

## **Proposal regarding resolution on (A.) introduction of the Share Rights Program 2026 and (B.) directed issue of warrants under the Share Rights Program 2026 and approval of subsequent transfer of warrants**

The Board of Directors of Gapwaves AB (publ), corporate registration no. 556840-2829, (“**Gapwaves**” or the “**Company**”), proposes that the general meeting resolve on the introduction of an incentive program in the form of performance-based share rights directed to senior executives and employees within Gapwaves (the “**Share Rights Program 2026**”). The Board of Directors' proposal is divided into two sub-resolutions: A. introduction of the Share Rights Program 2026 and B. directed issue of warrants under the Share Rights Program 2026 and approval of subsequent transfer of warrants. Items A and B constitute a combined proposal and shall be adopted as a single resolution.

### **A. Introduction of the Share Rights Program 2026**

#### *Background and rationale*

The Board of Directors is of the opinion that incentive programs enhance motivation and commitment among the employees and strengthen the ties between the employees and the Company. Furthermore, the Board of Directors considers that the Share Rights Program 2026 will contribute to the retention of skilled and experienced employees and is expected to increase the employees' interest in the Company's operations and earnings performance. Overall, the Board of Directors believes that the Share Rights Program 2026 will benefit both the employees and the shareholders through increased share value.

#### *Program summary*

The Share Rights Program 2026 is proposed to cover senior executives and employees, meaning that a total of no more than seven (7) persons within the Company will be eligible to participate.

The participants will be given the opportunity to receive shares of series B free of charge within the framework of the Share Rights Program 2026 (“**Performance Shares**”), in accordance with the terms and conditions set out below. The offer to participate in the Share Rights Program 2026 shall be made as soon as practically possible.

Within the framework of the Share Rights Program 2026, the Board of Directors will allocate rights to participants free of charge, entailing the right, subject to certain conditions being fulfilled, to receive Performance Shares (“**Rights**”).

#### *Terms and conditions*

1. The maximum number of Rights shall amount to 476,121, each Right entitles the holder to one (1) Performance Share.
2. Vesting of the Rights shall take place over three (3) years calculated from the date of allocation of the Rights to the participants, whereby the Board of Directors shall be entitled to invite participants no later than 1 June 2026 (the “**Vesting Period**”).
3. Vesting of Rights shall take place proportionally at one-third (1/3) per year and is conditional upon the participant's employment continuing as of 1 June 2027, 1 June 2028 and 1 June 2029, respectively (collectively the “**Sub-Vesting Periods**” and each a “**Sub-Vesting Period**”), unless the Board of Directors in its sole discretion resolves otherwise.

4. The Rights may not be transferred or pledged.
5. Each Right entitles the participant to receive one Performance Share free of charge after the end of the Vesting Period (with certain exceptions where the Vesting Period may be accelerated).
6. The allocation of Performance Shares is, in addition to the conditions set out above, conditional upon the performance target established by the Board of Directors (the "**Performance Target**") being fully or partially achieved.

The Performance Target shall be linked to the share price development of the Company's shares of series B as follows. For the first Sub-Vesting Period, the share price must have increased by at least 20 percent, whereby the calculation shall be based on a comparison between the volume-weighted average share price of the Company's share of series B during the 30 trading days preceding the start of the Vesting Period (the "**Entry Price**") and the volume-weighted average share price of the share during the last 30 trading days of the first Sub-Vesting Period. For the second and third Sub-Vesting Periods, respectively, the share price must have increased by at least ten (10) percent, whereby the calculation shall be based on a comparison between the volume-weighted average share price of the Company's share of series B during the 30 trading days preceding the respective Sub-Vesting Period, however not lower than the Entry Price, and the volume-weighted average share price of the share during the last 30 trading days of the respective Sub-Vesting Period.

Vesting of Performance Shares shall take place at one-third (1/3) per Sub-Vesting Period. If the share price has increased by at least 45 percent during the Vesting Period, whereby the calculation shall be based on a comparison between the Entry Price and the volume-weighted average share price of the Company's share of series B during the last 30 trading days of the Vesting Period, full allocation of Performance Shares under the Performance Target shall be made to the participants even if full vesting has not occurred during the respective Sub-Vesting Period.

7. The Board of Directors, or a committee specially appointed by the Board of Directors, shall be responsible for the detailed design and administration of the terms and conditions of the Share Rights Program 2026, within the framework of the aforementioned terms and guidelines, including provisions regarding recalculation in the event of a bonus issue, share split, rights issue and/or other similar events. In this connection, the Board of Directors shall be entitled to make adjustments to meet foreign regulations or specific market conditions. The Board of Directors shall also be entitled to make other adjustments if there are significant changes in the Company or its operating environment that would mean that the agreed terms and conditions of the Share Rights Program 2026 no longer fulfill their objectives.

#### *Allocation of Rights*

The Share Rights Program 2026 shall cover no more than seven (7) employees within the Company. The maximum number of Rights that may be allocated free of charge per participant and category is set out in the table below.

