Ygalo®) compared with established alternative drugs for patients with late-stage multiple myeloma. Melflufen (Ygalo®) will potentially provide physicians with a new treatment option for patients suffering from this serious disease.

This information was submitted for publication at 08.30 a.m. on 5 November 2018.