

This press release is a translation of the press release in Swedish that was published on 3 May 2021. In the event of any inconsistency between the English and the Swedish versions, the latter shall prevail.



## **Press release**

*Regulatory information*

3 May 2021

# Notice to attend the Annual General Meeting of Minesto AB

The shareholders of Minesto AB, org.nr 556719-4919 ("Minesto" or "Company"), are hereby given notice to attend the Annual General Meeting to be held on Wednesday 2 June 2021.

## **Postal voting replaces tangible Annual General Meeting due to the Covid-19 Pandemic**

Due to the continued spread of the virus that causes covid-19, the Board of Directors has resolved that the Annual General Meeting will be held solely by postal vote in accordance with the Act (2020:198) on Temporary Exemptions to Facilitate the Execution of General Meetings and Association Meetings in order to secure shareholder safety. This means that the Annual General Meeting will be held without the attendance of shareholders, proxies and outsiders, i.e. physical participation at the Annual General Meeting will not be possible. Participation in the Annual General Meeting will instead take place via a digital postal voting form; see more below under the heading *Advance voting*.

Minesto encourages all shareholders to exercise their voting right at the Annual General Meeting by advance voting (postal voting) in accordance with the procedure set out below. Information regarding the resolutions adopted at the Annual General Meeting will be published after final compilation of the vote.

A video recording of a statement from the Company's CEO will be published on the Company's website in conjunction with the day of the Annual General Meeting.

## **Notice of intention to participate**

Any shareholder wishing to participate at the Annual General Meeting must:

- be entered in the share register maintained by Euroclear Sweden AB as per 25 May 2021 or, if the shares are registered with a nominee, request that the nominee register the voting rights no later than 27 May 2021, and
- have registered by casting their postal vote in accordance with the instructions under the heading "Advance voting" below so that the postal vote is received by [poströsta.se](mailto:poströsta.se) no later than 1 June 2021. Please note that registration for the Annual General Meeting can only be carried out by postal vote.

## **Nominee registered shares**

In order to be entitled to participate at the Annual General Meeting (registration of postal vote), shareholders who have caused their shares to be registered with a nominee must request that they be temporarily registered in their own name in the shareholders' register

maintained by Euroclear Sweden AB. As stated above, the nominee must have carried out the registration of postal vote at Euroclear Sweden AB no later than 14 May 2021. The shareholder should provide notice to the nominee thereof in due time and register their shares with voting rights in accordance with the nominee's instructions.

### **Advance voting**

Shareholders may only exercise their voting rights at the Annual General Meeting by voting in advance by digital postal voting. For advance voting, shareholders must use a digital form, which will be available on the Company's website, [www.minesto.com](http://www.minesto.com), in due time prior to the Annual General Meeting. The voting form must be completed and submitted to [poströsta.se](http://poströsta.se) no later than 1 June 2021. Submission of the voting form will count as a notice to the Annual General Meeting.

If the shareholder is a legal entity, the form must include the registration certificate or other applicable document. Proxy forms for shareholders who wish to vote in advance by proxy are available on the Company's website, [www.minesto.com](http://www.minesto.com).

Shareholders may not submit the advance vote with specific instructions or conditions. If such occurs, the advance vote is invalid. Additional instructions and conditions are stated on the form.

### **Business**

#### Proposed agenda

- 1) Opening of the meeting;
- 2) Election of chairman of the meeting;
- 3) Preparation and approval of the voting register;
- 4) Election of one or two persons to verify the minutes;
- 5) Determination of whether the Annual General Meeting has been duly convened;
- 6) Approval of the agenda;
- 7) Presentation of the annual report and the auditor's report for the Company and the group;
- 8) Resolutions regarding:
  - a) adoption of the income statement and balance sheet for the Company and the group;
  - b) allocation of the Company's profit or loss according to the adopted balance sheet;
  - c) discharge from liability for the directors and the CEO:
    - i. Jonas Millqvist
    - ii. Bengt Adolfsson
    - iii. Martin Edlund
    - iv. Göran Linder
    - v. Git Sturesjö Adolfsson

- 9) Resolution regarding determination of the number of directors and deputy directors;
- 10) Resolution regarding determination of the fees payable to the directors and the auditors;
- 11) Election of the Board of Directors;

Nomination Committee's proposal:

- i. Jonas Millqvist (chairman)
- ii. Bengt Adolfsson (director)
- iii. Martin Edlund (director)
- iv. Göran Linder (director)
- v. Git Sturesjö Adolfsson (director)
- vi. Andreas Gunnarsson (deputy director)