<i>Category</i>	<i>Maximum number of Rights per category</i>
CEO	197,650
Other senior executives	244,485
Other employees	33,986

### *Costs*

The Share Rights Program 2026 will be accounted for in accordance with K3, which means that the Rights shall be expensed as a non-cash personnel cost during the Vesting Period. The cost of the Share Rights Program 2026 is estimated at approximately SEK 1.3 million, excluding social security contributions, calculated in accordance with K3 and using the Monte Carlo valuation model based on the following assumptions: (i) a closing price on Nasdaq First North Growth Market on 25 March 2026 of SEK 10.98, (ii) that all Performance Shares are allocated, (iii) a term of three (3) years, and (iv) an estimated annual employee turnover of ten (10) percent.

Based on the same assumptions as above, and assuming social security contributions of approximately 31.42 percent and a share price increase of 15 percent per year from the start of the Share Rights Program 2026 until the participants are allocated Performance Shares, the costs for social security contributions covered through hedging arrangements in the form of warrants are estimated at approximately SEK 0.6 million. Since the costs for social security contributions have been secured through hedging arrangements in the form of the issuance of warrants, the Share Rights Program 2026 is not expected to have any impact on the Company's cash flow.

### *Impact on key financial ratios and dilution*

Based on the current number of shares in the Company, full exercise of all 476,121 Rights and 149,597 warrants for hedging of social security costs under the Share Rights Program 2026 would result in the share capital increasing by a maximum of approximately SEK 37,543.08 and a maximum dilution corresponding to approximately 1.69 percent of the capital and approximately 0.59 percent of the votes in the Company, calculated at the time of the issuance of the notice of general meeting.

The Share Rights Program 2026 is expected to have only a marginal impact on key financial ratios.

### *Preparation of the proposal*

The Share Rights Program 2026 has been prepared by the Board of Directors in consultation with external advisors.

### *Other ongoing share-based incentive programs*

Information regarding the Company's existing incentive programs is available in the Company's annual report for the financial year 2025, and the main terms and conditions of the programs are available on the Company's website, [www.gapwaves.com](http://www.gapwaves.com). Apart from the programs referred to above, there are no other outstanding share-based incentive programs at Gapwaves.

### ***Delivery of Performance Shares in accordance with the Share Rights Program 2026***

In order to implement the Share Rights Program 2026 in a cost-efficient and flexible manner, the Board of Directors has considered various methods to ensure delivery of Performance Shares.

The Board of Directors has concluded that the most cost-efficient alternative, for delivery of Performance Shares to participants and for covering social security contributions, is to issue warrants. The Board of Directors therefore proposes that the Annual General Meeting, in accordance with item (B.) below, resolves to issue a total of no more than 625,718 warrants to the Company with the right and obligation to manage the warrants as set out in this proposal and the terms and conditions of the Share Rights Program 2026. Of these warrants, 476,121 warrants shall be available for allocation to participants for delivery of Performance Shares and 149,597 warrants shall be available for use by the Company to cover social security contributions attributable to the program. Since Performance Shares are to be allocated free of charge, the Company shall compensate the participants in cash for the subscription price paid upon exercise of the warrants, in such a manner that the compensation is tax-neutral for the participants. Costs attributable to such compensation, including social security contributions, have been taken into account in the cost estimate set out above.

### **B. Directed issue of warrants under the Share Rights Program 2026 and approval of subsequent transfer of warrants**

The Board of Directors proposes that the Annual General Meeting resolve to, in deviation from the shareholders' preferential rights, issue a total of no more than 625,718 warrants, as a result of which the Company's share capital may increase by a maximum of SEK 37,543.08.

The following terms and conditions shall apply to the issue:

1. The right to subscribe for the 625,718 warrants shall, with deviation from the shareholders' preferential rights, vest solely in Gapwaves. The Company shall be entitled, in connection with the expiry of the term on 1 June 2029, to transfer warrants to participants or to a financial intermediary for onward delivery of shares to participants and for covering social security contributions in connection with exercise.
2. The warrants shall be issued free of charge and shall be subscribed for on a special subscription list no later than 1 June 2026. The Board of Directors shall be entitled to extend the subscription period. Oversubscription is not permitted.
3. Each warrant shall entitle the holder to subscribe for one (1) new share of series B in the Company.
4. The subscription price for shares subscribed for by exercise of the warrants shall correspond to the quota value of the shares. The subscription price shall be paid in cash.
5. Subscription for shares by exercise of the warrants shall take place during the period from 1 June 2029 to 2 July 2029. The Board of Directors shall be entitled to extend the subscription period by no more than six (6) months.
6. Shares issued upon exercise of the warrants shall entitle the holder to a dividend for the first time on the record date for dividends that falls immediately after the new shares have been entered in the Company's share register maintained by Euroclear Sweden AB.

