Documentation to be presented at the Annual General Meeting in

HiQ International AB (publ)

Tuesday 26 March 2019
Agenda

for the Annual General Meeting of HiQ International AB (publ) to be held on Tuesday 26 March 2019 at 10.00 a.m. at the company’s premises in Stockholm at Katarinavägen 15, 7th floor in Stockholm.

Proposed Agenda

1. Election of Chairman of the Meeting.
2. Preparation and approval of the voting list.
3. Approval of the agenda.
4. Election of one or two persons to certify the minutes.
5. Establishment of whether the Meeting has been duly convened.
6. The Managing Director’s report.
8. Resolution regarding
   a) adoption of the profit and loss statement and the balance sheet and the consolidated profit and loss statement and consolidated balance sheet;
   b) appropriation of the company’s profit or loss according to the adopted balance sheet; and
   c) discharge from liability for the members of the Board of Directors and the Managing Director.
9. Resolution regarding the number of members and deputy members of the Board of Directors.
10. Resolution regarding fees for the Board of Directors and the Auditors.
11. Election of members and deputy members of the Board of Directors.
12. Election of auditor
13. Establishment of a Nomination Committee
14. Share split and mandatory redemption programme comprising the following resolutions:
    a) Resolution to execute a share split;
    b) Resolution to reduce the share capital by mandatory redemption of shares; and
    c) Resolution to increase the share capital by way of a bonus issue of shares.
15. Resolution to authorise the Board of Directors to resolve on the purchase and transfer of the company’s own shares.
17. Resolution regarding authorisation for the Board of Directors to issue new shares.
18. Resolution regarding Guidelines for determining salary and other remuneration to the Managing Director and other persons in the company’s management.
19. Other matters duly referred to the Meeting.
Proposals to be presented at the Annual General Meeting of HiQ International AB (publ) on Tuesday 26 March 2019

The following proposals have the same numbering as set forth in the Board of Director’s proposed agenda.

Dividend (item 8b)

The Board of Directors proposes that no dividend payment shall be made for the 2018 financial year. The Board of Directors instead proposes a share redemption programme as set forth under item 14 below.

Board of Directors etc. (item 1, 9-12)

The Nomination Committee, consisting of Joachim Spetz (Swedbank Robur fonder), Charlotta Faxén (Lannebo fonder), Johan Strandberg (SEB fonder) and Gunnel Duveblad, proposes that the Chairman of the Board of Directors, Gunnel Duveblad, is elected as Chairman of the Meeting.

The Nomination Committee proposes that the Board shall consist of seven Directors and the re-election of Gunnel Duveblad, Susanne Ehnbäge, Ulrika Hagdahl, Erik Hallberg, Raimo Lind and Lars Stugemo and election of Ann Hellenius, born 1974, CIO of Scandic Hotels Group. Ken Gerhardsen has informed the Nomination Committee that he declines re-election. The Nomination Committee proposes re-election of Gunnel Duveblad as Chairman of the Board of Directors. Information regarding the proposed Board members could be found on www.hiq.se. The Nomination Committee proposes that the remuneration to the Board for the period until the close of the next Annual General Meeting shall be a total of SEK 2,135,000, of which SEK 685,000 shall be allocated to the Chairman of the Board and SEK 265,000 to each of the other Board members not employed by the company and that the remuneration to the chairman of the Audit Committee shall be SEK 125,000. The Nomination Committee proposes re-election of KPMG AB as the company’s auditor for the period until the end of the Annual General Meeting 2020. Further, it is proposed that the auditors should be remunerated for services billed.

Establishment of Nomination Committee (item 13)

The Nomination Committee suggest that the following principles for establishing a Nomination Committee and the duties of the Nomination Committee shall be adopted by the Annual General Meeting 2019 to be valid until another decision is made by a General Meeting.

The Chairman of the Board of Directors shall based on known shareholdings in the company according to Euroclear Sweden AB as of 31 July, contact the three largest shareholders in the company, which each are to elect one representative to the Nomination Committee. If any of the three major shareholders renounce from their right to elect a representative, the next largest shareholder are to be provided with the opportunity to elect a representative. In addition, the Chairman of the Board of Directors can be elected to be a part of the Nomination Committee. Neither the CEO nor any other member of the management shall be a member of the Nomination Committee.

The Chairman of the Board of Directors shall convene the initial meeting of the Nomination Committee. A representative of the shareholders shall be elected as Chairman of the Nomination Committee. Term of office for the Nomination Committee is until a new Nomination Committee has been appointed.
The names of the representatives of the Nomination Committee shall be announced no later than six months prior to the Annual General Meeting. All shareholders will thereby be informed whom to contact regarding questions on nominations.

In the event of major changes in the owner structure after the constitution of the Nomination Committee, the structure of the Nomination Committee can also change according to the above stated principles. Such changes shall not be made later than 2 months before the Annual General Meeting. Such changes shall be made public immediately.

The Nomination Committee shall prepare and at the General Meeting leave proposals regarding:

- Chairman for the Annual General Meeting.
- election of Chairman of the Board of Directors along with other members of the Board of Directors;
- fees to the members of the Board of Directors divided between the Chairman and other members as well as compensation for work in committees;
- election of and fee to the auditors and (any deputy auditors where appropriate);

No fee shall be paid to the Nomination Committee. The Nomination Committee shall, upon approval by the Chairman of the Board of Directors, be entitled to burden the company with costs for recruitment consultants or other costs necessary for the Nomination Committee to fulfil its duties.

**Share split and mandatory share redemption programme (item 14)**

The Board of Directors proposes that the Meeting resolves to execute a mandatory redemption programme for all shareholders in accordance with the items 14a – 14c below. All resolutions are proposed to be conditional upon each other and to be adopted as one single resolution. A valid resolution requires approval of shareholders representing at least two-thirds of both the votes cast and the shares represented at the Meeting.

**Resolution to execute a share split (item 14 a)**

The Board of Directors proposes that the Meeting resolves to execute a share split, whereby each HiQ share is to be divided into two shares. One of these shares will be a so-called redemption share. The Board of Directors proposes that the record day for the share split shall be 9 April 2019.

**Resolution to reduce the share capital by mandatory redemption of shares (item 14 b)**

The Board of Directors proposes that the Meeting resolves to reduce the company’s share capital by SEK 2,791,979.35 by way of redemption of a total of 55,839,587 shares, for repayment to the shareholders. In the event that the the total number of outstanding shares in HiQ increases prior to the record date for the share split, the proposal for resolution to reduce the share capital is to be deemed as amended so that the redemption price shall be increased by SEK 0.05 for each new share in the company. Furthermore, the number of shares subject to redemption shall be increased by the corresponding number of new shares.

The consideration for each redemption share shall be SEK 3.35. The Board of Directors proposes that trading in the redemption shares shall take place from 10 April 2019 up to and including 25 April 2019. The Board of Directors also proposes that the record date for the share redemption shall be 7 May 2019. Payment is expected to be made via Euroclear Sweden AB on or around 10 May 2019.
**Resolution to increase the share capital by way of a bonus issue (item 14 c)**

In order to achieve a timely and efficient redemption procedure without requiring the leave of the Swedish Companies Registration Office or the court, the Board of Directors proposes that the Meeting resolves to increase the company’s share capital by SEK 2,791,979.35 without issuing any new shares by transfer of the issue amount from the company’s non-restricted equity to the company’s share capital. If the number of outstanding shares increases before the record date for the share split in accordance with the proposal of the Board of Directors for a resolution on the execution of a share split in accordance with item 14 a, the above-mentioned proposals on the bonus issue are deemed to be amended so that the issue price shall be increased by SEK 0.05 for each new share in the company. Hence, after the bonus issue has been executed, the company’s share capital will be unchanged.

The Board of Directors’ reasoned statement in connection with the Board of Directors’ proposal for reduction of the share capital and the auditor’s statement in respect of this in accordance with Chapter 20, Section 8 of the Swedish Companies Act (SFS 2005:551) (the “Companies Act”) are found in Appendix 1 and Appendix 2 respectively. The Board of Directors’ report in accordance with Chapter 20, Sections 13 of the Companies Act and the auditor’s statement in accordance with Chapter 20, Sections 14 of the Companies Act are found in Appendix 3 and Appendix 4 respectively.

**Authorisation for the Board of Directors to purchase and transfer the company’s own shares (item 15)**

The Board of Directors proposes that the Meeting authorises the Board of Directors to pass a resolution on one or more occasions for the period up until the next Annual General Meeting on purchasing so many shares that the company’s holding does not at any time exceed 10 per cent. of the total number of shares in the company. The purchase of shares shall take place on the Nasdaq Stockholm and may only occur at a price within the share price interval registered at that time, where share price interval means the difference between the highest buying price and lowest selling price.

Furthermore, it is proposed that the Meeting authorises the Board of Directors to pass resolutions on transferring the company’s own shares as payment in connection with an acquisition of companies or businesses, at a price within the share price interval registered at that time.

The purpose of the authorisations is so that the Board of Directors obtains increased freedom to continuously adapt the company’s capital structure.

A valid resolution requires approval of shareholders representing at least two-thirds of both the votes cast and the shares represented at the Meeting.

The Board of Directors’ reasoned statement in connection with the Board of Directors’ proposal for authorisation for the Board of Directors to issue new shares in accordance with Chapter 19, Section 22 of the Companies Act is found in Appendix 1.

**Resolution regarding issue of warrants (item 16)**

The Board of Directors proposes that the General Meeting adopts a resolution to issue not more than 1,000,000 warrants. Each warrant shall entitle the holder to subscribe for one new share. The warrants are proposed to be issued in two series (Series I and II) with no more than 800,000 warrants in each series. However, the total number of warrants in Series I and II may
not exceed 1,000,000 warrants. For warrants in Series I the exercise price shall correspond to 100 per cent. of the average exchange quotation of the company’s shares during the period commencing 26 April 2019 up to and including 10 May 2019, and for warrants in Series II the exercise price shall correspond to 100 per cent. of the average exchange quotation of the company’s share during a period of ten trading days immediately following the announcement of the interim report for the three first quarters of 2019. The term of each warrant shall be approximately three years from the date the exercise price has been determined.

By disapplication of the shareholders’ preferential rights, the issued warrants shall be subscribed for by the Company or HiQ Stockholm AB - a wholly owned subsidiary of HiQ International AB - whereby this company shall transfer the warrants to current and future employees within the HiQ Group in Sweden and Finland. The Company or HiQ Stockholm AB may subscribe and transfer no more than in total 1,000,000 warrants in Series I and II. The transfer of warrants to employees shall be made at a price corresponding to the market value of the warrants or without consideration according to the following principles.

The Board of Directors shall, according to the following guidelines, resolve on the allocation of warrants to employees within the Group. All employees entitled to subscribe for warrants may not acquire more than 30,000 warrants each at market price and shall be guaranteed to acquire 1,000 warrants each. For key employees the company shall have a right to, for each acquired warrant, allocate another warrant without consideration. The right to the warrants given without paid consideration should be conditioned by that the key employee is employed within the HiQ Group during the term of the warrants. By this procedure, the total number of warrants to be allocated to each key employee could amount to maximum 60,000 warrants. The company’s external Board members are not included in the incentive programme.

The key employee’s gross profit for each warrant given without consideration should be maximised to 150% of the strike for the warrant and thereby the number of warrants given without consideration could be decreased proportionally in order to reach this limitation.

