

Corporate governance report

Fiscal year January to December 2021

Vivesto AB ("Vivesto" or the "company") is the Parent Company of the wholly-owned and dormant companies Oasmia Pharmaceutical Asia Pacific Limited, Oasmia RUS LLP and Oasmia Pharmaceutical Inc.

Vivesto is a public limited liability company listed on Nasdaq Stockholm and the Frankfurt Stock Exchange. Governance at Vivesto is based on the Swedish Companies Act, the Swedish Annual Accounts Act, Nasdaq Stockholm's Rule Book for Issuers, the Swedish Corporate Governance Code (the "Code") and other relevant laws, rules and regulations in Sweden and abroad.

Corporate governance at Vivesto is also regulated through policies in the internal regulations. The internal guidelines encompass the company's Articles of Association and the steering documents established by the company (primarily the Board's formal work plan as well as internal instructions, policies and guidelines).

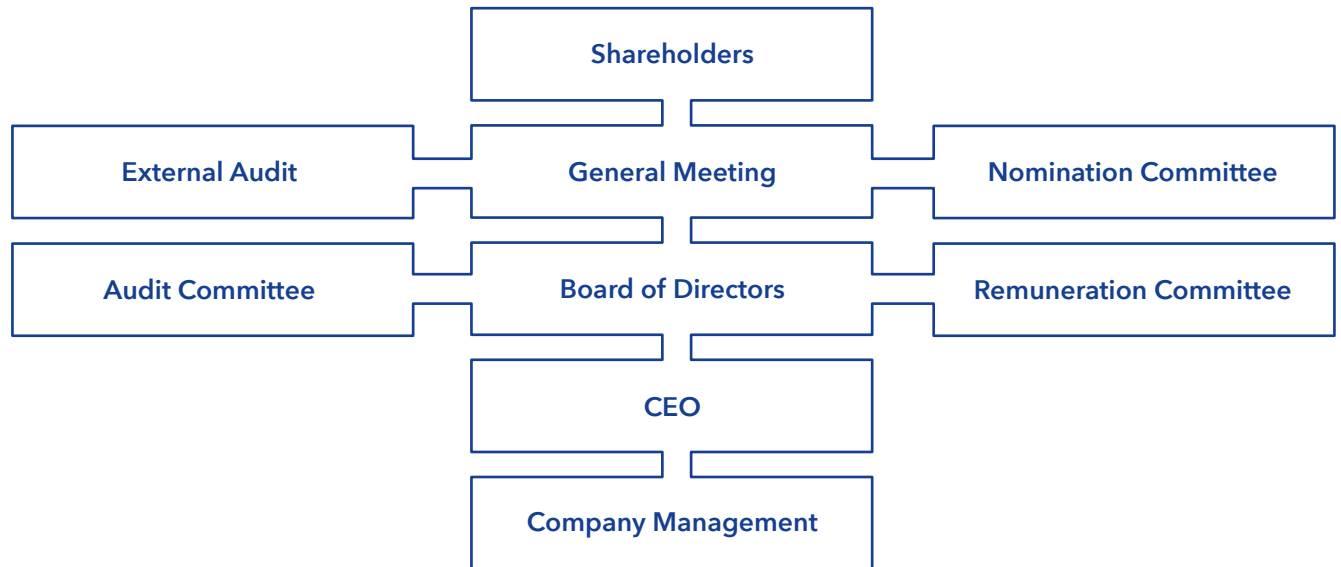
This report has been drawn up in accordance with the Annual Accounts Act and the Code and comprises Vivesto's corporate governance report for the fiscal year of January 1 to December 31, 2021. The corporate governance report has been reviewed by Vivesto's auditor and the findings presented in the statement on pages 82–84 of this Annual Report.

Swedish Corporate Governance Code

Vivesto complies with the Code given that the company's shares are admitted to trading on Nasdaq Stockholm and, accordingly, the company must follow good securities market practices. The Code is available at www.bolagsstyrning.se. The Code is based on the principle of "comply or explain", which means that companies applying the Code may choose to deviate from individual rules, but must then report the deviation and the reason for so doing. Vivesto has not deviated from the Code in the 2021 fiscal year.