Where applicable, the subscription price as determined above shall be rounded to the nearest ten öre (i.e., SEK 0.10), whereby five (5) öre (i.e., SEK 0.05) shall be rounded down. The subscription price and the number of shares for which each warrant entitles the holder to subscribe shall be recalculated in the event of a share split, consolidation, issue of new shares, etc., in accordance with market practice. Where applicable, any amount exceeding the quota value upon subscription of shares shall be transferred to the free share premium reserve.

In all other respects, the full terms and conditions that are set forth in **Appendix A** shall apply to the warrants.

It is further proposed that the Board of Directors, or a person appointed by the Board of Directors, be authorized to make any minor adjustments to the resolution that may be required for registration with the Swedish Companies Registration Office.

The reason for the deviation from the shareholders' preferential rights is to implement the Share Rights Program 2026 for employees within Gapwaves.

***Majority requirements and special authorizations***

The Board of Directors' proposals in items A and B shall constitute a combined proposal and shall be adopted as a single resolution. For the resolution to be valid, it must be supported by shareholders representing at least nine-tenths (9/10) of both the votes cast and the shares represented at the general meeting.

The Board of Directors proposes that the Annual General Meeting instruct the Board of Directors to implement the above resolution and ensure that the Share Rights Program 2026 is carried out in accordance with the provisions set out above.

The Board of Directors further proposes that the Annual General Meeting instruct the Board of Directors, or such person as the Board of Directors may appoint, to make any minor adjustments to the above-mentioned proposed resolution that may prove necessary in connection with registration with the Swedish Companies Registration Office.

*This English version is an uncertified translation of the Swedish version and in the event of any inconsistency between the English version and the Swedish version, the Swedish version shall prevail.*

## APPENDIX A

### **Terms and Conditions for Gapwaves AB (publ)'s Warrants under the Share Rights Program 2026**

#### **1 Definitions**

In these terms and conditions, the following terms shall have the meanings set forth below.

Companies Act	the Swedish Companies Act (Sw. aktiebolagslagen (2005:551));
share	the Company's class B share, unless the context requires otherwise;
CSD account	a securities account in Euroclear's central securities depository register in which the respective holder's holdings of warrants or holdings of shares acquired through the exercise of warrants are registered;
banking day	a day that is not a Saturday, Sunday or other public holiday or that, with respect to payment of promissory notes, is not equivalent to a public holiday in Sweden;
the Bank	the bank or account operator that the Company has from time to time appointed to administer the warrants in accordance with these terms and conditions;
the Company	Gapwaves AB (publ), reg. no. 556840-2829;
Euroclear	Euroclear Sweden AB, reg. no. 556112-8074;
market listing	listing of shares in the Company on a stock exchange, regulated market, multilateral trading facility within the European Economic Area ("EEA") or other equivalent trading venue;
warrant holder	each holder of a warrant;
subscription	subscription for new shares in the Company through the exercise of warrants pursuant to Chapter 14 of the Companies Act;
subscription price	the price at which subscription for new shares through the exercise of warrants may be made;
warrant	the right to subscribe for one new share in the Company against payment in accordance with these terms and conditions.

#### **2 Warrants and Registration**

The number of warrants shall amount to a maximum of 625,718. The Company shall issue warrant certificates made out to a specific person or order, each representing one warrant or multiples thereof. The Company shall, upon request of a warrant holder, carry out exchange and conversion of warrant certificates.

### ***3 Right to Subscribe for New Shares***

Each warrant shall entitle the warrant holder to subscribe for one new share in the Company. The subscription price for shares subscribed for by exercise of the warrants shall correspond to the quota value of the shares.

The subscription price, as well as the number of shares that each warrant entitles the holder to subscribe for, may be subject to adjustment in the cases set forth in Section 8 below.

Subscription may only be made for the whole number of shares to which the aggregate number of warrants entitles and which one and the same warrant holder wishes to exercise. In connection with such subscription, any excess fraction of a warrant that cannot be exercised shall be disregarded.

### **4 Application for Subscription**

Application for subscription of shares may be made during the period from and including June 1, 2029 through and including July 2, 2029, or such earlier date as may follow from Section 8 below. If an application for subscription is not submitted within the above-stated period, the warrant shall cease to be valid. The board of directors shall be entitled to extend the subscription period, however by a maximum of six months.

Upon application for subscription, a completed subscription form in the prescribed format shall be submitted to the Company. An application for subscription is binding and may not be revoked.

### **5 Payment for New Shares**

Upon application for subscription, payment shall simultaneously be made for the number of shares to which the application for subscription relates. Payment shall be made in cash to a bank account designated by the Company.

### **6 Entry in the Share Register, etc.**

After payment for subscribed shares has been made, subscription shall be effected by entering the new shares in the Company's share register and on the respective warrant holder's CSD account as interim shares. After registration has been effected with the Swedish Companies Registration Office (Sw. Bolagsverket), the registration of the new shares in the share register and on the CSD account shall become final. As set forth in Section 8 below, the time for such registration shall in certain cases be postponed.