- 12) Election of auditor;
- 13) Resolution regarding principles for the nomination committee;
- 14) Resolution regarding adoption of guideline for compensation to senior executives;
- 15) Resolution regarding adoption of new Articles of Association;
- 16) Resolution regarding performance-based incentive program for management and employees (LTI 2021);
- 17) Resolution on delivery and cost-hedging measures for LTI 2021;
  - a) Directed issue of warrants, series 2021:1;
  - b) Transfer of warrants to participants in LTI 2021;
  - c) Transfer of the warrants to cover costs for LTI 2021 and authorization to enter into swap agreements;
- 18) Resolution regarding authorization of the Board of Directors to issue shares and/or warrants and/or convertibles;
- 19) Resolution regarding adjustment authorization;
- 20) Closing of the meeting.

#### **Nomination committee**

Preparation of the below presented proposals have been made by a nomination committee (Sw: nomineringskommitté) composed of representatives of the two largest shareholders of the Company, BGA Invest AB and Midroc New Technology AB.

## **Proposed resolutions by the nomination committee**

### 2. Election of chairman of the meeting

The nomination committee proposes lawyer Eric Ehrencrona or, in the event of an impediment, the person appointed by the nomination committee to be elected as the chairman of the Annual General Meeting.

### 9. Resolution regarding determination of the number of directors and deputy directors

The nomination committee proposes that the number of directors for the period until the next Annual General Meeting is five and that one deputy director shall be appointed.

### 10. Resolution regarding determination of the fees payable to the directors and the auditors

The nomination committee proposes that the fee per director elected shall be distributed as follows (the same price base amount level as last year): annual fee of four price base amounts to the chairman of the Board of Directors and annual fee of two price base amounts to directors not employed by the Company. The price-base amount per 2021 shall be applied for resolution under this item.

If the meeting resolves according to the nomination committee's proposal as regards the composition of the Board of Directors, the total fee will amount to ten price base amounts.

It is proposed that no fee shall be paid to the board of director's remuneration committee respectively auditors committee since these are made up of members of the board of director.

It is proposed that fees be paid to the auditor according to invoice approved by the Company.

### 11. Election of the Board of Directors

The nomination committee proposes re-election of directors of the board Bengt Adolfsson, Martin Edlund, Göran Linder, Jonas Millqvist and Git Sturesjö Adolfsson. Andreas Gunnarsson is proposed to be re-elected as deputy director.

The nomination committee proposes re-election of Jonas Millqvist as chairman of the Board of Directors.

### 12. Election of auditor

The nomination committee proposes re-election of Ernst & Young AB (EY) as auditor of the Company. EY has informed that in the event it is re-elected, Andreas Mast will continue in his capacity as principal auditor.

### 13. Resolution regarding adoption of principles for the nomination committee

It is proposed that the Company shall have a nominations committee consisting of three persons. Each of the Company's two largest shareholders in terms of voting power as of 30 September 2021 shall each have the right to appoint a member of the nomination committee. In addition, the nomination committee shall consist of the chairman of the

Board of Directors who shall convene the first meeting. The nominations committee appoints the chairman of the committee.

The nomination committee shall submit proposals to the 2022 Annual General Meeting for: a) election of chairman of the Annual General Meeting, b) resolution regarding number of board members, c) resolution regarding compensation to the chairman of the Board of Directors and each of the other directors d) election of board members, e) election of chairman of the board, f) resolution regarding remuneration to auditor, g) election of auditor, h) resolution regarding principles for appointing the nomination committee and i) resolution regarding principles for the nomination committee.

If any of the two members of the nomination committee appointed by the two largest shareholders by voting power. resigns from the nomination committee prior to completion of its work, the shareholder appointing the resigning member shall have the right to appoint a new member. In case any of the two largest shareholders by voting power sells all, not only parts, of its shares in the Company prior to the nomination committee completing its work, instead of such shareholder the third largest shareholder shall have the right to appoint a new member etc.

Fees shall not be paid to members of the nomination committee. Upon request of the nomination committee the Company shall however furnish personal resources to facilitate the work of the nomination committee, such as for example a secretary. If necessary the Company shall also pay for other reasonable costs necessary for the work of the nomination committee.

### **Proposed resolutions by the Board of Directors**

#### 3. Preparation and approval of the voting register

The voting list, which is proposed for approval under item 3 of the agenda is the voting list that has been prepared by the chairman, based on the annual general meeting share register and advance votes received, and which have been verified by the adjuster.

