

**NOTE: This is an unofficial translation of the original notice, which is in Swedish. In case of discrepancies, the Swedish version shall prevail.**

## **The owners' proposal for a resolution on a directed issue of subscription options, Series 2022/2025:S**

Major shareholders Erik Karlsson and Bengt Johansson (the "Proposers") propose that the Annual General Meeting on May 25, 2022 in Simris Alg AB, org. no. 556841-9187, resolves on a directed issue of warrants with the right to subscribe for new class B shares ("Shares") in the company. The issue shall be made with deviation from the shareholders' preferential rights on the following terms:

1. The Company shall issue a maximum of 2,000,000 warrants that entitle the holder to subscribe for 2,000,000 new Shares. Oversubscription cannot take place.
2. The right to subscribe for the warrants shall, with deviation from the shareholders' preferential rights, be granted to board members of the company, 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 for the warrants (option premium) using the Black-Scholes model. The valuation of the options shall be carried out by independent valuation institutions or audit firms. A preliminary calculation based on a subscription price when exercising the warrants that is SEK 1.20 per share gives the value SEK 0.07 on the option. The following values of the parameters included in the calculation model have then been used:

Risk-free interest rates:	1,071 %
Volatility:	47,6 %
Liquidity discount due to unlisted option:	15,0 %
Share of dividends of future profits:	0,0 %
Market value of the share:	0.60 kr

4. The warrants shall be subscribed for no later than 16 June 2022 on a separate subscription list. The Board of Directors shall have the right to extend the subscription period, but not beyond 30 October 2022.
5. Payment of the option premium for the warrants shall be made within two weeks of the subscription.
6. The increase in the company's share capital may, upon full exercise of the warrants, amount to a maximum of approximately SEK 173,953, subject to the increase that may be caused by the recalculation that may take place as a result of issues etc.m.
7. Payment for shares upon exercise of Warrants shall be made in cash at a subscription price corresponding to 200 percent of the average of the volume-weighted price recorded for each trading day according to First North Stockholm's official price list for Shares in the Company

during the period 10 trading days preceding the meeting. The subscription price thus determined shall be rounded to the nearest integer penny.

8. Each warrant shall entitle the holder to subscribe for one new Share for cash payment during the period 17 June 2025 up to and including 30 June 2025. However, the warrants may be exercised at any earlier date as a result of a merger, compulsory redemption of shares, liquidation, etc.m.
9. Shares issued after the exercise of warrants entitle to dividends for the first time on the record date for dividends that occurs 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 on subscription of Shares through exercise of warrants shall be granted to the free premium fund.
12. The full terms of the programme are set out in *Annex A*.

#### Distribution of warrants

The offer to purchase options shall be made in lots of not more than 100,000. The offer comprises a maximum of 4 board members and according to the following line-up:

- Board member is offered a maximum of 5 lot

The member of the board covered by the offer may not participate in the decision himself.

#### Reasons for deviation from the shareholders' preferential rights

The reasons for deviation from the shareholders' preferential rights are a desire to have an option program introduced devoted to allotment to the board of directors of the company whereby they may be offered the opportunity to participate in a value growth in the Company's share. This is expected to lead to an increase in interest in the company's development – as well as the company's share price development – and to stimulate continued corporate loyalty in the coming years.

#### Dilution

In the event that all warrants are exercised, the number of shares will increase by 2,000,000, which corresponds to a dilution of not more than approximately 1.3 percent of the shares and votes based on the Company's current number of shares.

#### Other outstanding warrants

There are currently 5 other outstanding option programs. Warrants 2021/19, Warrant Program 2021/2024:S, Warrant Program 2021/2024:L, Warrant Program 2022/2025 and Warrant Program 2022/2024.

#### Costs

When the warrants are issued at market value, it is the company's assessment that no salary 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 proposed incentive program has been prepared by the Proposers in cooperation with external expertise.

Special authorisation

The Board of Directors, or the person appointed by the Board of Directors, shall be entitled to make the minor adjustments in the above-mentioned proposal that may prove necessary in connection with registration of the above resolutions with the Swedish Companies Registration Office and any Euroclear Sweden connection of the warrants.

Majority requirements

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

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