



PRESS RELEASE

2017-05-10

Oasmia convenes an extraordinary general meeting on the 2 June, 2017

Uppsala, Sweden, May 10, 2017 -- Oasmia Pharmaceutical AB (publ) ("Oasmia" or the "Company") hereby announces that the Company convenes to an extraordinary general meeting.

The notice will be published in Post- och Inrikes tidningar on Friday 12 May, 2017 and on the same day an announcement will be made in the newspaper Dagens Nyheter.

NOTICE OF EXTRAORDINARY GENERAL MEETING IN OASMIA PHARMACEUTICAL AB

THE SHAREHOLDERS OF OASMIA PHARMACEUTICAL AB ARE HEREBY GIVEN NOTICE OF THE EXTRAORDINARY GENERAL MEETING ON 2 JUNE 2017, AT 10.00 A.M., AT THE OFFICES OF THE COMPANY, VALLONGATAN 1, 752 28 UPPSALA. THE REGISTRATION OPENS AT 09.30 A.M.

REGISTRATION ETC.

Shareholders who wish to participate in the general meeting must be recorded in the share register kept by Euroclear Sweden AB on Friday 26 May 2017 (record date is Saturday 27 May 2017), and give notice of intent to participate to the company no later than on Monday 29 May 2017, either by letter to Oasmia Pharmaceutical AB, Vallongatan 1, SE-752 28 Uppsala, Sweden, by fax: +46 18 51 08 73 or by e-mail: info@oasmia.com, and specify the number of assistants.

If shareholder's attendance and right at the meeting will be exercised by proxy, we would be grateful if such is provided in connection with the notification of attendance. A proxy form is available to shareholders upon request and at the company's website, www.oasmia.com. Anyone representing a legal entity is asked to provide a copy of certificate of registration or equivalent documentary authority which evidences authorised signatory.

To be entitled to attend the meeting, holders of nominee registered shares must instruct the nominee to have the shares registered in the shareholder's own name, so that the shareholder is entered in the share register kept by Euroclear Sweden AB as of Friday 26 May 2017 (record date Saturday 27 May 2017). Registration in this way may be temporary.

AGENDA

1. Opening of the meeting and election of chairman of the meeting
2. Preparation and approval of the voting list
3. Approval of the agenda
4. Election of one or two persons to verify the minutes in addition to the chairman
5. Determination as to whether the meeting has been properly convened
6. Resolution on the board's proposal on authorization for the board to resolve on new issue of share, warrants and convertibles
7. The board's proposal to issue warrants Series 2017:1 and to cancel issued warrants Series 2016:1
8. Alceco International S.A.'s proposal to issue warrants Series 2017:2 and to cancel issued warrants series 2016:2
9. Closing of the meeting

RESOLUTION ON THE BOARD'S PROPOSAL ON AUTHORIZATION FOR THE BOARD TO RESOLVE ON NEW ISSUE OF SHARE, WARRANTS AND CONVERTIBLES (ITEM 6)

The board in main proposes that the general meeting resolves to authorize the board to, on one or several occasions during the period up to the next annual general meeting of shareholders, resolve on an issue of shares, warrants and/or convertible instruments. The board shall be authorized to adopt decisions on an issue of shares, warrants and/or convertible instruments with or without deviation from the shareholders' pre-emption rights and/or an issue in kind or an issue by way of set-off or otherwise on such terms and conditions as referred to in Chapter 2, Section 5, second paragraph, points 1-3 and 5, of the Swedish Companies Act. The new shares, warrants and/or convertible instruments shall, in the event of a deviation from the shareholders' pre-emption rights, be issued at a subscription price based on the share price at the time of the issue, decreased by any discount in line with market practise that the board deems necessary. All other terms are decided by the board, but shall be in line with market practise. The board can however not make resolutions which entail that the share capital is increased with more than SEK 4,000,000.

The reason that the board shall be authorized to resolve on an issue with deviation from the shareholders' pre-emption rights and/or an issue in kind or an issue by way of set-off or otherwise on such terms and conditions as referred to above is that the

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Company shall be able to issue shares, warrants and/or convertible instruments in connection with acquisitions of companies or businesses, replace outstanding convertible instruments and to carry-out directed issues in order to raise capital or broaden the ownership of the Company.

