

Press Release April 16, 2018

Notice to attend the Annual General Meeting of Infant Bacterial Therapeutics AB (publ)

Infant Bacterial Therapeutics AB (publ) will hold its Annual General Meeting on Tuesday, May 15, 2018 at 15.00 in the City Conference Ingenjörshuset, Malmkillnadsgatan 46, Stockholm.

Right to participate

In order to participate in the Annual General Meeting (AGM) shareholders must be recorded in the shareholder register maintained by Euroclear Sweden AB no later than Tuesday May 8, 2018 and must provide notice of participation to the company no later than Tuesday May 8, 2018. Notification is made by mail to Infant Bacterial Therapeutics AB (publ), Bryggargatan 10, 111 21 Stockholm, via telephone at 08- 410 145 55 or by email ibt@ibtherapeutics.com.

The notification must include the shareholder name, personal or corporate identify number, address, telephone number, registered shareholding and the names of any proxies or assistants.

In order to participate in the AGM, shareholders whose shares are registered in the name of a trustee must temporarily re-register the shares into their own name. Such registration, which may be temporary, must be completed by Tuesday May 8, 2018.

Form of proxy

Shareholders represented by a proxy must submit a dated form of proxy. If the form of proxy is submitted by a legal entity, a copy of the certificate of registration or other proof of authorization for the legal entity must be attached. A form of proxy can be downloaded from the company's website www.ibtherapeutics.com. An original form of proxy, and where appropriate, a certificate of registration or other proof of authorization should be received by the company at the address above no later than Tuesday May 8, 2018.

Proposed Agenda

1. Opening of the meeting
2. Election of Chairman of the Meeting
3. Establishment and approval of the voting list
4. Selection of one or two persons to attest the minutes of the Meeting
5. Approval of Agenda
6. Resolution as to whether the meeting has been duly convened
7. Address by the CEO
8. Presentation of the annual report and the audit report, the consolidated accounts and the consolidated audit report
9. Decision:
 - a) to determine the income statement and balance sheet and the consolidated income statement and consolidated balance sheet;

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- b) on disposals of the company's income according to the established balance sheet,
- c) discharge to board members and the managing director
- 10. Resolution regarding the number of Board members
- 11. Determinations of fees to the Board of Directors and Auditor
- 12. Election of Board members
 - a) Re-election of Peter Rothschild
 - b) Re-election of Jan Annwall
 - c) Re-election of Anders Ekblom
 - d) Re-election of Margareta Hagman
 - e) Re-election of Eva Idea
 - f) Re-election of Anthon Jahreskog
- 13. Election of the Chairman of the Board
- 14. Election of Auditor
- 15. Resolution regarding the Nominating Committee
- 16. The Board's proposal for a resolution regarding principles for remuneration to senior executives
- 17. Closing of the Meeting

Resolutions, etc.

The Nominating Committee's proposals regarding items 2 and 10-15 on the agenda.

The Nominating Committee consists, in addition to Chairman of the Board, Peter Rothschild, of Per-Erik Andersson (appointed by the company's largest shareholder Annwall & Rothschild Investments AB), Sebastian Jahreskog who, through direct and indirect ownership, is the company's second largest shareholder and Jannis Kitsakis (appointed by the company's third largest shareholder, Fourth AP- Fond).

The Nominating Committee proposes the following:

Item 2 - Election of Chairman of the Meeting

Attorney Erik Sjöman

Item 10 - Resolution regarding the number of Board members

Six members without deputies.

Item 11 - Determination of fees to be paid to the Board of Directors and auditors

The Chairman of the Board shall receive 200,000 and an extra remuneration of SEK 400,000 for the duties as working Chairman of the Board. Other members who are not employed by the company 100 000 SEK per member. Auditing fees shall be paid in accordance with the approved invoice.

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Item 12 - Election of Board members

Re-election of Peter Rothschild, Jan Annwall, Anders Ekblom, Margareta Hagman, Eva Idén and Anthon Jahreskog.

Information about the proposed members can be found in the annual report for 2017 and on the company's website www.ibtherapeutics.com.

Item 13 - Election of Chairman of the Board

Re-election of Peter Rothschild.

Item 14 - Election of auditor

Re-election of Deloitte AB.

Item 15 – Resolution regarding the Nominating Committee

The Chairman of the Board shall convene the three largest shareholders in the company, each of which shall appoint a representative to be a member of the Nominating Committee together with the Chairman of the Board. The Nominating Committee, the ownership ratios as per June 30, 2018 will determine who are the largest shareholders in terms of voting rights. The Nominating Committee shall be chaired by the member of representing the largest shareholder on this date. If any of the three largest shareholders waives their right to appoint a member of the Nominating Committee, the next shareholder shall be prepared to appoint an alternate member of the Nominating Committee in order of magnitude. The names of the three owner's representatives shall be published as soon as they have been appointed, but no later than six months before the Annual General Meeting 2019. The Nominating Committee's term of office extends until the new Nominating Committee is appointed.