If all 1,000,000 warrants are exercised, the share capital of the company will increase by SEK 100,000 corresponding to a dilution of approx. 1.8 per cent. of the company’s share capital and votes after dilution. Considering previously adopted incentive programmes for employees, the total dilution amounts to approx. 6.2 per cent.

With the purpose to decrease the dilution from this program, the company intends to purchase own shares corresponding to a maximum of the received proceeds from the utilisation of the warrants for the purchase of shares in 2022. Purchase of own shares requires the Annual General Meeting in 2022 to decide to authorise the Board of Directors to purchase shares. If the share price at the time of subscription amounts to 150 per cent of the subscription price, the dilution, after the purchase of own shares, will amount to 0.6 per cent compared to the 1.8 per cent stated above. If the purchases are done the equity will remain unchanged based on the subscription of shares with the use of the warrants but the equity will increase with approx. 0.4 per cent based on received proceeds from warrant premiums. The key ratio, earnings per share, will decrease 0.6 per cent if the share price at the time of subscription amounts to 150 per cent of the subscription price. If the share price at the time of subscription amounts to 125 percent of the subscription price, the earnings per share will decrease with 0.4 percent.

A compilation of the company’s incentive programmes related to shares is set forth in Appendix 5.
The market value of the warrants shall be estimated according to the Black & Scholes valuation formula, whereby the value of the company’s share shall correspond to the average close price during four trading days prior to the date of transfer. The valuation shall be carried out by an independent appraiser.

The proposal set out above, has been prepared by the management of the company and been discussed at Board meeting held during autumn 2018 and spring 2019.

The warrants that will be transferred at market value will not cause any social security contributions to be paid by the HiQ Group in Sweden in relation to the transfer of the warrants. Certain limited social security contributions may however arise in Finland. For the warrants given without consideration, social security contribution will be paid based on the benefit at the time of conversion.

With the purpose of increasing participation in the incentive program, the company considers to subsidise the holders of warrants. For Key employees who still are employed by HiQ at the end of the term by way of a bonus payment, which before taxation amounts to the warrant premium. If the long term financial target (presently the equivalent of an operating profit of 15 per cent.) is not fulfilled during the period, only 50% of the bonus will be paid out. For all other employees participating in the program the Company considers to subsidise the holders of warrants, who still are employed by HiQ at the end of the term by way of a bonus payment, which before taxation amount to the warrant premium.

The cost of the considered full subsidisation is calculated to approx. SEK 3.5 million during the warrant’s term under the assumption that all warrants have been transferred to employees and that the current stock exchange price is applicable at the time of transfer and that the employee turnover is in accordance with historic levels.

The Company’s cost for the warrants given without consideration and social security fees related to these warrants, based on a share price increase of 20% per year during the term of the warrants, is expected to approx. SEK 4.0 million during the warrant’s term. As a result of the limitation of the Key employees gross profit for the warrants given without consideration, the Company’s cost for the warrants given without consideration is expected to amount to maximum approx. SEK 7.0 million.

Other expenses for the incentive programme related to fees to external advisors and costs for administration of the programme are expected to amount to approx. SEK 250,000 in total during the term of the warrants.

The purpose of the proposal is to create opportunities to retain and recruit competent employees to the HiQ Group and to increase the motivation amongst the employees. The Board of Directors considers that the introduction of an incentive programme as described above is in the favour of the HiQ Group and the shareholders.

A valid resolution regarding approval of the incentive programme as set out above, requires approval of shareholders representing at least 90 per cent. of both the votes cast and the shares represented at the Meeting.

The Board of Director’s complete proposal and guidelines for the transfer of warrants are set forth in Appendix 6.

Authorisation for the Board of Directors to issue shares (item 17)

The Board of Directors proposes that the Board of Directors shall be authorised to resolve to issue no more than 5,000,000 shares against payment in kind or against set-off payment in connection with acquisitions and payment of additional purchase price, at one or several
occasions, during the period until the next Annual General Meeting. In respect of issues of shares against set-off payment, the Board of Directors can decide to deviate from the shareholders’ preferential rights.

To be valid, such resolution requires support by shareholders holding not less than two-thirds of both the votes cast and the shares represented at the Meeting.

**Policy on remuneration and other terms of employment for senior executives (item 18)**

The Board of Directors proposes that following policy on remuneration and other terms of employment for senior executives

Remuneration to the Managing Director and other persons in the company’s management will be based on a fixed salary, variable salary, pension, and other standard benefits. The total remuneration will be adjusted according to the prevailing market conditions, and the terms governing the remuneration shall promote outstanding achievements, and unify the shareholders’ and the individuals’ incentives.

*Fixed salary*

The remuneration consisting of a fixed salary shall be in proportion to the employee’s experience, responsibility and authority.

*Variable salary*

The variable salary shall be in proportion to the employee’s responsibility and authority. Moreover, it shall be maximized and is based on the fulfilment of certain levels of performance which coincides with the shareholders’ long term interests. The variable part shall, where appropriate, be based on quantitative and qualitative goals.

The total costs incurred by the company for the variable salary for company’s management will amount to maximum 100 per cent. of the fixed cost for the salary, depending on whether the performance levels are met.

The Board of Directors proposes that the Managing Director and other persons in the company’s management, similar to other employees and at the same conditions, shall have the right to participate in incentive schemes in accordance with the proposal presented by the board of directors to the General Meeting and to receive subsidisation of the warrant premium in accordance with the same terms and conditions as all other employees.

*Pension*

Employees of HiQ are offered a premium based pension plan with a right to collect pension from the age of 65. Pension benefits amount to a maximum of 35 per cent. of the fixed salary, not exceeding 10 Price base amount per year and employee.

*Other benefits*

Other benefits will consist of such benefits which are considered as standard according to local practice.

*Notice and severance pay*

Regarding notice to terminate the employment of the Managing Director, a mutual notice period of six months applies. When notice is given by the company, a severance payment corresponding to ten months salary will be made. When notice is given by the Managing Director, salary and other benefits will be paid for a period of four months after the employment has come to an end, during which time a prohibition of competition applies.
Regarding notice for termination of employment of other persons in the company’s management, a mutual notice period of three to six months normally applies.

The determination of remuneration for persons in the company’s management is dealt with by the Managing Director. Remuneration for the Managing Director is determined by the Board of Directors.

In special circumstances, the Board of Directors may deviate from these guidelines.

The auditor’s statement in accordance with chapter 8, section 54 of the Swedish Companies Act, regarding the company’s observance of the guidelines for remuneration to the management which have been in force since the previous annual general meeting, is found in Appendix 7.
Styrelsens yttrande enligt 19 kap. 22 § samt 20 kap. 8 § aktiebolagslagen (2005:551)

Styrelsen i HiQ International AB (publ), org.nr 556529-3205, får härmed, i enlighet med 19 kap. 22 § och 20 kap. 8 § aktiebolagslagen (2005:551) (”ABL”), avge följande yttrande till förslag om bemyndigande för styrelsen att besluta om återköp av egna aktier samt minskning av bolagets aktiekapital för återbetalning till aktieägarna.

Styrelsens motivering till att det föreslagna bemyndigandet om återköp av egna aktier samt minskningen av aktiekapitalet är förenliga med bestämmelserna i 17 kap. 3 § 2 och 3 st. ABL är följande.

Verksamhetens art, omfattning och risker

Verksamhetens art och omfattning framgår av bolagsordningen och avgivna årsredovisningar. Den verksamhet som bedrivs i bolaget medför inte risker utöver vad som förekommer eller kan antas förekomma i branschen eller de risker som i allmänhet är förenade med bedrivande av näringsverksamhet.

Bolagets och koncernens ekonomiska ställning

Bolagets ekonomiska ställning per den 31 december 2018 framgår av den senast avgivna årsredovisningen. Det framgår också av årsredovisningen vilka principer som tillämpats för värdering av tillgångar, avsättningar och skulder.

Det framgår av förslaget till minskning av aktiekapitalet att styrelsen föreslår att bolagets aktiekapital minskas med 2 791 979,35 kronor genom indragnings av 55 839 587 aktier, för återbetalning till aktieägarna. Styrelsen föreslår samtidigt att bolagsstämman beslutar att återställa bolagets aktiekapital till dess ursprungliga belopp genom att öka bolagets aktiekapital med 2 791 979,35 kronor genom fondemission utan utgivande av nya aktier genom överföring av emissionsbeloppet från bolagets fria egna kapital till bolagets aktiekapital. Efter genomfört fondemission kommer bolagets bundna egna kapital och aktiekapital att vara oförändrat.

Den föreslagna återbetalningen uppgår till 3,35 kronor per aktie, vilket motsvarar ett sammanlagt belopp om 187 062 616,45 kronor, utgörande 41,9 procent av bolagets eget kapital och 22,9 procent av koncernens eget kapital. Utdelningsbara medel i bolaget uppgick vid utgången av räkenskapsåret 2018 till 399,5 miljoner kronor.

Av årsredovisningen framgår bland annat att koncernens soliditet uppgår till 69,0 procent. Den föreslagna utbetalningen äventyrar inte fullföljandet av de investeringar som bedömts erforderliga.

Bolagets ekonomiska ställning ger inte upphov till annan bedömning än att bolaget kan fortsätta sin verksamhet samt att bolaget kan förväntas fullgöra sina förpliktelser på kort och lång sikt.

Styrelsens bedömning är att storleken på det egna kapitalet såsom det redovisats i den senast avgivna årsredovisningen står i rimlig proportion till omfattningen på bolagets verksamhet och de risker som är förenade med verksamhetens bedrivande med beaktande av det nu föreslagna bemyndigandet om återköp av egna aktier samt minskningen av aktiekapitalet.

Återköp- och minskningsförslagets försvarelighet

Med hänsynvisning till ovanstående och vad som i övrigt kommit till styrelsens kännedom är styrelsens bedömning att en allsidig bedömning av bolagets ekonomiska ställning medför att förslagen om bemyndigandet om återköp av egna aktier samt minskning av aktiekapitalet är
försvarliga med hänsyn till bestämmelserna i 17 kap. 3 § 2 och 3 st. ABL, d.v.s. med hänvisning till de krav som verksamhetens art, omfattning och risker ställer på storleken av bolagets egna kapital samt bolagets konsolideringsbehov, likviditet och ställning i övrigt.

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Stockholm 4 mars 2019

HiQ International AB (publ)

Styrelsen
Revisororns yttrande enligt 20 kap. 8 § andra stycket aktiebolagslagen (2005:551) om huruvida bolagsstämman bör besluta enligt förslaget om minskning av aktiekapitalet

Till bolagsstämman i HiQ International AB (publ), org.nr 556529-3205

Vi har granskat styrelsens förslag om minskning av aktiekapital daterat mars 2019.

Styrelsens ansvar för förslaget
Det är styrelsen som har ansvaret för att ta fram förslaget om minskning av aktiekapital enligt aktiebolagslagen och för att det finns en sådan intern kontroll som styrelsen bedömer nödvändig för att kunna ta fram förslaget utan väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller på fel.

Revisororns ansvar
Vår uppgift är att uttala oss om minskning av aktiekapital på grundval av vår granskning. Vi har utfört granskningen enligt FARs rekommendation RevR 9 Revisorns övriga yttranden enligt aktiebolagslagen och aktiebolagsförordningen. Denna rekommendation kräver att vi följer yrkesetiska krav samt planerar och utför granskningen för att uppnå rimlig säkerhet att styrelsens förslag inte innehåller väsentliga felaktigheter.

