

# **Qliro Group**

**EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS ON FRIDAY 6 MARCH 2020**

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## **1. The Extraordinary General Meeting of shareholders in Qliro AB's resolution on a warrant plan**

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### **RESOLUTION ON A WARRANT PLAN INCLUDING ISSUE AND TRANSFER OF WARRANTS**

The board of Qliro AB ("Qliro") proposes that an extraordinary general meeting resolves to introduce a warrant plan (the "**Warrant Plan**") for the executive management team and key employees in Qliro, including issue and transfer of warrants. The objective of the Warrant Plan, and the reason for deviating from the shareholders' preferential rights, is to strengthen the link between the work of the executive management team and key employees and created shareholder value. By that means, it is considered that there will be an increased alignment of interests between the participants and shareholders in Qliro.

#### **1. Issue of warrants**

- 1.1 Qliro shall issue up to 849,889 warrants (calculated after the reverse share split which is resolved upon at the extraordinary general meeting held on 5 February 2020) under the Warrant Plan. The right to subscribe for the warrants shall, with deviation from the shareholders' preferential rights, be granted to the wholly-owned subsidiary of Qliro, QFS Incitament AB, reg. no. 559232-4452, (the "**Subsidiary**"), with the right and obligation to transfer the warrants to the executive management team and key employees in Qliro, in accordance with section 2 below. Over-subscription may not take place. The warrants shall be issued free of charge to the Subsidiary.
- 1.2 Subscription of the warrants shall take place within four weeks from the date of the resolution to issue warrants. The board shall have right to extend the subscription period.

#### **2. Transfer of warrants**

- 2.1 The Subsidiary shall, pursuant to the board's instructions, transfer the warrants to the executive management team and key employees in Qliro in accordance with the following:

CATEGORY	MAXIMUM NUMBER OF WARRANTS <sup>1</sup>
<b>A. CEO</b> <i>(1 person)</i>	113,318 warrants
<b>B. Members of the executive management team with strategy responsibility</b> <i>(maximum 4 persons)</i>	67,991 warrants per person (entire category B: 271,964)
<b>C. Other members of the executive management team</b> <i>(maximum 5 persons)</i>	45,327 warrants per person (entire category C: 226,635)
<b>D. Other key employees</b> <i>(maximum 14 persons)</i>	16,998 warrants per person (entire category D: 237,972)
<b>In total: 24 participants</b>	<b>In total: 849,889 warrants</b>

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<sup>1</sup> The maximum number of warrants within each category may be reduced if the maximum permissible dilutive effect should be reached, whereby the reduction shall be proportional in relation to the categories.

2.2 The warrants shall be transferred to the participants at market value calculated by an independent external valuator or an auditing firm, using the so called Black & Scholes formula based on, inter alia, the Offering Price (as defined below).

### **3. Terms for subscription of shares**

3.1 Each warrant entitles to subscription of one (1) share in Qliro at an exercise price in SEK of 130 percent of the final offering price which will be determined in connection with Qliro's shares being offered to the public and admitted to trading on Nasdaq Stockholm during the first half of 2020 (the "**Offering Price**"), however not lower than the quota value of the share. If, upon subscription of new shares by exercising the warrants, the average share price of the Qliro share, calculated in accordance with the complete terms and conditions for the warrants, exceeds 210 percent of the Offering Price, a recalculated lower number of shares to which each warrant entitles shall apply.

3.2 The warrants may be exercised to subscribe for shares in Qliro in accordance with the terms and conditions for the warrants (see Appendix 1) during the following periods:

- (i) from and including the day following the publication of the year-end announcement for the period 1 January – 31 December 2022 and for a period of two weeks thereafter, but not earlier than 16 January 2023 and no later than 13 March 2023, and
- (ii) from and including the day following the publication of the quarterly announcement for the period 1 January – 31 March 2023 and for a period of two weeks thereafter, but not earlier than 17 April 2023 and no later than 12 May 2023.

3.3 Subscription of shares may not take place during such period when trading with the shares in Qliro is prohibited pursuant to Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (the Market Abuse Regulation), or any corresponding legislation applicable at the relevant point in time.

