

N.B. The English text is an in-house translation.

Protokoll fört vid årsstämma i Sleep Cycle AB (publ), org.nr 556614-7368, tisdagen den 10 maj 2022 i Göteborg
Minutes kept at the annual general meeting (the AGM) in Sleep Cycle AB (publ), reg. no. 556614-7368, held on Tuesday 10 May 2022 in Gothenburg, Sweden

1. § Stämmans öppnande / Opening of the meeting

Stämman öppnades av styrelsens ordförande Lars Berg.

The chairperson of the Board of Directors, Lars Berg, opened the meeting.

2. § Val av ordförande vid stämman / Election of chairperson of the meeting

Lars Berg valdes till ordförande vid årsstämman. Noterades att advokaten Aleksander Ivarsson skulle föra protokollet.

Lars Berg was appointed chairperson of the AGM. It was noted that the attorney Aleksander Ivarsson should keep the minutes.

Noterades att aktieägarna har kunnat utöva sin rösträtt per post före stämman.

It was noted that the shareholders have been able to exercise their voting rights by postal voting prior to the AGM.

Kallelsen till bolagsstämman liksom det formulär som använts för poströstning bilades protokollet, Bilaga 1 och Bilaga 2.

The notice to attend the meeting and the form used for postal voting was attached to the minutes, Appendix 1 and Appendix 2.

Ordföranden upplyste om att det fanns personer i stämmolokalen som inte var aktieägare. Beslutades att dessa personer fick närvara vid stämman.

The chairperson informed that there were persons present at the meeting venue that were not shareholders. It was resolved that these persons could attend the AGM.

3. § Upprättande och godkännande av röstlängd / Preparation and approval of the voting register

Upprättades förteckning, Bilaga 3, över vid stämman närvarande aktieägare, ombud och biträden, varvid aktieägare som poströstat registrerats som närvarande. Förteckningen godkändes som röstlängd vid stämman.

A list of the shareholders, representatives and assistants present at the meeting, in which shareholders who had submitted postal votes had been registered as present, was drawn up, Appendix 3. The list was approved as the voting list for the meeting.

4. § Godkännande av dagordning / Approval of the agenda

Det i kallelsen intagna förslaget till dagordning godkändes av stämman.

The proposed agenda published in the notice was approved by the meeting.

5. § Val av justeringspersoner / *Election of persons to approve the minutes*

Anna Sundberg (representerande Handelsbanken Sverige Index Criteri) och Maciej Drejak (representerande GLA Invest SA, H265 AB och MCGA AB) utsågs att jämte ordföranden justera dagens protokoll.

Anna Sundberg (representing Handelsbanken Sverige Index Criteri) and Maciej Drejak (representing GLA Invest SA, H265 AB och MCGA AB) were appointed to approve the minutes together with the chairperson of the meeting.

6. § Prövning av om stämman blivit behörigen sammankallad / *Determination of whether the meeting has been duly convened*

Det upplystes att kallelse till stämman skett genom annonsering i Post- och Inrikes Tidningar den 5 april 2022 samt att kallelsen offentliggjorts och hållits tillgänglig på bolagets webbplats sedan den 31 mars 2022. Att kallelse har skett har vidare annonserats i Svenska Dagbladet samt i Göteborgsposten den 5 april 2022. Stämman konstaterades vara i behörig ordning sammankallad.

It was noted that notice to attend the AGM had been published in the Official Swedish Gazette (Sw. Post- och Inrikes Tidningar) on 5 April 2022 and that the notice had been made available at the company's website on 31 March 2022. Further, on 5 April 2022, the company announced in Svenska Dagbladet and Göteborgsposten that notice had been issued. It was determined that the meeting had been duly convened.

7. § Anförande av verkställande direktören / *Presentation by the CEO*

Verkställande direktören Carl Johan Hederöth höll ett anförande. Här efter besvarades frågor från aktieägarna.

The CEO, Carl Johan Hederöth, gave a speech. Hereafter, questions from the shareholders were answered.

8. § Framläggande av a) årsredovisning och revisionsberättelse samt koncernredovisning och koncernrevisionsberättelse samt b) revisorsyttrande om huruvida befintliga riktlinjer för ersättning till ledningen har följts / *Presentation of a) the annual report and the audit report as well as the consolidated financial statements and auditor's report for the group, and b) the auditor's statement regarding the company's compliance with the guidelines for remuneration to members of the executive management*

Framlades årsredovisning jämte revisionsberättelsen samt koncernredovisningen jämte koncernrevisionsberättelsen för räkenskapsåret 2021. Vidare framlades revisorns yttrande om huruvida befintliga riktlinjer för ersättning till ledande befattningshavare har följts.

The annual report and the auditors' report as well as the consolidated annual report and the consolidated auditors' report for the financial year 2021, were presented. In addition, the auditor's statement regarding whether the guidelines for remuneration to the executive management have been complied with, was presented.

Auktoriserade revisorn Samuel Bjälkemo lämnade en redogörelse för revisionsarbetet under 2021 och föredrog därefter slutsatserna i revisionsberättelsen för år 2021.

The authorized public accountant Samuel Bjälkemo presented the audit process during 2021 and the conclusions in the auditor's report for 2021.

9 a. § Beslut om fastställelse av resultaträkning och balansräkning samt koncernresultaträkning och koncernbalansräkning / *Resolution regarding adoption of the income statement and balance sheet as well as the consolidated income statement and consolidated balance sheet*

Årsstämman beslutade att fastställa resultaträkningen och balansräkningen samt koncernresultaträkning och koncernbalansräkning för räkenskapsåret 2021.

The AGM resolved to adopt the income statement and balance sheet and the consolidated income statement and consolidated balance sheet for the financial year 2021.

9 b. § Beslut om dispositioner beträffande bolagets vinst eller förlust enligt den fastställda balansräkningen / *Resolution regarding allocation of the company's profit or loss in accordance with the adopted balance sheet*

Årsstämman beslutade i enlighet med styrelsens förslag att ingen utdelning ska utgå för 2021 och att bolagets resultat ska balanseras i ny räkning.

The AGM resolved, in accordance with the board of directors' proposal, that there shall be no dividend for 2021 and that the results of the company shall be carried forward.

9 c. § Beslut om ansvarsfrihet för styrelseledamöterna och verkställande direktören / *Resolution regarding discharge from liability for the board members and the CEO*

Årsstämman beslutade att bevilja styrelseledamöterna och den verkställande direktören ansvarsfrihet för deras förvaltning av bolagets angelägenheter under räkenskapsåret 2021.

The AGM resolved to discharge the members of the board of directors and the CEO from liability in respect of their management of the company's business during the financial year 2021.

Antecknades att berörda personer, i den mån de var upptagna i röstlängden, inte deltog i beslutet såvitt avsåg dem själva.

It was noted that each person concerned, if registered in the voting list, did not participate in the resolution regarding themselves.

10. § Fastställande av a) antalet styrelseledamöter och b) antalet revisorer / *Determination of a) the number of board members and b) the number of auditors*

Valberedningens ordförande Anna Sundberg lämnade en redogörelse för valberedningens arbete samt presenterade valberedningens förslag.

The chairperson of the Nomination Committee, Anna Sundberg, gave a presentation of the work of the Nomination Committee and presented the Nomination Committee's proposals.

Årsstämman beslutade att antalet styrelseledamöter ska vara fem utan suppleanter.

The AGM resolved that the number of members of the board of directors shall be five without deputies.

Årsstämman beslutade vidare att antalet revisorer ska vara två utan suppleanter.

Further, the AGM resolved that the number of auditors shall be two without deputies.

**11. § Fastställande av a) styrelsearvoden och b) revisorsarvoden /
Determination of a) fees to the board members and b) fees to the auditors**

Årsstämman beslutade, för tiden intill slutet av nästa årsstämma, att styrelsearvode ska utgå med 500 000 kronor till styrelsens ordförande och 250 000 kronor till envar av övriga ledamöter, 100 000 kronor till ordföranden i revisionsutskottet och 50 000 till övriga ledamöter i revisionsutskottet samt 50 000 kronor till ordföranden i ersättningsutskottet och 25 000 kronor till övriga ledamöter i ersättningsutskottet.

The AGM resolved, for the time period until the end of the next AGM, that the board of directors' fees shall be paid with SEK 500,000 to the chairperson of the board of directors and SEK 250,000 to each of the other members, SEK 100,000 to the chairperson of the audit committee and SEK 50,000 to the other members of the audit committee as well as SEK 50,000 to the chairperson of the remuneration committee and SEK 25,000 to the other members of the remuneration committee.

Årsstämman beslutade vidare att arvode till bolagets revisorer ska utgå enligt godkänd räkning.

The AGM further resolved that fees to the auditors shall be paid in accordance with approved invoice.

12. § Val av styrelseledamöter och styrelseordförande / Election of the board of directors and chairperson of the board

Noterades att uppgifter om föreslagna styrelseledamöters uppdrag i andra företag framlagts genom att ha funnits tillgängligt på bolagets huvudkontor och på bolagets hemsida.