Vi är oberoende i förhållande till HiQ International AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Granskningen innefattar att genom olika åtgärder inhämta bevis om finansiell och annan information i styrelsens förslag. Revisor väljer vilka åtgärder som ska utföras, bland annat genom att bedöma riskerna för väsentliga felaktigheter i förslaget, vare sig dessa beror på oegentligheter eller på fel. Vid denna riskbedömning beaktar revisorn de delar av den interna kontrollen som är relevanta för hur styrelsen upprättar förslaget i syfte att utmärka granskningsåtgärder som är ändamålsenliga med hänsyn till omständigheterna, men inte i syfte att göra ett uttalande om effektiviteten i den interna kontrollen. Granskningen omfattar också en utvärdering av ändamålsenligheten i styrelsens antaganden. Vi anser att de bevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för vårt uttalande.

Uttalande
Vi tillstyrker styrelsens förslag om minskning av aktiekapitalet för återbetalning till aktieägarna.

Övriga upplysningar
Detta yttrande har endast till syfte att fullgöra det krav som uppställs i 20 kap. 8 § andra stycket aktiebolagslagen och får inte användas för något annat ändamål.

Stockholm den 4 mars 2019
KPMG AB

Marine Gesien
Auktoriserad revisor
Styrelsens redogörelse enligt 20 kap. 13 § aktiebolagslagen (2005:551)

Styrelsen i HiQ International AB (publ), org.nr 556529-3205, får härmed, i enlighet med 20 kap. 13 § 4 st. aktiebolagslagen (2005:551), avge följande redogörelse till förslag om minskning av bolagets aktiekapital.

Det framgår av förslaget om minskning av aktiekapitalet att styrelsen föreslår att bolagets aktiekapital minskas med 2 791 979,35 kronor genom indragning av 55 839 587 aktier, för återbetalning till aktieägarna. Den föreslagna återbetalningen uppgår till 3,35 kronor per aktie, vilket motsvarar ett sammanlagt belopp om 187 062 616,45 kronor, utgörande 41,9 procent av bolagets eget kapital och 22,9 procent av koncernens eget kapital. Utdelningsbara medel i bolaget uppgick vid utgången av räkenskapsåret 2018 till 399,5 miljoner kronor. Av årsredovisningen framgår bland annat att koncernens soliditet uppgår till 69,0 procent.

Styrelsens förslag innebär en minskning av HiQs aktiekapital med 2 791 979,35 kronor, från 5 583 958,70 kronor till 2 791 979,35 kronor. För att åstadkomma ett tidseffektivt inlösenförfarande utan krav på tillstånd från Bolagsverket eller allmän domstol, föreslår styrelsen att bolagsstämman beslutar att återställa bolagets aktiekapital till dess ursprungliga belopp genom att öka bolagets aktiekapital med 2 791 979,35 kronor genom fondemission utan utgivande av nya aktier genom överföring av emissionsbeloppet från bolagets fria egna kapital till bolagets aktiekapital.

Sammantaget innebär styrelsens förslag enligt ovan att utdelningsbara medel i HiQ minskar med 187 062 616 kronor till 212,5 miljoner kronor enligt HiQs balansräkning per den 31 december 2018. Efter genomförd fondemission kommer bolagets bundna egna kapital och aktiekapital att vara oförändrat.

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Stockholm 4 mars 2019

HiQ International AB (publ)
Styrelsen
Revisorssyttrande enligt 20 kap. 14 § aktiebolagslagen (2005:551) över styrelsens redogörelse med uppgifter om särskilda inlösenvillkor m.m.

Till bolagsstämman i HiQ International AB (publ), org.nr 556529-3205
Vi har granskat styrelsens redogörelse med uppgifter om särskilda inlösenvillkor daterad mars 2019.

Styrelsens ansvar för redogörelsen
Det är styrelsen som har ansvaret för att ta fram redogörelsen med särskilda inlösenvillkor enligt aktiebolagslagen och för att det finns en sådan intern kontroll som styrelsen bedömer nödvändig för att kunna ta fram redogörelsen utan väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller på fel.

Revisorns ansvar
Vår uppgift är att uttala oss om särskilda lösenvillkor på grundval av vår granskning. Vi har utfört granskningen enligt FARs rekommendation RevR 9 Revisorss övriga uttalanden enligt aktiebolagslagen och aktiebolagsförordningen. Denna rekommendation kräver att vi följer yrkesetiska krav samt planerar och utför granskningen för att uppnå rimlig säkerhet att styrelsens redogörelse inte innehåller väsentliga felaktigheter. Revisionsföretaget tillämpar ISQC 1 (International Standard on Quality Control) och har därmed ett allsidigt system för kvalitetskontroll vilket innefattar dokumenterade riktlinjer och rutiner avseende efterlevnad av yrkesetiska krav, standarder för yrkesutövningen och tillämpliga krav i lagar och andra författningar.

Vi är oberoende i förhållande till HiQ International AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Granskningen innefattar att genom olika åtgärder inhämta bevis om finansiell och annan information i styrelsens redogörelse. Revisor väljer vilka åtgärder som ska utföras, bland annat genom att bedöma riskerna för väsentliga felaktigheter i redogörelsen, vare sig dessa beror på oegentligheter eller på fel. Vid denna riskbedömning beaktar revisorn de delar av den interna kontrollen som är relevanta för hur styrelsen upprättar redogörelsen i syfte att utforma granskningsåtgärder som är ändamålsenliga med hänsyn till omständigheterna, men inte i syfte att göra ett uttalande om effektiviteten i den interna kontrollen. Granskningen omfattar också en utvärdering av ändamålsenligheten i och rimligheten i styrelsens antaganden. Vi anser att de bevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för vårt uttalande.

Uttalande
Vi anser att
- styrelsens redogörelse avseende den egendom som frånhänds bolaget är rättvisande, och
- de åtgärder som vidtas och som medför att varken bolagets bundna egna kapital eller dess aktiekapital minskar är ändamålsenliga och att de bedömningar som har gjorts om effekterna av dessa åtgärder är riktiga.

Övriga upplysningar
Detta yttrande har endast till syfte att fullgöra det krav som uppställs i 20 kap. 14 § aktiebolagslagen och får inte användas för något annat ändamål.

Stockholm den 4 mars 2019
KPMG AB

Marine Gesien
Auktoriserad revisor
## Compilation of the Company’s Incentive Programmes

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<th>Price</th>
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<td>November 2019</td>
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<td>Total</td>
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**No of outstanding shares**: 55 839 587

**Dilution**: 4.6%
Appendix 6

The Board of Director’s proposal to resolution regarding issue of warrants

§ [ ]

It was resolved to issue not more than 800,000 warrants.

The issue shall be governed by the following terms and conditions:

1. The issued warrants shall, notwithstanding the shareholders’ preferential rights, be subscribed for by the Company or HiQ Stockholm AB.

2. Each warrant shall, during the period commencing on 2 May 2022 and up to and including 31 May 2022, entitle to subscribe for one new share in HiQ International AB at an exercise price corresponding to 100 per cent. of the average price paid for the company’s shares on the Nasdaq Stockholm, during the period commencing on 26 April 2019 up to and including 10 May 2019. The exercise price thus calculated shall be rounded off to the nearest whole SEK 0.10, whereupon SEK 0.05 shall be rounded upwards. If the warrants are completely exercised the share capital will increase by SEK 80,000.

3. Subscription for warrants shall take place not later than 31 July 2019. The warrants are issued free of charge.

4. The warrants shall in all other respects be governed by the terms and conditions set forth in Appendix A.

The exercise price upon exercise of warrants and the number of shares to which each warrant provides an entitlement to subscribe may be adjusted in accordance with section 8 of the terms and conditions for warrants, see Appendix A.

It was resolved that the Managing Directors should be authorised to undertake such minor adjustments in the decision that may be required for the registration with the Companies Registration Office and Euroclear Sweden AB.

It was noted that over subscription can not take place.

§ [ ]

It was resolved to issue not more than 800,000 warrants.

The issue shall be governed by the following terms and conditions:

1. The issued warrants shall, notwithstanding the shareholders’ preferential rights, be subscribed for by the Company or HiQ Stockholm AB.

2. Each warrant shall, during the period commencing on 1 November 2022 and up to and including 30 November 2022, entitle to subscribe for one new share in HiQ International AB at an exercise price corresponding to 100 per cent. of the average exchange quotation of the company’s share during a period of ten trading days immediately following the announcement of the interim report for the three first quarters of 2019. The exercise price thus calculated shall be rounded off to the nearest whole SEK 0.10, whereupon SEK 0.05 shall be rounded upwards. If the warrants are completely exercised the share capital will increase by SEK 80,000.

3. Subscription for warrants shall take place not later than 31 July 2019. The warrants are issued free of charge.
4. The warrants shall in all other respects be governed by the terms and conditions set forth in Appendix B.

The exercise price upon exercise of warrants and the number of shares to which each warrant provides an entitlement to subscribe may be adjusted in accordance with section 8 of the terms and conditions for warrants, see Appendix B.

It was resolved that the Managing Directors should be authorised to undertake such minor adjustments in the decision that may be required for the registration with the Companies Registration Office and Euroclear Sweden AB.

It was noted that over subscription can not take place.

It was noted that the following terms should apply in respect of transfer of warrants.

Notwithstanding the shareholders’ preferential rights, the issued warrants shall be subscribed for by the Company or HiQ Stockholm AB - a wholly owned subsidiary of HiQ International AB - whereby this company shall offer the warrants to employees within the HiQ Group employed in Sweden and Finland. HiQ Stockholm AB may subscribe and transfer no more than in total 1,000,000 warrants in Series I and II. The transfer of warrants shall be made at a price corresponding to the market value of the warrants or without consideration according to the following principles.

The Board of Directors shall, according to the following guidelines, resolve on the allocation of warrants to employees within the Group. All entitled employees may not acquire more than 30,000 warrants each and shall be guaranteed to acquire at least 1,000 warrants each. Board members not being employees with in the HiQ Group are not included in the incentive programme. For Key employees the Company shall have a right to, for each acquired warrant, allocate another warrant without consideration. The right to the warrants given without paid consideration should be conditioned by that the Key employee is employed within the HiQ Group during the term of the warrants. By this procedure, the total number of warrants to be allocated to each Key employee could amount to maximum 60,000 warrants.

It was resolved to approve the above stated principles for transfer of warrants in accordance with Chapter 16, section 4 of the Swedish Companies Act (SFS 2005:551).
Auditor’s opinion under Chapter 8 Section 54 of the Swedish Companies Act (2005:551) as to whether the guidelines of the annual general meeting on the remuneration of senior executives have been followed

To the annual general meeting of HiQ International AB (publ.), Corporate identity No 558629-3205

Introduction

We have audited whether the Board of Directors and the Chief Executive Officer of HiQ International AB (publ.) during the year 2018 have followed the guidelines on remuneration of senior executives adopted at the annual general meeting on 22 March 2017 and the annual general meeting on 21 March 2018.

Responsibility of the Board of Directors and the Chief Executive Officer

The Board of Directors and the Chief Executive Officer are responsible for the guidelines being followed and for the internal control that the Board of Directors and the Chief Executive Officer deem necessary to ensure that the guidelines are followed.

Responsibility of the auditor

Our responsibility is to issue an opinion, based on our audit, to the annual general meeting as to whether the guidelines have been followed. We have conducted the audit in accordance with FAR recommendation RevR 8 Audit of remuneration of senior executives of listed companies. This recommendation requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the guidelines adopted by the annual general meeting are followed in all material aspects. The audit firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We are independent of HiQ International AB accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The audit has covered the company's organization for and documentation of remuneration issues for senior executives, the new decisions on remuneration that have been taken and a selection of the payments made during the financial year to the senior executives. The auditor chooses what procedures are to be performed, in part by assessing the risk of the guidelines not being followed in all material aspects. In making those risk assessments, the auditor considers internal control relevant to compliance with the guidelines in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company’s internal control.

