

Corporate governance report

Fiscal year January to December 2022

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

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).

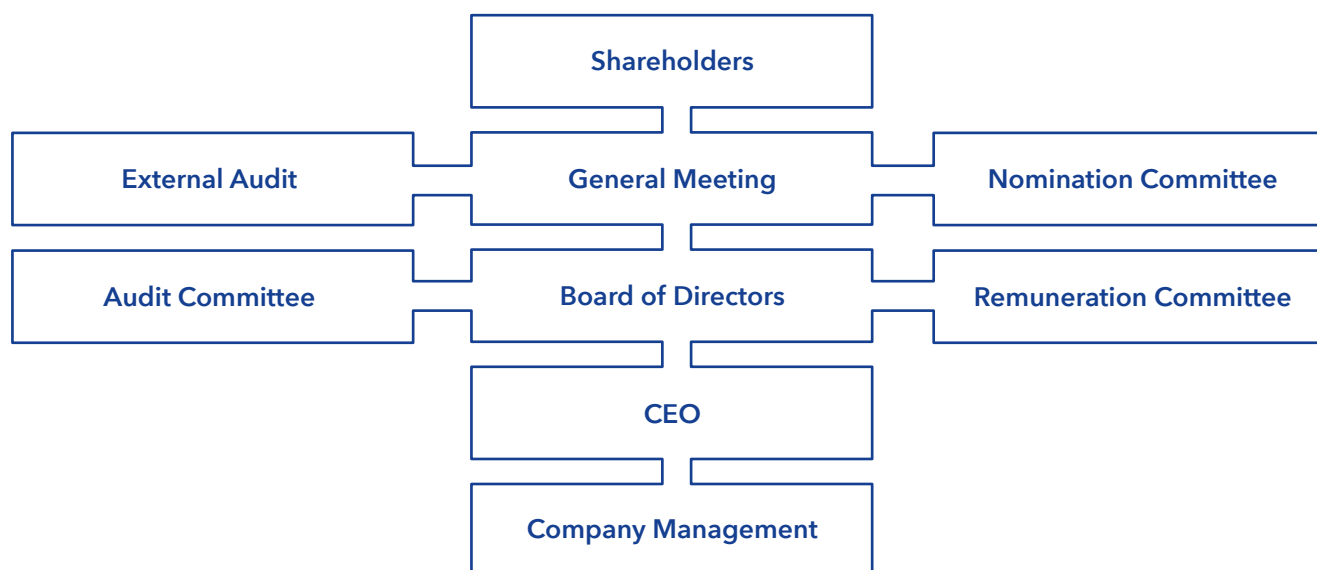
This report has been drawn up in accordance with the Annual Accounts Act and the Code and comprises Vivesto's corporate governance report for the fiscal year of January 1 to December 31, 2022.

The corporate governance report has been reviewed by Vivesto's auditor and the findings presented in the statement on pages 74–76 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 2022 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, 2022, the total number of shares in Vivesto amounted to 538,043,455 and each share carries one vote at the general meeting of shareholders. As of December 31, 2022, the number of known shareholders amounted to 18,760. Per Arwidsson is the company's largest owner through his company Arwidsro

Investment AB and, at the closing date, Per Arwidsson owned 24.8 percent of the company through private ownership, related parties and a company. No other single shareholder's holding represents at least 10% of all votes in Vivesto. The ten largest shareholders' holdings represent just over 40% of the total number of shares of the company. For additional information on the ownership structure, see "The Share" section on page 26.

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. Shareholders who would like to have a matter addressed at a general meeting must submit a written request to the Board of Directors. Any such request should normally be received by the Board no later than seven weeks prior to the general meeting.

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.

2022 Annual General Meeting

The 2022 Annual General Meeting was held on May 25, 2021 through postal voting pursuant to temporary legislation.

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 2021 fiscal year.
- No distribution of any dividend and disposable earnings to be carried forward.
- Discharge from liability for the Board and CEO for the 2021 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.
- The Board of Directors is to comprise four Board members with no deputies.
- For the period until the end of the next annual general meeting, Hege Hellström and Peter Zonabend were re-elected to the Board, and Pål Ryfors and Roger Tell were elected as new Board members. Anders Härfstrand, Andrea Buscaglia and Birgit Stattin Norinder had declined re-election.
- Election of Peter Zonabend as the new Chairman of the Board.
- Re-election of KPMG AB as auditor with Authorized Public Accountant Duane Swanson as auditor in charge.
- Principles for appointment of a Nomination Committee 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 2023 AGM, decide on issues of shares, warrants and/or convertible instruments with or without deviation from the shareholders' pre-emption rights. A maximum of 107,608,691 shares, which corresponds to 20% of the total shares outstanding in the company at the date of the 2022 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).
- To adopt a long-term incentive program in the form of employee stock options for senior executives in the company ("Employee stock option program 2022"). The program consists of a maximum of 2,700,000 employee stock options that could be allotted in June 2022 and has a vesting period of three years, after which holders have the right to exercise their options to subscribe 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 for SEK 1.45, which corresponds to 140% of the volume-weighted average price for the company's share on Nasdaq Stockholm over the ten trading days immediately preceding May 31, 2022. Under Employee stock option program 2022, a total of 450,000 employee stock options were allotted to the company's CMO Daniel Tesfa. The options were issued free of charge.
- To issue 3,548,339 warrants to ensure the delivery of shares to participants in the employee stock option program 2022 in accordance with the terms of the program and to cover the company's exposure to costs for social security contributions in the event the employee stock options are exercised. The right to subscribe for warrants was assigned to the company. The company subscribed for 591,390 warrants.