The board, or any person appointed by the board, is authorized to make such minor adjustments to this resolution that may be necessary in connection with the registration with the Swedish Companies Registration Office and/or Euroclear Sweden AB.

THE BOARD'S PROPOSAL TO ISSUE WARRANTS SERIES 2017:1 AND TO CANCEL ISSUED WARRANTS SERIES 2016:1 (ITEM 7)

The board proposes that the general meeting resolves to issue and to transfer warrants of Series 2017:1, and to cancel the issued warrants Series 2016:1, in accordance with the following.

1 ISSUE OF WARRANTS

- 1.1 The board proposes that the general meeting resolves on a directed issue of maximum 3 750 000 warrants, entailing an increase in the company's share capital on full exercise of the warrants amounting to a maximum of SEK 375 000. The following terms shall apply.
- 1.2 The right to subscribe for warrants is only given to the wholly owned subsidiary Oasmia Incentive AB, 556519-8818, with a right and obligation to transfer the warrants in accordance with section 2. No oversubscription is allowed.
- 1.3 The reason for derogation from the shareholders' pre-emption rights is to implement an incentive programme through which employees, by an own investment, participates in and works for a positive growth of value of the company's share for the period that the programme covers, and to ensure that the company can keep and recruit qualified and motivated personnel.
- 1.4 The warrants shall be issued free of charge.
- 1.5 Subscription is to take place within three weeks from the day of the resolution to issue warrants. The board may extend the subscription period.
- 1.6 Each warrant entitles the holder to subscribe for one new share of series A in the company. Shares can be subscribed for based on the warrants

during the period from and including 16 June 2019 up to and including 16 August 2019.

- 1.7 The subscription price per share shall correspond to 175 per cent of the volume-weighted average price for the series A shares in the Company according to Nasdaq Stockholm's official price list during the period from and including 9 June 2017 up to and including 16 June 2017.
- 1.8 The shares subscribed for based on the warrants shall carry a right to participate in dividends for the first time on the next record date for dividends which occurs after subscription is completed.
- 1.9 Warrants held by the subsidiary that are not transferred in accordance with section 2 or that is repurchased from participants, may be cancelled through a decision by the board of directors, following consent from the board of directors of the subsidiary. The cancellation shall be notified to the Swedish Companies Registration Office.
- 1.10 The board, or the person appointed by the board, is authorised to execute the decision and to make such minor adjustments which may prove necessary in conjunction with registration with the Swedish Companies Registration Office.
- 1.11 For complete terms, see appendix.

2 APPROVAL OF TRANSFER OF WARRANTS

2.1 Entitlement to acquire warrants

The right to acquire warrants from the subsidiary is to accrue to the following categories of employees:

Category	Maximum no. of warrants per person/in total
The executive committee and other key employees (maximum of 5 persons)	750 000/3 750 000

The right to acquire warrants from the subsidiary shall only vest in the persons that, at the end of the application period, has not terminated his or her employment and is not terminated by the company.

Warrants may also be offered to future employees, whereby the same or equivalent terms shall apply, meaning, e.g., that the then current market value shall apply.

Allotment requires that the warrants can be legally acquired and that, in the board's opinion, such acquisition can take place using a reasonable amount of administrative and financial resources.

2.2 Application and allotment

Application for acquisition of warrants shall be made not later than on the day after the last day of the period set out in Section 1.7 above. The board is authorised to extend the application period and to instruct upon an equivalent application period for new employees whose acquisitions takes place after the end of the initial application period.

Should not all warrants have been allotted after all applied for warrants have been allotted, the remaining warrants may be allotted to other participants whereby the board of directors shall decide upon the allotment based on staff category and the number of warrants applied for. Such allotment may result in that the maximum number of warrants per person, as set out above, is exceeded, however not by more than 100 percent.

The board of directors of the company decides upon the final allotment.