The share and shareholders

Vivesto's share has been listed on Nasdaq Stockholm since June 24, 2010 and on the Frankfurt Stock Exchange since January 24,



2011. On December 31, 2021, the total number of shares in Vivesto amounted to 448,369,546 and each share carries one vote at the general meeting of shareholders. As of December 31, 2021, the number of known shareholders amounted to 19,206. With 24.8% of the share capital and votes, the holding of Per Arwidsson (privately, through related parties and companies) represents at least 10% of all votes in Vivesto. The ten largest shareholders' holdings represent just over 42% of the total number of shares of the company. For additional information on the ownership structure, see "The Share" section on page 30.

General meeting of shareholders

The general meeting of shareholders is the highest decision-making body in a limited company. The shareholders can exercise their right to vote at the general meetings. Each Vivesto shareholder, who is entitled to vote, can vote for the full number of shares owned and represented. The General Meeting approves the income statement and balance sheet, the appropriation of the company's earnings, decides on discharge from liability, elects the Board of Directors and auditors, and approves fees, addresses other statutory matters as well as making decisions pertaining

to proposals from the Board and shareholders. In addition to that stipulated by law regarding the right to attend general meetings, Vivesto's Articles of Association require prior notification to the general meeting within the time limit specified in the notice and, where applicable, notice by shareholders of any assistants they intend to bring.

The Annual General Meeting is to be held within six months of the close of the fiscal year. Notice of the Annual General Meeting is published in Post- och Inrikes Tidningar and by a notice made available on the company's website. Announcement of the notice is to be advertised in Dagens Nyheter. The general meeting can be held in the municipality of Uppsala or in Stockholm.

2021 Annual General Meeting

The 2021 Annual General Meeting was held on May 27, 2021 through postal voting. The resolutions adopted included the following:

- Adoption of the income statement and balance sheet, and the consolidated income statement and the consolidated balance sheet for the 2020 fiscal year.
- No distribution of any dividend and disposable earnings to be carried forward.
- Discharge from liability for the Board and CEO for the 2020 fiscal year.
- The Board of Directors is to comprise five Board members with no deputies.
- Board fees are payable as follows:
 - i. SEK 500,000 to the Chairman of the Board and SEK 250,000 to each of the other AGM-elected Board members who are not employed in the company; and
 - ii. SEK 50,000 to the Chairman of the Audit Committee and SEK 25,000 to each of the other committee members, and SEK 50,000 to the Chairman of the Remuneration Committee and SEK 25,000 to each of the other committee members.
- Re-election of Board members Hege Hellström, Birgit Stattin Norinder and Peter Zonabend, and re-election of Anders Här-

strand as Chairman of the Board as well as the election of new Board member Andrea Buscaglia.

- Re-election of KPMG AB as auditor with Authorized Public Accountant Duane Swanson as auditor in charge.
- Principles for appointment of a Nomination Committee ahead of the 2022 AGM and the instruction for the Nomination Committee.
- To approve the Board's remuneration report.
- Authorization of the Board to, on one or several occasions during the period up until the next AGM, decide on issues of shares, warrants and/or convertible instruments with or without deviation from the shareholders' pre-emption rights. A maximum of 89,673,909 shares, which corresponds to 20% of the total shares outstanding in the company at the date of the AGM, may be issued under the authorization (including any new shares added, following the exercise or conversion of warrants and convertible bonds issued under the authorization).

2021 Extraordinary General Meeting

An extraordinary general meeting was held on October 20, 2021 through postal voting. The resolutions adopted included the following:

- To implement a long-term incentive program in the form of employee stock options for senior executives in the company. The program consists of a maximum of 4,500,000 employee stock options and has a vesting period of three years, after which holders have the right to exercise their options for shares in the company during a three-month period in accordance with the terms of the program. Each employee stock option entitles the holder to acquire one share in Vivesto at a price corresponding to 140% of the volume-weighted average price for the company's share on Nasdaq Stockholm over the 10 trading day period immediately ahead of October 20, 2021. Rights to be allotted employee stock options will accrue to the following senior executives: François Martelet (CEO), Fredrik Järsten (CFO), Peter Selin (CBO) and Heidi Ramstad (CMO). The options are issued free of charge.

