

## **The Nomination Committee's proposal regarding warrant program for Board Member Edwin Moses (item 11)**

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The Nomination Committee proposes that the Extraordinary General Meeting resolves to implement a warrant program for the Board Member Edwin Moses of Abliva AB, reg. no. 556595-6538, (the "**Company**") (the "**Board Member Warrant Program 2023/2027**") in accordance with the below.

The Board Member Warrant Program 2023/2027 is a program under which the participant will be granted warrants that entitle to shares in the Company.

The Board Member Warrant Program 2023/2027 is intended for Edwin Moses, as Board Member in the Company. Edwin Moses will join the Board of Directors as a Board Member and incoming Chair of the Company, with the transition to Chair to be brought for resolution by the shareholders during the Annual General Meeting on 5 May 2023. The Nomination Committee believes that an equity-based incentive program is a central part of an attractive and competitive remuneration package in order to attract, retain and motivate Edwin Moses as Board Member, and to focus the participant on delivering exceptional performance which contributes to value creation for all shareholders.

The Board Member Warrant Program 2023/2027 is adapted to the current position and needs of the Company. The Nomination Committee is of the opinion that the Board Member Warrant Program 2023/2027 will increase and strengthen the participant's dedication to the Company's operations, improve company loyalty and that the Board Member Warrant Program 2023/2027 will be beneficial to both the shareholders and the Company.

### **Directed issue of warrants**

The Nomination Committee proposes that the Extraordinary General Meeting resolves on a directed issue of not more than 8,500,000 warrants of series 2023/2027:3. 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 Edwin Moses.
2. The warrants shall be issued without consideration.
3. The reason for the deviation from the shareholders' preferential rights is that the warrants are a part of the implementation of the Board Member Warrant Program 2023/2027.
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 100 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 nonrestricted share premium fund.

6. The warrants may be exercised for subscription of new shares during the time period from 1 June 2027 up to and including 31 December 2027.
7. The full terms and conditions for the warrants are set forth in the terms and conditions for warrants 2023/2027:3 (the “**Terms and Conditions for warrants 2023/2027:3 in Abliva AB**”), **Appendix 1**. According to the Terms and Conditions for warrants 2023/2027:3 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 425,000, provided that the warrants are fully exercised (with reservation for any recalculation in accordance with the Terms and Conditions for warrants 2023/2027:3 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. 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.

The Company will subsidize the participant’s tax costs for participating in the Board Member Warrant Program 2023/2027 through a bonus payment in cash, which is expected to amount to approximately SEK 400,000. The bonus shall be paid out in connection with the allocation of the warrants.

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

In the event of a public take-over offer, asset sale, liquidation, merger or any other such transaction affecting the Company, the exercise period of the warrants will accelerate in its entirety upon completion of such transaction.

#### **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 Board Member Warrant Program 2023/2027 are exercised for subscription of shares, the number of shares and votes in the Company will increase with 8,500,000 (with reservation for any recalculation in accordance with the Terms and Conditions for warrants 2023/2027:3 in Abliva AB), which corresponds to a dilution of approximately 0.80 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, management and employees within the group 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.

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

The Board Member Warrant Program 2023/2027 is assessed to entail costs in the form of costs in accordance with IFRS2. No costs in the form of social security contributions are expected to arise. Based on the assumption that all 8,500,000 warrants in Board Member Warrant Program 2023/2027 will be allotted, the estimated accounting costs for the warrants amounts to approximately a total of MSEK 1.1, based on the actual value of the warrants at the time of calculation. However, Öhrlings PricewaterhouseCoopers AB has, as an independent valuation institute, calculated a theoretical value of the warrants in accordance with the Black & Scholes formula. Based on an assumed share price of SEK 0.30, an assumed exercise price of SEK 0.30, a term of 4.8 years, a riskfree interest rate of 2.3 per cent and an assumed volatility of 50 per cent, the value has been calculated to approximately SEK 0.13 per warrant. Should the program had been introduced in 2021 instead, it is calculated that the effects on the key figure earnings per share for full year 2021 would have been immaterial. It shall be noted that all calculations above are preliminary, based on assumptions and are only intended to provide an illustration of what costs Board Member Warrant Program 2023/2027 may entail. Actual costs may therefore deviate from what has been stated above. Further, the Board Member Warrant Program 2023/2027 will entail costs in relation to the bonus payment in cash, which is expected to amount to approximately SEK 400,000.

Provided that all warrants of Board Member Warrant Program 2023/2027 are fully exercised and based on an assumed subscription price of SEK 0.30, the Company will receive issue proceeds of SEK 2,550,000.

#### **Preparation of the proposal**

The Board Member Warrant Program 2023/2027 has been initiated by the Nomination Committee and has been prepared by the Nomination Committee together with external advisors. It has been structured based on an evaluation of prior incentive programs and market practice for comparable European (including Swedish) listed companies.

#### **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 Nomination Committee*