3.4 The number of shares that the warrants entitle to and the exercise price may be recalculated on the basis of, among other things, payment of dividend, rights issues, bonus issues, share splits or reverse share splits, and certain reductions of the share capital or similar actions. Complete terms and conditions for the warrants are set forth in Appendix 1 to the proposal. The new shares that may be issued if the warrants are exercised are not subject to any restrictions.

### **4. Increase of the share capital, dilution and costs**

4.1 If all the proposed warrants are subscribed for and exercised, the increase of Qliro's share capital would amount to SEK 2,762,139.25 (calculated after the reverse share split which is resolved upon at the extraordinary general meeting held on 5 February 2020). The maximum number of warrants which may be acquired by the participants under the Warrant Plan shall not cause a dilutive effect of more than a maximum of 3.81 percent of the share capital in Qliro, based on the number of shares in Qliro immediately following the Qliro shares having been admitted to trading on Nasdaq Stockholm and including the offering of shares carried out in connection therewith.

4.2 Qliro has no other costs for the Warrant Plan than administrative costs regarding advisors etc. in connection with the preparation of the proposal documentation and the resolution to issue the warrants.

### **5. Transferability**

The transfer of warrants to the participant is conditional upon that the participant has entered into an agreement regarding repurchases etc. pursuant to which Qliro or a purchaser designated by Qliro has the right to repurchase

the warrants at market value if the participant ceases to be employed by Qliro or if the participant wishes to transfer the warrants to a third party.

## **6. Conditions to the resolution**

The resolution shall be conditional upon that a general meeting in the parent company, Qliro Group AB (publ), approves the resolution and that the shares in Qliro are admitted to trading on Nasdaq Stockholm during the first half of 2020.

## **7. Special authorization for the board**

The board of Qliro is authorized to make such minor adjustments to the resolution by the extraordinary general meeting that may be required for registration with the Swedish Companies Registration Office and Euroclear Sweden AB.

## **8. The board's proposed resolution**

Referring to the description above, the board proposes that the extraordinary general meeting resolves on the Warrant Plan, including issue and transfer of warrants.

## **9. Majority requirements**

A resolution on the Warrant Plan in accordance with the board's proposal is valid if supported by shareholders holding more than nine-tenths of the votes cast and the shares represented at the extraordinary general meeting.

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Stockholm, January 2020

Qliro AB

*The board*

## **2. Terms and conditions for warrants 2020/2023 in Qliro AB**

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### **TERMS AND CONDITIONS FOR WARRANTS 2020/2023 REGARDING SUBSCRIPTION OF SHARES IN QLIRO AB**

#### **1. Definitions**

In these terms and conditions, the following terms shall be defined as stated below.

<b>"Average Share Price"</b>	the average volume-weighted price paid for the Company's share on Nasdaq Stockholm, rounded off to the nearest full ten (10) öre whereby five (5) öre shall be rounded up, during a specified period. If a listed price paid is not available, the bid price listed as the closing price shall instead be included in the calculation. A day without a listing of a price paid or bid price shall not be included in the calculation.
<b>"Bank"</b>	the bank or account-operator designated by the Company at any given time to handle certain undertakings according to these terms and conditions.
<b>"Banking day"</b>	day that is not a Saturday, Sunday or other public holiday in Sweden, Christmas eve, New Year's eve or Midsummer's eve.
<b>"Company"</b>	Qliro AB, reg. no. 556962-2441 (also the issuer).
<b>"Euroclear"</b>	Euroclear Sweden AB, reg.no. 556112-8074.
<b>"Holder"</b>	a holder of a Warrant.
<b>"Offering Price"</b>	the final offering price which will be determined in connection with the Company's shares being offered to the public and admitted to trading on Nasdaq Stockholm during the first half of 2020.
<b>"Warrant"</b>	a right to subscribe for one (1) share in the Company in return for cash payment pursuant to these terms and conditions.

#### **2. Account-operator and registration, etc.**

The number of Warrants amounts to a maximum of 849,889.

The Warrants shall be registered by Euroclear in a CSD register pursuant to the Central Securities Depository and Financial Instruments Accounts Act (1998:1479), as a result of which no physical securities will be issued.

The Warrants will be registered on behalf of the Holder in an account in the Company's CSD register. Registration with respect to the Warrants as a result of the measures pursuant to sections 4, 5 and 7 below shall be carried out by the Bank. Other registration measures may be carried out by the Bank or another account-operator.