2.3 Price and payment etc.

The warrants shall be transferred on market terms at a price which is established based on a calculated market value for the warrants, applying the Black & Scholes valuation model calculated by the independent valuation institute PwC. For acquisitions made by new staff after the initial application period, a new market value shall be established on the same basis. The preliminary value is calculated to SEK 0,31 per warrant based on a share price of SEK 6,50.

Payment for allotted warrants shall be made in cash within five days after application. For acquisitions made by new staff after the initial application period, an equivalent payment date shall be decided by the board.

The warrants shall be subject to market terms, including a right for the company or the subsidiary to repurchase the warrants if the participant's engagement with the company ends. The company's or the subsidiary's right to repurchase warrants in the event the participant's engagement with the company ends shall include a share of the participant's warrants which

is based on the number of months that have passed between the date of the participant's acquisition of the warrants and the date on which the participant's engagement with the company ends. From the date of the participant's acquisition of the warrants, a gradual reduction, which is similar in size for every reduction, is made monthly regarding the share of the participant's warrants which the company or the subsidiary has the right to repurchase should the participant's engagement with the company end.

3 ADDITIONAL INFORMATION ON THE WARRANT PROGRAMME

3.1 Dilution

In the event of full exercise of the warrants, 3 750 000 new shares may be issued, which corresponds to a dilution of approximately 3 per cent of the total number of issued shares and votes in the company after full exercise of all warrants, subject to the recalculation provisions under the warrant terms.

3.2 Impact on key figures and costs for the company etc.

The company's earnings per share is not affected by the issue of the warrants since the present value of the warrant's redemption price exceeds the market value for the share at the time of issue. The participants will acquire the warrants at market value, meaning that the warrants will not result in personnel costs for the company.

3.3 Preparations

The basis for the incentive programme has been prepared by the board of directors of the company. The work has been supported by external advisors and been made in consultation with shareholders. The board has thereafter decided to present this proposal for the general meeting. Except for the staff that have prepared the matter upon instruction from the board, no employee that may be in scope of the programme has participated in the preparations of the programme's terms.

3.4 Other share related incentive programmes etc.

Except from the now proposed program, the company has current share related incentive programmes in terms of warrants Series 2016:1 and Series 2016:2. However, in accordance with what is set out below in the board's proposal, and in accordance with the proposal made by Alceco

International S.A. with regards to issue of warrants Series 2017:2, it is suggested that the warrants under the current incentive programs are withdrawn and cancelled.

3.5 Decision procedures

A valid resolution by the general meeting regarding the issue of warrants, Series 2017:1, requires that the resolution is supported by shareholders representing no less than nine-tenths of the votes cast as well as the shares represented at the meeting. A valid resolution regarding cancellation of issued warrants in accordance with Section 4 below requires simple majority.

4 CANCELLATION OF ISSUED WARRANTS SERIES 2016:1

Due to that the warrants of Series 2016:1, which were issued through a resolution at the general meeting in Oasmia Pharmaceutical AB held on 21 November 2016, has not been followed by valid transfer of warrants from the subsidiary Oasmia Incentive AB to the participants in question in the warrant programme, the above proposal to resolve issue of new warrants Series 2017:1 also involves a resolution that all warrants under Series 2016:1, held by Oasmia Incentive AB, in conjunction are withdrawn for cancellation. Furthermore, it is proposed to instruct the board to cancel the warrants Series 2016:1, and to report such cancellation for registration to the Swedish Companies Registration Office. The cancellation of warrants is a result of the transfer of the warrants of Series 2016:1 being void under the so called LEO-act of the Swedish Companies Act.

ALCECO INTERNATIONAL S.A.'S PROPOSAL TO ISSUE WARRANTS SERIES 2017:2 AND TO CANCEL ISSUED WARRANTS SERIES 2016:2 (ITEM 8)

The shareholder Alceco International S.A., controlling approximately 20,4 per cent of the votes and shares in the company, proposes that the general meeting resolves to issue and to transfer warrants of Series 2017:2, and to cancel the issued warrants Series 2016:2, in accordance with the following.

1 ISSUE OF WARRANTS

1.1 The shareholder proposes that the general meeting resolves on a directed issue of maximum 3 000 000 warrants, entailing an increase in the company's share capital on full exercise of the warrants amounting to a maximum of SEK 300 000. The following terms shall apply.