- To issue no more than 5,914,590 warrants, of which 4,500,000 warrants are to be issued to ensure the delivery of shares to participants in the employee stock option program in accordance with the terms of the program and 1,414,590 warrants are to be issued to cover the company's exposure to costs for social security contributions due to the exercising of employee stock options. Warrants were signed for according to the special subscription list by no later than October 31, 2021. Each warrant carries the right to subscribe for one share in the company at a price equivalent to the quota value of the share. Signing for shares based on the warrants begins on the date of registration of warrants at the Swedish Companies Registration Office and lasts until February 28, 2025. Warrants are to be issued free of charge.

2022 Annual General Meeting

The 2022 Annual General Meeting will be held on May 25, 2022.

Nomination Committee

The main task of the Nomination Committee is to draw up and make proposals for the election of Board members and the Chairman of the Board and to determine their fees. The Nomination Committee also presents proposals to the Annual General Meeting for the election of a chairman for the Meeting, the election of auditors, any remuneration for committee work and remuneration for the external auditor. The Nomination Committee's proposals are made public no later than in conjunction with the notice of the AGM.

The 2021 AGM resolved that the Nomination Committee ahead of the 2022 AGM would comprise three members, who were to be appointed as follows:

Not later than six months prior to the 2021 AGM, the Chairman of the Board is to contact the company's two largest shareholders in terms of voting rights, who should each then appoint a representative. Said representatives, together with the Chairman of the Board, thus constitute the Nomination Committee.

Should any of the two largest shareholders refrain from appointing a representative, the Chairman of the Board is to ask the next

largest shareholder to appoint a representative. The ownership analysis is based on Euroclear Sweden AB's list of registered shareholders on September 30, 2021 and on any other circumstances known to the Chairman of the Board at this time. When determining the largest owners in terms of votes, a group of shareholders are considered as a single owner if they (i) have been grouped as a single owner in Euroclear Sweden AB's register or (ii) announced and informed the company that they have come to a written agreement to take a long-term position in matters of the company's management by coordinating their votes. The majority of the Nomination Committee's members should not be members of the Board. The majority of the Nomination Committee's members should be independent in relation to the company and company management. Neither the CEO nor any other member of the company management is permitted to be a member of the Nomination Committee. At least one member of the Nomination Committee should be independent in relation to the company and the largest shareholder or coordinating group of shareholders in terms of votes.

The Nomination Committee ahead of the 2022 AGM comprises the following members:

- Per Arwidsson (Chairman of the Nomination Committee), appointed by Arwidsro Investment AB,
- Håkan Lagerberg, appointed by Mastan AB, and
- Anders Härfstrand, Chairman of Vivesto.

The Nomination Committee's full proposal for the 2022 AGM will be presented in the AGM notice.

Auditor

According to the Articles of Association, the company shall have one or two external auditors with not more than two deputies, or one or two accounting firms. The 2021 AGM re-elected the auditing firm KPMG AB as the company's auditor for the period until the close of the next AGM. Authorized Public Accountant Duane Swanson was appointed as auditor in charge for KPMG AB.

Board of Directors

Vivesto's Articles of Association stipulate that its Board of Directors consist of at least three and at the most eight members with not more than three deputy members. The AGM on May 27, 2021 resolved that Vivesto's Board comprise five members and no deputies. In accordance with the proposal of the Nomination Committee, the AGM resolved to re-elect Anders Härfstrand (as Chairman of the Board), and Birgit Stattin Norinder, Hege Hellström and Peter Zonabend as Board members as well as to elect new Board member Andrea Buscaglia.

The company's Articles of Association lack separate provisions regarding the appointment and dismissal of Board members, and amendments to the Articles of Association. Board assignments are for a fixed term in accordance with the Companies Act, which means that the mandate will last until the end of the first AGM held after the year the Board members were appointed. All Board members are independent of the company and its management in accordance with the definition under the Code. All of the Board members except Peter Zonabend are also independent in relation to major shareholders in the company.