It was noted that information on the proposed board members' assignments in other companies had been presented by being available at the company's head office and on the company's website.

Till styrelseledamöter omvaldes Lars Berg, Ödgård Andersson, Anne Broeng, Rasmus Järborg och Olof Nilsson för tiden intill slutet av nästa årsstämma.

Lars Berg, Ödgård Andersson, Anne Broeng, Rasmus Järborg and Olof Nilsson were re-elected as members of the board of directors for the period until the end of the next AGM.

Till styrelseordförande omvaldes Lars Berg.

Lars Berg was re-elected as the chairperson of the board of directors.

13. § Val av revisorer / Election of auditors

Revisionsbolaget Mazars AB valdes, i enlighet med valberedningens förslag, till revisor för tiden intill slutet av årsstämman 2023. Antecknades att Mazars AB meddelat att auktoriserade revisorn Samuel Bjälkemo kommer att vara huvudansvarig revisor med Anders Persson som personlig medrevisor.

In accordance with the Nomination Committee's proposal, the auditing firm Mazars AB was elected as auditor for the period until the close of the AGM 2023. It was noted that Mazars AB had informed that the authorized public accountant Samuel Bjälkemo will be the auditor in charge with Anders Persson as personal co-auditor.

14. § Beslut om godkännande av ersättningsrapport / *Resolution on approval of remuneration report*

Noterades att styrelsens ersättningsrapport enligt 8 kap. 53 a § aktieföretagslagen framlagts genom att den funnits tillgänglig hos bolaget och på bolagets hemsida.

It was noted that the board of directors' remuneration report pursuant to Chapter 8, Section 53 a of the Swedish Companies Act had been presented by being available at the company and on the company's website.

Stämman beslutade att godkänna styrelsens förslag till ersättningsrapport för 2021.

The AGM resolved to adopt the remuneration report for 2021 in accordance with the board of directors' proposal.

15. § Beslut om riktad emission av teckningsoptioner, serie 2022/2025 / *Resolution on directed issue of subscription warrants, series 2022/2025*

Noterades att styrelsens fullständiga förslag till riktad emission av teckningsoptioner, serie 2022/2025, Bilaga 4, framlagts genom att det funnits tillgängligt hos bolaget och på bolagets hemsida samt skickats till de aktieägare som begärt det.

It was noted that the board of directors' complete proposal for resolution on directed issue of subscription warrants, series 2022/2025, Appendix 4, had been presented by being available at the company and on the company's website as well as sent to shareholders upon request.

Årsstämman beslutade att godkänna styrelsens förslag om riktad emission av teckningsoptioner, serie 2022/2025. Det antecknades att beslutet var enhälligt och att beslutet således fattats med erforderlig majoritet om nio tiondelar av såväl avgivna röster som vid stämman företrädde aktier.

The AGM resolved to adopt the board of directors' proposal on directed issue of subscription warrants, series 2022/2025. It was noted that the resolution was unanimously adopted and that the resolution thus was taken with the required majority of nine tenths of the votes cast as well as the shares represented at the meeting,

16. § Stämmans avslutande / *Closing of the meeting*

Årsstämman förklarades avslutad.

The AGM was declared closed.

Vid protokollet:

Minutes kept by:

Aleksander Ivarsson

Justeras:

Approved:

Lars Berg

Anna Sundberg

Maciej Drejak



Notice of Annual General Meeting in Sleep Cycle AB (publ)

The shareholders of Sleep Cycle AB (publ) ("Sleep Cycle"), reg. no. 556614-7368, are hereby invited to attend the Annual General Meeting (the "AGM") to be held on 10 May 2022 at 10.00 CEST at Västsvenska Handelskammaren, Parkgatan 49, 411 38 Gothenburg, Sweden. Admission and registration for the AGM will begin at 9.30 CEST.

The Board of Directors has resolved, in accordance with the provisions of Sleep Cycle's Articles of Association, that shareholders may also exercise their voting rights in advance by so-called postal voting.

Right to participate and notification

A) Attending the meeting venue

A person who wishes to attend the meeting venue in person or by proxy must

- be listed as a shareholder in the presentation of the share register prepared by Euroclear Sweden AB concerning the circumstances on 2 May 2022; and
- give notice of its participation no later than 4 May 2022 by mail to Sleep Cycle AB (publ), c/o Euroclear Sweden AB, Box 191, 101 23 Stockholm, Sweden or through the company's website, <https://investors.sleepcycle.com/en/>. Upon the notification of participation, the shareholder must state name/business name, personal or corporate identity number, address, telephone number and number of any assistants (not more than two).

For shareholders who wish to be represented by a proxy, a written and dated power of attorney signed by the shareholder must be attached to the notification and presented at the meeting. Form of proxy is available on Sleep Cycle's website, <https://investors.sleepcycle.com/en/>. If the shareholder is a legal entity, certificate of incorporation, or corresponding authorisation document for the legal entity, must be attached.

B) Participation by postal voting

A person who wishes to participate in the AGM by postal voting must

- be listed as a shareholder in the presentation of the share register prepared by Euroclear Sweden AB concerning the circumstances on 2 May 2022; and
- give notice of its participation no later than 4 May 2022 by submitting its postal vote in accordance with the instructions below, so that the postal vote is received by Euroclear Sweden AB no later than that day.

A shareholder who wishes to attend the meeting venue in person or by proxy, must give notice of this in accordance with the instructions stated under A) above. Hence, a notice of participation only through postal voting is not sufficient for a person who wishes to attend the meeting venue.

A special form shall be used for postal voting. The form is available on the company's website, <https://investors.sleepcycle.com/en/>. The completed and signed form may be sent by mail to Sleep Cycle AB (publ), AGM 2022, c/o Euroclear Sweden AB, Box 191, 101 23 Stockholm, Sweden, or by email to GeneralMeetingService@euroclear.com (state "Sleep Cycle AB – postal voting" in the subject line). The completed and signed form must be received by Euroclear Sweden AB no later than on 4 May 2022. Shareholders may also submit their postal votes electronically by verification with BankID via <https://anmalan.vpc.se/euroclearproxy/>.

Shareholders may not provide special instructions or conditions in the voting form. If so, the vote (in its entirety) is invalid. Further instructions and conditions are included in the form for postal voting.

If a shareholder submits its postal vote by proxy, a written and dated power of attorney signed by the shareholder must be enclosed with the postal voting form. Form of proxy is available on the company's website, <https://investors.sleepcycle.com/en/>. If the shareholder is a legal entity, certificate of incorporation, or corresponding authorisation document for the legal entity, must be enclosed with the form.

Nominee-registered shares

In order to be entitled to participate in the AGM, a shareholder whose shares are registered in the name of a nominee must, in addition to giving notice of its participation in the AGM, register its shares in its own name so that the shareholder is listed in the presentation of the share register as of 2 May 2022. Such registration may be temporary (so-called voting rights registration), and request for such voting rights registration shall be made to the nominee, in accordance with the nominee's routines, at such a time decided by the nominee. Voting rights registrations that have been made by the nominee no later than 4 May 2022 will be taken into account in the presentation of the share register.

Agenda

1. Opening of the meeting
2. Election of Chairperson of the meeting
3. Preparation and approval of the voting register
4. Approval of the agenda
5. Election of persons to approve the minutes
6. Determination of whether the meeting has been duly convened
7. Presentation by the CEO
8. Presentation of
 - a) the annual report and the audit report as well as the consolidated financial statements and the auditor's report for the group
 - b) the auditor's statement regarding the company's compliance with the guidelines for remuneration to members of the executive management
9. Resolution regarding
 - a) adoption of the income statement and balance sheet as well as the consolidated income statement and consolidated balance sheet
 - b) allocation of the company's profit or loss in accordance with the adopted balance sheet

- c) discharge from liability of the members of the Board of Directors and the CEO
- 10. Determination of
 - a) the number of Board members
 - b) the number of auditors and deputy auditors
- 11. Determination of
 - a) fees to the Board members
 - b) fees to the auditors
- 12. Election of the Board of Directors and the Chairperson of the Board
 - a) Lars Berg (re-election)
 - b) Ödgård Andersson (re-election)
 - c) Anne Broeng (re-election)
 - d) Rasmus Järborg (re-election)
 - e) Olof Nilsson (re-election)
 - f) Lars Berg as Chairperson of the Board (re-election)
- 13. Election of auditors
- 14. Resolution on approval of the remuneration report
- 15. Resolution on directed issue of subscription warrants, series 2022/2025
- 16. Closing of the meeting

Proposals

The Nomination Committee's proposals (items 2 and 10–13)

The Nomination Committee prior to the AGM 2022 has consisted of Mathias Høyer (MCGA AB and H265 AB), Alexander Hannerland (GLA Invest SA), Anna Sundberg (Handelsbanken Fonder) and Lars Berg (Chairperson of the Board of Directors). Anna Sundberg has been the Chairperson of the Nomination Committee.

The Nomination Committee proposes the following:

Chairperson of the meeting: The Chairperson of the Board of Directors, Lars Berg.