We believe that our audit provides a reasonable basis for our opinion set out below.

Opinion

We consider that the Board of Directors and Chief Executive Officer of HiQ International AB (publ.) during 2018 have followed the guidelines on remuneration of senior executives adopted at the annual general meeting on 22 March 2017 and the annual general meeting on 21 March 2018.

Stockholm 4 March 2019

KPMG AB

Marine Gesien
Authorized Public Accountant
1 Definitions

In these terms and conditions, the following terms shall have the meanings given below:

"Bank" the bank or account operator which the Company at each time has appointed to handle the administration of the Warrants in accordance with these terms and conditions;

"Business Day" a day which is not a Saturday, Sunday or other public holiday or, with respect to the payment of promissory notes, is not equated with a public holiday in Sweden;

"Companies Act" the Swedish Companies Act (SFS 2005:551);

"Company" HiQ International AB (publ), registration number 556529-3205

"Euroclear" Euroclear Sweden AB

"Market Quotation" listing of shares in the Company on a stock exchange, authorised market place or other corresponding market place;

"Securities Account" a securities account (Sw. avstämningskonto) with Euroclear in which the respective Warrant Holders’ holdings of Warrants or holdings of shares acquired pursuant to Warrants are registered;

"Subscription" subscription of shares in the Company on exercise of Warrants in accordance with Chapter 14 of the Companies Act;

"Subscription Price" the price at which Subscription for new shares may take place on exercise of Warrants;

"Warrant" the right to subscribe for one newly issued share in the Company in exchange for payment in accordance with these terms and conditions;

"Warrant Holder" a person registered in a Securities Account as the holder of a Warrant;

"weekday" a day which is not a Sunday or public holiday.

2 Warrants and registration

The total number of Warrants amounts to not more than 800,000. The Warrants shall be registered in Securities Accounts in accordance with Chapter 4 of the Swedish Financial Instruments Accounts Act (1998:1479).

Requests for particular registration measures in respect of the Warrants shall be submitted to the account operator with which the Warrant Holder has opened a Securities Account.
3 Right to subscribe for new shares

Each Warrant entitles the holder thereof to subscribe for one new share in the Company at a Subscription Price corresponding to 100 per cent. of the average price paid for the company’s shares on NASDAQ Stockholm during the period commencing on 26 April 2019 up to and including 10 May 2019. The exercise price thus calculated shall be rounded off to the nearest whole SEK 0.10, whereupon SEK 0.05 shall be rounded upwards.

The Subscription Price and the number of shares for which each Warrant entitles the holder to subscribe may be recalculated in the circumstances set out in section 8 below.

Subscription may only take place in respect of the entire number of shares for which the total number of Warrants entitles the Warrant Holder to subscribe and which a single Warrant Holder desires to exercise. On such Subscription, any excess fractions of Warrants which cannot be exercised shall be disregarded.

4 Application for Subscription

Application for Subscription of shares may take place during the period commencing on 2 May 2022 up to and including 31 May 2022 or such earlier date as may be determined in accordance with section 8 below. If an application for Subscription is not submitted within the time stated above, the Warrant shall lapse.

On application for Subscription, a completed application form in the predetermined form shall be submitted to the Company. Applications for Subscription are binding and irrevocable.

5 Payment for new shares

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

6 Registration in Securities Account and in the share register

Following payment for subscribed shares, Subscription shall be effected through the registration of the new shares as interim shares in the Company’s share register and on the respective Warrant Holder’s Securities Account. Following registration with the Swedish Companies Registration Office, the registration of the new shares in the share register and on Securities Accounts will become definitive. According to section 8 below such registration might in certain circumstances be postponed.

7 Dividends on new shares

Shares issued following Subscription shall entitle the holders thereof to participate in the distribution of dividends for the first time on the record date that occurs immediately following the Subscription.

8 Recalculation of Subscription Price and the number of shares

The following provisions shall govern the right that vests in Warrant Holder in the event the share capital prior to the Subscription is increased or reduced, convertible bonds or warrants are issued, or the Company is dissolved or ceases to exist as a consequence of a merger or division, or there is an Extraordinary Dividend (as defined below):
A  

**Bonus issue**

In the event of a bonus issue, where an application for Subscription is submitted at such time that the allotment of shares cannot be made on or before the fifth weekday prior to the general meeting which resolves to make the bonus issue, Subscription shall be effected only after the general meeting has adopted a resolution approving the bonus issue. Shares which vest pursuant to Subscription effected after the adoption of a resolution approving the bonus issue shall be registered in the Warrant Holder’s Securities Account as interim shares, and accordingly such shares shall not entitle the holder thereof to participate in the bonus issue. Definitive registration in Securities Accounts shall only take place after the record date for the bonus issue.

In conjunction with Subscription which is effected after the adoption of a resolution to make a bonus issue, a recalculated Subscription Price as well as a recalculated number of shares for which each Warrant entitles the Warrant Holder to subscribe shall be applied. The recalculation shall be carried out by the Company in accordance with the following formulae:

\[
\text{Recalculated Subscription Price} = \frac{\text{previous Subscription Price} \times \text{the number of shares in the Company prior to the bonus issue}}{\text{the number of shares in the Company after the bonus issue}}
\]

\[
\text{Recalculated number of shares for which each Warrant entitles the Warrant Holder to subscribe} = \frac{\text{previous number of shares for which each Warrant entitled the holder to subscribe} \times \text{the number of shares in the Company after the bonus issue}}{\text{the number of shares in the Company prior to the bonus issue}}.
\]

The Subscription Price and the number of shares which each Warrant entitles the holder to subscribe for, recalculated as set out above, shall be determined by the Company as soon as possible after the general meeting has adopted a resolution approving the bonus issue.

B  

**Reverse share split/share split**

In the event the Company effects a reverse share split or share split, the provisions of sub-section A above shall apply mutatis mutandis. The record date shall be deemed to be the date on which the reverse share split or share split is carried out by Euroclear at the request of the Company.

C  

**New issue**

If the Company issues new shares subject to preferential rights for shareholders to subscribe for new shares in exchange for cash payment, the following shall apply with respect to the right to participate in the new issue held by the shareholders whose shares vest as a consequence of Subscription on exercise of the Warrant:

1. If the board of directors of the Company has resolved to carry out a new issue conditional on the approval of the general meeting of the shareholders or pursuant to authorisation granted by the general meeting of the shareholders, the resolution of the new issue shall state the last day on which Subscription must be effected in order to entitle the holders of the shares held pursuant to the Subscription to participate in the new issue.

2. If the general meeting adopts a resolution to issue new shares, where an application for Subscription is submitted at such time that it cannot be effected on or before the fifth weekday prior to the general meeting which shall address the question of the new issue, Subscription shall only be effected following the
adoption of a resolution with respect thereto by the general meeting. Shares which vest as a consequence of such Subscription shall be registered in the Securities Account as interim shares, and accordingly shall not entitle the holders to participate in the new issue. Definitive registration in Securities Accounts shall only take place after the record date for the new issue.

Where Subscription is effected at such time that no right to participate in the new issue arises, a recalculated Subscription Price as well as a recalculated number of shares for which each Warrant entitles the holder to subscribe shall apply. Recalculations shall be made by the Company in accordance with the following formulae:

\[
\text{Recalculated Subscription Price} = (\text{previous Subscription Price}) \times (\text{the average quoted price of the share during the subscription period stated in the resolution approving the issue (referred to below as the "average price of the share"})) / (\text{the average price of the share increased by the theoretical value of the subscription right calculated on the basis thereof})
\]

\[
\text{Recalculated number of shares for which each Warrant entitles the holder to subscribe} = (\text{previous number of shares for which each Warrant entitles the holder to subscribe}) \times (\text{the average price of the share increased by the theoretical value of the subscription right calculated on the basis thereof}) / (\text{the average price of the share})
\]

The average price of the share shall be deemed to be the equivalent of the average calculated mean value, for each trading day during the subscription period, of the highest and lowest quoted paid price on that day according to the stock exchange or market place list on which the shares are quoted. In the absence of a quoted paid price, the bid price shall form the basis for the calculation. Days on which neither a paid price nor a bid price is quoted shall be excluded from the calculation.

The theoretical value of the subscription right is calculated in accordance with the following formulae:

\[
\text{Theoretical value of subscription right} = (\text{the maximum number of new shares which may be issued pursuant to the resolution approving the issue}) \times ((\text{the average price of the share}) – (\text{the issue price of the new share})) / (\text{the number of shares prior to the adoption of the resolution approving the issue})
\]

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

The Subscription Price and the number of shares for which each Warrant entitles the holder to subscribe, recalculated as set out above, shall be determined by the Company two Business Days after the expiry of the subscription period and shall apply to each Subscription effected thereafter.

If the Company’s shares, at the time of the resolution to issue the new shares, are not subject to a Market Quotation, a corresponding recalculation of the Subscription Price and the number of shares for which each Warrant entitles the holder to subscribe shall take place. The recalculation, which shall be made by the Company, shall be based on the assumption that the value of the Warrants shall remain unchanged.

During the period prior to the determination of the recalculated Subscription Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe, Subscription shall only be effected on a preliminary basis. Definitive registration in Securities Accounts shall be made following determination of the recalculated Subscription
Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe.

D Issue of convertible bonds or warrants in accordance with Chapter 14 and 15 of the Companies Act

In the event the Company issues convertible bonds or warrants, in both cases subject to preferential rights for the shareholders to subscribe for such equity related instrument in exchange for cash payment, the provisions of sub-section C, first paragraph, sub-paragraphs 1 and 2 shall apply mutatis mutandis in respect of the right to participate in the issue for any share which has been issued through Subscription.

Where Subscription is effected at such time that no right to participate in the new issue arises, a recalculated Subscription Price as well as a recalculated number of shares for which each Warrant entitles the holder to subscribe shall apply. Recalculations shall be made by the Company in accordance with the following formulae:

Recalculated Subscription Price = (previous Subscription Price) x (the average quoted price of the share during the relevant period stated in the resolution approving the issue (referred to below as the "average price of the share")) / (the average price of the share increased by the value of the subscription right).

Recalculated number of shares for which each Warrant entitles the holder to subscribe = (previous number of shares for which each Warrant entitled the holder to subscribe) x (the average price of the share increased by the value of the subscription right) / (the average price of the share).

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

The value of the subscription right shall be deemed to be the equivalent of the average calculated mean value, for each trading day during the subscription period, of the highest and lowest quoted paid price on that day according to the stock exchange or market place list on which the subscription rights are quoted. In the absence of a quoted paid price, the quoted bid price shall form the basis for the calculation. Days on which neither a paid price nor a bid price is quoted shall be excluded from the calculation.

If the subscription rights are not subject to a Market Quotation, the value of the subscription right shall, to the greatest extent possible, be determined based upon the change in the market value of the Company’s shares which may be deemed to have occurred as a consequence of the issue of the convertible bonds or warrants.

The Subcription Price and the number of shares for which each Warrant entitles the holder to subscribe, recalculated as set out above, shall be determined by the Company two Business Days after the expiry of the subscription period and shall apply to each Subscription effected thereafter.