If the Company is not a central securities depository company (Sw. avstämningsbolag), subscription shall be effected by entering the new shares in the Company's share register as interim shares through the Company's efforts. After registration with the Swedish Companies Registration Office (Sw. Bolagsverket) has taken place, the new shares shall be finally entered as shares in the Company's share register through the Company's

efforts. As set forth in Section 8 below, the time for such registration shall in certain cases be postponed.

## **7 Dividends on New Shares**

A share issued upon subscription shall carry the right to dividends for the first time on the record date for dividends that occurs nearest after the subscription has been effected.

If the Company is not a central securities depository company (Sw. avstämningsbolag), a share issued upon subscription shall carry the right to such dividends as are resolved after the subscription has been effected.

## **8 Recalculation of Subscription Price and Number of Shares**

With respect to the rights that shall accrue to warrant holders in the situations set forth below, the following shall apply:

### **A Bonus Issue**

In the event of a bonus issue, subscription - where the application for subscription is made at such time that the allotment of shares cannot be effected no later than on the fifth banking day prior to the general meeting that is to consider the question of the bonus issue - shall be effected only after the general meeting has resolved on the bonus issue. Shares arising from subscription effected after the resolution on the bonus issue shall be entered on the warrant holder's CSD account as interim shares, which means that such shares are not covered by the resolution on the bonus issue. Final registration on the CSD account shall take place only after the record date for the bonus issue.

In the case of subscription effected after the resolution on the bonus issue, a recalculated subscription price as well as a recalculated number of shares that each warrant entitles the holder to subscribe for shall apply. The recalculations shall be carried out by the Company as follows:

Recalculated subscription price = (previous subscription price) x (the number of shares in the Company prior to the bonus issue) / (the number of shares in the Company after the bonus issue).

Recalculated number of shares that each warrant entitles the holder to subscribe for = (previous number of shares that each warrant entitles the holder to subscribe for) x (the number of shares in the Company after the bonus issue) / (the number of shares in the Company prior to the bonus issue).

The recalculated subscription price and the recalculated number of shares that each warrant entitles the holder to subscribe for as calculated above shall be determined by the Company as soon as practicable after the general meeting's resolution on the bonus issue.

### **B Consolidation or Split of Shares in the Company**

If the Company carries out a consolidation or split of shares, the provisions of Sub-section A above shall apply mutatis mutandis. The record date shall be deemed to be the date on which the consolidation or split is effected by Euroclear at the request of the Company.

## **C New Share Issue**

If the Company carries out a new share issue for cash payment or by way of set-off with preferential rights for shareholders, the following shall apply with respect to the right to participate in the new share issue for shares arising from subscription through the exercise of warrants.

1. If the new share issue is resolved by the board of directors subject to the approval of the general meeting or pursuant to an authorization from the general meeting, the resolution on the new share issue shall state the last date on which subscription must have been effected in order for a share arising from subscription under these terms and conditions to carry the right to participate in the new share issue.
2. If the new share issue is resolved by the general meeting, subscription where the application for subscription is made at such time that the subscription cannot be effected no later than on the fifth banking day prior to the general meeting that is to consider the question of the new share issue shall be effected only after the general meeting has resolved thereon. Shares arising from subscription effected after the issue resolution shall be entered on the CSD account on an interim basis, which means that they do not carry the right to participate in the new share issue. Final registration on the CSD account shall take place only after the record date for the new share issue.

In the case of subscription effected at such time that the right to participate in the new share issue does not exist, a recalculated subscription price and a recalculated number of shares that each warrant entitles the holder to subscribe for shall apply. The recalculations shall be carried out by the Company as follows:

Recalculated subscription price = (previous subscription price) x (the volume-weighted average price of the share during the subscription period determined in the issue resolution (the "volume-weighted average share price")) / (the volume-weighted average share price increased by the theoretical value of the subscription right calculated on the basis thereof).

Recalculated number of shares = (previous number of shares that each warrant entitles the holder to subscribe for) x (the volume-weighted average share price increased by the theoretical value of the subscription right calculated on the basis thereof) / (the volume-weighted average share price).

The volume-weighted average share price shall be deemed to correspond to the average volume-weighted transaction price for the class B share for each trading day during the subscription period according to the price list on which the share is listed. In the absence of a quoted transaction price, the closing bid price shall instead be included in the calculation. Days without a quoted transaction price or bid price shall not be included in the calculation.

The theoretical value of the subscription right shall be calculated as follows:

Theoretical value of the subscription right = (the maximum number of new shares that may be issued pursuant to the issue resolution) x ((the volume-weighted average share price) - (the issue price for the new share)) / (the number of shares prior to the issue resolution).

If this results in a negative value, the theoretical value of the subscription right shall be determined as zero.

The recalculated subscription price and the recalculated number of shares that each warrant entitles the holder to subscribe for as calculated above shall be determined by the Company ten banking days after the expiry of the subscription period and shall apply to each subscription effected thereafter.