#### **3. Right to subscribe for shares**

The Holder shall be entitled, but not obligated, to subscribe for one (1) share in the Company for each Warrant at an exercise price in SEK of 130 percent of the Offering Price. If, upon subscription of new shares by exercising

the Warrants, the Average Share Price, calculated during the relevant subscription period, exceeds 210 percent of the Offering Price, a recalculated lower number of shares to which each Warrant entitles shall apply.

The adjustment shall be conducted by a reputable independent valuation institute in accordance with the following formula:

$$\frac{\text{adjusted number of shares for which each Warrant entitles to subscription of } x}{\text{preceding number of shares each Warrant entitles to subscription of } x \times (\text{210 percent of the Offering Price} - \text{the exercise price})} = \frac{(\text{the Average Share Price during the relevant subscription period} - \text{the exercise price})}{(\text{the Average Share Price during the relevant subscription period} - \text{the exercise price})}$$

However, subscription may not take place at an exercise price lower than the quota value of the Company's share. Further, subscription may be made only in respect of the full number of shares that the Holder wishes to subscribe for at that time. In connection with such subscription, any excess fraction of a Warrant that cannot be exercised shall be disregarded.

Adjustment of the exercise price and the number of shares to which each Warrant entitles to subscription of may take place in the events set forth in section 7 below.

#### **4. Subscription of shares**

If the Holder wishes to exercise Warrants, application for subscription may be made during the following periods:

- (i) from and including the day following the publication of the year-end announcement for the period 1 January – 31 December 2022 and for a period of two weeks thereafter, but not earlier than 16 January 2023 and no later than 13 March 2023, and
- (ii) from and including the day following the publication of the quarterly announcement for the period 1 January – 31 March 2023 and for a period of two weeks thereafter, but not earlier than 17 April 2023 and no later than 12 May 2023.

Subscription of shares may not take place during such period when trading with the shares in the Company is prohibited pursuant to Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (the Market Abuse Regulation), or any corresponding legislation applicable at the relevant point in time.

Application for subscription may also be made the later or earlier last day for application for subscription, that may be established according to section 7 Items (C), (D), (E), (L) and (M) below.

Application for subscription shall be made to the Company, or someone designated by the Company, by submitting the application form for registration measures that will be distributed to the Holder. Application for subscription is binding and may not be revoked.

If the application for subscription is not submitted within the period stated in the first or third paragraph, all rights pursuant to the Warrants lapse.

#### **5. Payment for subscribed shares**

Payment for subscribed shares is to be made not later than the payment date stated in the application form, however not later than ten (10) Banking Days from the application to exercise the Warrants. Payment is to be made in cash to an account designated by the Company. After payment has been made, the Bank shall ensure that the Holder is registered on the designated securities account as the owner of the shares resulting from the exercised Warrants as interim shares. Following registration with the Swedish Companies Registration Office, the registration of the new

shares in the share register and on the securities account becomes final. In accordance with section 7 below, such registration will in certain events be postponed. The Holder shall pay the taxes and/or charges that may become payable as a result of the transfer, holding or exercise of the Warrants according to Swedish or foreign legislation or decisions by Swedish or foreign authorities.

## 6. Status of the Holder

Warrants do not represent any shareholders' rights in the Company for the Holder, such as voting or dividend rights.

The Holder is entitled to receive dividends on the shares that the Holder subscribes for pursuant to these terms and conditions the first time on the record day for dividend that occurs immediately after the subscription has been executed.

## 7. Adjustment, etc.

The following shall apply regarding the rights accruing to Holders in the situations stated in this section. However, in no case shall recalculation in accordance with the provisions in this section 7 lead to that subscription may take place at a exercise price lower than the quota value of the Company's shares.

- (A) If the Company conducts a **bonus issue** shall, with effect from the date on which the share is listed ex right to participation in the bonus issue, an adjusted number of shares to which each Warrant entitles to subscription of and an adjusted exercise price apply.