If the Company’s shares, at the time of the resolution to issue the notes, are not subject to a Market Quotation, a corresponding recalculation of the Subscription Price and the number of shares for which each Warrant entitles the holder to subscribe shall take place. The recalculation, which shall be made by the Company, shall be based on the assumption that the value of the Warrants shall remain unchanged.

During the period prior to the determination of the recalculated Subscription Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe, Subscription shall only be effected on a preliminary basis. Definitive registration in
Securities Accounts shall be made following determination of the recalculated Subscription Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe.

E Other offers to shareholders

Where the Company, in circumstances other than those referred to in sub-sections A-D above, makes offers to the shareholders, subject to preferential rights for the shareholders in accordance with the principles set out in Chapter 13, section 1 of the Companies Act, to acquire securities or rights of any type from the Company or resolves, in accordance with the principles mentioned above, to distribute such securities or rights to the shareholders without consideration, in conjunction with Subscription which is effected at such time that the shares thereby received do not entitle the holder to participate in the offer, a recalculated Subscription Price as well as a recalculated number of shares for which each Warrant entitles the holder to subscribe shall apply. Recalculations shall be made by the Company in accordance with the following formulae:

Recalculated Subscription Price = (previous Subscription Price) \times \left( \frac{\text{average quoted price of the share during the application period for the offer}}{\text{average price of the share increased by the value of the right to participate in the offer}} \right)

Recalculated number of shares for which each Warrant entitles the holder to subscribe = \left( \frac{\text{previous number of shares for which each Warrant entitled the holder to subscribe} \times \text{average price of the share increased by the value of the purchase right}}{\text{average price of the share}} \right)

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

Where shareholders have received purchase rights and trading in these has taken place, the value of the right to participate in the offer shall be deemed to be equivalent to the value of the purchase rights. For this purpose, the value of the purchase right shall be deemed to be equivalent to the average calculated mean value, for each trading day during the application period, of the highest and lowest quoted paid price during the day according to the stock exchange or market place list on which the purchase rights are quoted. In the absence of a quoted paid price, the quoted bid price shall form the basis for the calculation. Days on which neither a paid price nor a bid price is quoted shall be excluded from the calculation.

If the shareholders do not receive purchase rights or where such trading in purchase rights as referred to in the preceding paragraph otherwise does not take place, the recalculation of the Subscription Price shall be made as far as possible by applying the principles set out above in this sub-section E and the following shall apply. Where listing of the securities or rights offered to the shareholders takes place, 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 during the period of 25 trading days calculated from the first day of listing, of the highest and lowest transaction prices quoted for trades in such securities or rights on the securities exchange or other marketplace for financial instruments on which those securities or rights are listed, reduced where appropriate by the consideration paid for these in conjunction with the offer. In the absence of a quoted paid price, the quoted bid price shall form the basis for the calculation. Days on which neither a paid price nor a bid price is quoted shall be excluded from the calculation in the offer. In the recalculation of the Subscription Price and the number of shares for
which each Warrant entitles the holder to subscribe, the period of 25 trading days referred to above shall be deemed to be the application period determined for the offer pursuant to the first paragraph of this Section E.

Where no listing of such securities or rights offered to the shareholders takes place, the value of the right to participate in the offer shall, to the greatest extent possible, be determined based on the change in the market value of the Company’s shares which may be deemed to have occurred as a consequence of the offer.

The Subscription Price and the number of shares for which each Warrant entitles the holder to subscribe, recalculated in accordance with the above, shall be determined by the Company as soon as possible after it becomes possible to calculate the value of the right to participate in the offer.

If the Company’s shares, at the time of the offer, are not subject to a Market Quotation, a corresponding recalculation of the Subscription Price and the number of shares for which each Warrant entitles the holder to subscribe shall take place. The recalculation, which shall be made by the Company, shall be based on the assumption that the value of the Warrants shall remain unchanged.

During the period prior to the determination of the recalculated Subscription Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe, Subscription shall only be effected on a preliminary basis. Definitive registration in Securities Accounts shall be made following determination of the recalculated Subscription Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe.

**F Equal treatment of Warrant Holders and shareholders**

Where the Company issues new shares or makes an issue pursuant to Chapters 14 or 15 of the Companies Act, with preferential rights for shareholders to subscribe for equity related instruments in exchange for cash payment, the Company may grant all Warrant Holders the same preferential rights as the shareholders. In conjunction therewith, each Warrant Holder, irrespective of whether subscription for shares has been made, shall be deemed to be the owner of the number of shares which such Warrant Holder would have received, had Subscription on the basis of the Warrant been effected in respect of the Subscription Price, and the number of shares for which each Warrant entitles the holder to subscribe, in effect at the time of the resolution to issue the shares.

If the Company resolves to make an offer to the shareholders as described in sub-section E above, what has been stated in the preceding paragraph shall apply mutatis mutandis. However, the number of shares of which each warrant holder shall be deemed to be the owner shall, in such circumstances, be determined on the basis of the Subscription Price, and the number of shares for which each Warrant entitles the holder to subscribe, in effect at the time of the resolution to make the offer.

If the Company resolves to grant the warrant holders preferential rights in accordance with the provisions set out in this sub-section F, no recalculation as set out in sub-sections C, D, or E above of the Subscription Price and the number of shares for which each Warrant entitles the holder to subscribe for shall be made.

**G Extraordinary Dividend**

If the Company decides to pay a cash dividend to shareholders of an amount which, combined with other dividends, or repayment to the shareholders by a reduction in share capital, paid during the same financial year, exceeds 15 per cent. of the average price of
the share during the period of 25 trading days immediately preceding the day on which the Company's board of directors announced its intention to propose that the general meeting approve such a dividend, a recalculation of the Subscription Price, and the number of shares for which each Warrant entitles the holder to subscribe, shall be made in respect of any Subscription requested at such a time that the shares thereby received do not carry rights to receive such dividend. The recalculation shall be based on that part of the total dividend, and repayment, which exceeds 15 per cent. of the average price of the shares during the above-mentioned period of 25 trading days (referred to below as “Extraordinary Dividend”).

The recalculation shall be made by the Company in accordance with the following formulae:

Recalculated Subscription Price = (previous Subscription Price) x (the average quoted price of the share during a period of 25 trading days calculated from the day on which the share is listed without any right to Extraordinary Dividend (referred to below as the “average price of the share”)) / (the average price of the share increased by the Extraordinary Dividend paid per share).

Recalculated number of shares for which each Warrant entitles the holder to subscribe = (previous number of shares for which each Warrant entitled the holder to subscribe) x (the average price of the share increased by the Extraordinary Dividend paid per share) / (the average price of the share).

The average price of the share shall be deemed to be the equivalent of the average calculated mean value during the above-mentioned period of 25 trading days of the highest and lowest quoted paid price on each day according to the stock exchange or market place list on which the shares are quoted. In the absence of a quoted paid price, the bid price shall form the basis for the calculation. Days on which neither a paid price nor a bid price is quoted shall be excluded from the calculation.

The recalculated Subscription Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe shall be determined by the Company two Business Days after the expiry of the above-mentioned period of 25 trading days and shall apply to each Subscription effected from the day on which the share is listed without any right to Extraordinary Dividend.

If the Company’s shares, at the time of the resolution to pay a dividend, are not subject to a Market Quotation and it is resolved to pay a cash dividend to shareholders of an amount which, combined with other dividends paid during the same financial year, or repayment to the shareholders by reduction of the share capital, exceeds 50 per cent. of the Company’s earnings after tax in accordance with the Company’s consolidated income statement adopted in the financial year immediately preceding the year in which the resolution was adopted to pay the dividend, a recalculation of the Subscription Price, and the number of shares for which each Warrant entitles the holder to subscribe, shall be made in respect of any Subscription requested at such a time that the shares thereby received do not carry rights to receive such dividend. The recalculation shall be based on that part of the total dividend, and repayment, which exceeds 50 per cent. of the Company’s earnings after tax and shall be made by the Company in accordance with the above-mentioned principles.

During the period prior to the determination of the recalculated Subscription Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe, Subscription shall only be effected on a preliminary basis. Definitive registration in Securities Accounts shall be made following determination of the recalculated Subscription
Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe.

\( H \quad \text{Reduction of share capital} \)

If the Company’s share capital is reduced through a repayment to the shareholders, and such reduction is compulsory – and the repaid amount together with other repayments by decreasing the share capital or cash dividends, during the same financial year, exceeds 15 percent of the share’s average price during a period of 25 trading days prior to the day the Company publish it’s intention to propose to the Annual General Meeting a proposal of such decrease of the share capital with repayment to the shareholders, a recalculated Subscription Price and a recalculated number of shares for which each Warrant entitles the holder to subscribe, shall be applied. The recalculation shall be based on the part of the total dividend and decrease of the shareholders with repayment to the shareholders that exceeds 15 percent of the share’s average price during the above mentioned period (“Extraordinary repayment”).

The recalculation shall be made by the Company in accordance with the following formulae:

\[
\text{Recalculated Subscription Price} = \frac{(\text{previous Subscription Price}) \times (\text{the average quoted price of the share during a period of 25 trading days calculated from the day on which the share is listed without any right to participate in the distribution (referred to below as the “average price of the share”))}{(\text{the average price of the share increased by the Extraordinary repayment})}.
\]

\[
\text{Recalculated number of shares for which each Warrant entitles the holder to subscribe} = \frac{(\text{previous number of shares for which each Warrant entitled the holder to subscribe}) \times (\text{the average price of the share increased by the Extraordinary repayment})}{(\text{the average price of the share})}.
\]

The average price of the share is calculated in accordance with the provisions set out in sub-section C above.

In carrying out the recalculation according to the above and where the reduction is made through redemption of shares, instead of using the amount which is equivalent to the Extraordinary repayment for each share, an amount calculated as follows shall be applied.

The recalculation shall be based on the part of the total dividend and decrease of the share capital with repayment to the shareholders that exceeds 15 percent of the share’s average price during a period of 25 trading days prior to the Company publish it’s intention to give a proposal to the Annual General Meeting to decrease the share capital with repayment to the shareholders.

\[
\text{Calculated amount to be repaid for each share} = \frac{(\text{the actual amount repaid for each redeemed share reduced by the average market price of the share during a period of 25 trading days immediately prior to the day on which the share is listed without any right to participate in the reduction (referred to below as the “average price of the share”))}}{(\text{the number of shares of the Company which carry an entitlement to the redemption of one share, reduced by 1})} - (15 \text{ percent of the share’s average price during a period of 25 trading days prior to the day the Company publish it’s intention to give a proposal to the Annual General Meeting to decrease the share capital with repayment to the shareholders}).
\]

The average exchange price is calculated in accordance with the provisions set out in sub-section C above.
The Subscription Price and number of shares for which each Warrant entitles the holder to subscribe, recalculated as set out above, shall be determined by the Company two Business Days after the expiry of the above-mentioned period of 25 trading days, and shall apply to each Subscription effected thereafter.

During the period prior to the determination of the recalculated Subscription Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe, Subscription shall only be effected on a preliminary basis. Definitive registration in Securities Accounts shall be made following determination of the recalculated Subscription Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe.

If the Company's share capital is reduced through redemption of shares with repayment to the shareholders, where such reduction is not compulsory, but where, in the opinion of the Company, the reduction, due to its technical structure and its financial effects, is equivalent to a compulsory reduction, the recalculation of the Subscription Price and the number of shares for which each Warrant entitles the holder to subscribe shall be made, to the greatest extent possible, in accordance with the principles stated above in this sub-section H.