If the Company's shares at the time of the issue resolution are not subject to a market listing, a corresponding recalculation shall be made of the subscription price and the number of shares that each warrant entitles the holder to subscribe for. The recalculation, which shall be carried out by a reputable independent valuation firm appointed by the Company, shall be based on the principle that the value of the warrants shall remain unchanged.

During the period before the recalculated subscription price and the recalculated number of shares that each warrant entitles the holder to subscribe for have been determined, subscription shall be effected only on a preliminary basis, whereby the number of shares that each warrant prior to recalculation entitles the holder to subscribe for shall be entered on the CSD account on an interim basis. Final registration on the CSD account shall take place only after the recalculated subscription price and the recalculated number of shares that each warrant entitles the holder to subscribe for have been determined.

**D Issue of Warrants or Convertibles pursuant to Chapters 14 and 15, respectively, of the Companies Act**

If the Company carries out an issue of warrants or convertibles, in both cases with preferential rights for shareholders to subscribe for such equity-related instruments for cash payment or by way of set-off, the provisions of Sub-section C, first paragraph, items 1 and 2 shall apply mutatis mutandis with respect to the right to participate in the issue for shares issued upon subscription.

In the case of subscription effected at such time that the right to participate in the issue does not exist, a recalculated subscription price and a recalculated number of shares that each warrant entitles the holder to subscribe for shall apply. The recalculations shall be carried out by the Company as follows:

Recalculated subscription price = (previous subscription price) x (the volume-weighted average market price of the share during the subscription period determined in the issue resolution (the "volume-weighted average share price")) / (the volume-weighted average share price increased by the value of the subscription right).

Recalculated number of shares = (previous number of shares that each warrant entitles the holder to subscribe for) x (the volume-weighted average share price increased by the value of the subscription right) / (the volume-weighted average share price).

The volume-weighted average share price shall be calculated in accordance with the provisions of Sub-section C above.

The value of the subscription right shall be deemed to correspond to the average of the volume-weighted average transaction price calculated for each trading day during the subscription period according to the price list on which the subscription right is listed. In the absence of a quoted transaction price, the closing bid price shall instead be included in the calculation. Days without a quoted transaction price or bid price shall not be included in the calculation.

If the subscription right is not subject to listing, the value of the subscription right shall, to the extent possible, be determined based on the change in market value of the Company's shares that can be deemed to have arisen as a result of the issue of warrants or convertibles.

The recalculated subscription price and the recalculated number of shares that each warrant entitles the holder to subscribe for as calculated above shall be determined by the Company ten banking days after the expiry of the subscription period for the issue and shall apply to each subscription effected thereafter.

If the Company's shares at the time of the issue resolution are not subject to a market listing, a corresponding recalculation shall be made of the subscription price and the number of shares that each warrant entitles the holder to subscribe for. The recalculation, which shall be carried out by a reputable independent valuation firm appointed by the Company, shall be based on the principle that the value of the warrants shall remain unchanged.

In the case of subscription effected during the period before the recalculated subscription price and the recalculated number of shares that each warrant entitles the holder to subscribe for have been determined, the provisions of Sub-section C, paragraph 10 above shall apply *mutatis mutandis*.

## **E Certain Other Offers to Shareholders**

If the Company, in cases other than those referred to in Sub-sections A-D above, makes an offer to shareholders to, with preferential rights for shareholders in accordance with the principles of Chapter 13, Section 1 of the Companies Act, acquire securities or rights of any kind from the Company, or resolves to, in accordance with the above-mentioned principles, distribute such securities or rights to shareholders without consideration, then in the case of subscription requested at such time that the share thereby obtained does not carry the right to participate in the offer, a recalculated subscription price and a recalculated number of shares that each warrant entitles the holder to subscribe for shall apply. The recalculation shall be carried out by the Company as follows:

Recalculated subscription price = (previous subscription price) x (the volume-weighted average market price of the share during the application period determined in the offer

(the "volume-weighted average share price")) / (the volume-weighted average share price increased by the value of the right to participate in the offer (the "purchase right value")).

Recalculated number of shares = (previous number of shares that each warrant entitles the holder to subscribe for) x (the volume-weighted average share price increased by the purchase right value) / (the volume-weighted average share price).

The volume-weighted average share price shall be calculated in accordance with the provisions of Sub-section C above.

In the event that shareholders have received purchase rights and trading in such rights has taken place, the value of the right to participate in the offer shall be deemed to correspond to the value of the purchase right. The value of the purchase right shall in such case be deemed to correspond to the average of the volume-weighted average transaction price calculated for each trading day during the application period according to the price list on which the purchase right is listed. In the absence of a quoted transaction price, the closing bid price shall instead be included in the calculation. Days without a quoted transaction price or bid price shall not be included in the calculation.