2023 Annual General Meeting

The 2022 Annual General Meeting will be held on May 25, 2023.

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.

In accordance with the instruction to the Nomination Committee, as resolved by the 2022 AGM, Vivesto's Nomination Committee is to comprise three members, who are to be appointed as follows:

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, in the year prior to the AGM 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 2023 AGM comprises the following members:

- Per Arwidsson (Chairman of the Nomination Committee), appointed by Arwidsro Investment AB;
- Anna Henricsson, appointed by Handelsbanken Fonder; and
- Peter Zonabend, Chairman of Vivesto.

The Nomination Committee's proposals for the 2023 AGM will be presented in the AGM notice and on the company's website.

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 2022 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 25, 2022 resolved that Vivesto's Board comprise four members and no deputies.

In accordance with the proposal of the Nomination Committee, the AGM resolved to re-elect Hege Hellström and Peter Zonabend to the Board, and to elect Pål Ryfors and Roger Tell as new Board members for the period until the end of the 2023 AGM. A resolution was passed to elect Peter Zonabend as the new Chairman of the Board.

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 elected Peter Zonabend as Chairman of the Board on May 25, 2022.

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 consists of Peter Zonabend (Committee Chairman), Hege Hellström and Pål Ryfors.

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

Remuneration Committee comprises Pål Ryfors (Committee chairman), Peter Zonabend and Roger Tell. 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 2022 evaluation has been carried out with each Board member 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, which is not attended by any member of company management.

The Board's work during the fiscal year

During the 2022 fiscal year, the Board held 20 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 five meetings in the 2022 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 four meetings in the 2022 fiscal year. Issues addressed at the meetings included the incentive program and remuneration levels to the CEO and other senior executives.

Attendance, 2022 fiscal year

	Independ- dent ¹	Board meetings	Audit Committee	Remu- neration Committee
Peter Zonabend	Yes/No	20/20	5/5	2/2
Hege Hellström	Yes/Yes	20/20	5/5	
Pål Ryfors ²	Yes/Yes	11/11	3/3	2/2
Roger Tell ²	Yes/Yes	11/11		2/2
Anders Härfstrand ³	Yes/Yes	9/9	2/2	2/2
Andrea Buscaglia ³	Yes/Yes	9/9		
Birgit Stattin Norinder ³	Yes/Yes	9/9		2/2

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

² Pål Ryfors and Roger Tell were elected to the Board by the Annual General Meeting on May 25, 2022.

³ Anders Härfstrand, Andrea Buscaglia and Birgit Stattin Norinder declined re-election at the Annual General Meeting on May 25, 2022.

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 2022, the management group comprised François R. Martelet (CEO until July 21, 2022), Christer Nordstedt (acting CEO – appointed July 21, 2022), Fredrik Järsten (CFO – stepped down July 1, 2022), Robert Maiorana (acting CFO from July 1, 2022), Heidi B. Ramstad (CMO until March 31, 2022), Daniel Tesfa (CMO from July 1, 2022), Reinhard Koenig (CSO), Peter Selin (CBO), Johanna Röstin (CRO) and Kai Wilkinson (CTO). Erik Kinnman took over as CEO of Vivesto from January 23, 2023.

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, an information 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 for internal control and risk management are updated at least annually and more frequently if necessary. Regular follow-up of compliance with these rules is conducted at a detailed level.

The Audit Committee meets in connection with the Board meetings that address interim reports. The auditor participates in the Audit Committee's meetings, and meets with the Board members once each year without the presence of company management.

Board



Peter Zonabend

Chairman of the Board since May 2022, and member of the Board since March 2019.

Born: 1980

Education and experience: LL.M from Stockholm University, EMLE from Université Paul Cézanne Aix-Marseille III, Bsc in Business and Economics from Stockholm University and DU EAED from Université Paul Cézanne Aix-Marseille III. Experience as CEO of Victoria Investments Holding Ltd, 2010-2017, Law Firm Fylgia, Law Firm Björn Rosengren. Board assignments within Hövding Sverige AB, HQ AB, TCER AB, CBD Solutions AB.

Other assignments: CEO Arwidsro, board assignment within Arwidsro and member of the Board of Hoist Finance AB.

Holdings in Vivesto*: 720,000 shares. Manages 79,917 shares by proxy.

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



Hege Hellström

Board member since 2019.

Born: 1965

Education and experience: 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 assignments: Chief Commercial Officer in Advicenne, a French specialty pharmaceutical company. Founder and manager of Belnor BVBA, a consultancy and investment company, and Board member of Camurus AB.