If the Company's shares, at the time of the reduction of share capital, are not subject to a Market Quotation, a corresponding recalculation of the Subscription Price and the number of shares for which each Warrant entitles the holder to subscribe shall take place. The recalculation, which shall be made by the Company, shall be based on the assumption that the value of the Warrants shall remain unchanged.

**Recalculation shall give a reasonable result**

Should the Company take actions such as those stated in sub-sections A-E, G or H above and if, in the Company's opinion, application of the recalculation formula established for such action, taking into account the technical framework of such action or for other reasons, could not be made or would result in the Warrant Holders receiving, in relation to the shareholders, economic compensation that is not reasonable, the Company shall, subject to prior written approval by the board of directors of the Company, make the recalculation of the Subscription Price, and the number of shares for which each Warrant entitles the holder to subscribe, in such a manner as the Company determines is appropriate to ensure that the recalculation gives a reasonable result.

**Rounding off**

On recalculation of the Subscription Price in accordance with the above, the Subscription Price shall be rounded off to the nearest SEK 0.10, for which purposes SEK 0.05 shall be rounded downwards and the number of shares shall be rounded off to two decimal places.

**Mergers**

Where the general meeting adopts a resolution to approve a merger plan pursuant to Chapter 23, section 15 of the Companies Act, pursuant to which the Company is to be merged into another company or where the board of directors adopts a resolution pursuant to Chapter 23, section 28 of the Companies Act adopts a resolution that the Company be merged into its parent company, the Warrant Holders shall receive rights in the acquiring company corresponding at least to the rights held in the Company (the transferor company), unless, pursuant to the merger plan, the Warrant Holders are entitled to demand redemption of their Warrants by the acquiring company.

**Division**
Where the general meeting adopts a resolution to approve a division plan pursuant to Chapter 24, section 17 of the Companies Act, pursuant to which a proportion of the assets and liabilities of the Company are taken over by two or more other companies, a recalculated subscription price and a recalculated number of shares for which each Warrant entitles the Warrant Holder to subscribe shall be calculated. The provisions of sub-section G regarding Extraordinary Dividend shall then apply mutatis mutandis. The recalculation shall be based on the proportion of the assets and liabilities of the Company that are taken over by the transferee company or companies.

Where all assets and liabilities of the companies are taken over by two or more other companies, on paying consideration to the shareholders of the Company, the provisions of sub-section M below regarding liquidation shall apply mutatis mutandis. Inter alia, this means that the right to demand Subscription shall terminate simultaneously with the registration in accordance with Chapter 24, section 27 of the Companies Act and that the Warrant Holder shall be notified no later than four weeks before the division plan shall be submitted for approval to the general meeting.

M Liquidation

If it is resolved that the Company be put into liquidation, for whatever reason, Subscription may not take place thereafter. The right to demand Subscription shall terminate simultaneously with the adoption of the resolution to put the Company in liquidation, irrespective of whether such resolution has become final.

Not later than four weeks prior to the adoption of a resolution by a general meeting in respect of whether or not the Company should be put into liquidation in accordance with Chapter 25 of the Companies Act, the Warrant Holders shall be notified with respect to the planned liquidation in accordance with section 10 below. The notice shall state that subscription may not take place following the adoption of the resolution in respect of liquidation.

If the Company gives notice of a planned liquidation pursuant to the above, the Warrant Holders shall, notwithstanding the provisions of section 4 in respect of the earliest date for application for Subscription, be entitled to apply for Subscription commencing on the day on which the notice is given, provided that Subscription may be effected not later than prior to the general meeting at which the resolution regarding the liquidation of the Company shall be addressed.

Notwithstanding the provisions above pursuant to which Subscription may not take place after the adoption of a resolution regarding liquidation, the right to subscribe shall be reinstated in the event the liquidation is not carried out.

N Insolvent liquidation

If the Company is put into insolvent liquidation, Subscription may not take place through the exercise of Warrants. Where, however, the decision to put the Company into insolvent liquidation is set aside by a higher court, subscription rights shall be reinstated.

9 Nominees

According to Chapter 3 section 7 of the Financial Instruments Accounts Act (SFS 1998:1479), a legal entity shall be entitled to be registered as nominee. Such a nominee shall be regarded as a Warrant Holder for the purposes of the application of these terms and conditions.
10 Notices

Notices relating to these Warrant Terms and Conditions shall be provided to each Warrant Holder and any other rights holders registered in Securities Accounts.

11 Right to represent Warrant Holders

The Bank shall be entitled to represent Warrant Holders in matters of a formal nature concerning the Warrants without special authorisation from the Warrant Holders.

12 Amendments to terms and conditions

The Company shall be entitled, in consultation with the Bank, to amend the terms and conditions of the Warrants to the extent required by legislation, decisions of courts of law or decisions of governmental authorities or where otherwise, in the Company's opinion, such is necessary or expedient for practical reasons and provided that the rights of the Warrant Holders are in no way prejudiced.

13 Confidentiality

The Company and Euroclear may not, without authorisation, disclose information regarding the Warrant Holders to any third party. The Company shall have access to information contained in the register of warrants held by Euroclear which sets out the persons registered as holders of Warrants.

14 Limitation of liability

In respect of measures which it is incumbent on the Company, Euroclear or the Bank to take in accordance with the terms and conditions of the Warrants, taking into consideration the provisions of the Financial Instruments Accounts Act (SFS 1998:1479), neither the Company, Euroclear nor the Bank shall be liable for loss which arises as a consequence of Swedish or foreign legislation, 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, blockade, boycotts, and lockouts shall apply notwithstanding that the Company, Euroclear or the Bank is itself the subject of, or effects, such measures.

Nor shall Euroclear be liable for loss which arises under other circumstances provided Euroclear has duly exercised normal caution. The Company and the Bank shall also enjoy a corresponding limitation of liability. In addition, under no circumstances shall the Company or the Bank be liable for indirect loss.

If the Company, Euroclear or the Bank is unable to perform its obligations as a consequence of a circumstance specified in the first paragraph, such performance may be postponed until such time as the cause for the impediment has terminated.

15 Applicable law and forum

The Warrants, and all legal issues related to the Warrants, shall be determined and interpreted in accordance with Swedish law. Legal proceedings relating to the Warrants shall be brought before the Stockholm District Court or such other forum as is accepted in writing by the Company.
1 Definitions

In these terms and conditions, the following terms shall have the meanings given below:

"Bank" the bank or account operator which the Company at each time has appointed to handle the administration of the Warrants in accordance with these terms and conditions;

"Business Day" a day which is not a Saturday, Sunday or other public holiday or, with respect to the payment of promissory notes, is not equated with a public holiday in Sweden;

"Companies Act" the Swedish Companies Act (SFS 2005:551);

"Company" HiQ International AB (publ), registration number 556529-3205

"Euroclear" Euroclear Sweden AB

"Market Quotation" listing of shares in the Company on a stock exchange, authorised market place or other corresponding market place;

"Securities Account" a securities account (Sw. avstämningskonto) with Euroclear in which the respective Warrant Holders' holdings of Warrants or holdings of shares acquired pursuant to Warrants are registered;

"Subscription" subscription of shares in the Company on exercise of Warrants in accordance with Chapter 14 of the Companies Act;

"Subscription Price" the price at which Subscription for new shares may take place on exercise of Warrants;

"Warrant" the right to subscribe for one newly issued share in the Company in exchange for payment in accordance with these terms and conditions;

"Warrant Holder" a person registered in a Securities Account as the holder of a Warrant;

"weekday" a day which is not a Sunday or public holiday.

2 Warrants and registration

The total number of Warrants amounts to not more than 800,000. The Warrants shall be registered in Securities Accounts in accordance with Chapter 4 of the Financial Instruments Accounts Act (1998:1479).

Requests for particular registration measures in respect of the Warrants shall be submitted to the account operator with which the Warrant Holder has opened a Securities Account.
3 Right to subscribe for new shares

Each Warrant entitles the holder thereof to subscribe for one new share in the Company at a Subscription Price corresponding to 100 per cent. of the average exchange quotation of the company's share during a period of ten trading days immediately following the announcement of the interim report for the three first quarters of 2019. The exercise price thus calculated shall be rounded off to the nearest whole SEK 0.10, whereupon SEK 0.05 shall be rounded upwards.

The Subscription Price and the number of shares for which each Warrant entitles the holder to subscribe may be recalculated in the circumstances set out in section 8 below.

Subscription may only take place in respect of the entire number of shares for which the total number of Warrants entitles the Warrant Holder to subscribe and which a single Warrant Holder desires to exercise. On such Subscription, any excess fractions of Warrants which cannot be exercised shall be disregarded.

4 Application for Subscription

Application for Subscription of shares may take place during the period commencing on 1 November 2022 up to and including 30 November 2022 or such earlier date as may be determined in accordance with section 8 below. If an application for Subscription is not submitted within the time stated above, the Warrant shall lapse.

On application for Subscription, a completed application form in the predetermined form shall be submitted to the Company. Applications for Subscription are binding and irrevocable.

5 Payment for new shares

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

6 Registration in Securities Account and in the share register

Following payment for subscribed shares, Subscription shall be effected through the registration of the new shares as interim shares in the Company's share register and on the respective Warrant Holder's Securities Account. Following registration with the Swedish Companies Registration Office, the registration of the new shares in the share register and on Securities Accounts will become definitive. According to section 8 below such registration might in certain circumstances be postponed.

7 Dividends on new shares

Shares issued following Subscription shall entitle the holders thereof to participate in the distribution of dividends for the first time on the record date that occurs immediately following the Subscription.

8 Recalculation of Subscription Price and the number of shares

The following provisions shall govern the right that vests in Warrant Holder in the event the share capital prior to the Subscription is increased or reduced, convertible bonds or
warrants are issued, or the Company is dissolved or ceases to exist as a consequence of a merger or division, or there is an Extraordinary Dividend (as defined below):

A Bonus issue

In the event of a bonus issue, where an application for Subscription is submitted at such time that the allotment of shares cannot be made on or before the fifth weekday prior to the general meeting which resolves to make the bonus issue, Subscription shall be effected only after the general meeting has adopted a resolution approving the bonus issue. Shares which vest pursuant to Subscription effected after the adoption of a resolution approving the bonus issue shall be registered in the Warrant Holder’s Securities Account as interim shares, and accordingly such shares shall not entitle the holder thereof to participate in the bonus issue. Definitive registration in Securities Accounts shall only take place after the record date for the bonus issue.

In conjunction with Subscription which is effected after the adoption of a resolution to make a bonus issue, a recalculated Subscription Price as well as a recalculated number of shares for which each Warrant entitles the Warrant Holder to subscribe shall be applied. The recalculation shall be carried out by the Company in accordance with the following formulae:

Recalculated Subscription Price = (previous Subscription Price) x (the number of shares in the Company prior to the bonus issue) / (the number of shares in the Company after the bonus issue)

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

The Subscription Price and the number of shares which each Warrant entitles the holder to subscribe for, recalculated as set out above, shall be determined by the Company as soon as possible after the general meeting has adopted a resolution approving the bonus issue.

B Reverse share split/share split

In the event the Company effects a reverse share split or share split, the provisions of sub-section A above shall apply mutatis mutandis. The record date shall be deemed to be the date on which the reverse share split or share split is carried out by Euroclear at the request of the Company.