Board of Directors: The Nomination Committee proposes that the Board of Directors shall consist of five ordinary Board members, without deputy Board members. Lars Berg, Ödgård Andersson, Anne Broeng, Rasmus Järborg and Olof Nilsson shall be re-elected as Board members. The Nomination Committee further proposes that Lars Berg shall be re-elected as Chairperson of the Board of Directors.

Information about all Board members proposed for re-election is available on the company's website, <https://investors.sleepcycle.com/en/>.

Board and Committee fees: Board fees, excluding remuneration for Committee work, shall continue to be paid with SEK 500,000 to the Chairperson of the Board and SEK 250,000 to each other member of the Board elected by the AGM. For work in the Audit Committee, a fee of SEK 100,000 (50,000) shall be paid to the Chairperson and a fee of SEK 50,000 (25,000) shall be paid to each other member. For work in the

Remuneration Committee, a fee of SEK 50,000 shall continue to be paid to the Chairperson and a fee of SEK 25,000 shall continue to be paid to each other member.

Auditor and auditor's fee: The number of auditors shall be two without deputies. In accordance with the recommendation from the company's Audit Committee, the Nomination Committee proposes re-election of Mazars AB, whereby the intention is that Samuel Bjälkemo shall be the auditor in charge, with Anders Persson as personal co-auditor to Samuel Bjälkemo, both on a one-year term for the period until the close of the AGM 2023. Auditor's fee is proposed to be paid as per approved invoice.

The Board's proposal on allocation of the company's profit or loss in accordance with the adopted balance sheet (item 9b)

The Board of Directors proposes that no dividend is distributed and that the retained profits shall be carried forward to the new accounts.

The Board's proposal on approval of the remuneration report (item 14)

The Board of Directors proposes that the AGM resolves to approve the Board of Directors' remuneration report for the financial year 2021, pursuant to Chapter 8, Section 53 a of the Swedish Companies Act.

The Board's proposal for resolution on directed issue of subscription warrants, series 2022/2025 (item 15)

The Board of Directors proposes that the AGM decides on an incentive program for employees in the company or in the group ("the Participants") by a directed issue of warrants with the right to subscribe for new shares in the company. The warrant program is proposed in order to align targets between employees and shareholders as well as to create long-term engagement for the company. The program is also expected to help retain competent, motivated and committed employees. The issue shall take place with deviation from the shareholders' preemptive rights on the following terms:

1. The company shall issue a maximum of 100,000 warrants that give the right to subscribe for 100,000 new shares. Oversubscription is not possible.
2. The right to subscribe for the warrants shall, with deviation from the shareholders' preferential rights, accrue to the Participants, who shall be offered to subscribe for options on a special subscription list.
3. The warrants shall be issued at a price corresponding to an estimated market value of the warrants (warrants premium) using the Black-Scholes model. The valuation of the options shall be performed by independent valuation institutes or auditing companies. A preliminary calculation based on a subscription price when exercising the warrants, which is SEK 76.67 per share, gives the value of SEK 9.65 on the option. The following values of the parameters included in the calculation model have then been used:

Risk-free interest rate:	0.282 %
Volatility:	37.8 %
Dividend share of future profits:	0.0 %
Market value of the stock:	SEK 56.79

4. The warrants shall be subscribed for no later than 24 May 2022 on a separate subscription list. The Board shall have the right to extend the time for subscription, but not longer than 1 November 2022.
5. Payment of the option premium for the warrants must be made within two weeks of the subscription. The board shall have the right to extend the time for payment.
6. The increase in the company's share capital may, upon full exercise of the warrants, amount to a maximum of SEK 2,777.77777777780, subject to the increase that may be caused by the fact that recalculation may take place as a result of issues, etc.
7. Payment for shares upon exercise of the Warrant shall be made in cash at a subscription price corresponding to 135 percent of the average of the volume-weighted payment price listed for each trading day according to Nasdaq Stockholm's official price list for shares in the Company during the 10 trading days preceding the general meeting. The subscription price thus determined shall be rounded to the nearest whole ten öre, whereby 5 öre shall be rounded down.
8. Each warrant shall entitle the holder to subscribe for one new share in cash for the period from 1 August 2025 to 31 August 2025. However, it must be possible to exercise the warrants at any earlier time as a result of a merger, compulsory redemption of shares, liquidation, etc.
9. Shares issued after exercise of a warrant carry out the right to a dividend for the first time on the record date for dividends that falls immediately after the new shares have been registered with the Swedish Companies Registration Office and entered in the share register kept by Euroclear.
10. In connection with the transfer of warrants to the participants in the program, the Company shall reserve the right to repurchase warrants if the participant's employment ends or if the participant in turn wishes to transfer the warrants.
11. The premium when subscribing for shares through the exercise of a warrant shall be added to the free premium fund.
12. The warrants may be subject to re-calculation in accordance with customary principles for re-calculation due to, inter alia, bonus issue, consolidation or share split, rights issue or similar events.
13. The full terms and conditions of the program are set out in *Villkor för teckningsoptioner av Serie 2022/2025*.

Allocation of warrants

The offer to buy options shall not exceed 7,600 options per participant and the total number of participants may not exceed 60 in number. The offer is distributed between the employees and future employees based on a decision from the Board of the Company according to the following statement:

- The CEO is offered a maximum of 7,600 options
- Category 1 executives are offered a maximum of 5,225 options
- Category 2 executives are offered a maximum of 2,850 options
- Other employees are offered a maximum of 1,120 options

Reasons for deviation from the shareholders' preferential rights

The reasons for deviation from the shareholders' preemptive rights are a desire to have an option program introduced suitable for allocation to employees in the company, whereby they can be offered the opportunity to take part in a value growth in the Company's share. This is expected to lead to a strengthening of interest in the company's development - as well as the Company's share price development - and that continued corporate loyalty in the coming years is stimulated.

Dilution effect

In the event that all warrants are exercised, the number of shares will increase by 100,000, which corresponds to a dilution of a maximum of approximately 0.5 percent of the shares and votes based on the Company's current number of shares. The above is subject to re-calculations of the warrants in accordance with the customary terms for re-calculation stated in the complete terms and conditions.

Other outstanding warrants

There are currently 4 outstanding option programs in 5 series. Warrant program 2019/2022 consists of 6,624 warrants where an option entails the right to, during the period from and including 22 June 2022 and up to and including 20 September 2022, subscribe for 128.17 shares at SEK 19.79. Warrant program 2020/2023 consists of 1,259 warrants where an option entails the right to subscribe for 120 shares during the period from 1 December 2023 and up to and including 31 December 2023 at SEK 88.89. Warrant program 2021/2024:1 consists of 102,273 warrants where an option entails the right to subscribe for one share for SEK 94.50 during the period from and including 8 June 2024 and up to and including 5 August 2024. Warrant program 2021/2024:2 consists of 11,363 warrants where an option entails the right to subscribe for one share for SEK 94.50 during the period from 5 December 2024 and up to and including 5 February 2025. Warrant program 2021/2026, consists of 340,909 warrants where an option entails the right to subscribe for one share for SEK 241,17 during the period from 9 April 2026 and up to and including 7 June 2026. In cases where all

options are exercised for subscription, the number of shares will increase by 1,554,623, which corresponds to a dilution of a maximum of 7.4 percent of the shares and votes based on the Company's current number of shares.

Costs

As the warrants are issued at fair market value, it is the company's assessment that no wage costs or social security contributions will arise for the company as a result of the option program. The total costs, including other costs in the form of fees to external advisors and costs for administration of the program, are estimated to amount to approximately SEK 100,000 over the term of the program.

Preparation of the proposal

The proposal for an incentive program has been prepared by the Board's Remuneration Committee and the Board in collaboration with external expertise.

Special authorization

The Board, or the person appointed by the Board, shall have the right to make the minor adjustments in the above-mentioned proposals that may prove necessary in connection with the registration of the above decisions with the Swedish Companies Registration Office and any Euroclear Sweden accession of the warrants.

Majority requirements

The resolution is covered by Chapter 16 of the Swedish Companies Act and presupposes the assistance of shareholders with at least nine tenths of both the votes cast and the shares represented at the meeting.

Shares and votes

The total number of shares and votes in the company is 19,428,571. The company does not hold any own shares.

Questions and shareholders' right to receive information

The Board of Directors and the CEO shall, if any shareholder so requests and the Board of Directors 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, circumstances that can affect the assessment of the company's or its subsidiaries' financial situation and the company's relation to other companies within the Group. Shareholders who wish to submit questions in advance may do so by mail to Sleep Cycle AB (publ), "AGM 2022", Gårdatorget 1, 412 50 Gothenburg, Sweden or by email to investor@sleepcycle.com.

Available documentation

The financial statements and the auditor's report, the auditor's statement regarding guidelines for executive remuneration, the Board of Directors' remuneration report for the financial year 2021 and the Board of Directors' complete proposal for resolution under items 15 are available at the company and on the company's website <https://investors.sleepcycle.com/en/>. In other respects, the complete proposals are set out under each respective item in the notice.

Information about all Board members proposed for election and the Nomination Committee's reasoned statement etc. are available on the company's website <https://investors.sleepcycle.com/en/>.