The adjustments are conducted by a reputable independent valuation institute in accordance with the following formulas:

$$\text{adjusted number of shares for which each Warrant entitles to subscription of} = \frac{\text{preceding number of shares for which each Warrant entitles to subscription of } x \text{ number of shares after the bonus issue}}{\text{number of shares before the bonus issue}}$$

$$\text{adjusted exercise price} = \frac{\text{preceding exercise price } x \text{ number of shares before the bonus issue}}{\text{number of shares after the bonus issue}}$$

- (B) If the Company conducts a **reversed share split** or a **share split**, a corresponding adjustment of the number of shares to which the Warrant entitles to subscription of and the exercise price shall be conducted by a reputable independent valuation institute on the same basis as in the adjustment resulting from a bonus issue as stated in Item (A) above.
- (C) If the Company conducts a **new share issue** – with preferential rights for shareholders to subscribe for new shares in return for cash payment – adjustment shall be made of the number of shares to which each Warrant entitles to subscription of as well as an adjusted exercise price.

Adjustments are conducted by a reputable independent valuation institute in accordance with the following formulas:

$$\text{adjusted number of shares for which each Warrant entitles to subscription of} = \frac{\text{preceding number of shares to which each Warrant entitles to subscription of } x (\text{Average Share Price during the subscription period plus the theoretical}}$$

	value of the subscription right calculated on the basis thereof
	Average Share Price during the subscription period
adjusted exercise price	preceding exercise price x Average Share Price during the subscription period set forth in the resolution regarding the issue
	Average Share Price during the subscription period plus the theoretical value of the subscription right calculated on the basis thereof

The theoretical value of the subscription right shall be adjusted according to the following formula:

value of the subscription right	maximum number of new shares that may be issued according to the resolution x (Average Share Price during the subscription period – issue price for the new share)
	number of shares before the resolution

If a negative value arises in this case, the theoretical value of the subscription right is to be set at zero (0).

The number of shares and exercise price adjusted as above are set by a reputable independent valuation institute five (5) Banking Days following the expiry of the subscription period and shall be applied to subscriptions implemented following such determination.

During the period from the date on which the share is listed ex right to participation in the share issue until the date on which the adjustments are determined, subscription of shares may not take place. If the final date for application for subscription is during the subscription period, the expiration date is postponed to the second trading day after the expiry of the subscription period.

- (D) If the Company conducts an **issue pursuant to Chapter 14 or 15 of the Swedish Companies Act (2005:551)** – with preferential rights for shareholders and in return for cash payment or by set-off – an adjustment shall be made of the number of shares for which each Warrant entitles to subscription of and of the exercise price.

The adjustments are conducted by a reputable independent valuation institute in accordance with the following formulas:

adjusted number of shares for which each Warrant entitles to subscription of	preceding number of shares for which each Warrant entitles to subscription of x (Average Share Price during the subscription period plus value of the subscription right)
	Average Share Price during the subscription period
adjusted exercise price	preceding exercise price x Average Share Price during the subscription period
	Average Share Price during the subscription period plus value of the subscription right

The value of the subscription right shall be deemed to be equal to the average of the for each trading day during the subscription period calculated volume-weighted average price paid on Nasdaq Stockholm. In the absence of a quoted paid price, the last quoted bid price shall be included as the closing price in the calculation. Days with no quotation of a price paid or bid price shall not be included in the calculation.

The adjusted number of shares and adjusted exercise price shown above are determined by a reputable independent valuation institute within five (5) Banking Days after the expiry of the subscription period and shall be applied to subscriptions subsequently completed.

For subscription applications made during the period up until the adjustments are completed, the provisions of Item (C), final paragraph, shall apply correspondingly.

- (E) If the Company would, other than according to Items (A)-(C) above, **make an offering to shareholders** to, using the preferential rights pursuant to the principles in Chapter 13 § 1 of the Swedish Companies Act (2005:551), acquire securities or rights of any type from the Company or decide that, pursuant to aforementioned principles, distribute such securities or rights to shareholders free of charge, an adjusted number of shares to which each Warrant entitles and an adjusted exercise price shall be used.

The adjustment is conducted by a reputable independent valuation institute in accordance with the following formulas:

$$\text{adjusted exercise price} = \frac{\text{preceding exercise price} \times \text{Average Share Price during the application period}}{\text{Average Share Price during the application period plus the value of the right to participate in the offering}}$$
$$\text{adjusted number of shares for which each Warrant entitles to subscription of} = \frac{\text{preceding number of shares which each Warrant entitles to subscription of} \times (\text{Average Share Price during the application period plus the value of the purchase right})}{\text{Average Share Price during the application period}}$$

Where the shareholders have received purchase rights and trading in these has taken place, the value of the right of participation in the offering shall be deemed to correspond to the value of the purchase right. The value of the subscription right shall be deemed to be equal to the average of the for each trading day during the subscription period calculated volume-weighted average price paid on Nasdaq Stockholm. In the absence of a quoted paid price, the last quoted bid price shall be included as the closing price in the calculation. Days with no quotation of a price paid or bid price shall not be included in the calculation.