In the event that the shareholder the Nominating Committee member represents no longer constitutes one of the three largest shareholders, the Nominating Committee, if it finds it appropriate, may dismiss that member and give a representative of the shareholder that is next in terms or voting power the opportunity to be elected. In the event that a nominated member of the Nominating Committee resigns or otherwise leaves the Nominating Committee, the shareholder who appointed the member in question shall be entitled to appoint a new representative in the Nominating Committee. If such shareholder declines to appoint a new representative, the Nominating Committee shall, if it considers it appropriate with regard to the remaining term of office, request that the shareholder that is next in terms of voting power determine, if it wishes to appoint a representative to the Nominating Committee.

The Nominating Committee shall prepare proposals in the following questions to be submitted to the Annual General Meeting 2019 for decision:

- a) proposal for election of the Chairman of the AGM
- b) proposal for election of Board members
- c) proposal for election of the Chairman of the Board
- d) proposals for determination of Board fees

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- e) proposal for election of the auditor
- f) proposal for determination of auditor's fees
- g) proposals for a resolution regarding the Nominating Committee prior to the 2020 AGM.

The Board's proposals for resolution regarding items 9b and 16 on the agenda

Item 9b – Appropriation regarding the company's earnings

The Board of Directors proposes that no dividend be paid and that the result for the period be carried forward

Item 16 - Proposal for resolution regarding principles for remuneration to senior executives

The Board of Directors proposes that the AGM approve the following guidelines for determining remuneration and other terms of employment for senior executives in the Group. These principles apply to employment contracts entered into after the decision of the AGM and in the event that changes are made in the existing terms after this date.

It is of fundamental importance for the Board that the principles for remuneration and other terms of employment for senior executives in the Group create long-term motivation and enable the company to retain competent employees who work to attain maximum shareholder and customer value. In order to achieve this, it is vital to uphold fair and internally balanced terms that are market-based and competitive with respect to the structure, scope and level of remuneration. The total remuneration package for the affected individuals should contain a well-balanced mix of basic salary, variable remuneration, long-term incentive schemes, pension benefits, other benefits and terms of notice/termination benefits.

Fixed salary - The fixed salary should be individual and based on the individual's responsibility and role, as well as the individual's competence and experience in the relevant position.

Variable remuneration - Variable remuneration shall not exceed 30 percent of the annual salary.

Long-term incentive schemes - The Board of Directors shall annually evaluate whether a long-term share-based or other share price-based incentive program should be proposed to the AGM. Other types of long-term incentive programs can be decided upon by the Board. Any compensation in the form of long-term incentive programs must be in line with generally accepted practices in the respective market.

Pensions - Senior executives who are entitled to pension shall have defined contribution pension agreements. The final pension depends on the outcome of the defined pension agreements in force.

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Other benefits - Other benefits shall be of a limited value in relation to other remuneration and shall be consistent with general norms in the respective market.

Terms of notice and termination benefits - The period of notice for senior executives may not be shorter than three months.

The Board of Directors proposes that the Board be authorized to deviate from the above proposed guidelines in individual cases when there is a specific reason to do so.

Number of shares / votes and AGM documents, etc.

The total number of shares in the company amounts to 11,226,184, consisting of 377,736 Class A shares and 10,848,448 Class B shares, carrying a total number of 14,625,808 votes.

At the AGM, if any shareholder should so request and the Board assesses that this can be done without significant damage to the company, the Board of Directors and the President shall provide information about conditions that could affect the assessment of items on the agenda and conditions that could affect the assessment of the company's or a subsidiary's financial situation and the company's relationship to other group companies.

The Annual Report and other documents for the AGM will be made available at the company and on the company's website www.ibtherapeutics.com no later than three weeks before the meeting and will be sent free of charge to all shareholders who so request and provide their postal address.

Stockholm in April 2018

The Board of Directors of Infant Bacterial Therapeutics AB (publ)

About Infant Bacterial Therapeutics AB

Infant Bacterial Therapeutics AB (publ) ("IBT") is a clinical stage pharmaceutical company with a vision to develop drugs influencing the infant microbiome, and thereby prevent or treat rare diseases affecting infants.

IBT is currently developing its lead drug candidate IBP-9414 to prevent NEC in premature infants. IBP-9414 contains the active substance *Lactobacillus reuteri*, which is a human bacterial strain naturally present in breast milk. IBT is further pursuing a second rare disease program IBP-1016 for the treatment of an unmet medical need in gastroschisis, a severe congenital disorder in infants. By developing these drugs, IBT has the potential to fulfil unmet needs for diseases where there are currently no prevention or treatment therapies available.

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IBT is listed on Nasdaq First North Premier with Erik Penser Bank as Certified Adviser.

For additional information please contact

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