- 1.2 The right to subscribe for warrants is only given to the wholly owned subsidiary Oasmia Incentive AB, 556519-8818, with a right and obligation to transfer the warrants in accordance with section 2. No oversubscription is allowed.
- 1.3 The reason for derogation from the shareholders' pre-emption rights is that the shareholders of the company wish to promote a long term shareholding by implementing an incentive programme through which the board members, by an own investment, participates in and works for a positive growth of value of the company's share for the period that the programme covers.
- 1.4 The warrants shall be issued free of charge.
- 1.5 Subscription is to take place within three weeks from the day of the resolution to issue warrants. The board may extend the subscription period.
- 1.6 Each warrant entitles the holder to subscribe for one new share of series A in the company. Shares can be subscribed for based on the warrants during the period from and including 16 June 2019 up to and including 16 August 2019.
- 1.7 The subscription price per share shall correspond to 175 per cent of the volume-weighted average price for the series A shares in the Company according to Nasdaq Stockholm's official price list during the period from and including 9 June 2017 up to and including 16 June 2017.
- 1.8 The shares subscribed for based on the warrants shall carry a right to participate in dividends for the first time on the next record date for dividends which occurs after subscription is completed.
- 1.9 Warrants held by the subsidiary that are not transferred in accordance with section 2 or that is repurchased from participants, may be cancelled through a decision by the board of directors, following consent from the board of directors of the subsidiary. The cancellation shall be notified to the Swedish Companies Registration Office.
- 1.10 The board, or the person appointed by the board, is authorised to execute the decision and to make such minor adjustments which may prove necessary in conjunction with registration with the Swedish Companies Registration Office.
- 1.11 For complete terms, see appendix.

2 APPROVAL OF TRANSFER OF WARRANTS

2.1 Entitlement to acquire warrants

The right to acquire warrants from the subsidiary is to accrue to the following categories of members of the board of directors:

Category	Maximum no. of warrants per person/in total
The Board of Directors, except from directors who are connected to the proposer Alceco International S.A. (maximum of 4 persons, including possibly new directors at the annual general meeting)	750 000/3 000 000

The right to acquire warrants from the subsidiary shall only vest in the persons that, at the end of the application period, are still board members of the company.

Allotment requires that the warrants can be legally acquired and that, in the board's opinion, such acquisition can take place using a reasonable amount of administrative and financial resources.

2.2 Application and allotment

Application for acquisition of warrants shall be made not later than on the day after the last day of the period set out in Section 1.7 above. The board is authorised to extend the application period.

Should not all warrants have been allotted after all applied for warrants have been allotted, the remaining warrants may be allotted to other participants whereby the board of directors shall decide upon the allotment based on the number of warrants applied for. Such allotment may result in that the maximum number of warrants per person, as set out above, is exceeded, however not by more than 100 percent.

The board of directors of the company decides upon the final allotment.

2.3 Price and payment etc.

The warrants shall be transferred on market terms at a price which is established based on a calculated market value for the warrants, applying the Black & Scholes valuation model calculated by the independent

valuation institute PwC. For acquisitions made by new board members after the initial application period, a new market value shall be established on the same basis. The preliminary value is calculated to SEK 0,31 per warrant based on a share price of SEK 6,50.

Payment for allotted warrants shall be made in cash within five days after application.

The warrants shall be subject to market terms, including a right for the company or the subsidiary to repurchase the warrants if the participant's board assignment with the company ends. The company's or the subsidiary's right to repurchase warrants in the event the participant's board assignment with the company ends shall include a share of the participant's warrants which is based on the number of months that have passed between the date of the participant's acquisition of the warrants and the date on which the participant's board assignment with the company ends. From the date of the participant's acquisition of the warrants, a gradual reduction, which is similar in size for every reduction, is made monthly regarding the share of the participant's warrants which the company or the subsidiary has the right to repurchase should the participant's board assignment with the company end.