Where the shareholders have not received purchase rights or in which such trading in purchase rights referred to in the preceding paragraph has not taken place, adjustment of the exercise price shall be done applying as far as possible the principles noted above in Item (E), whereby the following shall apply. If a listing is implemented of the securities or rights offered to shareholders, the value of the right of participation in the offering shall be deemed to correspond to the average of the for each trading day during the subscription period calculated volume-weighted average price paid on Nasdaq Stockholm for each day during ten (10) trading days from the first day of listing, in appropriate cases less the price paid for these in connection with the offering. In the absence of a quoted paid price, the last quoted bid price shall be included as the closing price in the calculation. If neither a price paid nor a bid price is listed on a certain day or days, such days shall be disregarded in computing the value of the right of participation in the offering. The determined application period in the offering shall, in conjunction with the

adjustment of the exercise price pursuant to this paragraph, be deemed to correspond to the period of ten (10) trading days as noted above in this paragraph. If such listing does not take place, the value of the right of participation in the offering shall, as far as possible, be set on the basis of the change in market value for the Company's shares that can be deemed to have arisen as a result of the offering.

The number of shares and exercise price shall be adjusted by a reputable independent valuation institute as soon as possible after the expiration of the offer period and shall be applied in connection with the subscriptions completed after such determination has been made.

Subscription for shares may not take place during the application period set in the offering. If the expiration date for application for subscription occurs during the application period, the expiration date is to be moved to the first Banking day after the expiry of the application period.

- (F) If the Company resolves to pay a **cash dividend** to the shareholders, an adjusted number of shares to which each Warrant entitles and an adjusted exercise price shall be used.

The adjustment shall be made by a reputable independent valuation institute according to the following formulas:

$$\text{adjusted exercise price} = \frac{\text{preceding exercise price} \times \text{Average Share Price during a period of 25 trading days calculated from the date the share was listed ex right to dividend}}{\text{Average Share Price increased with the value of the dividend paid per share}}$$
$$\text{adjusted number of shares for which each Warrant entitles to subscription of} = \frac{\text{preceding number of shares each Warrant entitles to subscription of } x \text{ (Average Share price increased with the dividend paid per share)}}{\text{Average Share Price}}$$

Should the Company decide on a **dividend in kind** to the shareholders, an adjustment of the exercise price shall be made in accordance with the same principles as in the case of a cash dividend. The calculation of the value of the dividend in kind to be used for the adjustment shall be performed by an independent valuation institute.

- (G) If a decision is made regarding a **partial demerger pursuant to Chapter 24 of the Swedish Companies Act (2005:551)** by means of which a part of the Company's assets and liabilities are taken over by one or several other companies without the Company being dissolved, an adjusted exercise price and an adjusted number of shares for which each Warrant entitles to subscription of shall be applied.

The adjustments are conducted by a reputable independent valuation institute pursuant to the following formulas:

$$\text{adjusted exercise price} = \frac{\text{preceding exercise price} \times \text{Average Share Price during a period of 10 trading days from the date the share was listed ex right to the demerger consideration}}{\text{Average Share Price during a period of 10 trading days calculated from the date the share was listed ex right to demerger consideration plus the value of the demerger consideration which is paid per share}}$$

adjusted number of shares for which each Warrant entitles to subscription of	=	preceding number of shares for which each Warrant entitles to subscription of x (Average Share Price during a period of 10 trading days calculated from the date the share is listed ex right to demerger consideration plus the value of the demerger consideration paid per share)
		Average Share Price during a period of 10 trading days calculated from the date the share is listed ex right to demerger consideration

In cases in which the demerger consideration is paid in the form of shares or other securities listed on an exchange or other authorised marketplace, the value of the demerger consideration per share shall be deemed to correspond to the average on each trading day during the abovementioned period of ten (10) trading days calculated volume-weighted average price paid on Nasdaq Stockholm or other relevant market price. In the absence of a quoted paid price, the quoted bid price shall instead be included as the closing price in the calculation. Days with no quotation of a price paid or bid price shall not be included in the calculation.