Board duties and procedures

The Board has the overall task of managing the company's affairs on behalf of the shareholders. The Board has responsibility for ensuring that the company's organization is appropriate and that the operations are conducted in accordance with the Articles of Association, the Companies Act and other applicable laws and regulations as well as the Board's formal work plan. The Board continually assesses the Group's financial situation and the operational management. The Board is also, inter alia, responsible for ensuring that the company's internal control of financial conditions is satisfactory and that the information regarding financial and overall performance is communicated accurately in the company's financial reports.

In accordance with the Companies Act, Vivesto's Board of Directors has adopted written rules of procedure for its work and instructions, both for the allocation of duties between the Board

and the CEO, and for the financial reporting to the Board. This formal work plan governs, inter alia, how the work should be distributed between the Board members and the frequency of Board meetings (at least five times a year in addition to the statutory Board meeting). The rules of procedure and instructions are established each year.

Chairman of the Board

The Chairman follows, by regular contact with the CEO, the company's development and is responsible for ensuring that Board members regularly receive the information needed to fulfill their duties. In addition, the Chairman leads the Board's work and ensures that the Board's decisions are implemented. The Chairman also ensures, inter alia, that the work of the Board is evaluated annually and that the Nomination Committee is informed about the evaluation results. The AGM re-elected Anders Härfstrand as Chairman of the Board on May 27, 2021.

Committees

The Board has appointed an Audit Committee and a Remuneration Committee. The committees' members are appointed for a period of one year at the statutory Board meeting and the committees' work is regulated by the annually adopted committee instructions. The committees are both preparatory and administrative bodies.

Audit Committee

The Audit Committee consisted of Peter Zonabend (Committee Chairman), Hege Hellström, Andrea Buscaglia and Anders Härfstrand. Without otherwise affecting the responsibility of the Board, the Audit Committee is tasked with, inter alia, monitoring the company's financial reporting, monitoring the efficiency of the company's internal controls and risk management, keeping itself informed about the audit of the annual report and the consolidated accounts, reviewing and monitoring the statutory auditor's impartiality and autonomy, particularly if the statutory auditor provides other services for the company than auditing, and assisting with preparation of the procurement of auditing services and in

conjunction with resolution by the general meeting regarding the choice of auditors.

Remuneration Committee

The Remuneration Committee comprises Anders Härfstrand (Committee Chairman) and Birgit Stattin Norinder. The Committee prepares the Board's decisions on matters pertaining to remuneration principles, remuneration and other terms of employment for the company management. Additionally, the Committee is tasked with monitoring and evaluating variable remuneration programs for the company's management, both ongoing and concluded during the year, and following and evaluating how the guidelines for remuneration of senior executives, as decided by the general meeting, are applied as well as the current remuneration structures and levels in the company.

Evaluation of the Board and CEO

The Board annually evaluates its work regarding its procedures and work climate, the focus of the Board's work, and access to and the need for special competence on the Board. The objective of the evaluation is to develop the Board's procedures and efficiency. The aim is also to gain an insight into what type of issues that the Board believe should be given more attention, and in which areas there may be a requirement for additional experience and competence on the Board. The results of the evaluation are reported to the Nomination Committee and form the basis of the Committee's work on evaluating the composition of the Board and its remuneration.

The 2021 evaluation has been carried out with each Board member and management giving responses to a digital questionnaire. In addition, the Chairman of the Board has taken individual contact with Board members regarding the Board's work during the year. The results of the evaluation have been reported within the Board and have been submitted to the Nomination Committee by the Chairman.

The Board evaluates the work of the CEO by monitoring the development of operations in terms of the set goals. A formal evaluation is conducted once each year.

The Board's work during the fiscal year

During the 2021 fiscal year, the Board held 14 minuted meetings. At these meetings, the Board mainly addressed issues relating to the continued funding of the Group's business operations, ongoing projects and partnership agreements, employee stock options, and updates regarding regulatory processes.

The Audit Committee held 5 meetings in the 2021 fiscal year. During the year, the Audit Committee has, inter alia, followed up audit reports from the auditors, evaluated the auditors' contribution and presented its findings to the Nomination Committee. The Audit Committee has also followed up the internal control of financial reporting.

The Remuneration Committee held five meetings in the 2021 fiscal year. Issues addressed at the meetings included the incentive program and remuneration levels to the CEO and other senior executives.

