

**The Board of Directors' proposal regarding a) implementation of the Employee Warrant Program 2023/2027 through a directed issue of warrants to subsidiary, and b) approval of transfer of warrants to management and other key employees of the Company or its subsidiaries (item 10)**

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The Board of Directors of Abliva AB, reg. no. 556595-6538, (the "**Company**") proposes that the Extraordinary General Meeting resolves a) to implement the Employee Warrant Program 2023/2027 through a directed issue of warrants to Abliva Incentive AB, reg. no. 559283-6869, (the "**Subsidiary**") in order to fulfil the obligations under the Employee Warrant Program 2023/2027, and b) to approve the transfer of warrants in the Company on the terms set forth below ("**Employee Warrant Program 2023/2027**").

The warrants shall be issued without consideration. Right to subscribe for the warrants confers to the Subsidiary with right and obligation for the Subsidiary to offer management, excluding the CEO who is offered a separate incentive program, and other key employees who have entered into an employment agreement with the Company or its subsidiaries, to obtain warrants on the terms set forth below.

The Board of Directors considers it important and in the best interest of all the shareholders that management and other key employees, who are considered important for the Company's development, have a long-term interest in a positive value development of the Company's shares. A personal long-term shareholder engagement is expected to contribute to an increased interest in the Company's business and result, as well as to increase the participants' motivation and affinity with the Company and its shareholders.

**a) Directed issue of warrants to the Subsidiary**

The Board of Directors proposes that the Extraordinary General Meeting resolves on a directed issue of not more than 23,750,000 warrants of series 2023/2027:2. Each warrant confers a right to acquire one new share in the Company. The issue shall be made with deviation from the shareholders' preferential rights and on the following terms.

1. The warrants shall, with deviation from the shareholders' preferential rights, only be able to be subscribed for by the Subsidiary. Oversubscription is not possible. After subscription, the Subsidiary shall offer management (excluding the CEO) and other key employees to acquire the warrants.
2. The warrants shall be issued without consideration.
3. The reason for deviation from the shareholders' preferential rights is that the Company wishes to promote the Company's long-term interests by offering management and other key employees a well-considered incentive program, which give them the opportunity to take part in a positive value development of the Company.
4. The warrants shall be subscribed for by 15 March 2023 at the latest on a separate subscription list. The Board of Directors shall have the right to extend the subscription period.
5. Each warrant confers the holder a right to subscribe for one (1) new share in the Company against an exercise price corresponding to 250 per cent of the volume weighted average price for the Company's shares during the period from 24 February 2023 up to and including 8 March 2023. The subscription price shall never be less than the quota value of the share. Upon subscription of shares, the part of the subscription price that exceeds the quotient value at the time of the then outstanding shares, shall be allocated to the non-restricted share premium fund.

6. The warrants may be exercised by application for subscription of new shares during the period from 1 June 2027 to 31 December 2027.
7. The full terms and conditions for the warrants are set forth in the terms and conditions for warrants 2023/2027:2 (the “**Terms and Conditions for warrants 2023/2027:2 in Abliva AB**”), **Appendix 1**. According to the Terms and Conditions for warrants 2023/2027:2 in Abliva AB the subscription price and the number of shares which each warrant confers right to subscribe for may be recalculated in the event of a bonus issue, reverse share split or share split, new issue, issue of warrants or convertibles and under some other circumstances. Further, the period for exercising the warrants may be brought forward in some cases.
8. The Company’s share capital can increase with SEK 1,187,500, provided that the warrants are fully exercised (with reservation for any recalculation in accordance with the Terms and Conditions for warrants 2023/2027:2 in Abliva AB).
9. The newly subscribed shares shall confer entitlement to dividends for the first time on the next record day for dividends which occurs after the subscription has been registered with the Swedish Companies Registration Office (Sw. Bolagsverket) and the shares has been entered into the Euroclear Sweden AB’s share register.
10. Warrants held by the Subsidiary, which have not been transferred in accordance with item B or repurchased from participants, may be invalidated by the Company after resolution from the Board of Directors of the Company with consent from the Board of Directors of the Subsidiary. Invalidation shall be submitted with the Swedish Companies Registration Office (Sw. Bolagsverket) for registration.
11. The CFO, or anyone appointed by the Board of Directors, shall be authorized to make such minor adjustments of the resolution which may be required for registration with the Swedish Companies Registration Office (Sw. Bolagsverket) or Euroclear Sweden AB.

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#### **b) Approval of transfer of warrants**

The Board of Directors proposes that the Extraordinary General Meeting resolves to approve that the Subsidiary may transfer warrants to management (excluding the CEO) and other key employees who have entered into an employment agreement with the Company or its subsidiaries, or in any other way dispose of the warrants in order to be able to secure the Company’s commitments in relation to the Employee Warrant Program 2023/2027.

Management (excluding the CEO) and other key employees will, within Employee Warrant Program 2023/2027, be offered to subscribe for warrants divided into two categories:

**Category 1** (management, excluding the CEO) are offered a maximum of 4,000,000 warrants each and a total maximum of 20,000,000 warrants.