The documents are presented at the AGM by being kept available at the company and on the company's website. The documents will be sent free of charge to shareholders who so request and state their address.

Processing of personal data

For information on how your personal data is processed, see <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

Gothenburg in March 2022

Sleep Cycle AB (publ)

The Board of Directors



NOTIFICATION OF PARTICIPATION AND FORM FOR POSTAL VOTING

in accordance with § 11 of Sleep Cycle's articles of association

To be received by Sleep Cycle AB (publ) c/o Euroclear Sweden AB no later than 4 May 2022.

The shareholder set out below hereby notifies the company of its participation and exercises its voting right for all of the shareholder's shares in Sleep Cycle AB (publ), Reg. No. 556614-7368, at the Annual General Meeting on 10 May 2022. The voting right is exercised in accordance with the voting options marked below.

Shareholder	Personal identity number/registration number

Assurance (if the undersigned is a legal representative of a shareholder who is a legal entity): I, the undersigned, am a board member, the CEO or a signatory of the shareholder and solemnly declare that I am authorised to submit this postal vote on behalf of the shareholder and that the contents of the postal vote correspond to the shareholder's decisions

Assurance (if the undersigned represents the shareholder by proxy): I, the undersigned, solemnly declare that the enclosed power of attorney corresponds to the original and that it has not been revoked

Place and date	
Signature	
Clarification of signature	
Telephone number	Email

Instructions:

- Complete the information above.
- Select the preferred voting options below.
- Print, sign and send the form to Sleep Cycle AB (publ), AGM 2022, c/o Euroclear Sweden AB, Box 191, 101 23 Stockholm, Sweden, or by email to GeneralMeetingService@euroclear.com (state "Sleep Cycle AB – Postal voting" in the subject line). Shareholders may also cast their votes electronically through verification with BankID via <https://anmalan.vpc.se/euroclearproxy/>.
- If the shareholder is a natural person who is personally voting by post, it is the shareholder who should sign under *Signature* above. If the postal vote is submitted by a proxy of the shareholder, it is the proxy who should sign. If the postal vote is submitted by a legal representative of a legal entity, it is the representative who should sign.
- A power of attorney shall be enclosed if the shareholder votes by post by proxy. If the shareholder is a legal entity, a registration certificate or a corresponding document for the legal entity shall be enclosed with the form.

Please note that a shareholder whose shares are registered in the name of a bank or securities institute must register its shares in its own name in order to vote. Instructions regarding this are included in the notice convening the Annual General Meeting.

A shareholder cannot give any other instructions than selecting one of the options specified at each item in the form. If a shareholder wishes to abstain from voting in relation to a matter, kindly refrain from selecting an option. A vote (i.e. the postal voting in its entirety) is invalid if the shareholder has provided the form with specific instructions or conditions or if pre-printed text is amended or supplemented.

The form, together with any enclosed authorisation documentation, shall be received by Sleep Cycle c/o Euroclear Sweden AB no later than 4 May 2022. A postal vote can be withdrawn up to and including 4 May 2022 by contacting Euroclear Sweden AB by email to generalmeetingservice@euroclear.com.

One form per shareholder will be considered. If more than one form is submitted, the form with the latest date will be considered. The form latest received by the company will be considered if two forms are dated at the same date. An incomplete or wrongfully completed form may be discarded without being considered. A shareholder who has voted by means of postal voting may also attend the meeting venue in person, provided that a notification has been given in accordance with the instructions in the notice convening the Annual General Meeting. If a shareholder has voted by means of postal voting and thereafter attends the meeting venue in person or by proxy, the postal vote is still valid, unless the shareholder participates in a vote during the Annual General Meeting or otherwise withdraws the submitted postal vote. If a shareholder chooses to participate in a vote during the course of the Annual General Meeting, the vote cast will replace the submitted postal vote for the relevant item(s).

Please note that the postal vote is not a notice to attend the meeting venue in person or by proxy. Instructions for shareholders who wish to attend the meeting venue in person or by proxy are included in the notice convening the Annual General Meeting.

For complete proposals regarding the items on the agenda, kindly refer to the notice convening the meeting and the company's website.

For information on how your personal data is processed, please see the integrity policy that is available at www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf.

Annual General Meeting in Sleep Cycle AB (publ) on 10 May 2022

The voting options below comprise the proposals which are included in the notice convening the Annual General Meeting and are available on the company's website.

2. Election of Chairperson of the meeting The Chairperson of the Board of Directors, Lars Berg Yes <input type="checkbox"/> No <input type="checkbox"/>
4. Approval of the agenda Yes <input type="checkbox"/> No <input type="checkbox"/>
6. Determination of whether the meeting has been duly convened Yes <input type="checkbox"/> No <input type="checkbox"/>
9a. Resolution regarding adoption of the income statement and balance sheet as well as the consolidated income statement and consolidated balance sheet Yes <input type="checkbox"/> No <input type="checkbox"/>
9b. Resolution regarding allocation of the company's profit or loss in accordance with the adopted balance sheet Yes <input type="checkbox"/> No <input type="checkbox"/>
9c. Resolution regarding discharge from liability of the members of the Board of Directors and the CEO
9c. 1 Lars Berg (<i>Chairperson of the Board</i>) Yes <input type="checkbox"/> No <input type="checkbox"/>
9c. 2 Ödgärd Andersson (<i>Board member from and including 24 February 2021</i>) Yes <input type="checkbox"/> No <input type="checkbox"/>
9c. 3 Anne Broeng (<i>Board member</i>) Yes <input type="checkbox"/> No <input type="checkbox"/>
9c. 4 Rasmus Järborg (<i>Board member</i>) Yes <input type="checkbox"/> No <input type="checkbox"/>
9c. 5 Olof Nilsson (<i>Board member</i>) Yes <input type="checkbox"/> No <input type="checkbox"/>
9c. 6 Carl Johan Hederöth (<i>CEO</i>) Yes <input type="checkbox"/> No <input type="checkbox"/>
10a. Determination of the number of Board members Yes <input type="checkbox"/> No <input type="checkbox"/>
10b. Determination of the number of auditors and deputy auditors Yes <input type="checkbox"/> No <input type="checkbox"/>
11a. Determination of fees to the Board members Yes <input type="checkbox"/> No <input type="checkbox"/>
11b. Determination of fees to the auditors Yes <input type="checkbox"/> No <input type="checkbox"/>
12. Election of the Board of Directors and the Chairperson of the Board
12a. Lars Berg (<i>re-election</i>)

Yes <input type="checkbox"/>	No <input type="checkbox"/>
12b. Ödgård Andersson (<i>re-election</i>)	
Yes <input type="checkbox"/>	No <input type="checkbox"/>
12c. Anne Broeng (<i>re-election</i>)	
Yes <input type="checkbox"/>	No <input type="checkbox"/>
12d. Rasmus Järborg (<i>re-election</i>)	
Yes <input type="checkbox"/>	No <input type="checkbox"/>
12e. Olof Nilsson (<i>re-election</i>)	
Yes <input type="checkbox"/>	No <input type="checkbox"/>
12f. Lars Berg as Chairperson of the Board (<i>re-election</i>)	
Yes <input type="checkbox"/>	No <input type="checkbox"/>
13. Election of auditors	
Yes <input type="checkbox"/>	No <input type="checkbox"/>
14. Resolution on approval of the remuneration report	
Yes <input type="checkbox"/>	No <input type="checkbox"/>
15. Resolution on directed issue of subscription warrants, series 2022/2025	
Yes <input type="checkbox"/>	No <input type="checkbox"/>

The English text is a translation only and in case of any discrepancy the Swedish text shall prevail.

The Board's proposal for resolution on directed issue of subscription warrants, Series 2022/2025

The Board of Directors proposes that the Annual General Meeting on May 10, 2022 in Sleep Cycle AB, org. no. 556614-7368, decides on an incentive program for employees in the company or in the group (the “**Participants**”) by a directed issue of warrants with the right to subscribe for new shares in the company. The warrant program is proposed in order to align targets between employees and shareholders as well as to create long-term engagement for the company. The program is also expected to help retain competent, motivated and committed employees. The issue shall take place with deviation from the shareholders' preemptive rights on the following terms:

1. The company shall issue a maximum of 100,000 warrants that give the right to subscribe for 100,000 new shares. Oversubscription is not possible.
2. The right to subscribe for the warrants shall, with deviation from the shareholders' preferential rights, accrue to the Participants, who shall be offered to subscribe for options on a special subscription list.
3. The warrants shall be issued at a price corresponding to an estimated market value of the warrants (warrants premium) using the Black-Scholes model. The valuation of the options shall be performed by independent valuation institutes or auditing companies. A preliminary calculation based on a subscription price when exercising the warrants, which is SEK 76.67 per share, gives the value of SEK 9.65 on the option. The following values of the parameters included in the calculation model have then been used:

Risk-free interest rate:	0.282 %
Volatility:	37.8 %
Dividend share of future profits:	0.0 %
Market value of the stock:	SEK 56.79

4. The warrants shall be subscribed for no later than 24 May 2022 on a separate subscription list. The Board shall have the right to extend the time for subscription, but not longer than 1 November 2022.
5. Payment of the option premium for the warrants must be made within two weeks of the subscription. The board shall have the right to extend the time for payment.
6. The increase in the company's share capital may, upon full exercise of the warrants, amount to a maximum of SEK 2,777.77777777780, subject to the increase that may be caused by the fact that recalculation may take place as a result of issues, etc.
7. Payment for shares upon exercise of the Warrant shall be made in cash at a subscription price corresponding to 135 percent of the average of the volume-weighted payment price listed for each trading day according to Nasdaq Stockholm's official price list for shares in the Company during the 10 trading days preceding the general meeting. The subscription price thus

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determined shall be rounded to the nearest whole ten öre, whereby 5 öre shall be rounded down.