In the event that shareholders have not received purchase rights or if such trading in purchase rights as referred to in the preceding paragraph has not taken place, the recalculation of the subscription price shall be made applying, to the extent possible, the principles set forth above in this Sub-section E, whereby the following shall apply. If listing occurs of the securities or rights offered to shareholders, the value of the right to participate in the offer shall be deemed to correspond to the average of the volume-weighted average transaction price calculated for each trading day during 10 trading days commencing on the first day of such listing for transactions in such securities or rights on the marketplace on which such securities or rights are listed, reduced, where applicable, by the consideration paid for such securities or rights in connection with the offer. In the absence of a quoted transaction price, the most recently quoted bid price shall instead be included in the calculation. If neither a transaction price nor a bid price is quoted on a given day, such day shall be disregarded in the calculation of the value of the right to participate in the offer. In the recalculation pursuant to this paragraph of the subscription price and the number of shares that each warrant entitles the holder to subscribe for, the aforementioned period of 10 trading days shall be deemed to correspond to the application period determined in the offer pursuant to the first paragraph of this Sub-section E.

If listing does not occur of the securities or rights offered to shareholders, the value of the right to participate in the offer shall, to the extent possible, be determined based on the change in market value of the Company's shares that can be deemed to have arisen as a result of the offer.

The recalculated subscription price and the number of shares that each warrant entitles the holder to subscribe for as calculated above shall be determined by the Company as soon as practicable after the value of the right to participate in the offer has been able to be calculated.

If the Company's shares at the time of the offer are not subject to a market listing, a corresponding recalculation shall be made of the subscription price and the number of

shares that each warrant entitles the holder to subscribe for. The recalculation, which shall be carried out by a reputable independent valuation firm appointed by the Company, shall be based on the principle that the value of the warrants shall remain unchanged.

In the case of subscription effected during the period before the recalculated subscription price and the recalculated number of shares that each warrant entitles the holder to subscribe for have been determined, the provisions of Sub-section C, paragraph 10 above shall apply mutatis mutandis.

#### **F Equal Treatment of Warrant Holders and Shareholders**

In the event of a new share issue for cash payment with preferential rights for shareholders or an issue pursuant to Chapters 14 or 15 of the Companies Act for cash payment with preferential rights for shareholders, the Company may resolve to grant all warrant holders the same preferential rights as shareholders. In such case, each warrant holder shall, notwithstanding that subscription has not been made or effected, be deemed to be the owner of the number of shares that the warrant holder would have received if subscription had been effected at the subscription price and the number of shares that each warrant entitles the holder to subscribe for applicable at the time of the issue resolution.

If the Company resolves to make such an offer as described in Sub-section D above, the provisions of the preceding paragraph shall apply mutatis mutandis, provided however that the number of shares that the warrant holder shall be deemed to own in such case shall be determined on the basis of the subscription price and the number of shares that each warrant entitles the holder to subscribe for at the time of the resolution to make the offer.

If the Company resolves to grant warrant holders preferential rights in accordance with the provisions of this Sub-section F, no recalculation pursuant to Sub-sections C, D or E above shall be made of the subscription price or the number of shares that each warrant entitles the holder to subscribe for.

#### **G Dividends**

In the case of subscription requested at such time that the share obtained when the subscription is effected does not carry the right to such cash dividend as has been distributed to shareholders, a recalculated subscription price and a recalculated number of shares that each warrant entitles the holder to subscribe for shall apply. The recalculation shall be based on the entire aggregate cash dividend distributed.

The recalculations shall be carried out by the Company in accordance with the following formulas:

Recalculated subscription price = (previous subscription price) x (the volume-weighted average market price of the share during a period of 10 trading days commencing on the date on which the share is listed without the right to the dividend (the "volume-weighted average share price")) / (the volume-weighted average share price increased by the dividend paid per share).

Recalculated number of shares that each warrant entitles the holder to subscribe for = (previous number of shares that each warrant entitles the holder to subscribe for) x (the volume-weighted average share price increased by the dividend paid per share) / (the volume-weighted average share price).

The volume-weighted average share price shall be calculated in accordance with the provisions of Sub-section C above.

The recalculated subscription price and the recalculated number of shares as calculated above shall be determined by the Company ten banking days after the expiry of the above-stated period of 10 trading days and shall apply to subscriptions effected thereafter.

If the Company's shares at the time of the resolution on cash distribution to shareholders are not subject to a market listing, a corresponding recalculation shall be made of the subscription price and the number of shares that each warrant entitles the holder to subscribe for. The recalculation, which shall be carried out by the Company, shall be based on the principle that the value of the warrants shall remain unchanged.

In the case of subscription effected during the period before the recalculated subscription price and the recalculated number of shares have been determined, subscription shall be effected in accordance with the provisions of Sub-section C, last paragraph above.

## **H Reduction of Share Capital**

If the Company's share capital is reduced with repayment to shareholders and such reduction is mandatory, a recalculated subscription price as well as a recalculated number of shares that each warrant entitles the holder to subscribe for shall apply.

The recalculation shall be carried out by the Company as follows:

Recalculated subscription price = (previous subscription price) x (the volume-weighted average market price of the share during a period of 10 trading days commencing on the date on which the share is listed without the right to repayment (the "volume-weighted average share price")) / (the volume-weighted average share price increased by the amount repaid per share).