#### 4. Election of one or two persons to verify the minutes

Hanna Friberg, MAQS Advokatbyrå, is proposed as person to verify the minutes or, in the event of obstruction for her, the person appointed by the nomination committee instead. The task of the adjuster also include checking the voting list and that advance votes received are correctly stated in the minutes of the Annual General Meeting.

#### 8b. Resolution on allocation of the Company's results according to the adopted balance sheet

The Board of Directors proposes that the Annual General Meeting resolves that the Company's results be allocated according to the Board of Directors' proposal in the annual report. The Board of Directors accordingly proposes that no dividend be paid for the financial year 2020.

#### 14. Resolution regarding adoption of guidelines for compensation to senior executives

##### *Compensation to senior management*

Senior executives in the Company refer to the CEO and other members of the management group. The remuneration committee, which consists of the Board of Directors excluding the CEO, prepares the issue of adoption of guidelines for compensation and other terms of employment for senior executives, and proposes them to the board of directors.

The Board of Directors proposes the following guidelines for the determination of salaries and other compensation to senior management. For the purpose of ensuring that the Company is able to recruit and retain qualified senior executives, the fundamental principle is that the senior executives must be offered employment terms and compensation on market terms.

*Salaries and other benefits:* Compensation to the senior executives shall be comprised of a fixed salary, variable salary and pension. The fixed salaries are normally reviewed on a calendar year basis. In addition to fixed salary a variable salary may be implemented under the pre-requisite that the variable part never exceeds 25 percent of the yearly salary. Senior management shall also be given the opportunity to participate in LTI 2021 (see further under item 16 below). In addition, senior management shall be entitled to customary non-monetary benefits such as occupational healthcare. Other benefits may also be offered on an individual basis.

*Pension:* Senior executives shall be offered pension terms that include a defined plan for provisions with premiums based on the entire basic salary. The pension provisions are individual and shall be in relation to the basic salary.

*Notice of termination period and severance pay:* The notice period shall be a maximum of six months, if the Company gives the notice and a maximum of six months if the notice is given on the initiative of the senior executive. In the event of termination by the Company, severance pay may, in addition be paid in an amount corresponding to a maximum of six monthly salaries.

*Incentive program:* Resolution regarding share and share price-related incentive programs directed to senior executives shall be made by the Annual General Meeting.

*Remuneration Committee:* The remuneration committee, i.e. the board excluding the CEO, shall prepare issues regarding compensation principles, compensation and other terms of employment for senior executives. The more detailed principles for salary setting, pensions and other benefits shall be found in the salary policy established by the Remuneration Committee regarding senior executives.

*Deviations in individual cases:* The Board of Directors shall be entitled to deviate from these guidelines where there is special cause for such an individual case.

### *Compensation to Board of Directors*

Compensation to the Board of Directors is determined by the Annual General Meeting based on proposals from the nomination committee. However, the Board of Directors is entitled, in specific cases, to commission an individual director to perform consultancy services on behalf of the Company within their respective areas of competence. Directors elected by the Annual General Meeting shall, in these specific cases, be eligible to receive fees for services, which do not constitute board work. With respect to the services, a fee on market terms will be payable, which must be approved by the Board of Directors. This shall also be applicable if the work is carried out through a company wholly or partially owned by a board member.

These guidelines correspond to the guidelines approved by the Annual General Meeting 2020.

### 15. Resolution on adoption of new Articles of Association

The Board of Directors proposes that the term “firm” (Sw. firma) which has been abolished by law, be removed from section 1 of the Articles of Association and replaced by “company name” and that section 9 regarding participation in general meetings is amended as a result of a change in the Swedish Companies Act, entailing that the record day prior to a general meeting of a listed company shall fall six banking days before the general meeting. Furthermore, the Board of Directors proposes that a new section 10 of the Articles of Association be introduced to provide the Board of Directors with the possibility to collect proxies, allow advance voting (postal voting) prior to a General Meeting. The numbering will change consequently for all subsequent items. In addition, certain minor linguistic adjustments are also proposed in the Articles of Association.