8. Each warrant shall entitle the holder to subscribe for one new share in cash for the period from 1 August 2025 to 31 August 2025. However, it must be possible to exercise the warrants at any earlier time as a result of a merger, compulsory redemption of shares, liquidation, etc.
9. Shares issued after exercise of a warrant carry out the right to a dividend for the first time on the record date for dividends that falls immediately after the new shares have been registered with the Swedish Companies Registration Office and entered in the share register kept by Euroclear.
10. In connection with the transfer of warrants to the participants in the program, the Company shall reserve the right to repurchase warrants if the participant's employment ends or if the participant in turn wishes to transfer the warrants.
11. The premium when subscribing for shares through the exercise of a warrant shall be added to the free premium fund.
12. The warrants may be subject to re-calculation in accordance with customary principles for re-calculation due to, inter alia, bonus issue, consolidation or share split, rights issue or similar events.
13. The full terms and conditions of the program are set out in *Appendix A*.

Allocation of warrants

The offer to buy options shall not exceed 7,600 options per participant and the total number of participants may not exceed 60 in number. The offer is distributed between the employees and future employees based on a decision from the Board of the Company according to the following statement:

- The CEO is offered a maximum of 7,600 options
- Category 1 executives are offered a maximum of 5,225 options
- Category 2 executives are offered a maximum of 2,850 options
- Other employees are offered a maximum of 1,120 options

Reasons for deviation from the shareholders' preferential rights

The reasons for deviation from the shareholders' preemptive rights are a desire to have an option program introduced suitable for allocation to employees in the company, whereby they can be offered the opportunity to take part in a value growth in the Company's share. This is expected to lead to a strengthening of interest in the company's development - as well as the Company's share price development - and that continued corporate loyalty in the coming years is stimulated.

Dilution effect

In the event that all warrants are exercised, the number of shares will increase by 100,000, which corresponds to a dilution of a maximum of approximately 0.5 percent of the shares and votes based on the Company's current number of shares. The above is subject to re-calculations of the warrants in accordance with the customary terms for re-calculation stated in the complete terms and conditions.

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Other outstanding warrants

There are currently 4 outstanding option programs in 5 series.

Warrant program 2019/2022 consists of 6,624 warrants where an option entails the right to, during the period from and including 22 June 2022 and up to and including 20 September 2022, subscribe for 128.17 shares at SEK 19.79.

Warrant program 2020/2023 consists of 1,259 warrants where an option entails the right to subscribe for 120 shares during the period from 1 December 2023 and up to and including 31 December 2023 at SEK 88.89.

Warrant program 2021/2024: 1 consists of 102,273 warrants where an option entails the right to subscribe for one share for SEK 94.50 during the period from and including 8 June 2024 and up to and including 5 August 2024.

Warrant program 2021/2024: 2 consists of 11,363 warrants where an option entails the right to subscribe for one share for SEK 94.50 during the period from 5 December 2024 and up to and including 5 February 2025.

Warrant program 2021/2026, consists of 340,909 warrants where an option entails the right to subscribe for one share for SEK 241,17 during the period from 9 April 2026 and up to and including 7 June 2026.

In cases where all options are exercised for subscription, the number of shares will increase by 1,554,623, which corresponds to a dilution of a maximum of 7.4 percent of the shares and votes based on the Company's current number of shares.

Costs

As the warrants are issued at fair market value, it is the company's assessment that no wage costs or social security contributions will arise for the company as a result of the option program. The total costs, including other costs in the form of fees to external advisors and costs for administration of the program, are estimated to amount to approximately SEK 100,000 over the term of the program.

Preparation of the proposal

The proposal for an incentive program has been prepared by the Board's Remuneration Committee and the Board in collaboration with external expertise.

Special authorization

The Board, or the person appointed by the Board, shall have the right to make the minor adjustments in the above-mentioned proposals that may prove necessary in connection with the registration of the above decisions with the Swedish Companies Registration Office and any

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Euroclear Sweden accession of the warrants.

Majority requirements

The resolution is covered by Chapter 16 of the Swedish Companies Act and presupposes the assistance of shareholders with at least nine tenths of both the votes cast and the shares represented at the meeting.

Gothenburg in March 2022

Sleep Cycle AB (publ)

The Board of Directors

TERMS AND CONDITIONS FOR WARRANTS OF Series 2022/2025 in Sleep Cycle AB

1. DEFINITIONS

In the present terms and conditions, the following designations have the meaning that is given below:

“**Banking Day**” means any day that is not a Saturday, Sunday or other public holiday, or for the payment of promissory notes, is not equivalent to a public holiday in Sweden.

“**Euroclear**” refers to Euroclear Sweden AB

“**Subscription**” means subscription, through the exercise of a Warrant, for new shares in the company against payment in cash in accordance with the present terms and conditions.

“**Share**” or “**Shares**” means a share or shares in the Company.

“**Subscription Period**” means the period during which subscription may proceed in accordance with the present terms and conditions.

“**Subscription Price**” means the price at which the Subscription for new Shares through the exercise of a Warrant can proceed.

“**The Company**” means Sleep Cycle AB, Corp. ID no. 556614-7368.

“**The Swedish Companies Act**” means the Swedish Companies Act (2005:551).

“**VPC account**” means a securities account with Euroclear, in which the Warrant Holder’s shareholding of shares in the company that are being added by means of subscription shall be registered.

“**Warrant**” means the right to subscribe to new Shares in the Company against payment in cash in accordance with the present terms and conditions.

“**Warrant Holder**” refers to the holder of the Warrant.

“**Warrant Certificate**” means written proof, made out to a particular person, that the company has issued as bearer of the Warrant.

2. NUMBER OF WARRANTS

The number of Warrants amounts to a maximum of 100,000 Warrants.

The Company will keep a warrant register of the Warrants. A Warrant Holder can however request at any time that the Company issues a physical Warrant Certificate.

3. SUBSCRIPTION PERIOD, PREMIUM AND PAYMENT

Notification of subscription of Warrants can proceed until 24 May 2022 or a later day that the Board may resolve on, but no later than 1 November 2022.

The Warrants must be issued at a price equivalent to a calculated market value for the Warrants (warrant premium) using the Black-Scholes option pricing model.

When subscribing to shares by exercising the Warrant, premiums shall be transferred to the special share premium reserve.

Payment for Warrants shall be made to an account indicated by the Company no later than two weeks after Subscription of the Warrant has taken place.

4. SUBSCRIPTION

The Warrant Holder is entitled to, during the period from 1 August 2025 to 31 August 2025 inclusive, or the prior day as a result of point 6 below, for each Warrant, exercise Subscription to one (1) new Share in the Company.

The Subscription Price per Share shall be equivalent to a corresponding 135 percent, for each day of trading, of the volume weighted average transaction price for Shares in the Company over a period of 10 trading days proceeding the General Meeting. The thus established Subscription Price shall be rounded off to the nearest whole ten cents (öre), whereby 5 cents are rounded down.

Adjustment of the Subscription Price, as well as the number of new Shares that each Warrant gives entitlement to subscribe to, can proceed in those cases provided for under point 6 below. The Subscription Price must however never fall below the Share's quota value.

The Subscription can only take place for the entire number of shares to which the total number of Warrants, which are exercised at the same time by one and the same Warrant Holder for the Subscription, give entitlement to subscribe to.

Notification of subscription proceeds by means of a written application to the Company, by which the Warrant Holder, on a notification form set out and provided by the Company, must state the number of Shares that they wish to subscribe to. Duly completed and signed, the notification form must be returned to the Company at the address given in the notification form, such that it arrives at the Company within the period that Subscription may be exercised in accordance with the first paragraph above. The notification of Subscription is binding and cannot be revoked.

If the Company has not received the Warrant Holder's written notification of Subscription within the period given in the first paragraph above, entitlement to Subscription ceases.

Payment for subscribed Shares must be received within five (5) Banking Days after the notification of subscription has been returned to the Company, and paid into the bank account indicated by the Company.

After Subscription, allocation of Shares is effected by the new Shares being registered as interim shares in the share register kept by Euroclear. After registration by the Swedish Companies Registration Office, the registration of the new Shares in the Company's share register is definitive. As provided for under point 6 below, the point in time for such definitive registration can be postponed in some cases.