Attendance, 2021 fiscal year

	Independent ¹	Board meetings	Audit Committee	Remuneration Committee
Anders Härfstrand	Yes/Yes	14/14	5/5	5/5
Hege Hellström	Yes/Yes	14/14	5/5	–
Birgit Stattin Norinder	Yes/Yes	14/14	–	5/5
Peter Zonabend	Yes/No	14/14	5/5	–
Andrea Buscaglia ²	Yes/Yes	10/10	2/2	–

¹ Independent of the company and its management and independent of major shareholders.

² Andrea Buscaglia was elected to the Board by the Annual General Meeting on May 27, 2021.

CEO and management

The CEO is appointed by the Board and is responsible for the company's daily operations in accordance with the Board's instructions and regulations. The allocation of responsibilities between the CEO and the Board is set out in the Board's formal work plan and in the CEO instruction prepared by the Board. In addition to François R. Martelet (CEO), the management group in 2021 comprised of Fredrik Järsten (CFO), Heidi B. Ramstad (CMO), Reinhard Koenig (CSO) and Peter Selin (CBO).

Internal control over financial reporting

Vivesto's process for internal control is designed to manage and minimize the risk of errors in financial reporting as well as to ensure compliance with the applicable accounting requirements and other requirements that apply to Vivesto as a listed company.

The Board annually evaluates the need for an internal audit function and has determined that the company's current size and risk exposure do not justify a separate internal audit function. The following description explains how internal controls are organized. The description is limited to internal controls over financial reporting.

Control environment

The basis of the internal controls concerning financial reporting is the overall control environment. The control environment requires that the organizational structure, decision-making processes and authorities are clearly defined and communicated in the form of internal steering documents such as policies, guidelines, manuals and codes. The control environment also includes laws and external regulations.

The Board has ultimate responsibility for internal controls over financial reporting. Effective Board work is therefore the basis for sound internal control. Vivesto's Board has established a formal work plan and clear instructions for its work, including the work of the Audit Committee. The Audit Committee's primary task is

assisting the Board in overseeing the accounting and financial reporting processes and ensuring the quality of these reports and processes.

The Audit Committee's duties are supervisory. Responsibility for maintaining an effective control environment and the ongoing work regarding risk management and internal control over financial reporting is delegated to the CEO. Managers at various levels of the company are in turn responsible for their respective areas. Responsibility and authority are defined in the CEO instructions, instructions for authorization, manuals, other policies, procedures and codes.

The Board determines the company's major policies on information/communication, financing and risk management. Company management establishes instructions and the responsible managers issue guidelines and monitor implementation of all policies and instructions. The company's accounting and reporting instructions are defined in an accounting manual which is available to all financial staff. Along with laws and other external regulations, the organizational structure and the internal guidelines constitute the control environment.

Risk assessment

The goal of risk assessment is to identify areas of high risk within the business and to define the controls needed to manage these risks. Balance sheet and income statement items that are based on estimates or generated by complex processes are relatively more prone to error than other items.

The Board initiates an annual risk identification process and the results of the risk identification are evaluated by the Board in order to make an assessment of what steps need to be taken. The Board believes that the company has effective internal controls over financial reporting.

Control activities

Control activities are designed to prevent, detect and correct errors and deviations. The controls are integrated into the company's processes for payments, accounting and financial reporting and include authorization and approval procedures, reconciliation, performance analysis, division of administrative control and performance functions, and controls embedded in IT systems.

Information and communication

To ensure that external information is accurate, complete and submitted in a timely manner, Vivesto has in place, inter alia, a communication policy adopted by the Board of Directors. Moreover, internal instructions cover the communication of financial information between the Board, management and other employees.

Follow-up

Internal rules regarding internal control and risk management are updated at least annually and in between if necessary. Follow-up of compliance of these rules take place continuously at a detailed level. The Audit Committee meets in connection with the board meetings that handle the quarterly reports. The auditor participates in the audit committee meetings, and meets annually with the members of the Board without someone from the company management being present.

Board



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1. Anders Härfstrand

Chairman of the Board since 2020 and Board member since 2019.