<b><i>Current wording</i></b>	<b><i>Proposed wording</i></b>
<p>§ 1 <i>Company</i></p> <p><i>The company's firm is Minesto AB (publ). The company is public.</i></p>	<p>§ 1 <i>Company name</i></p> <p><i>The company's company name is Minesto AB (publ). The company is public.</i></p>
<p>§ 9 <i>Right to participate in the General Meeting</i></p> <p><i>Shareholders who wish to participate in the Annual General Meeting shall be recorded as a shareholder in such transcript or other reproduction of the entire share register as referred to in Chapter 7, Section 28, third paragraph of the Swedish Companies Act (2005:551), regarding the conditions, five working days before the General Meeting, and notify their participation to the Company no later than the time and date specified by the CEO in the summons to the General Meeting. The latter mentioned day may not be a Sunday, other public holiday, Saturday, Midsummer's eve, Christmas eve or New Year's eve</i></p>	<p>§ 9 <i>Right to participate in the General Meeting</i></p> <p><i>A shareholder who wishes to participate in the General Meeting may do so only if the shareholder notifies the company on the date specified in the summons to the General Meeting. This day may not be a Sunday, other public holiday, Saturday, Midsummer's eve, Christmas eve or New Year's eve and not fall earlier than the fifth working day before the meeting.</i></p> <p><i>A shareholder may, at the General Meeting, be accompanied by one or two assistants, however, only if the shareholder has given notice of the number of</i></p>

<p><i>and not fall earlier than the fifth working day before the meeting.</i></p> <p><i>A shareholder may, at the General Meeting, be accompanied by one or two assistants, however, only if the shareholder has given notice of this in accordance with the previous paragraph.</i></p>	<p><i>assistants in the same manner set out in the previous paragraph.</i></p> <p><i>The Board of Directors has the right to resolve that anyone who is not a shareholder in the company shall, under the conditions resolved by the Board of Directors, have the right to attend or otherwise follow the proceedings at the General Meeting.</i></p>
<p><i>n/a</i></p>	<p><i>§ 10 Collection of proxies and postal voting</i></p> <p><i>The Board of Directors may collect proxies in accordance with the procedure specified in Chapter 7, Section 4, second paragraph of the Swedish Companies Act (2005:551).</i></p> <p><i>Prior to an Annual General Meeting, the Board of Directors shall be able to exercise its voting right before the Annual General Meeting in accordance with what is set out in Chapter 7, Section 4 a of the Swedish Companies Act (2005:551).</i></p>
<p><i>§ 12 Record day provision</i></p> <p><i>The shareholder or nominee who on the record date is entered in the share register and recorded in a record register in accordance with Chapter 4 of The Swedish Financial Instruments Accounts Act (1998:1479) or the one that is recorded in a reconciliation account in accordance with Chapter 4, Section 18, first paragraph 6-8 of the mentioned law, shall be assumed to be authorized to exercise the rights set forth in Chapter 4, Section 39 of the Swedish Companies Act (2005:551).</i></p>	<p><i>§ 13 Record day provision</i></p> <p><i>The shareholder or nominee who on the record day is entered in the share register and recorded in a reconciliation register in accordance with Chapter 4 of the Central Securities Depositories and the Swedish Financial Instruments Accounts Act (1998:1479) or those who are registered on the reconciliation account in accordance with Chapter 4, Section 18, first paragraph 6 – 8 of the mentioned law, shall be assumed to be authorized to exercise the rights set out in Chapter 4, Section 39 of the Swedish Companies Act (2005:551).</i></p>

The approval by the Annual General Meeting of this proposal in accordance with the above is valid only if supported by shareholders representing at least 2/3 of both the votes cast and the votes represented at the meeting.

16. Resolution regarding performance-based incentive program for management and employees (LTI 2021)

The Board of Directors proposes that the Annual General Meeting resolves on the implementation of a performance-based long-term incentive program for certain senior executives and key persons in the Company ("LTI 2021") as described below. Should the Annual General Meeting resolves on LTI 2021, the Board of Directors of Minesto (the

“Board”) intends to provide information about target levels and the outcome of LTI 2021, no later than at the 2025 Annual General Meeting.

### **Summary and motive**

The program comprises a maximum of 64 employees in the Company (the “Participants”). The Board may also, if the Board deems it to be in the Company’s interest, offer one or more newly hired employees (or, where applicable, a current employee who is not initially offered participation in LTI 2021) to participate in LTI 2021 in accordance with the terms and conditions described herein. After a qualifying period of four years the participants will be allotted warrants in the Company without any consideration, provided that certain qualifying terms and conditions are fulfilled (the “Performance Share Right”). In order for these so-called Performance Share Rights to entitle the Participant to an allotment, the Participant must have chosen to retain his/her assignment in the Company under the current Qualifying Period (as defined below). ). In order for allotment to occur, it is further required that certain performance targets based on established milestones are achieved by the Company. The volume of allotted Performance Share Rights is further based on the annual development of the Company’s share price in relation to the index on the exchange where the Company’s shares are listed.