5. DIVIDEND ON NEW SHARE

Shares that are issued after Subscription give entitlement to the payment of a dividend

for the first time on the record date for the payment dividends that falls immediately after the new Shares have been registered with the Swedish Companies Registration Office, and have been entered into the share register kept by Euroclear.

6. ADJUSTMENT IN CERTAIN CASES

If the Company takes certain measures listed below before the Warrants have been exercised, the following shall apply to any adjustments:

6.1 Bonus issue

If the Company effects a bonus issue, the Subscription, where notification of Subscription is made at such a time that it cannot be effected no later than the tenth calendar day before the General Meeting that resolves on the bonus issue, shall be effected after the General Meeting has resolved on this. Shares added as a result of a Subscription effected after the issue-authorising resolution are provisionally registered in the VPC account, which means that they are not entitled to participate in the share issue. Definitive registration in the VPC account first occurs after the record date for the share issue.

For Subscriptions that are effected after the bonus issue-authorising resolution, an adjusted Subscription Price as well as an adjusted number of Shares that each Warrant gives entitlement to subscribe to is applied. The adjustment is made by the Company, via the Board, as per the following formulas:

$$\begin{aligned} \text{adjusted Subscription Price} &= \frac{\text{previous Subscription Price} \times \text{the number of Shares prior to the bonus issue}}{\text{the number of Shares after the bonus issue}} \\ \\ \text{adjusted number of Shares that each Warrant gives entitlement to} &= \frac{\text{previous number of Shares that each Warrant gave entitlement to} \times \text{the number of Shares after the bonus issue}}{\text{the number of Shares prior to the bonus issue}} \end{aligned}$$

The adjusted Subscription Price and the adjusted number of Shares in accordance with the above, that each Warrant gives entitlement to subscribe to, is established by the Company, via the Board, at the earliest opportunity after the General Meeting's resolution on a bonus issue, but is first applied after the record date for the share issue.

6.2 Reverse split or split of Shares

If the Company effects a reverse split or split of the Shares, point 6.1 above shall apply mutatis mutandis, whereby the record date shall be considered to be the date on which the reverse share split or split occurs at Euroclear at the Company's request.

6.3 New Share Issue

If the Company effects a new share issue in accordance with chap. 13 of the Swedish Companies Act, with pre-emption rights for the shareholders to subscribe to new Shares against payment in cash or set-off, the following shall apply concerning the right to participate in the new share issue for any Share added on account of the Subscription:

1. If the new share issue is resolved on by the Board of Directors subject to the approval of the General Meeting, or with the support of the General Meeting's authorisation, the resolution authorising the share issue shall specify the final date on which the Subscription shall be effected in order for a Share added through the Subscription to confer a right to participate in the issue.
2. If the new share issue is resolved on by the General Meeting, the Subscription, which is exercised at such a time that it cannot be effected by no later than the tenth calendar day before the General Meeting resolving on the new share issue, shall only be effected once the Company has made the adjustment as per the present point 6.3. Shares added as a result of such a Subscription are provisionally registered in a VPC account, which means that they are not entitled to participate in the share issue.

For Subscriptions that are effected at such a time that entitlement to participate in the new share issue does not arise, an adjusted Subscription Price as well as an adjusted number of Shares is applied, which is attributable to each Warrant. The adjustment is made by the Company, via the Board, as per the following formulas:

$$\begin{aligned}
 \text{adjusted Subscription Price} &= \frac{\text{previous subscription price x the average stock exchange price of the Share during the subscription period established in the issue-authorising resolution (the average price of the share)}}{\text{the average price of the share plus the theoretical value of the subscription right calculated}} \\
 \text{adjusted number of shares that each Warrant gives entitlement to subscribe to} &= \frac{\text{previous number of shares that each Warrant gives entitlement to subscribe to x (the average price of the share plus the theoretical value of the subscription right calculated on the basis thereof)}}{\text{the average price of the share}}
 \end{aligned}$$

The average price of the Share shall be deemed to be equivalent to the average calculated mean value, for each trading day during the subscription period, of the highest and lowest transaction price quoted for the Share as per Nasdaq Stockholm's official price list. In the absence of a transaction price, the closing bid price shall be included in the calculation instead. Any days without the quotation of either a transaction price or bid price shall not be included in the calculation.

The theoretical value of the subscription right is calculated according to the following formula:

$$\text{value of the subscription right} = \frac{\text{the maximum number of new Shares that may be issued according to the issue-authorising resolution x (the average price of the Share - the subscription price of the new Share)}}{\text{the number of Shares before the issue-authorising resolution}}$$

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

When calculating the above formula, shares held by the Company are disregarded.

The Subscription Price and number of Shares adjusted as above are established by the Company, via the Board, two Banking Days after the expiry of the subscription period, and shall be applied to Subscriptions that are effected thereafter.

During the period prior to an adjusted Subscription Price and adjusted number of Shares having been established, Subscription are only effected on a preliminary basis, in such a way that the entire number of Shares that each Warrant, before adjustment, gives entitlement to subscribe to, are provisionally registered in a VPC account. In addition, it is expressly noted that each Warrant, after adjustment, may give entitlement to further Shares. Final registration in the VPC account occurs once the adjusted Subscription Price has been established.

6.4 Share issue in accordance with Chap. 14 or Chap. 15 of the Swedish Companies Act

If the company effects, with pre-emption rights for the shareholders and against payment in cash or set-off, a share issue in accordance with Chap. 14 or Chap. 15 of the Swedish Companies Act, the regulations under point 6.3, first paragraph, 1 and 2 above shall apply mutatis mutandis concerning entitlement to participate in the share issue for Shares that had been issued by subscription through the exercise of the Warrant.

For Subscriptions that are effected at such a time that entitlement to participate in the share issue does not arise, an adjusted Subscription Price as well as an adjusted number of Shares is applied, which is attributable to each Warrant. The adjustment is made by the Company, via the Board, as per the following formulas:

$$\begin{aligned}
 \text{adjusted Subscription Price} &= \frac{\text{previous Subscription Price} \times \text{the Share's average market price during the subscription period established in the issue-authorising resolution (the average price of the Share)}}{\text{The average price of the Share plus the value of the subscription right}} \\
 \\
 \text{adjusted number of Shares that each Warrant gives entitlement to} &= \frac{\text{previous number of Shares that each Warrant gives entitlement to} \times \text{(the share's)}}{\text{the average price of the share plus the value of the subscription right}} \\
 &= \frac{\text{The average price of the Share}}{\text{The average price of the Share}}
 \end{aligned}$$

The average price of the Share is calculated in accordance with what is provided for under point 6.3 above.

The value of the subscription right shall be deemed to be equivalent to the average calculated mean value, for each trading day during the subscription period, of the highest and lowest transaction price quoted for the subscription right as per Nasdaq Stockholm's official price list. In the absence of a transaction price, the closing bid price shall be included in the calculation instead. Any days without the quotation of either a transaction price or bid price shall not be included in the calculation.

The Subscription Price and number of Shares adjusted as above are established by the Company, via the Board, two Banking Days after the expiry of the subscription period, and shall be applied to Subscriptions that are effected thereafter. For subscriptions that are effected during a period until the adjusted Subscription Price and adjusted number of Shares have been established, the regulations under point 6.3 above, last paragraph, shall apply mutatis mutandis.

6.5 Offer to the shareholders

Should the Company, in cases other than those referred to in points 6.1–6.4 above, make an offer to the shareholders, with preferential rights in accordance with the principles in Chap. 13, §1, of the Swedish Companies Code, to acquire from the Company securities or rights of any kind or to decide, in accordance with the above principles, to distribute to the shareholders such securities or rights without consideration, an adjusted Subscription Price and an adjusted number of Shares shall apply to the subscription of Shares exercised at such time that the Share thereby received does not give the Warrant Holder the right to participate in the offer. The adjustment shall be made by the Company, via the Board, as per the following formulas:

$$\begin{aligned} \text{adjusted Subscription Price} &= \frac{\text{previous Subscription Price} \times \text{the Share's average market price during the subscription period established in the issue-authorising resolution (the average price of the Share)}}{\text{The average price of the Share plus the value of the right to participate in the offer (the value of the subscription right)}} \\ \\ \text{adjusted number of Shares that each Warrant gives entitlement to} &= \frac{\text{previous number of Shares that each Warrant gives entitlement to}}{\text{(average price of the share plus the value of the subscription right)}} \\ &\text{The average price of the Share} \end{aligned}$$

The average price of the Share is calculated in accordance with what is provided for under point 6.3 above.

In the event that the shareholders have received purchase rights and where trading in these rights has occurred, the value of the right to participate in the offer shall be deemed to be equivalent to the value of the subscription right. The value of the subscription right shall be deemed to be equivalent to the average calculated mean value, for each trading day during the subscription period, of the highest and lowest transaction price of the subscription rights quoted for the Share as per Nasdaq Stockholm's official price list. In the absence of a transaction price, the closing bid price for such a day shall be included in the calculation instead. Any days without the quotation of either a transaction price or bid price shall not be included in the calculation.