C New issue

If the Company issues new shares subject to preferential rights for shareholders to subscribe for new shares in exchange for cash payment, the following shall apply with respect to the right to participate in the new issue held by the shareholders whose shares vest as a consequence of Subscription on exercise of the Warrant:

1. If the board of directors of the Company has resolved to carry out a new issue conditional on the approval of the general meeting of the shareholders or pursuant to authorisation granted by the general meeting of the shareholders, the resolution of the new issue shall state the last day on which Subscription must be effected in order to entitle the holders of the shares held pursuant to the Subscription to participate in the new issue.
2. If the general meeting adopts a resolution to issue new shares, where an application for Subscription is submitted at such time that it cannot be effected on or before the fifth weekday prior to the general meeting which shall address the question of the new issue, Subscription shall only be effected following the adoption of a resolution with respect thereto by the general meeting. Shares which vest as a consequence of such Subscription shall be registered in the Securities Account as interim shares, and accordingly shall not entitle the holders to participate in the new issue. Definitive registration in Securities Accounts shall only take place after the record date for the new issue.

Where Subscription is effected at such time that no right to participate in the new issue arises, a recalculated Subscription Price as well as a recalculated number of shares for which each Warrant entitles the holder to subscribe shall apply. Recalculations shall be made by the Company in accordance with the following formulae:

\[
\text{Recalculated Subscription Price} = (\text{previous Subscription Price}) \times \left( \frac{\text{the average quoted price of the share during the subscription period stated in the resolution approving the issue (referred to below as the "average price of the share")}}{\text{the average price of the share increased by the theoretical value of the subscription right calculated on the basis thereof}} \right)
\]

\[
\text{Recalculated number of shares for which each Warrant entitles the holder to subscribe} = (\text{previous number of shares for which each Warrant entitled the holder to subscribe}) \times \left( \frac{\text{the average price of the share increased by the theoretical value of the subscription right calculated on the basis thereof}}{\text{the average price of the share}} \right)
\]

The average price of the share shall be deemed to be the equivalent of the average calculated mean value, for each trading day during the subscription period, of the highest and lowest quoted paid price on that day according to the stock exchange or market place list on which the shares are quoted. In the absence of a quoted paid price, the bid price shall form the basis for the calculation. Days on which neither a paid price nor a bid price is quoted shall be excluded from the calculation.

The theoretical value of the subscription right is calculated in accordance with the following formulae:

\[
\text{Theoretical value of subscription right} = \left( \frac{\text{the maximum number of new shares which may be issued pursuant to the resolution approving the issue}}{\text{the number of shares prior to the adoption of the resolution approving the issue}} \right) - \text{the issue price of the new share}
\]

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

The Subscription Price and the number of shares for which each Warrant entitles the holder to subscribe, recalculated as set out above, shall be determined by the Company two Business Days after the expiry of the subscription period and shall apply to each Subscription effected thereafter.

If the Company's shares, at the time of the resolution to issue the new shares, are not subject to a Market Quotation, a corresponding recalculation of the Subscription Price and the number of shares for which each Warrant entitles the holder to subscribe shall take place. The recalculation, which shall be made by the Company, shall be based on the assumption that the value of the Warrants shall remain unchanged.
During the period prior to the determination of the recalculated Subscription Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe, Subscription shall only be effected on a preliminary basis. Definitive registration in Securities Accounts shall be made following determination of the recalculated Subscription Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe.

D Issue of convertible bonds or warrants in accordance with Chapter 14 and 15 of the Companies Act

In the event the Company issues convertible bonds or warrants, in both cases subject to preferential rights for the shareholders to subscribe for such equity related instrument in exchange for cash payment, the provisions of sub-section C, first paragraph, subparagraphs 1 and 2 shall apply mutatis mutandis in respect of the right to participate in the issue for any share which has been issued through Subscription.

Where Subscription is effected at a such time that no right to participate in the new issue arises, a recalculated Subscription Price as well as a recalculated number of shares for which each Warrant entitles the holder to subscribe shall apply. Recalculations shall be made by the Company in accordance with the following formulae:

Recalculated Subscription Price = (previous Subscription Price) x (the average quoted price of the share during the relevant period stated in the resolution approving the issue (referred to below as the “average price of the share”)) / (the average price of the share increased by the value of the subscription right).

Recalculated number of shares for which each Warrant entitles the holder to subscribe = (previous number of shares for which each Warrant entitled the holder to subscribe) x (the average price of the share increased by the value of the subscription right) / (the average price of the share).

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

The value of the subscription right shall be deemed to be the equivalent of the average calculated mean value, for each trading day during the subscription period, of the highest and lowest quoted paid price on that day according to the stock exchange or market place list on which the subscription rights are quoted. In the absence of a quoted paid price, the quoted bid price shall form the basis for the calculation. Days on which neither a paid price nor a bid price is quoted shall be excluded from the calculation.

If the subscription rights are not subject to a Market Quotation, the value of the subscription right shall, to the greatest extent possible, be determined based upon the change in the market value of the Company’s shares which may be deemed to have occurred as a consequence of the issue of the convertible bonds or warrants.

The Subscription Price and the number of shares for which each Warrant entitles the holder to subscribe, recalculated as set out above, shall be determined by the Company two Business Days after the expiry of the subscription period and shall apply to each Subscription effected thereafter.

If the Company’s shares, at the time of the resolution to issue the notes, are not subject to a Market Quotation, a corresponding recalculation of the Subscription Price and the number of shares for which each Warrant entitles the holder to subscribe shall take place.
The recalculation, which shall be made by the Company, shall be based on the assumption that the value of the Warrants shall remain unchanged.

During the period prior to the determination of the recalculated Subscription Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe, Subscription shall only be effected on a preliminary basis. Definitive registration in Securities Accounts shall be made following determination of the recalculated Subscription Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe.

E Other offers to shareholders

Where the Company, in circumstances other than those referred to in sub-sections A-D above, makes offers to the shareholders, subject to preferential rights for the shareholders in accordance with the principles set out in Chapter 13, section 1 of the Companies Act, to acquire securities or rights of any type from the Company or resolves, in accordance with the principles mentioned above, to distribute such securities or rights to the shareholders without consideration, in conjunction with Subscription which is effected at such time that the shares thereby received do not entitle the holder to participate in the offer, a recalculated Subscription Price as well as a recalculated number of shares for which each Warrant entitles the holder to subscribe shall apply. Recalculations shall be made by the Company in accordance with the following formulae:

Recalculated Subscription Price = (previous Subscription Price) x (the average quoted price of the share during the application period for the offer (referred to below as the “average price of the share”)) / (the average price of the share increased by the value of the right to participate in the offer (referred to below as the “value of the purchase right”)).

Recalculated number of shares for which each Warrant entitles the holder to subscribe = (previous number of shares for which each Warrant entitled the holder to subscribe) x (the average price of the share increased by the value of the purchase right) / (the average price of the share).

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

Where shareholders have received purchase rights and trading in these has taken place, the value of the right to participate in the offer shall be deemed to be equivalent to the value of the purchase rights. For this purpose, the value of the purchase right shall be deemed to be equivalent to the average calculated mean value, for each trading day during the application period, of the highest and lowest quoted paid price during the day according to the stock exchange or market place list on which the purchase rights are quoted. In the absence of a quoted paid price, the quoted bid price shall form the basis for the calculation. Days on which neither a paid price nor a bid price is quoted shall be excluded from the calculation.

If the shareholders do not receive purchase rights or where such trading in purchase rights as referred to in the preceding paragraph otherwise does not take place, the recalculation of the Subscription Price shall be made as far as possible by applying the principles set out above in this sub-section E and the following shall apply. Where listing of the securities or rights offered to the shareholders takes place, 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 during the period of 25 trading days calculated from the first day of listing, of
the highest and lowest transaction prices quoted for trades in such securities or rights on
the securities exchange or other marketplace for financial instruments on which those
securities or rights are listed, reduced where appropriate by the consideration paid for
these in conjunction with the offer. In the absence of a quoted paid price, the quoted bid
price shall form the basis for the calculation. Days on which neither a paid price nor a bid
price is quoted shall be excluded from the calculation of the value of the right to participate
in the offer. In the recalculation of the Subscription Price and the number of shares for
which each Warrant entitles the holder to subscribe, the period of 25 trading days referred
to above shall be deemed to be the application period determined for the offer pursuant to
the first paragraph of this Section E.

Where no listing of such securities or rights offered to the shareholders takes place, the
value of the right to participate in the offer shall, to the greatest extent possible, be
determined based on the change in the market value of the Company's shares which may
be deemed to have occurred as a consequence of the offer.

The Subscription Price and the number of shares for which each Warrant entitles the
holder to subscribe, recalculated in accordance with the above, shall be determined by the
Company as soon as possible after it becomes possible to calculate the value of the right
to participate in the offer.

If the Company's shares, at the time of the offer, are not subject to a Market Quotation, a
corresponding recalculation of the Subscription Price and the number of shares for which
each Warrant entitles the holder to subscribe shall take place. The recalculation, which
shall be made by the Company, shall be based on the assumption that the value of the
Warrants shall remain unchanged.

During the period prior to the determination of the recalculated Subscription Price and the
recalculated number of shares for which each Warrant entitles the holder to subscribe,
Subscription shall only be effected on a preliminary basis. Definitive registration in
Securities Accounts shall be made following determination of the recalculated Subscription
Price and the recalculated number of shares for which each Warrant entitles the holder to
subscribe.

F Equal treatment of Warrant Holders and shareholders

Where the Company issues new shares or makes an issue pursuant to Chapters 14 or 15
of the Companies Act, with preferential rights for shareholders to subscribe for equity
related instruments in exchange for cash payment, the Company may grant all Warrant
Holders the same preferential rights as the shareholders. In conjunction therewith, each
Warrant Holder, irrespective of whether subscription for shares has been made, shall be
deemed to be the owner of the number of shares which such Warrant Holder would have
received, had Subscription on the basis of the Warrant been effected in respect of the
Subscription Price, and the number of shares for which each Warrant entitles the holder to
subscribe, in effect at the time of the resolution to issue the shares.

If the Company resolves to make an offer to the shareholders as described in sub-section
E above, what has been stated in the preceding paragraph shall apply mutatis mutandis.
However, the number of shares of which each warrant holder shall be deemed to be the
owner shall, in such circumstances, be determined on the basis of the Subscription Price,
and the number of shares for which each Warrant entitles the holder to subscribe, in effect
at the time of the resolution to make the offer.
If the Company resolves to grant the warrant holders preferential rights in accordance with the provisions set out in this sub-section F, no recalculation as set out in sub-sections C, D, or E above of the Subscription Price and the number of shares for which each Warrant entitles the holder to subscribe for shall be made.

G Extraordinary Dividend

If the Company decides to pay a cash dividend to shareholders of an amount which, combined with other dividends, or repayment to the shareholders by a decrease in the share capital, paid during the same financial year, exceeds 15 per cent. of the average price of the share during the period of 25 trading days immediately preceding the day on which the Company’s board of directors announced its intention to propose that the general meeting approve such a dividend, a recalculation of the Subscription Price, and the number of shares for which each Warrant entitles the holder to subscribe, shall be made in respect of any Subscription requested at such a time that the shares thereby received do not carry rights to receive such dividend. The recalculation shall be based on that part of the total dividend and the repayment which exceeds 15 per cent. of the average price of the shares during the above-mentioned period of 25 trading days (referred to below as “Extraordinary Dividend”).

The recalculation shall be made by the Company in accordance with the following formulae:

Recalculated Subscription Price = (previous Subscription Price) \times (\text{the average quoted price of the share during a period of 25 trading days calculated from the day on which the share is listed without any right to Extraordinary Dividend (referred to below as the “average price of the share”)} / (\text{the average price of the share increased by the Extraordinary Dividend paid per share}).