3 ADDITIONAL INFORMATION ON THE WARRANT PROGRAMME

3.1 Dilution

In the event of full exercise of the warrants, 3 000 000 new shares may be issued, which corresponds to a dilution of approximately 2,4 per cent of the total number of issued shares and votes in the company after full exercise of all warrants, subject to the recalculation provisions under the warrant terms. The total dilution for both programmes proposed at this extraordinary general meeting is approximately 5,4 per cent of the total number of shares and votes in the company after full exercise of all warrants in both programmes.

3.2 Impact on key figures and costs for the company etc.

The company's earnings per share is not affected by the issue of the warrants since the present value of the warrant's redemption price exceeds the market value for the share at the time of issue. The participants will acquire the warrants at market value, meaning that the warrants will not result in personnel costs for the company.

3.3 Preparations

The basis for the incentive programme has been prepared by the shareholder Alceco International S.A. The work has been supported by external advisors. The shareholder has thereafter decided to present this proposal for the general meeting. No board member that may be in scope of the programme has participated in the preparations of the programme's terms.

3.4 Other share related incentive programmes etc.

Except from the now proposed program, the company has current share related incentive programmes in terms of warrants Series 2016:1 and Series 2016:2. However, in accordance with what is set out below in Alceco International S.A.s proposal, and in accordance with the proposal made by board of directors with regards to issue of warrants Series 2017:1, it is suggested that the warrants under the current incentive programs are withdrawn and cancelled.

3.5 Decision procedures

A valid resolution by the general meeting regarding the issue and transfer of warrants Series 2017:2 requires that the resolution is supported by shareholders representing no less than nine-tenths of the votes cast as well as the shares represented at the meeting. A valid resolution regarding cancellation of issued warrants in accordance with Section 4 below requires simple majority.

4 CANCELLATION OF ISSUED WARRANTS SERIES 2016:2

Due to that the warrants of Series 2016:2, which were issued through a resolution at the general meeting in Oasmia Pharmaceutical AB held on 21 November 2016, has not been followed by valid transfer of warrants from the subsidiary Oasmia Incentive AB to the participants in question in the warrant programme, the above proposal to resolve issue of new warrants Series 2017:2 also involves a resolution that all warrants under Series 2016:2, held by Oasmia Incentive AB, in conjunction are withdrawn for cancellation. Furthermore, it proposed to instruct the board to cancel the warrants Series 2016:2, and to report such cancellation for registration to the Swedish Companies Registration Office. The cancellation of warrants is a result of the transfer of the warrants of Series 2016:2 being void under the so called LEO-act of the Swedish Companies Act.

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DOCUMENTS FOR THE MEETING

Complete proposals and documents in accordance with Chapter 14, Section 8 of the Swedish Companies Act be available at the company's website, www.oasmia.com, as of three weeks before the general meeting and will be sent, immediately and free of charge to the recipient, to those shareholders who so request and state their postal address. The documents will also be available at the general meeting. A proxy form is available on the company's website.

DUTY TO PROVIDE INFORMATION

The board and the CEO shall, if any shareholder so requests and the board believes that it can be done without material harm to the company, provide information regarding circumstances that may affect the assessment of an item on the agenda.

SHARES AND VOTES

As per the day of this notice, the number of shares and votes in the company totals 126,098,166 respectively. The company does not hold any own shares.

Uppsala in May 2017
Oasmia Pharmaceutical AB (publ)
The Board of Directors

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Notes to editors:

About Oasmia Pharmaceutical AB

Oasmia Pharmaceutical AB develops, manufactures, markets and sells new generations of drugs in the field of human and veterinary oncology. The company's product development

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aims to create and manufacture novel nanoparticle formulations and drug-delivery systems based on well-established cytostatics which, in comparison with current alternatives, show improved properties, reduced side-effects, and expanded applications. The company's product development is based on its proprietary in-house research and company patents. Oasmia is listed on NASDAQ Capital Markets (OASM.US), Frankfurt Stock Exchange (OMAX.GR, ISIN SE0000722365) and NASDAQ Stockholm (OASM.ST).

Information is also available at www.oasmia.com www.nasdaqomxnordic.com www.boerse-frankfurt.de twitter.com/oasmia

"This information is information that Oasmia Pharmaceutical AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 22.05 CET on May 10, 2017."