In the event that the shareholders have not received subscription rights or where such trading in subscription rights as referred to in the previous paragraph has not occurred, the adjustment of the Subscription Price and the number of Shares shall be performed, insofar as possible, through the application of the principles set out above under the present point 6.5, whereby the following shall apply. If listing of the securities or rights offered to the shareholders occurs, the value of the right to participate in the offer shall be deemed to be equivalent to the average calculated mean value, for each trading day for a period of 25 trading days calculated from the first day of listing, of the highest and lowest transaction prices quoted for trades in these securities or rights according to the official price list and reduced, where appropriate, by the consideration paid for these in conjunction with the offer. In the absence of a transaction price, the closing bid price shall be included in the calculation instead. Any days without the quotation of either a

transaction price or bid price shall not be included in the calculation. In the event of adjustment of the Subscription Price and number of Shares as per this paragraph, the mentioned period of 25 trading days shall be considered as the equivalent of the established subscription period in the offer, in accordance with the first paragraph above under the present point 6.5. If such a quotation does not take place, the value of the right to participate in the offer shall, in so far as possible, be established on the basis of the change in market value of the Company's Shares that can be deemed to have occurred as a result of the offer.

The Subscription Price and number of Shares adjusted as above are established by the Company, via the Board, as soon as possible after the expiry of the offer period, and shall be applied to Subscriptions that are effected thereafter. For subscriptions that are effected during a period until the adjusted Subscription Price and adjusted number of Shares have been established, the regulations under point 6.3 above, last paragraph, shall apply *mutatis mutandis*.

6.6 Warrant Holders pre-emption rights for share issues

If the Company effects, with pre-emption rights for shareholders, a new share issue as per Chap. 13 or share issue as per Chap. 14 or 15 of the Swedish Companies Act, the Company shall be entitled to grant all Warrant Holders the same pre-emption rights as those accorded to the shareholders as per the resolution. In doing so, each Warrant Holder shall, notwithstanding the fact that the subscription has not been effected, be deemed to be the owner of the number of Shares that the Warrant Holder would have received if the subscription had been effected according to the Subscription Price in effect at the time of the issue-authorising resolution.

Should the Company resolve to direct the type of offer referred to under point 6.5 above to the shareholders, the provisions of the preceding paragraph shall apply *mutatis mutandis*, yet the number of Shares that the Warrant Holder is to be considered as owning in such a case shall be established according to the Subscription Price in effect at the time of the offer-authorising resolution.

If the Company should decide to give Warrant Holders pre-emption rights in accordance with the provisions under the present point 6.6, there shall then be no adjustment as per points 6.3, 6.4 or 6.5 above of the Subscription Price and the number of Shares attributable to each Warrant.

6.7 Cash dividends

Should the Company resolve to pay a cash dividend to shareholders under which the latter receive a dividend which, together with other dividends paid out during the same financial year, exceed ten (10) percent of the Shares' average price over a period of 25 trading days immediately prior to the date on which the Company discloses its intention to submit a proposal to the General Meeting concerning such a dividend, in case of subscription effected at such a time that shares gained thereby do not give entitlement to receive such a dividend, an adjusted Subscription Price and an adjusted number of Shares that each Warrant gives entitlement to shall be applied. The adjustment shall be based on the portion of the total dividend that exceeds fifteen (15) percent of the Shares' average price over the above-mentioned period ("extraordinary dividend"). The adjustment is made by the Company, via the Board, as per the following formulas:

$$\text{adjusted Subscription Price} = \frac{\text{previous Subscription Price} \times \text{the Share's average market price during a period of 25 trading days calculated from and including the day when the Share was listed without entitlement to an extraordinary dividend (the Share's average price)}}{\text{The average price of the Share plus the extraordinary dividend that is paid out per Share}}$$

$$\text{adjusted number of Shares that each Warrant gives entitlement to} = \frac{\text{previous number of Shares that each Warrant gives entitlement to} \times \text{Share's average price plus the extraordinary dividend that is paid out per Share}}{\text{The average price of the Share}}$$

The average price of the Share shall be deemed to be equivalent to the average calculated mean value, for each trading day during the respective period of 25 trading days of the highest and lowest transaction price quoted for the Share as per Nasdaq Stockholm's official price list. In the absence of a transaction price, the closing bid price shall be included in the calculation instead. Any days without the quotation of either a transaction price or bid price shall not be included in the calculation. The Subscription Price and number of Shares adjusted as above are established by the Company, via the Board, two Banking Days after the expiry of the above-mentioned period of 25 trading days, and shall be applied to Subscriptions that are effected thereafter. For subscriptions that are effected during a period until the adjusted Subscription Price and adjusted number of Shares have been established, the regulations under point 6.3 above, last paragraph, shall apply mutatis mutandis.

6.8 Reduction of share capital with repayment of capital to the shareholders

If the Company's share capital should be reduced with repayment of capital to the shareholders, and such a reduction is mandatory, an adjusted Subscription Price and an adjusted number of Shares that each Warrant gives entitlement to is applied to each Subscription that is effected at such a time that shares that are added by means of the Subscription do not give entitlement to participate in the reduction. The adjustment is made by the Company, via the Board, as per the following formulas:

$$\text{adjusted Subscription Price} = \frac{\text{previous Subscription Price} \times \text{the Share's average market price during a period of 25 trading days calculated from the day when the Shares were listed without entitlement to repayment (the Share's average price)}}{\text{The average price of the Share plus the amount repaid per Share}}$$

$$\text{adjusted number of Shares that each Warrant gives entitlement to} = \frac{\text{previous number of Shares that each Warrant gives entitlement to} \times \text{Share's average price plus the amount repaid per Share}}{\text{The average price of the Share}}$$

The average price of the Share is calculated in accordance with what is provided for under point 6.3. For adjustment according to the above and where the reduction takes place through the redemption of Shares, instead of the actual amount repaid per Share, an estimated repayment amount shall be used instead as follows:

$$\text{calculated amount per Share} = \frac{\text{the actual amount that is repaid per redeemed Share minus the Share's average market price during a period of 25 trading days immediately prior to the date on which Share is listed without entitlement to participate in the reduction (the Share's average price)}}{\text{the number of Shares in the Company underlying the redemption of a Share less 1}}$$

The average price of the Share is calculated in accordance with what has been provided for under point 6.3 above. The Subscription Price and number of Shares adjusted as above are established by the Company, via the Board, two Banking Days after the expiry of the given period of 25 trading days, and shall be applied to Subscriptions that are effected thereafter. For subscriptions that are effected during a period until the adjusted Subscription Price and adjusted number of Shares have been established, the regulations under point 6.3 above, last paragraph, shall apply mutatis mutandis. If the Company's share capital should be reduced through redemption of Shares with repayment to the shareholders, and where such reduction is not mandatory, but where, in the Company's assessment, the action is to be equated with a mandatory reduction having regard to its technical design and financial effects, the Subscription Price shall be readjusted in accordance with the principles set out above under the present point 6.8 insofar as possible.

6.9 Liquidation

If it is resolved that the Company is to enter into liquidation in accordance with Chap. 25 of the Swedish Companies Act, subscription may not be exercised thereafter, irrespective of the basis for liquidation. The right to exercise a Subscription discontinues with the decision to liquidate, notwithstanding that such a decision may not have become final. No later than two months before the General Meeting decides whether the Company is to enter into voluntary liquidation as per Chap. 25, §1 of the Swedish Companies Act, the Warrant Holders shall be informed of the intended liquidation by means of a written notification in accordance with point 9 below. The notification shall include a reminder that Subscription may not be exercised, since the General Meeting has passed a resolution authorising liquidation. Should the Company make a notification regarding intended liquidation as described above, Warrant Holders shall, irrespective of what is provided for under point 4 above regarding the earliest date for exercising Subscription – be entitled to exercise Subscription from the date on which the notification was made, provided that Subscription can be effected by no later than the tenth calendar day before the General Meeting at which the issue of the Company's liquidation is to be deliberated.

6.10 Merger plan in accordance with Chap. 23, § 15 of the Swedish Companies Act

Should the General Meeting approve a merger plan in accordance with chapter 23, §15 of the Swedish Companies Act, whereby the Company is to be merged into another company, Subscription may not be exercised thereafter. No later than two months before the Company makes its final decision on the issue of the merger in accordance with the above, known Warrant Holders shall be informed of the intended merger by means of a written notification in accordance with point 9 below. This notification shall include an account of the main content of the intended merger plan, and the Warrant Holders shall

be reminded that Subscription may not be exercised, since a final decision has been taken on the merger, in accordance with the provisions of the first paragraph above. Should the Company make a notification regarding the intended merger as described above, Warrant Holders shall, irrespective of what is provided for under point 4 above regarding the earliest date for exercising Subscription – be entitled to exercise Subscription from the date on which the notification of the intended merger was made, provided that Subscription can be effected by no later than the tenth calendar day before the General Meeting at which the issue of the Company's merger into another company is to be deliberated.