Recalculated number of shares = (previous number of shares that each warrant entitles the holder to subscribe for) x (the volume-weighted average share price increased by the amount repaid per share) / (the volume-weighted average share price).

The volume-weighted average share price shall be calculated in accordance with the provisions of Sub-section C above.

In the case of recalculation as set forth above where the reduction is effected through redemption of shares, instead of the actual amount repaid per share, a calculated repayment amount shall be used as follows:

Calculated repayment amount per share = (the actual amount repaid per redeemed share less the volume-weighted average transaction price of the share during a period of 10 trading days immediately preceding the date on which the share is listed without the right

to participate in the reduction (the "volume-weighted average share price")) / (the number of shares in the Company forming the basis for the redemption of one share less the number 1).

The volume-weighted average share price shall be calculated in accordance with the provisions of Sub-section C above.

The recalculated subscription price and the recalculated number of shares that each warrant entitles the holder to subscribe for as calculated above shall be determined by the Company ten banking days after the expiry of the stated period of 10 trading days and shall apply to subscriptions effected thereafter.

In the case of subscription effected during the period before the recalculated subscription price and the recalculated number of shares that each warrant entitles the holder to subscribe for have been determined, the provisions of Sub-section C, paragraph 10 above shall apply mutatis mutandis.

If the Company's share capital is reduced through redemption of shares with repayment to shareholders and such reduction is not mandatory, but where, in the Company's assessment, the reduction, having regard to its technical structure and economic effects, is to be equated with a mandatory reduction, the recalculation of the subscription price and the number of shares that each warrant entitles the holder to subscribe for shall be made applying, to the extent possible, the principles set forth in this Sub-section H.

If the Company's shares at the time of the reduction are not subject to a market listing, a corresponding recalculation shall be made of the subscription price and the number of shares that each warrant entitles the holder to subscribe for. The recalculation, which shall be carried out by the Company, shall be based on the principle that the value of the warrants shall remain unchanged.

#### **I Recalculation Shall Produce a Reasonable Result**

In the event that the Company carries out a measure as referred to in Sub-sections A-E, G or H above and, in the Company's assessment, the application of the recalculation formula intended therefor would, having regard to the technical structure of the measure or for other reasons, not be possible or would result in the economic compensation received by the warrant holders in relation to the shareholders not being reasonable, the board of directors of the Company shall carry out the recalculation of the subscription price and the number of shares that each warrant entitles the holder to subscribe for in such manner as the board of directors of the Company deems appropriate in order for the recalculation to produce a reasonable result.

#### **J Rounding**

Upon recalculation of the subscription price as set forth above, the subscription price shall be rounded to the nearest whole ten (10) öre, whereby five (5) öre shall be rounded down, and the number of shares shall be rounded to two decimal places.

**K Merger pursuant to Chapter 23, Section 15 of the Companies Act**

If the general meeting approves a merger plan pursuant to Chapter 23, Section 15 of the Companies Act, whereby the Company is to be absorbed by another company, application for subscription may not be made thereafter.

No later than one month before the Company takes a final position on the question of a merger as set forth above, warrant holders shall be notified of the intended merger through notice pursuant to Section 11 below. The notification shall contain a description of the principal content of the merger plan as well as a reminder that subscription may not be made after the general meeting has resolved on the merger.

If the Company provides notification of a merger as set forth above, warrant holders shall - notwithstanding the provisions of Section 4 above regarding the earliest time for application for subscription - be entitled to make application for subscription from the date on which the notification of the intended merger is provided, provided that subscription can be effected no later than on the fifth banking day prior to the general meeting at which the merger plan, whereby the Company is to be absorbed by another company, is to be approved.

**L Merger pursuant to Chapter 23, Section 28 of the Companies Act**

If the board of directors of the Company prepares a merger plan pursuant to Chapter 23, Section 28 of the Companies Act, or other corresponding corporate law legislation, the following shall apply.

If a parent company owns all shares in the Company and the board of directors of the Company announces its intention to prepare a merger plan pursuant to Chapter 23, Section 28 of the Companies Act, the Company shall, in the event that the last day for application for subscription pursuant to Section 4 above falls after such announcement, determine a new last day for application for subscription (the "final day"). The final day shall fall within 60 days of the announcement.

If a shareholder (the majority shareholder) alone or together with subsidiaries holds shares representing such a proportion of all shares in the Company that the majority shareholder, pursuant to applicable legislation from time to time, is entitled to demand compulsory redemption of the remaining shares and the majority shareholder announces its intention to demand compulsory redemption of the remaining shares, the provisions of the preceding paragraph regarding the final day shall apply mutatis mutandis.

If the announcement has been made in accordance with the provisions of this Sub-section L above, warrant holders shall - notwithstanding the provisions of Section 4 above regarding the earliest time for application for subscription - be entitled to make such application until the final day. The Company shall, no later than four weeks before the final day, remind warrant holders of this right through notice pursuant to Section 11 below and that application for subscription may not be made after the final day.