The maximum number of Performance Share Rights that can be allotted in accordance with LTI 2021 shall be limited to 943 207 (corresponding to the same number of shares in the Company). In addition to these Performance Share Rights, it is proposed that an additional 377 043 warrants be issued to cover the Company’s costs through the hedging measures proposed below. This means that LTI 2021, in the event of a maximum outcome, entails that the Participants receive Performance Share Rights corresponding to shares represented approximately 0.72 percent of all shares and votes in the Company and that the program in its entirety (including issue of cost-covering warrants) may entail a maximum dilution of approximately 1.00 percent.

The motives for the Board’s proposal of LTI 2021 are to reinforce the Company’s ability to retain existing workforce and recruit key personnel to the Company. The proposal has also been developed with the aim of spreading and increasing shareholding among the Participants and ensuring a common focus on long-term and sustainable growth for the Company, which would ensure that the shareholders’ and Participants’ interests are further consolidated. Through a performance-based incentive program, the Participants’ compensation can be linked in a relevant way to the Company’s future development and growth.

In order to enable the implementation of LTI 2021 in a cost-effective manner, the Board’s proposal for LTI 2021 is conditional on that the Annual General Meeting also resolves on the delivery and hedging methods proposed under item 17 a) – c) in the agenda.

### **Performance Share Right**

The Performance Share Rights mean that Participants in the program are entitled to acquire one warrant in the Company for each Performance Share Right with a right for its holder to acquire one share in the Company at a price corresponding to the quota value of the share

at the time the shares are subscribed (currently SEK 0.05), provided that the qualifying terms and conditions stated below are fulfilled. The Performance Share Rights are allotted with no payment of consideration.

### **Terms of Participation**

LTI 2021 comprises a maximum of 64 employees and additional employees in the Company, who the Board resolves to offer participation in the program. The Participants are divided into four categories as follows:

- Category 1: One participant – the CEO
- Category 2: Five participants – Critical senior executives and key persons
- Category 3: Nine participants – Management executives and key persons
- Category 4: Forty-nine participants – Other employees

The number of Performance Share Rights that a Participant may be granted depends on the category of the Participant.

- Category 1: 235 802 Performance Share Rights
- Category 2: Up to 82 531 Performance Share Rights per Participant (the total number of Performance Share Rights that can be granted to all the Participants in Category 2 may never exceed 330 123)
- Category 3: Up to 28 296 Performance Share Rights per Participant (the total number of Performance Share Rights that can be granted to all the Participants in Category 3 may never exceed 188 641)
- Category 4: Up to 9 432 Performance Share Rights per Participant (the total number of Performance Share Rights that can be granted to all the Participants in Category 4 may never exceed 188 641)

### **Conditions for qualifying**

In order for Participants to be able to exercise their Performance Share Rights and receive an allotment, the following qualifying conditions must be fulfilled:

#### *Maintained assignment*

To be granted Performance Share Rights, the Participant must, during each of the relevant Qualifying Periods (defined below) have retained their employment or assignment in the Minesto Group. This requirement shall, however, not be applied if the Participant's employment or assignment within the Minesto Group has been terminated due to disability, death, retirement or that the Company has sold the subsidiary where the Participant is employed.

In the event the Company terminates Participants' employment in the Minesto Group prior to a qualifying date, previously earned Performance Share Rights may be exercised at

regular time for exercise as described below, but no further earning shall take place. If the Participants' employment is terminated due to dismissal by the employer or termination by the employer and objective grounds for dismissal for personal reasons, all the earned Performance Share Rights shall, however, expire.

In order to exercise the maximum number of Performance Share Rights under LTI 2021 it is thus required that the Participant is employed within the Minesto-Group up to and including 1 January 2025 (the "Qualifying Period").

The Performance Share Rights are gradually earned over approximately four years, corresponding to five periods until 1 January 2025 (each such period is a "Qualifying Period"). The Performance Share Rights are earned according to the allotment below at the end of each Qualifying Period, provided that the Participant is still employed on that day. In addition to these qualifying conditions, the Performance Share Rights are subject to performance-based earnings based on the development of Minesto's share price, in accordance with the conditions for performance-based qualifying below.