Recalculated number of shares for which each Warrant entitles the holder to subscribe = (previous number of shares for which each Warrant entitled the holder to subscribe) \times (\text{the average price of the share increased by the Extraordinary Dividend paid per share}) / (\text{the average price of the share}).

The average price of the share shall be deemed to be the equivalent of the average calculated mean value during the above-mentioned period of 25 trading days of the highest and lowest quoted paid price on each day according to the stock exchange or market place list on which the shares are quoted. In the absence of a quoted paid price, the bid price shall form the basis for the calculation. Days on which neither a paid price nor a bid price is quoted shall be excluded from the calculation.

The recalculated Subscription Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe shall be determined by the Company two Business Days after the expiry of the above-mentioned period of 25 trading days and shall apply to each Subscription effected from the day on which the share is listed without any right to Extraordinary Dividend.

If the Company’s shares, at the time of the resolution to pay a dividend, are not subject to a Market Quotation and it is resolved to pay a cash dividend to shareholders of an amount which, combined with other dividends, or repayment to the shareholders by decreasing the share capital, paid during the same financial year, exceeds 50 per cent. of the Company’s earnings after tax in accordance with the Company’s consolidated income statement adopted in the financial year immediately preceding the year in which the resolution was
adopted to pay the dividend, a recalculation of the Subscription Price, and the number of shares for which each Warrant entitles the holder to subscribe, shall be made in respect of any Subscription requested at such a time that the shares thereby received do not carry rights to receive such dividend. The recalculation shall be based on that part of the total dividend and repayment which exceeds 50 per cent. of the Company’s earnings after tax and shall be made by the Company in accordance with the above-mentioned principles.

During the period prior to the determination of the recalculated Subscription Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe, Subscription shall only be effected on a preliminary basis. Definitive registration in Securities Accounts shall be made following determination of the recalculated Subscription Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe.

H Reduction of share capital

If the Company’s share capital is reduced through a repayment to the shareholders, and such reduction is compulsory – and the repaid amount together with other repayments by decreasing the share capital or cash dividends, during the same financial year, exceeds 15 percent of the share’s average price during a period of 25 trading days prior to the day the Company publish it’s intention to propose to the Annual General Meeting a proposal of such decrease of the share capital with repayment to the shareholders, a recalculated Subscription Price and a recalculated number of shares for which each Warrant entitles the holder to subscribe, shall be applied. The recalculation shall be based on the part of the total dividend and decrease of the shareholders with repayment to the shareholders that exceeds 15 percent of the share’s average price during the above mentioned period (“Extraordinary repayment”).

The recalculations shall be made by the Company in accordance with the following formulae:

Recalculated Subscription Price = \( \text{(previous Subscription Price)} \times \frac{\text{(the average quoted price of the share during a period of 25 trading days calculated from the day on which the share is listed without any right to participate in the distribution (referred to below as the “average price of the share”))}}{\text{(the average price of the share increased by the Extraordinary repayment)}} \)

Recalculated number of shares for which each Warrant entitles the holder to subscribe = \( \text{(previous number of shares for which each Warrant entitles the holder to subscribe)} \times \frac{\text{(the average price of the share increased by the Extraordinary repayment)}}{\text{(the average price of the share)}} \)

The average price of the share is calculated in accordance with the provisions set out in sub-section C above.

In carrying out the recalculations according to the above and where the reduction is made through redemption of shares, instead of using the amount which is equivalent to the Extraordinary repayment for each share, an amount calculated as follows shall be applied. The recalculation shall be based on the part of the total dividend and decrease of the share capital with repayment to the shareholders that exceeds 15 percent of the share’s average price during a period of 25 trading days prior to the Company publish it’s intention to give a proposal to the Annual General Meeting to decrease the share capital with repayment to the shareholders.
Calculated amount to be repaid for each share = (the actual amount repaid for each redeemed share reduced by the average market price of the share during a period of 25 trading days immediately prior to the day on which the share is listed without any right to participate in the reduction (referred to below as the “average price of the share”)) / (the number of shares of the Company which carry an entitlement to the redemption of one share, reduced by 1) – (15 percent of the share’s average price during a period of 25 trading days prior to the day the Company publish it's intention to give a proposal to the Annual General Meeting to decrease the share capital with repayment to the shareholders.

The average exchange price is calculated in accordance with the provisions set out in sub-section C above.

The Subscription Price and number of shares for which each Warrant entitles the holder to subscribe, recalculated as set out above, shall be determined by the Company two Business Days after the expiry of the above-mentioned period of 25 trading days, and shall apply to each Subscription effected thereafter.

During the period prior to the determination of the recalculate Subscription Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe, Subscription shall only be effected on a preliminary basis. Definitive registration in Securities Accounts shall be made following determination of the recalculated Subscription Price and the recalculated number of shares for which each Warrant entitles the holder to subscribe.

If the Company’s share capital is reduced through redemption of shares with repayment to the shareholders, where such reduction is not compulsory, but where, in the opinion of the Company, the reduction, due to its technical structure and its financial effects, is equivalent to a compulsory reduction, the recalculation of the Subscription Price and the number of shares for which each Warrant entitles the holder to subscribe shall be made, to the greatest extent possible, in accordance with the principles stated above in this sub-section H.

If the Company’s shares, at the time of the reduction of share capital, are not subject to a Market Quotation, a corresponding recalculation of the Subscription Price and the number of shares for which each Warrant entitles the holder to subscribe shall take place. The recalculation, which shall be made by the Company, shall be based on the assumption that the value of the Warrants shall remain unchanged.

Recalculation shall give a reasonable result

Should the Company take actions such as those stated in sub-sections A-E, G or H above and if, in the Company’s opinion, application of the recalculation formula established for such action, taking into account the technical framework of such action or for other reasons, could not be made or would result in the Warrant Holders receiving, in relation to the shareholders, economic compensation that is not reasonable, the Company shall, subject to prior written approval by the board of directors of the Company, make the recalculation of the Subscription Price, and the number of shares for which each Warrant entitles the holder to subscribe, in such a manner as the Company determines is appropriate to ensure that the recalculation gives a reasonable result.
J  Rounding off

On recalculation of the Subscription Price in accordance with the above, the Subscription Price shall be rounded off to the nearest SEK 0.10, for which purposes SEK 0.05 shall be rounded downwards and the number of shares shall be rounded off to two decimal places.

K  Mergers

Where the general meeting adopts a resolution to approve a merger plan pursuant to Chapter 23, section 15 of the Companies Act, pursuant to which the Company is to be merged into another company or where the board of directors adopts a resolution pursuant to Chapter 23, section 28 of the Companies Act adopts a resolution that the Company be merged into its parent company, the Warrant Holders shall receive rights in the acquiring company corresponding at least to the rights held in the Company (the transferor company), unless, pursuant to the merger plan, the Warrant Holders are entitled to demand redemption of their Warrants by the acquiring company.

L  Division

Where the general meeting adopts a resolution to approve a division plan pursuant to Chapter 24, section 17 of the Companies Act, pursuant to which a proportion of the assets and liabilities of the Company are taken over by two or more other companies, a recalculated subscription price and a recalculated number of shares for which each Warrant entitles the Warrant Holder to subscribe shall be calculated. The provisions of sub-section G regarding Extraordinary Dividend shall then apply mutatis mutandis. The recalculation shall be based on the proportion of the assets and liabilities of the Company that are taken over by the transferee company or companies.

Where all assets and liabilities of the companies are taken over by two or more other companies, on paying consideration to the shareholders of the Company, the provisions of sub-section M below regarding liquidation shall apply mutatis mutandis. Inter alia, this means that the right to demand Subscription shall terminate simultaneously with the registration in accordance with Chapter 24, section 27 of the Companies Act and that the Warrant Holder shall be notified no later than four weeks before the division plan shall be submitted for approval to the general meeting.

M  Liquidation

If it is resolved that the Company be put into liquidation, for whatever reason, Subscription may not take place thereafter. The right to demand Subscription shall terminate simultaneously with the adoption of the resolution to put the Company in liquidation, irrespective of whether such resolution has become final.

Not later than four weeks prior to the adoption of a resolution by a general meeting in respect of whether or not the Company should be put into liquidation in accordance with Chapter 25 of the Companies Act, the Warrant Holders shall be notified with respect to the planned liquidation in accordance with section 10 below. The notice shall state that subscription may not take place following the adoption of the resolution in respect of liquidation.

If the Company gives notice of a planned liquidation pursuant to the above, the Warrant Holders shall, notwithstanding the provisions of section 4 in respect of the earliest date for application for Subscription, be entitled to apply for Subscription commencing on the day on which the notice is given, provided that Subscription may be effected not later than prior
to the general meeting at which the resolution regarding the liquidation of the Company shall be addressed.

Notwithstanding the provisions above pursuant to which Subscription may not take place after the adoption of a resolution regarding liquidation, the right to subscribe shall be reinstated in the event the liquidation is not carried out.

N Insolvent liquidation

If the Company is put into insolvent liquidation, Subscription may not take place through the exercise of Warrants. Where, however, the decision to put the Company into insolvent liquidation is set aside by a higher court, subscription rights shall be reinstated.

9 Nominees

According to Chapter 3 section 7 of the Financial Instruments Accounts Act (SFS 1998:1479), a legal entity shall be entitled to be registered as nominee. Such a nominee shall be regarded as a Warrant Holder for the purposes of the application of these terms and conditions.

10 Notices

Notices relating to these Warrant Terms and Conditions shall be provided to each Warrant Holder and any other rights holders registered in Securities Accounts.

11 Right to represent Warrant Holders

The Bank shall be entitled to represent Warrant Holders in matters of a formal nature concerning the Warrants without special authorisation from the Warrant Holders.

12 Amendments to terms and conditions

The Company shall be entitled, in consultation with the Bank, to amend the terms and conditions of the Warrants to the extent required by legislation, decisions of courts of law or decisions of governmental authorities or where otherwise, in the Company's opinion, such is necessary or expedient for practical reasons and provided that the rights of the Warrant Holders are in no way prejudiced.

13 Confidentiality

The Company and Euroclear may not, without authorisation, disclose information regarding the Warrant Holders to any third party. The Company shall have access to information contained in the register of warrants held by Euroclear which sets out the persons registered as holders of Warrants.

14 Limitation of liability

In respect of measures which it is incumbent on the Company, Euroclear or the Bank to take in accordance with the terms and conditions of the Warrants, taking into consideration the provisions of the Financial Instruments Accounts Act (SFS 1998:1479), neither the Company, Euroclear nor the Bank shall be liable for loss which arises as a consequence of Swedish or foreign legislation, 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, blockade, boycotts, and lockouts shall apply notwithstanding that the Company, Euroclear or the Bank is itself the subject of, or effects, such measures.

Nor shall Euroclear be liable for loss which arises under other circumstances provided Euroclear has duly exercised normal caution. The Company and the Bank shall also enjoy a corresponding limitation of liability. In addition, under no circumstances shall the Company or the Bank be liable for indirect loss.

If the Company, Euroclear or the Bank is unable to perform its obligations as a consequence of a circumstance specified in the first paragraph, such performance may be postponed until such time as the cause for the impediment has terminated.

15 **Applicable law and forum**

The Warrants, and all legal issues related to the Warrants, shall be determined and interpreted in accordance with Swedish law. Legal proceedings relating to the Warrants shall be brought before the Stockholm District Court or such other forum as is accepted in writing by the Company.