Where the demerger consideration has the form of shares or other securities that are not listed, the value of the demerger consideration shall as far as possible be set on the basis of the change in market value of the Company's shares that can be deemed to have arisen as a result of paying the demerger consideration.

The adjusted exercise price and adjusted number of shares, as above, are determined by a reputable independent valuation institute within five (5) Banking Days after the expiry of the aforementioned period of ten (10) trading days and shall be applied in subscriptions subsequently completed.

In conjunction with subscription that is completed during the period until the adjusted exercise price is set, the provisions in Item (C), final paragraph above, shall apply correspondingly.

The Holder shall not be able to claim any rights pursuant to these provisions against the company or companies who in conjunction with partial demerger take over assets and liabilities from the Company.

(H) If the Company's share capital is **reduced** by means of repayment to shareholders, and this reduction is compulsory, an adjusted exercise price and an adjusted number of shares for which each Warrant entitles to subscription of shall apply.

The adjustments are conducted by a reputable independent valuation institute pursuant to the following formulas:

adjusted exercise price	=	preceding exercise price x the Average Share Price during a period of 10 trading days from the date on which the shares are listed ex right to repayment
		Average Share Price during a period of 10 trading days calculated from the date when the shares are listed ex right to repayment plus the amount repaid per share

adjusted number of shares for which each Warrant entitles to subscription of	=	preceding number of shares for which each Warrant entitles to subscription of x (Average Share Price during a period of 10 trading days calculated from the date the shares were listed

ex right to repayment plus the amount repaid per share)

Average Share Price during a period of 10 trading days calculated from the date the shares are listed ex right to repayment

In adjustments pursuant to the above and where a reduction is conducted through the redemption of shares, instead of the actual amount repaid per share, a calculated repayment amount shall be used as follows:

$$\text{calculated repayment amount per share} = \frac{\text{the actual amount repaid per redeemed share less the Average Share Price over a period of 10 trading days immediately prior to the day when the share was listed ex right to participation in the reduction}}{\text{the number of shares in the Company providing the basis for the redemption of one share less 1}}$$

The adjusted exercise price and adjusted number of shares, as above, are conducted by a reputable independent valuation institute five (5) Banking Days after the expiry of the aforementioned period of ten (10) trading days and shall be applied on subscriptions subsequently completed.

If the Company's share capital is reduced through the redemption of shares with payment to shareholders, and which reduction is not compulsory and in which, pursuant to a reputable independent valuation institute's assessment, such measures taking into account technical configuration and financial effects, may be compared with compulsory reduction, adjustment of the exercise price and number of shares for which each Warrant entitles to subscription of shall be done using as far as possible the principles stated above in this Item (H).

- (I) If the Company conducts a **re-purchase of own shares** through an offering to all shareholders and in which, pursuant to a reputable independent valuation institute's opinion, the measures, on account of its technical configuration and financial effects, are equivalent to a mandatory reduction of the share capital, the adjustment of the exercise price and number of shares for which each Warrant entitles to subscription of shall be done using as far as possible the principles stated above in Item (H).
- (J) If the Company conducts measures covered by Items (A) – (I) above or similar measures and if the application of the adjustment formula for this purpose, due to the technical configuration, that the adjustment formula is not adapted to the share class which the measure relates to, or other reasons, cannot be done or would lead to a situation in which the financial compensation received by the Holders in relation to shareholders would not be reasonable, a reputable independent valuation institute shall, provided that the Company's Board provides written consent, conduct adjustment to ensure the result is reasonable.
- (K) Adjustment must not result in an increase in the exercise price or a reduction in the number of shares for which each Warrant entitles to subscription of in cases other than those stated in Item (B). In adjustment pursuant to the above, the exercise price shall be rounded off to the nearest whole ten öre, with five (5) öre being rounded upwards, and the number of shares rounded off to two (2) decimals.
- (L) If the shares covered by the Warrants become subject to **buy-out of minority shareholders procedure** pursuant to Chapter 22 of the Swedish Companies Act (2005:551), a reputable independent valuation institute shall, in cases in which the expiration date for notification of subscription is later than 30 days from the announcement of the request for redemption, set a new expiration date prior to the expiry of the aforementioned time.