Close of Qualifying Period 1 (1 January 2022) – 1/4 of allotted Performance Share Rights

Close of Qualifying Period 2 (1 January 2023) – 1/4 of allotted Performance Share Rights

Close of Qualifying Period 3 (1 January 2024) – 1/4 of allotted Performance Share Rights

Close of Qualifying Period 4 (1 January 2025) – 1/4 of allotted Performance Share Rights

#### *Performance*

In addition to the above conditions for qualifying, the Performance Share Rights are subject to performance-based earning based on the extent the Company achieves certain milestones set by the Board for respective Qualifying Period ("Performance Targets"). The Performance Targets relate to the tangible and objective ascertainable targets for long-term and sustainable growth in the Company, which have been prepared and set by the Board in consultation with management. The Performance Targets can be achieved in whole or in part (0-100 percent).

In addition to fulfilling the Performance Targets, the annual outcome of LTI 2021 depends on the annual development of Minesto's share price (the "Company Development") in relation to average annual share price development for all companies whose shares are listed for trading on the stock exchange where Minesto's shares, at any given time, are listed ("General Development"). The principle can be exemplified as follows:

*Qualifying Period 1 – The Participant's fulfilment rate of the Performance Targets amounts to 80 percent. The Company's Development amounts to plus 7 percent compared with that the General Development amounts to plus 10 percent. The Company's Development constitutes 97.27 percent (107/110) percent of the General Development. This means that 77.82 (97.27\*0,80) percent of 1/4 of the Performance Share Rights shall be allotted to the Participants for this period.*

*Qualifying Period 4 – The Participant's fulfilment rate of the Performance Targets amounts to 90 percent. The Company's Development amounts to minus three percent compared with that the General Development amounts to minus 8 percent. The Company's Development constitutes*

*105.43 percent (97/92) percent of the General Development. This means that 94.89 (105.43\*0.9) percent of 1/4 of the Performance Share Rights shall be allotted to the Participants for this period.*

### **Other conditions for Performance Share Right**

The following conditions otherwise apply for the Performance Share Rights:

- Participants shall not have the right to transfer, pledge or sell the Performance Share Rights or to exercise any shareholder rights regarding the Performance Share Rights during the Qualifying Period.
- The earliest time at which earned Performance Share Rights may be exercised is the day after the 2025 Annual General Meeting.
- The Company will not compensate the Participants for any dividends in the Company.
- The Performance Share Rights may be allotted by the Company and by other companies within the Minesto Group.
- In the event of a public takeover bid, sale of the Company's operations, liquidation, merger or other similar transaction that affects Minesto all Performance Share Rights for the current Qualifying Period shall be earned in connection with such transaction being completed against any remaining Qualifying Periods maturing and no additional Performance Share Rights can be earned.

### **Maximum quantity**

The maximum number of Performance Share Rights that can be issued in accordance with LTI 2021 is 943 207, which corresponds to approximately 0.72 percent of the outstanding shares and votes in the Company.

The number of shares included in LTI 2021 shall, in accordance with the detailed terms and conditions resolved by the Board, be subject to recalculation due to the Company carrying out a bonus issue, consolidation or division of shares, rights issue or similar measures, taking into consideration customary practice for corresponding incentive programs. It must be possible for recalculation to take place so that extraordinary dividend is taken into account.

### **Structure and administration**

The Board is responsible for the detailed structure and administration of LTI 2021, as well as the detailed terms and conditions that shall apply between the Company and the Participant in the program, within the framework for the terms and conditions and guidelines set out herein. In connection therewith, the Board shall have the right to determine deviating terms and conditions for the program regarding, among other things, the Qualifying Period under certain conditions. The Board shall also have the right to make adjustments to fulfil special rules or market conditions.

In certain cases, the Board shall have the right to reduce final allotment of shares or, wholly or partially, terminate LTI 2021 prematurely without compensation to the Participants if there are significant changes in the Company or the market.

### **Delivery and cost-hedging measures**

To secure the Company's undertakings as a result of the Performance Share Rights the Board proposes that the Company shall issue and resolve to transfer warrants to the Participants (in accordance with item 17 a) and b) below). It is further proposed that the Board shall have the right, if necessary to hedge certain costs, to enter into so-called swap agreements with a third party (e.g. a shareholder or a financial institute, in accordance with item 17 a) and c) below).

### **Costs for LTI 2021 and impact on important key ratios**

As a result of the proposed delivery and cost-hedging measures (item 17 a) – c) below) the Company's liquidity will only be affected by administrative costs and VAT that arise in relation to LTI 2021. Delivery and cost-hedging measures thus ensure that the potential salary costs that the program may entail will be covered by the additional 377 043 warrants that the Board proposes to be issued.