Born: 1956

Education: MD and Ph.D from Karolinska Institutet in Stockholm.; SSE Executive Education, USA Exec Program, Harvard University. Director of Karolinska Development AB from 2017 to 2019 and as Chief Executive Officer of BBB Therapeutics BV from 2014 to 2015. Prior to that, he was President and Chief Executive Officer Europe of Makhteshim Agan Industries Ltd. (now ADAMA); President and Chief Executive Officer of Humabs BioMed SA; and Chief Executive Officer of Nitec Pharma AG (now Horizon Pharmaceuticals). He has also served in various executive roles at Serono, Pfizer and Pharmacia. He has a significant operational global experience of the pharmaceutical industry especially from the US, Japan and Europe.

Other important assignments: Chairman of Härfstrand Consulting AG and Diurnal Group PLC. Board member of Prothena Inc.

Holdings in Vivesto*: 150,000 shares.

Independent in relation to Vivesto, the company management and to major shareholders of the company.

2. Andrea Buscaglia

Board member since 2021.

Born: 1964

Education: Degree in Business Administration from the University of Bocconi in Milan, Italy and a Diploma in Accountancy from the University of Genoa, Italy. Andrea Buscaglia has extensive financial experience from over 30 years working in senior roles in the biopharmaceutical, medtech, investment banking and accounting sectors. He was CFO of the medical device and biopharmaceutical companies Endosense (now Abbott Laboratories) from 2009 until 2012 and Nitec Pharma (now Horizon Therapeutics) from 2007 until 2009, and was Vice President Corporate Development at Serono (now Merck KGaA)



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from 2000 until 2007. Prior to that, he worked for three investments banks, namely S.G Warburg & Co. Ltd. (now UBS), Deutsche Bank and Salomon Smith Barney (Citigroup).

Other important assignments: CFO for Medicines for Malaria Venture (MMV).

Holdings in Vivesto*: -

Independent in relation to Vivesto, the company management and to major shareholders of the company.

3. Hege Hellström

Board member since 2019.

Born: 1965

Education: Bachelor's Degree, Medical Laboratory Scientist, Ullevaal School of Bioengineering. Executive Board Program at INSEAD, 2019. Hege Hellström worked at the biotechnology company Sobi from 2013 until 2018 and was President at EMENAR (Europe, Middle East, North Africa and Russia). Prior to that, she was globally responsible for the Cardiovascular business area within Sanofi, VP Renal Europe; Head of Regional Liaisons at Sanofi and VP Renal and Endocrine Europe, and General Manager Benelux at Genzyme. Before Genzyme, she worked at Baxter for 13 years.

Other important assignments: Founder and manager of Belnor BVBA, a consultancy and investment company, and Board member of Camurus AB. CCO and Board member of Advicenne.

Holdings in Vivesto*: -

Independent in relation to Vivesto, the company management and to major shareholders of the company.

4. Birgit Stättin Norinder

Board member since 2020.

Born: 1948

Education: Master of Pharmaceutical Sciences and Bachelor's Degree in Art History, Uppsala University. Birgit has extensive experience from international pharmaceutical and biotechnology

companies in Sweden, the US and UK. Amongst many positions she has served as CEO and Chairman of Proflix Ltd., Senior VP Worldwide Product Development at Pharmacia & Upjohn and as Director of the International Regulatory Affairs Division at Glaxo Group Research Ltd. Norinder has also held several Board and Chairman positions at European biotechnology companies.

Other important assignments: Member of the Board of AddLife AB, Nanexa AB and Jettesta AB.

Holdings in Vivesto*: 35,000 shares.

Independent in relation to Vivesto, the company management and to major shareholders of the company.

5. Peter Zonabend

Board member since 2019.

Born: 1980

Education: LL.M from Stockholm University, EMLE from Université Paul Cézanne Aix-Marseille III, France. Business and Economics from Stockholm University and Diploma in the Economic Analysis of Law from Université Paul Cézanne Aix-Marseille III, France. CEO of Victoria Investments Holding Ltd., 2010–2017, the Fylgia law firm and Björn Rosengren law firm. Board assignments including Hövding Sverige AB (publ), HQ AB, TCER AB, CBD Solutions AB.