(M) The provisions concerning compulsory acquisition in Item (L) shall apply correspondingly if a general meeting of shareholders in the Company decides to approve a **merger plan**, according to which the Company is to become part of another company or a **demerger plan**, according to which all the Company's assets and liabilities are taken over by one or more limited liability companies and the Company thus is dissolved without liquidation or if a decision is made concerning the Company going into **liquidation** or **bankruptcy**. In such cases, the period of time is calculated from the public announcement of the merger, demerger, liquidation or bankruptcy.

## **8. Special undertakings from the Company**

The Company undertakes to consult with a reputable independent valuation institute in good time before the Company executes any measures stated in section 7 above.

## **9. Nominees**

In respect of Warrants that are registered through a nominee pursuant to the Central Securities Depository and Financial Instruments Accounts Act (1998:1479), the nominee shall be regarded as the Holder for the purpose of these terms and conditions.

## **10. Limitation of the liability of the Bank and Euroclear**

In respect of the measures that are incumbent on the Bank and Euroclear – in relation to Euroclear taking into consideration the provisions of the Central Securities Depository and Financial Instruments Accounts Act (1998:1479) – neither the Bank or Euroclear shall be liable for loss arising from legislation, actions by authorities, acts of wars, strikes, blockades, boycotts, lockouts or similar circumstance. The provisions regarding strikes, blockades, boycotts and lockouts apply even when the Bank or Euroclear itself takes such measures or is the subject of such measures.

Neither the Bank nor Euroclear are liable in other cases to pay compensation arising if the Bank or Euroclear has displayed a normal level of care. In no circumstances is the Bank liable for indirect loss.

If obstacles arise that prevent the Bank or Euroclear from effecting transfer, payment or take other measures as a result of such circumstances as stated in the first paragraph, the measures may be postponed until such obstacle has ceased.

## **11. Notices**

Notices pertaining to the Warrants shall be issued to the Holder.

## **12. Confidentiality**

The Bank or Euroclear may not provide unauthorised information to a third party regarding the Holder.

The Company is entitled to receive the following information from Euroclear concerning the Holder's account in the Company's CSD register:

1. Name of the Holder, personal identity number or other identification number and postal address.
2. Number of Warrants.

## **13. Amendment of terms and conditions**

The Bank is entitled on behalf of the Holder to agree with the Company to amend these terms and conditions to the extent legislation, a court order or a decision by an authority requires or if otherwise – in the opinion of the Bank – for practical reasons it is necessary or desirable and the rights of the Holder are not impaired to any material extent.

**14. Applicable law etc.**

The interpretation and application of these terms and conditions and related legal matters shall be subject to Swedish law. Legal proceedings arising from these terms and conditions shall be brought before the Stockholm District Court or such other forum whose authority is accepted by the Company.

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### **3. Proposed wording of the Articles of Association**

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#### **Articles of Association**

**Nelly Group AB (publ), reg. no. 556035-6940**

Adopted by the Extraordinary General Meeting on 6 March 2020.

*N.B. This is an in-house translation of the authorised Swedish Articles of Association and for convenience only.*

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#### **§ 1**

The Company's name is Nelly Group AB. The Company is public (publ).

#### **§ 2**

The board of directors shall have its registered office in Stockholm.

#### **§ 3**

The primary purpose of the Company's business shall be to generate profit for its shareholders.

The object of the Company's business shall be to own and manage real property and movables, primarily through investments in businesses within the areas internet, online, e-commerce and retailing primarily with consumer brands and products. Furthermore, the object of the Company's business shall be to conduct business operations compatible with the above mentioned businesses.

The Company shall have the right to guarantee or otherwise pledge security for obligations assumed by other companies within the group.

#### **§ 4**

The Company's share capital shall be not less than SEK 100,000,000 and not more than SEK 400,000,000.

The number of shares in the Company shall be not less than 100,000,000 and not more than 400,000,000.

Shares may be issued in two classes, ordinary shares and Class C shares. Ordinary shares may be issued up to a maximum amount of 400,000,000 and Class C shares up to a maximum amount of 400,000,000.