There are no additional costs for the Company or its shareholders, except for the fact that the program at maximum outcome means that the Participants receive Performance Share Rights corresponding to shares representing approximately 0,72 percent of all shares and votes in the Company and that the program in its entirety (including issue of cost covering warrants) can entail a maximum dilution of approximately 1,00 percent.

The Board has the right to reduce the number of Performance Share Rights that the Participants can exercise if, for example, the expected taxation of LTI 2021 deviates from the actual taxation and leads to increased costs for the Company. However, such costs are secured, as stated above, by the measure proposed in item 17 c) below.

Overall the Board assessed that the positive earnings effects that may finally arise via LTI 2021 will consider the costs related to LTI 2021.

### **Dilution effect**

The total number of warrants issued to enable delivery and secure costs is 377 043. Upon full exercise of the warrants the number of shares in the Company will increase by 377 043. These shares constitute 0.28 percent of the number of shares and votes after full dilution, calculated as the number of additional shares in relation to the total of current and additional shares in the Company.

### **Preparation of the proposal**

LTI 2021 has been prepared by the Company's Board and Remuneration Committee in consultation with external advisors. The Board has subsequently resolved to present this proposal to the Annual General Meeting. Except the salaried employees who prepared the matter in accordance with the instruction from the Company's Board, no employee who may be included in the program participated in the preparation of terms and conditions.

### **Other long-term incentive programs**

There are currently two series of warrants (P05 and P06), which are issued for the purpose of creating incentive for senior executives, key persons and employees in the Company.

The warrants of series P05 and P06 were issued at the Annual General Meeting of the Company on 4 June 2019. Each series was issued in a range of 1 965 000 warrants. The subscription period for the warrants of series P05 is between 1 July 2021 up to and including 30 September 2021. The subscription period for the warrants of series P06 is between 1 July 2022 up to and including 30 September 2022.

The warrants of series P05 and P06 were originally issued without consideration to the Company's wholly-owned subsidiary, Minesto Warrants One AB, which subsequently after instructions from the Company shall transfer the warrants to senior executives, key persons and employees in accordance with the terms and conditions for resolution by the Annual General Meeting. Such transfer shall take place at market value of the warrant at the time of the transfer.

A total of 1 340 000 warrants of series P05 have, in November 2019, been transferred to senior executives, key persons and employees of Minesto. The remaining 625 000 warrants will not be transferred from Minesto Warrants One AB and are thus ineffective.

A total of 448 000 warrants of series P06 have, in November 2020, been transferred to senior executives, key persons and employees of Minesto. The remaining 1 517 000 warrants will not be transferred from Minesto Warrants One AB and are thus ineffective.

The subscription price for the warrants of series P05 amounts to SEK 22.49. The subscription price for the series P06 amounts to SEK 40.73.

#### **The Board's proposal for resolution**

With reference to the above-mentioned description, the Board proposes that the Annual General Meeting resolves on the implementation of LTI 2021.

#### **Majority requirement**

The Board's proposal for resolution regarding the implementation of LTI 2021 is conditioned on the Annual General Meeting approval of the Board's proposal under item 17 a) – c) below. The Board therefore proposes that the Annual General Meeting resolves regarding item 16 and 17 a) –c) jointly and that a resolution shall only be valid if it is supported by shareholders representing at least nine tenths of both the votes cast and the shares represented at the general meeting.

#### **17. Resolution on delivery and cost-hedging measures for LTI 2021**

The Board proposes that the Annual General Meeting resolves on directed issue of 1 320 250 warrants of series 2021:1 with right to subscribe to new shares in the Company, mainly in accordance with the proposals below.

The warrants shall be issued without payment of consideration. Each warrant shall entitle the holder to subscribe for one new share in the Company, therefore the share capital, upon full exercise of the warrant, shall increase by a maximum of SEK 66 012,50.

The right to subscribe for warrants shall, with deviation from the shareholders' preferential rights, belong to the Company's wholly-owned subsidiary Minesto Warrants One AB.

Oversubscription may not take place.

Subscription of warrants shall be carried out via a special subscription list no later than 9 June 2021. The Board shall have the right to extend the subscription period.

The warrants shall give the right to subscribe to shares from the time the warrants are registered with the Swedish Companies Registration Office up to and including 31 July 2025.

The subscription price for the shares subscribed for with support of the warrants shall correspond to the quota value of the share at the time the shares are subscribed for.

The newly issued shares shall carry the right to dividend from and including the first record date for dividends that occurs after the shares have been registered with the Swedish Companies Registration Office.