Other important assignments: CEO of Arwidsro Fastighets AB and Arwidsro Fastigheter AB. Board Member of Arwidsro Investment AB and Hoist Finance AB (publ).

Holdings in Vivesto*: 600,000 shares. Manages 79,917 shares by proxy.

Independent in relation to Vivesto and company management, not independent of major shareholders in the company.

Auditor in charge

Duane Swanson

Authorized Public Accountant

KPMG AB

* As of December 31, 2021

Group management



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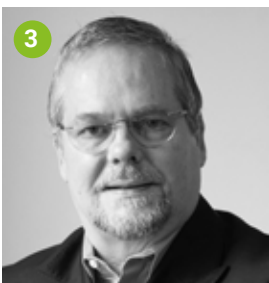
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1. Francois Martelet

Chief Executive Officer since 2020.

Born: 1960

Education: Advanced General Management Program (AMP) at INSEAD, France. Master's Degree in Business, Pharmaceutical Marketing at Burgundy Business School, France. Degree in Legal Medicine at R. Descartes University of Medicine, Paris, France. Doctor of Medicine with distinction, Université de Bourgogne, France. Francois Martelet is an experienced medicine and biotechnology executive. He has held three CEO positions in the last 12 years. He has spent most of his career in the oncology field, as CEO of Avax and Topotarget, as well as in executive roles at senior level at Roche, Eli Lilly, Novartis and MSD. Throughout his various assignments he has been based in six countries in Europe (including Sweden) and in the US. He is also a military reserve officer holding the rank of Brigadier (OF-6) and has received the Legion of Honor on military grounds that is the highest decoration in France.

Other important assignments: Board member of Novigenix SA.

Holdings in Vivesto*: 61,000 shares and 3,146,739 employee stock options.

2. Fredrik Järsten¹

Chief Financial Officer since 2020.

Born: 1967

Education: Degree in Accounting and Finance from the Stockholm School of Economics and Degree in International Business from the School of Business Administration, University of Michigan. Fredrik has over 25 years of experience across the financial, medical technology and life sciences sectors in the Nordic region and internationally. Previous positions include CFO and deputy CEO at Karolinska Development, as well as CFO and Business Development Manager at Bactiguard. He has also

served as a Director of Business Development, including M&A, at the Nordic healthcare provider, Aleris, for more than eight years, where he carried out some 30 acquisitions. Fredrik has also worked as an Investment Manager at the venture capital company Litorina Kapital and at the investment banks SEB Enskilda and Lazard with advice in areas such as M&A, capital raises and IPOs.

Other important assignments: CEO and Board member, Fredrik Järsten Konsult AB. Chairman of Terroir Suisse AB.

Holdings in Vivesto*: 56,500 shares and 1,350,000 employee stock options.

3. Reinhard Koenig

Chief Scientific Officer since 2021.

Born: 1960

Education: Medical Doctor and Doctorate in Medicine, Philipps University Marburg, Germany. Reinhard is a medical scientist, advisor and executive with successful track record in obtaining product approvals and driving commercialization in Europe and the United States in biotech, pharmaceuticals and medical devices. His experience of more than 25 years spans start-up and early stage companies as well as large, multi-national enterprises. He has held senior and executive positions in privately held and publicly traded companies, among them Genentech, Inc., Piramal Critical Care, Inc., Boehringer Mannheim Therapeutics, Inc., Questcor Pharmaceuticals, Inc., Collagen Aesthetics, Inc., and others. He has published on various scientific topics and is inventor and co-inventor of several patents and pending applications and held an appointment as Adjunct Professor at Temple University's College of Engineering, Department of Bioengineering, Philadelphia.

Other important assignments: -

Holdings in Vivesto*: -

4. Johanna Röstin

Head of Regulatory Affairs since 2022.

Born: 1967

Education: Master of Science in Biotechnology/Chemical Engineering and Licentiate degree in Biotechnology from KTH Royal Institute of Technology. Johanna Röstin was previously Director of CMC, Program Management and Regulatory at OxTheraAB. Before that Johanna spent ten years at Swedish Orphan Biovitrum AB (Sobi), where she was Global Senior Regulatory Affairs Manager and had regulatory responsibility for one of Sobi's leading biological products in the EU and US. She was also Regulatory CMC expert for several biological products at Sobi, both commercialized and under development. She has also worked for Pharmacia and Biovitrum.