**M Demerger**

If the general meeting approves a demerger plan pursuant to Chapter 24, Section 17 of the Companies Act, whereby the Company is to be demerged by having a portion of the Company's assets and liabilities assumed by one or more other limited liability companies in exchange for consideration to the shareholders of the Company, a recalculated subscription price as well as a recalculated number of shares that each warrant entitles the holder to subscribe for shall apply, in accordance with the principles for dividends in Sub-section G above. The recalculation shall be based on the portion of the Company's assets and liabilities assumed by the acquiring company or companies.

If all of the Company's assets and liabilities are assumed by one or more other limited liability companies in exchange for consideration to the shareholders of the Company, the provisions regarding liquidation in Sub-section O below shall apply *mutatis mutandis*, meaning, *inter alia*, that the right to request subscription shall cease simultaneously with registration pursuant to Chapter 24, Section 27 of the Companies Act and that notification to warrant holders shall be made no later than four weeks before the demerger plan is submitted to the general meeting.

## **N Liquidation**

If it is resolved that the Company shall enter into liquidation, subscription may not be made thereafter, regardless of the grounds for the liquidation. The right to request subscription shall cease simultaneously with the liquidation resolution, regardless of whether such resolution has become final and non-appealable.

No later than four weeks before the general meeting considers the question of whether the Company shall enter into liquidation pursuant to Chapter 25 of the Companies Act, warrant holders shall be notified through notice pursuant to Section 11 below of the planned liquidation. The notification shall contain a reminder that subscription may not be made after a resolution on liquidation.

If the Company provides notification of an intended liquidation as set forth above, warrant holders shall - notwithstanding the provisions of Section 4 above regarding the earliest time for subscription - be entitled to request subscription from the date on which the notification is provided, provided that subscription can be effected prior to the general meeting at which the question of the Company's liquidation is to be considered.

Notwithstanding the foregoing provisions that subscription may not be made after a resolution on liquidation, the right to request subscription shall be reinstated if the liquidation is not carried out.

## **O Bankruptcy**

In the event of the Company's bankruptcy, subscription through the exercise of warrants may not be made. If the bankruptcy order is set aside by a higher court, the right to subscription shall be reinstated.

## ***9 Special Undertaking by the Company***

The Company undertakes not to take any of the measures specified in Section 8 above that would result in a recalculation of the subscription price to an amount that is less than the quota value of the share applicable from time to time.

## ***10 Nominees***

Pursuant to Chapter 3, Section 7 of the Swedish Central Securities Depositories and Financial Instruments Accounts Act (Sw. lagen (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument), legal entities may obtain authorization to be registered as nominees. Such nominees shall be regarded as warrant holders for the purposes of these terms and conditions.

## ***11 Notices***

Notices regarding the warrants shall be sent to each warrant holder and other rights holders registered on a CSD account.

## ***12 Right to Represent Warrant Holders***

Without any specific mandate from the warrant holders, the Bank shall be authorized to represent the warrant holders in matters of a formal nature relating to the terms and conditions of the warrants.

## ***13 Amendment of Terms and Conditions***

The Company shall be entitled to resolve on amendments to these warrant terms and conditions to the extent required by legislation, court decisions or decisions by public authorities, or if it is otherwise expedient or necessary for practical reasons and the rights of the warrant holders are not impaired in any respect.

## ***14 Confidentiality***

The Company and Euroclear may not, without authorization, disclose information to third parties regarding warrant holders. The Company shall have the right to access Euroclear's central securities depository register for the warrants, which shows who is registered as the holder of a warrant.

## ***15 Limitation of Liability***

With respect to the measures that, pursuant to these warrant terms and conditions, are incumbent upon the Company, Euroclear or the Bank, and taking into account the provisions of the Swedish Central Securities Depositories and Financial Instruments Accounts Act (Sw. lagen (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument), no liability may be asserted for damage caused by Swedish or

foreign law, Swedish or foreign governmental action, acts of war, strikes, blockades, boycotts, lockouts or any other similar circumstance. The reservation with respect to strikes, blockades, boycotts and lockouts shall apply even if the Company, Euroclear or the Bank takes or is the subject of such industrial action.

Euroclear shall not be obligated to compensate for damage arising in other cases either, provided that Euroclear has exercised normal diligence. A corresponding limitation of liability shall also apply to the Company and the Bank. In addition, the Company and the Bank shall in no event be liable for indirect damage.

If the Company, Euroclear or the Bank is prevented from taking action due to a circumstance referred to in the first paragraph, the action may be postponed until the impediment has ceased.

## ***16 Governing Law and Jurisdiction***

Swedish law shall govern these warrant terms and conditions and related legal matters. Disputes arising out of these warrant terms and conditions shall be settled by a court of general jurisdiction with the Stockholm District Court (Sw. Stockholms tingsrätt) as the court of first instance, or such other court as the Company approves in writing.