The number of shares that can be subscribed for each warrant may be recalculated in accordance with customary conversion principles due to, among other things, bonus issue, consolidation or division of shares, rights issue or similar measures.

The reasons for deviation from the shareholders preferential rights is that the Company wishes to implement LTI 2021.

The complete terms and conditions for the warrants of series 2021:1, including recalculation conditions, are set out in in the special terms that will be made available in accordance with what is stated below under "Annual report and other documents".

#### **b) Transfer of the warrants to Participants in LTI 2021**

The Board proposes that the Annual General Meeting resolves to approve that the Company, on one or more occasions, may transfer the warrants of series 2021:1 to participants in LTI 2021 in accordance with the conditions for LTI 2021.

#### **c) Transfer of warrants to cover costs for LTI 2021 and authorization to enter into swap agreements**

The Board proposes that the Annual General Meeting resolves to approve that the Company, on one or more occasions, transfer series 2021:1 warrants to a third party to cover the costs for LTI 2021. This can be achieved, for example, by the Company entering into a swap agreement with a third party.

##### *Special authorization*

The Board or the person appointed by the Board is proposed to be authorized to make such minor amendments and clarifications of the resolution by the Annual General Meeting that may prove necessary in connection with registration with the Swedish Companies Registration Office or due to other formal requirements.

##### *Majority requirement for resolution*

The Board's proposal under item 17 a) – c) is conditional on that the Annual General Meeting approves the Board's proposal regarding LTI 2021 in item 16. The Board therefore proposes that the Annual General Meeting resolves regarding item 16 and 17 a) –c) jointly

and that a resolution shall only be valid if it is supported by shareholders representing at least nine tenths of both the votes cast and the shares represented at the general meeting.

18. Resolution regarding authorization of the Board of Directors to issue shares and/or warrants and/or convertibles

The Board of Directors proposes that the Annual General Meeting authorizes the Board of Directors to resolve, on one or several occasions, on issue of shares and/or warrants and/or convertibles during the time until the next Annual General Meeting for payment in cash and/or with terms regarding set-off or issue in kind or otherwise with terms and thereby deviate from the preferential right of the shareholders.

The issues shall be done to a marketable issue price determined by the Board of Directors in consultation with the company's financial advisers, taking into consideration any marketable issue-discount.

The number of shares that could be issued, or the number of shares that could be subscribed for through warrants, or the number of shares that convertibles could be converted into shall amount to a total maximum of 14 470 200 new shares representing a dilution amounting to approximately ten per cent.

The purpose of the authorization and the reason to deviate from the preferential right of the shareholders is that issues shall be possible for financing the company's business, commercialisation and development of the company's products and markets and/or acquisition of businesses, companies or parts of companies and/or enable a broadening of the owner base of the Company.

The approval by the Annual General Meeting of this proposal in accordance with the above is valid only if supported by shareholders representing at least 2/3 of both the votes cast and the votes represented at the meeting.

19. Resolution regarding adjustment authorization

The Board of Directors or the person appointed by the Board of Directors shall be authorized to make such minor amendments and clarifications of the resolution by the Annual General Meeting that may prove necessary in connection with registration of the resolutions.

***Number of shares and votes***

At the time of this notice, the total number of shares in the Company amounts to 130 232 431. The Company holds no treasury shares.

***Information***

Shareholders have the right, at the Annual General Meeting, to request information in accordance with Chapter 7, Section 32 of the Swedish Companies Act. Such request from shareholders shall be made in writing by regular mail to the Company's office with address Vita gavelns väg 6, 426 71 Västra Frölunda, or via e-post to [ir@minesto.com](mailto:ir@minesto.com) no later than 23 May 2021. The information shall be available at the Company's head office with the above address and on the Company's website [www.minesto.com](http://www.minesto.com) no later than 28 May

2021. Information will also be sent within the same time to shareholders who requested information and provided their address.

***Annual report and other documents***

Accounting documents, auditors' report and other documents to be considered at the Annual General Meeting will be available at the Company's office at Vita gavelns väg 6, 426 71 Västra Frölunda, and on the Company's website, [www.minesto.com](http://www.minesto.com), no later than three weeks prior to the Annual General Meeting.

***Processing of personal data***

For information on how your personal data is processed please refer to the integrity policy available on Euroclear's website:

<https://www.euroclear.com/dam/ESw/Legal/Integritetspolicy-bolagsstammor-svenska.pdf>.

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Göteborg in May 2021

**Minesto AB**

*The Board of Directors*