6.11 Merger plan in accordance with Chap. 23, § 28 of the Swedish Companies Act

Should the Company's Board of Directors draw up a merger plan in accordance with Chapter 23, § 28 of the Swedish Companies Act, the following shall apply. If a Swedish public limited company owns all shares in the Company, and if the Company's Board of Directors publishes its intention to draw up a merger plan in accordance with the legal provisions specified in the preceding paragraph, the Company shall, in the event that the last day for Subscription in accordance with point 4 above falls after such disclosure, establish a new final day for exercising Subscription ("cut-off date"). The cut-off date shall be within 60 days of such disclosure. If disclosure occurs in accordance with the provisions set out above, the Warrant Holders shall, irrespective of what is provided for under point 4 above regarding the earliest date for exercising Subscription, be entitled to exercise Subscription up to the cut-off date. No later than four weeks before the cut-off date, the Company shall remind the Warrant Holders of this right, and of the fact that Subscription may not be exercised after the cut-off date, by making a notification in accordance with point 9 below.

6.12 Redemption of minority shareholdings

Should the Company's shares become subject to mandatory redemption as per Chap. 22 of the Swedish Companies Act, the following shall apply. If a shareholder ("the majority shareholder"), whether alone or together with subsidiaries' shares, holds shares representing such a large proportion of all shares in the company that the majority shareholder, according to legislation in effect at that time, holds the right to exercise redemption of the remaining shares, and publishes his intention to exercise such a compulsory redemption, the provisions of Chap. 22 of the Swedish Companies Act applies.

6.13 Demerger in accordance with Chap. 24, § 1, second paragraph 1 of the Swedish Companies Act

If the General Meeting should resolve to demerger in accordance with Chap. 24, § 1, second paragraph 1 of the Swedish Companies Act, by adopting the demerger plan, whereby all of the company's assets and debts are taken over by one or several other companies, and the Company thereby is dissolved without liquidation, the notification of Subscription must not be given thereafter. No later than two months before the Company makes its final decision on the issue of the demerger in accordance with the above, Warrant Holders shall be informed of the intended demerger by means of a written notification. This notification shall include an account of the main content of the intended demerger plan, and the Warrant Holders shall be reminded that notification of Subscription may not be given, since a final decision has been taken on the demerger, or since the demerger plan has been signed by the shareholders. If the Company makes

a notification regarding the intended demerger as described above, Warrant Holders shall, irrespective of what is provided for under point 4 above regarding the earliest date for Subscription, be entitled to exercise Subscription from the date on which the notification was made, provided that Subscription can be effected by no later than the tenth calendar day before the General Assembly at which the issue of the Company's demerger is to be adopted, or the date on which the shareholders shall sign the demerger plan.

6.14 Demerger in accordance with Chap. 24, § 1, second paragraph 2 of the Swedish Companies Act

If the Company effects a so-called partial demerger in accordance with Chap. 24, § 1, second paragraph 2 of the Swedish Companies Act, by means of which a part of the Company's assets and debts are taken over by one or several other companies without the Company being dissolved, an adjusted Subscription Price and an adjusted number of Shares shall be applied. The adjustment is made by the Company, via the Board, as per the following formulas:

$$\text{adjusted Subscription Price} = \frac{\text{previous Subscription Price} \times \text{the Share's average market price during a period of 25 trading days calculated from the day when the Shares were listed without entitlement to part of the demerger consideration (the Share's average price)}}{\text{The average price of the Share plus the demerger consideration paid out per Share}}$$

$$\text{adjusted number of Shares that each Warrant gives entitlement to} = \frac{\text{previous number of Shares that each Warrant gives entitlement to} \times \text{the average price of the Share plus the demerger consideration paid out per Share}}{\text{The average price of the Share}}$$

The average price of the Share is calculated in accordance with what has been provided for under point 6.3 above. In the case that the demerger consideration comprises shares or other securities that are market-listed, the value of the demerger consideration that is to be issued per share shall be deemed to be equivalent to the average calculated mean value, for each trading day during the above-mentioned period of 25 trading days, of the highest and lowest transaction price quoted for the Share on such a market place. In the absence of a transaction price, the closing bid price shall be included in the calculation instead. In the case that the demerger consideration comprises shares or other securities that are not market-listed, the value of the demerger consideration, insofar as possible, is established on the basis of the change in market value of the Company's Shares that can be deemed to have occurred as a result of the demerger consideration being issued. The Subscription Price and number of Shares adjusted as above are established by the Company, via the Board, two Banking Days after the expiry of the above-mentioned period of 25 trading days, and shall be applied to Subscriptions that are effected thereafter. If the Company's Shares are no longer market-listed, the adjusted Subscription Price and adjusted number of Shares are established in accordance with the given principles of the present point. The adjustment shall be made by the Company, via the Board, and shall be done on the basis that the value of the Warrant shall remain unchanged. For subscriptions that are effected during a period until the adjusted Subscription Price and adjusted number of Shares have been established, the regulations under point 6.3 above, last paragraph, shall apply mutatis mutandis. The holders shall not be able to claim any entitlements in accordance with the present terms

and conditions from the company(s), which in the case of a partial demerger, take over assets and debts from the Company.

6.15 Reinstatement of subscription rights

Irrespective of the provisions under points 6.9 to 6.14 above to the effect that Subscription may not be exercised after a resolution authorizing liquidation, after the approval or signing of a merger plan or demerger plan, or after the expiry of a new cut-off date for a merger or demerger, the right to exercise Subscription shall be reinstated in the event that the liquidation discontinues, or if the merger or demerger is not carried out.

6.16 Right to adjust an unreasonable result

If the Company carries out an action referred to under point 6, and the Company deems that the application of the adjustment formula envisaged in this regard should be impossible, or would lead to the financial compensation received by the Warrant Holders being unreasonable in relation to the shareholders, whether due to the technical structure of the action or for another reason, the Company's Board of Directors shall perform an adjustment of the Subscription Price and the number of shares in the manner that the Company finds expedient in order to ensure that the adjustment of the Subscription Price and number of Shares brings about a reasonable result. The adjustment shall be done on the basis that the value of the Warrants shall remain unchanged.

6.17 Rounding off etc.

In the event of an adjustment in accordance with the above, the Subscription Price shall be rounded off to a whole number of cents (öre), with any half cents rounded upwards, and the number of Shares to be rounded off to two decimal places. In the event that a need arises to convert currency from foreign currency into Swedish Krona, or from Swedish Krona into foreign currency, the Board of Directors shall, taking into consideration the current exchange rate, establish a conversion rate.

6.18 Bankruptcy

In the event that the Company should be declared bankrupt, Subscription may not be exercised thereafter. However, if the bankruptcy order is annulled by a higher court, Subscription may again be exercised.

7. SPECIAL UNDERTAKING BY THE COMPANY

The Company undertakes not to take any of the actions enumerated under point 6 above that would lead to an adjustment of the Subscription Price to an amount less than the Share's quota value.

8. NOMINEE

For Warrants that will be managed in a securities register in accordance with the Swedish Financial Instruments Accounts Act (1998:1479), on application of the present terms and conditions, the nominee shall be considered as the Warrant Holder.

9. NOTIFICATIONS

Notifications concerning the Warrants shall be sent immediately to each Warrant Holder and any other right-holder who is registered in the Company's securities register.

10. AMENDMENT OF TERMS AND CONDITIONS

The Company shall be entitled to resolve to amend the present terms and conditions to the extent that legislation, court decisions or decisions by public authorities so require and otherwise if, in the judgement of the Company, so doing is expedient or necessary for practical reasons, and if the rights of the Warrant Holders are not thereby materially impaired in any way.

11. CONFIDENTIALITY

The Company may not disclose information about Warrant Holders to third parties. The Company has the right to access the securities register of Warrant Holders kept by Euroclear, and in this connection, receive information on, among other things, the name, personal or corporate identity number, address and number of held Warrants for each Warrant Holder.

12. APPLICABLE LAW AND COMPETENT COURTS

Swedish law applies to the Warrants and thereby to related legal matters. Disputes in connection with the Warrants shall be settled by a Swedish public court of law, with the Stockholm District Court as the court of first instance, or another such court that is accepted in writing by the Company.

13. LIMITATION OF LIABILITY

In respect of actions which, in accordance with the present terms and conditions, are incumbent on the Company and/or Euroclear to take, having regard to the provisions of the Swedish Financial Instruments Accounts Act (1998:1479), Euroclear shall not be held liable for loss which arises as a consequence of Swedish or foreign enactments, the actions of Swedish or foreign governmental authorities, acts of war, strikes, blockades, boycotts, lockouts, or other similar circumstances. The reservation in respect of strikes, blockades, boycotts and lockouts shall apply notwithstanding that the Company or Euroclear itself takes or is subject to such industrial action.

Nor shall the Company and/or Euroclear be liable for loss which arises under other circumstances, provided that the Company, or where appropriate, Euroclear have duly exercised reasonable diligence. In no event shall the Company or Euroclear be liable for indirect damage.

Should the Company and/or Euroclear be impeded from taking action in accordance with the present terms and conditions due to a circumstance set out in the first paragraph, such action may be deferred until such time as the impediment has ceased.