Other important assignments: -

Holdings in Vivesto*: -

5. Kai Wilkinson

Chief Technical Officer since 2022.

Born: 1981

Education: PhD in Inorganic Chemistry, Swedish University of Agricultural Sciences; Master's Degree in Chemical Engineering and Biotechnology with a focus on Biotechnology, Surface Science and Medical Science, Mälardalen University. Kai Wilkinson was previously Head of Research, Development and Manufacturing at Oasmia. Before joining Oasmia in 2021 he spent eight years in different positions at Fresenius Kabi AB including Formulation Scientist and CMC Lead, Parenteral emulsions product specialist, and Pilot Plant production process development.

Other important assignments: -

Holdings in Vivesto*: -

¹ The company announced on March 3, 2022 that Fredrik Järsten will resign as CFO later in 2022.

* As of December 31, 2021

Auditor's Report

To the general meeting of the shareholders of Vivesto AB (publ), corp. id 556332-6676

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Vivesto AB (publ) for the year 2021, except for the corporate governance statement on pages 43–49. The annual accounts and consolidated accounts of the company are included on pages 32–42 and 50–81 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of the parent company as of 31 December 2021 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2021 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 43–49. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Description of key audit matter

Capitalized development costs amount to 401 MSEK as of December 31, 2021 representing 68% of total assets. An amount of 291 MSEK relates to Apealea/Paclical while the remaining amount totalling 109 MSEK is related to Paccal Vet.

Capitalized development costs related to Apealea/Paclical are currently being amortized over their estimated useful life and management is required to assess whether there are any indications of impairment. Management have also performed a impairment test related to Paccal Vet based on the recoverable value based on the discounted cash flows for these assets.

The assessment of impairment and calculation of recoverable amount are based on projections and assumptions prepared by management. In regards to Paccal Vet®, this includes assumptions related to future revenue streams, gross profit as well as discount rates.

Capitalized development costs

See disclosure 5 and accounting principles on page 59 in the annual account and consolidated accounts for detailed information and description of the matter.

Response in the audit

We have reviewed managements assessment whether there are any indications of impairment of capitalized development costs for Apealea/Paclical. We have also assessed whether the impairment test related to capitalized development costs for Paccal Vet has been prepared in accordance with IAS 36 Impairment. We have evaluated managements assumptions for future cash flows including sales forecasts and profit margins as well as the discount rate used and the documentation prepared by management.

This has included reviewing and evaluating the documentation prepared and performing tests of the assumptions used in the impairment tests.

We have reviewed a sensitivity analysis measuring sensitivity to negative changes in material parameters that on an individual or collective basis could result in a need for impairment arising.

We have also assessed accounting principles and the disclosures related to capitalised development costs included in the annual accounts and consolidated accounts.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 2–31 and 85–86. The other information comprises also of the remuneration report which we obtained prior to the date of this auditor's report, The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, measures that have been taken to eliminate the threats or related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Auditor's audit of the administration and the proposed appropriations of profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Vivesto AB (publ) for the year 2021 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

The auditor's examination of the Esef report Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Vivesto AB (publ) for year 2021.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report #2mzwB4g4/A2MX5A= has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors'

responsibility section. We are independent of Vivesto AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies ISQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with professional ethical requirements, professional standards and legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and

reasonableness of the assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a technical validation of the Esef report, i.e. if the file containing the Esef report meets the technical specification set out in the Commission's Delegated Regulation (EU) 2019/815 and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the Esef report has been marked with iXBRL which enables a fair and complete machine-readable version of the consolidated statement of financial performance, financial position, changes in equity and cash flow.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 43–49 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

KPMG AB, Box 382, 101 27, Stockholm, was appointed auditor of Vivesto AB (publ) by the general meeting of the shareholders on the 27 May 2021. KPMG AB or auditors operating at KPMG AB have been the company's auditor since 2019.

Stockholm 27 April 2022

KPMG AB

Duane Swanson
Authorized Public Accountant

Henrik Lind
Authorized Public Accountant