Class C shares do not entitle to dividends. Upon the Company's liquidation, Class C shares carry an equivalent right to the Company's assets as the other classes of shares, however not to an amount exceeding up to the quota value of the share, annualised as per day of distribution with an interest rate of STIBOR 1M with an additional 1 percentage point calculated from the day of payment of the subscription price. STIBOR 1M is set on the first business day of each calendar month.

Should the Company resolve on an issue of new ordinary and Class C shares, against other payment than contribution in kind, each holder of ordinary and Class C shares has preferential rights to subscribe for new shares of the same class in proportion to the number of old shares held by such holder (primary preferential rights). Shares not subscribed for with primary preferential rights shall be offered for subscription to all shareholders in the Company (subsidiary preferential rights). If the number of shares so offered is less than the number subscribed for with subsidiary preferential rights, the shares shall be distributed among the subscribers in proportion to the number of already shares held, or, to the extent that this is not possible, by lot.

Should the Company resolve on an issue of new shares solely of ordinary shares or Class C shares, against other payment than contribution in kind, all shareholders, irrespective of which class of shares held, are entitled to preferential rights to subscribe for new shares in proportion to the number of shares previously held.

The stipulations regarding preferential rights shall apply mutatis mutandis for new issues of warrants and convertible debt, and shall not infringe on the possibility to resolve on an issue in which the preferential rights of shareholders are waived.

If the share capital is increased by a bonus issue, where new shares are issued, new shares shall be issued in relation to the number of shares of the same classes already held. In such cases, old shares of a specific class shall entitle to new shares of the same class. Following a requisite amendment in the Articles of Association, the aforementioned stipulation shall not infringe on the possibility to issue shares of a new class by a bonus issue.

Reduction of the share capital, however not below the minimum share capital, may on request of holders of Class C shares or as resolved by the Company's Board of Directors or General Meeting, be made by redemption of Class C shares. A request from a shareholder shall be made in writing to the Company's Board of Directors and the Board of Directors shall promptly act on the matter. When a resolution on reduction has been passed, an amount corresponding to the reduction amount shall be transferred to the Company's equity reserves, if the required funds are available.

The redemption payment per Class C share shall correspond to the quota value of the share annualised per day with an interest rate of STIBOR 1M with additional 1 percentage point calculated from the day of payment of the subscription price. STIBOR 1M shall be initially set on the day of payment of the subscription price.

Following notice of the redemption resolution, holders having requested redemption shall promptly receive payment for the share, or, if authorisation from the Swedish Companies Registration Office or a court is required, following notice that the final decision has been registered.

Class C shares held by the Company, may upon decision by the Board of Directors be reclassified into ordinary shares, provided that the Class C shares are held by the Company. Immediately thereafter, the Board of Directors shall report the reclassification to the Swedish Companies Registration Office (Sw. Bolagsverket) for registration. The reclassification is effected when it has been registered and the reclassification been noted in the Swedish Central Securities Depository.

## § 5

The board shall consist of no less than three and no more than nine directors.

## § 6

The Company shall as Auditor have no less than one and no more than three registered accounting firms. The Auditors term of office shall last until the end of the first Annual General Meeting which is held after the year the Auditor was appointed.

## § 7

Notice of a general meeting of shareholders shall be published in the Official Swedish Gazette (Post- och Inrikes Tidningar) as well as on the company's website. At the time of the notice, an announcement with information that the notice has been issued shall be published in Svenska Dagbladet.

## § 8

To be entitled to participate in a general meeting, shareholders must be recorded in a print-out or another presentation of the complete share register relating to the circumstances as of five business days before the meeting, and give notice to the company no later than on the day stipulated in the notice of the meeting. This day may not be a Sunday, another public holiday, a Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve, and may not fall before the fifth business day prior to the meeting.

A shareholder attending a general meeting may be accompanied by an assistant, however only where the shareholder has provided notification hereof in accordance with the foregoing paragraph.

**§ 9**

The shareholder or nominee who on the record date is registered in the share register and in a central securities depository register pursuant to Chapter 4 of the Central Securities Depositories and Financial Instruments Accounts Act (1998:1479) or any person who is registered in a central securities depository account pursuant to Chapter 4, Section 18 first paragraph 6-8 of the mentioned Act, shall be deemed to be authorised to exercise the rights set out in Chapter 4, Section 39 of the Companies Act (2005:551).

**§ 10**

The Company's financial year shall be the calendar year.

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