**Category 2** (other key employees) are offered a maximum of 1,250,000 warrants each and a total maximum of 3,750,000 warrants.

The participants can choose to subscribe for a lower number of warrants than what is stated above. Should the total number of warrants the participants wish to acquire exceed the highest number of warrants that can be issued within Employee Warrant Program 2023/2027, a proportional reduction

is to be made of the number of warrants each person can be assigned pursuant to the guidelines above. Guaranteed allocation will not occur. A participant has the right to subscribe for a larger number of warrants than what is stated in the guidelines above and may be assigned additional warrants if the program is not fully exercised. Should such oversubscription occur, allocation shall be made to participants who wishes to subscribe for additional warrants, pro rata in relation to the number of warrants they have been assigned in the first allocation.

Any warrants that are not assigned pursuant to the above or that have been repurchased shall be reserved for future recruitments of people within the above stated categories in the group, whereas stated guidelines shall apply.

Participants shall be offered to, following allocation to any future recruitments pursuant to the above, subscribe for additional warrants in addition to what is stated in the guidelines above and may be assigned additional warrants if the program is not fully exercised. Should such subscription occur, allocation shall be made to participants who wishes to subscribe for additional warrants, pro rata in relation to the number of warrants they have been assigned in the first allocation.

Transfer of warrants shall be offered the participants to a subscription price corresponding to a calculated market value according to the Black & Scholes formula based on a subscription price when exercising the warrants of 250 per cent of the volume-weighted average price for the Company's share from 24 February 2023 up to and including 8 March 2023, however, not less than the quotient value of the share, and accepted assumptions about e.g. volatility and risk-free interest at the time of the transfer, see more below. The valuation will be carried out by Öhrlings PricewaterhouseCoopers AB.

The warrants may be subject to terms and conditions regarding offer of first refusal.

### **Dilution and information about other incentive programs**

Per the day of this proposal there are 1,056,299,165 shares in the Company which entitles to one vote each. If all warrants issued within Employee Warrant Program 2023/2027 are exercised for subscription of shares, the number of shares and votes in the Company will increase with 23,750,000 (with reservation for any recalculation in accordance with the Terms and Conditions for warrants 2023/2027:2 in Abliva AB), which corresponds to a dilution of approximately 2.21 per cent of the number of shares and votes in the Company. The dilution effects have been calculated as the number of additional shares and votes in relation to the number of existing shares and votes plus the number of additional shares and votes.

Taking into account also the shares which may be issued pursuant to previously implemented incentive programs in the Company as well as the proposed incentive programs for the CEO and the Board Member Edwin Moses to the Extraordinary General Meeting, the maximum dilution amounts to 4.89 per cent on a fully diluted basis. The dilution effects have been calculated as the number of additional shares and votes in relation to the number of existing shares and votes plus the number of additional shares and votes. The dilution is only expected to have a marginal effect on the Company's key performance indicator "Earnings (loss) per share".

A description of the Company's other share related incentive programs can be found in the Company's 2021 annual report and on the Company's website. Aside from the program described therein, no other share related incentive programs exist in the Company.

*The English version is an in-house translation. In the event of any discrepancy between the Swedish and the English version, the Swedish version will take precedence.*

### **Preliminary valuation, costs and effects on key figures**

Valuation of the warrants shall be made with application of the Black & Scholes formula, based on a subscription price when exercising the warrants of 250 per cent of the volume weighted average price for the Company's share from 24 February 2023 up to and including 8 March 2023, however, not less than the quotient value of the share.

Based on an assumed share price of SEK 0.30 at the valuation, an assumed subscription price of SEK 0.75 when exercising the warrants, a term of 4.8 years, a risk-free interest rate of 2.3 per cent and an assumed volatility of 50 per cent, the value of the warrants is estimated to amount to approximately SEK 0.06 per warrant. The final valuation will be performed by Öhrlings PricewaterhouseCoopers AB.

The Employee Warrant Program 2023/2027, with regard to the fact that the warrants are to be transferred to the participants to a calculated market value, is considered entailing minor costs in relation to establishment and administration.

Provided that the warrants are fully subscribed for, at an assumed price of SEK 0.06 for each warrant, the Company receives a total option premium of SEK 1,425,000 (calculated on the basis that the participants pay a subscription price corresponding to a calculated market value). Provided that all warrants of Employee Warrant Program 2023/2027 are fully exercised and based on an assumed subscription price of SEK 0.75, the Company will in addition receive issue proceeds of SEK 17,812,500.

### **Preparation of the proposal**

The proposal for resolution on the implementation of Employee Warrant Program 2023/2027 has been prepared by the Remuneration Committee and the Board of Directors together with external advisors.

### **Majority requirements**

The resolution above is subject to the provisions in Chapter 16 of the Swedish Companies Act, and a valid resolution hence requires that the proposal is supported by shareholders with at least nine-tenth of both the votes cast and the shares represented at the meeting.

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Lund in February 2023

**Abliva AB (publ)**

*The Board of Directors*