Holdings in Vivesto*: -

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



Pål Ryfors

Board member since 2022.

Born: 1983

Education and experience: Bachelor in Financial Economics from Gothenburg School of Economics. Previously CFO for Episurf Medical, Marginalen Bank and Head of Group Controlling at Hoist Finance AB. Prior to that, he was an investment banker at Societe Generale in London, a position he assumed after holding several leading positions in the restructuring of the Swedish operations of Kaupthing Bank.

Other assignments: Chief Executive Officer of Episurf Medical AB and Board member of Aros Kapital AB.

Holdings in Vivesto*: -

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



Roger Tell

Board member since 2022.

Born: 1965

Education and experience: Medical degree and a doctorate in experimental oncology from the Karolinska Institute in Sweden. Roger was previously Vice President of Clinical Development at Aprea Therapeutics and International Clinical Project Director at Servier in Suresnes, France. He has an extensive experience as an oncologist as well as an advisor to biopharma companies, including Eli Lilly, Astra Zeneca and Merck Serono

Other assignments: Chief Scientific Officer and Chief Medical Officer of Isofol Medical AB

Holdings in Vivesto*: -

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

* As of December 31, 2022

Group management



Erik Kinnman

CEO since 2023.

Born: 1958

Education and experience: MD, Board certified Neurologist, Ph.D., Assoc. Prof. at Karolinska Institutet, and Executive MBA from the Stockholm School of Economics. Erik has more than 27 years of experience from senior positions within Life Science, most recently from a position as CEO of Sprint Bioscience. He has previously been the CEO of Abliva AB and has held senior positions at AstraZeneca and SOBI, among others, and worked as a financial analyst at Danske Bank.

Other important assignments: Board member of Stayble Therapeutics and Immune System Regulation.

Holdings in Vivesto*: -



Robert Maiorana

Acting Chief Financial Officer since 2022.

Born: 1960

Education and experience: Bachelor of Science in Business and Economics from Lund University. Robert has worked for Vivesto since the second half of 2020 and as Finance Manager since March 2021. Robert has extensive finance experience from senior positions. He has previously worked as a Finance and Management Consultant at Nacka Municipality and Bactiguard Holding AB and CFO at International Copyright Enterprise Services AB, ParaCell Solutions AB and MFEX Mutual Funds Exchange AB. He was also Head of Finance at Ryds Bilglas AB and ABN AMRO Bank Sweden.

Other important assignments: -

Holdings in Vivesto*: 20,000 shares



Johanna Röstin

Chief Regulatory Officer since 2023.

Born: 1967

Education and experience: M.Sc in chemical engineering / biotechnology and a Licentiate degree in biotechnology from the KTH Royal Institute of Technology in Stockholm. Johanna has more than 25 years of experience within the Pharmaceutical and Biotech industry with expertise within development, project management and regulatory affairs. She was previously Director of CMC, Program Management and Regulatory at OxThera AB and before that she spent 10 years at Swedish Orphan Biovitrum AB (Sobi), where she was regulatory responsible for one of Sobi's leading biological products commercialized in the EU and US as Global Senior Regulatory Affairs Manager. She was also Regulatory CMC expert for commercial- and development-stage biological products at SOBI. Other employers include Pharmacia and Biovitrum.

Other important assignments: -

Holdings in Vivesto*: -



Daniel Tesfa

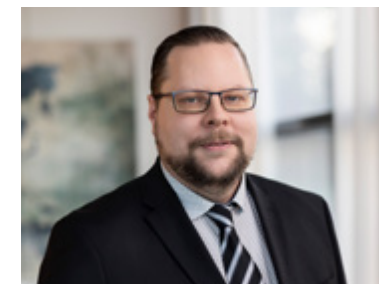
Chief Medical Officer since 2022.

Born: 1969

Education and experience: PhD in Medicine from Karolinska Institutet and an M.D. from the University of Lund, Sweden. He is also a fellow of Swedish Society of Medicine, and a member of the Swedish Hematology and Oncology Association. Daniel brings extensive experience in clinical development and precision oncology over 20 years. Most recently he served as Medical Director, Clinical and Translation Science Hematology at listed Swedish biopharmaceutical company SOBI (Swedish Orphan Biovitrum AB), where he led clinical development. From 2018 until 2020 he worked as Head of Oncology and Hematology at Bayer, Scandinavia, where he was a Medical Advisor and manager for the medical team. Other prior roles include Country Medical Manager Oncology and Hematology, at Roche, Sweden.

Other important assignments: -

Holdings in Vivesto*: -



Kai Wilkinson

Chief Technical Officer since 2022.

Born: 1981

Education and experience: PhD in Inorganic chemistry from was previously University of Agricultural Sciences, MSc. In Chemical Engineering and Biotechnology from Mälardalen University. Kai was previously Head of Research, Development and Manufacturing at Oasmia. Before joining Oasmia in 2021 he spent 8 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*: -

* As of December 31, 2022