

**The board of directors' of Mendus AB (publ), reg. no 556629-1786, (the "Company")  
complete revised proposal on resolution regarding issue of warrants of series  
2023/2027 and implementation of long-term incentive program 2023/2027**

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After new discussions with the Company's major shareholders, the board of directors has decided to revise the previously presented proposal for resolution regarding issue of warrants of series 2023/2027 and implementation of long-term incentive program 2023/2027. The revision concerns both that the subscription price per share upon exercise of the warrant shall amount to a price equivalent to 140 percent (previously 120 percent) of the trading price of the Company's share, and that the determined subscription price for shares shall be rounded to the nearest SEK 0.01. The revised proposal in its entirety is set out below.

The board of directors proposes that the EGM resolves on issue of warrants of series 2023/2027 and to implement a performance-based incentive program based on employee stock options for management and key employees (the "**ESOP 2023/2027**") in accordance with the proposal below.

The purpose of the proposal is to create opportunities for retaining and increasing motivation of senior executives and other key personnel in the Company. The board of directors believes that it is in the interest of all shareholders that senior executives and other key individuals, which are assessed to be of importance for the development of the Company, have a long-term interest of a positive value growth in the Company's shares.

**A. Issue of warrants**

The board of directors proposes that the EGM resolves on a directed issue of a maximum of 47,333,226 warrants of series 2023/2027, entailing an increase of the share capital by a maximum of SEK 2,366,661.30 upon full exercise. Oversubscription shall not be possible.

By way of deviation from the shareholders' preferential rights, the warrants may only be subscribed for by the Company with the right and obligation to transfer the warrants to the participants in accordance with the proposal under item C below. The reason for the deviation from the shareholders' preferential rights is that the warrants shall be used for the implementation of the ESOP 2023/2027.

*Subscription price (option premium)*

The warrants shall be issued free of charge to the Company.

*Subscription period for subscription of warrants*

The warrants shall be subscribed for on a separate subscription list no later than 14 December 2023. The board shall have the right to extend the subscription period.

*Subscription period for exercising warrants*

Each warrant entitles the holder to subscribe for one (1) share in the Company. The warrants may be exercised through notification of subscription for new shares during the period commencing on the date of registration of the issue resolution with the Swedish Companies Registration Office (Sw. *Bolagsverket*) up until and including 13 July 2027.

#### *Exercise price for subscription of shares through the exercise of the warrants*

The exercise price per share when exercising the warrants shall amount to a price equivalent to 140 percent of the volume-weighted average price paid during the period commencing on 14 December 2023 up until and including 29 December 2023, of the noted paid prices (according to Nasdaq Stockholm's official rating list) for shares in the Company (however, the exercise price may not be less than the share's quota value of SEK 0.05). Day without noted price shall not be included in the calculation. Any share premium upon subscription of a share shall be transferred to the unrestricted premium reserve.

#### *Dividend*

Shares that are subscribed for through exercising warrants shall entitle to dividends as from the first time on the record date for dividends resolved that occurs following when the registration of the new shares at the Swedish Companies Registration Office has been made and the shares have been recorded in share register maintained by Euroclear Sweden AB.

#### *Cancellation of warrants*

Warrants held by the Company and which have not been transferred in accordance with item C below may be canceled by the Company following a decision by the board of directors of the Company. Cancellation must be reported to the Swedish Companies Registration Office for registration.

#### *Re-calculation*

The exercise price for the shares, determined as set out above, shall be rounded to the nearest SEK 0.01 whereby SEK 0.005 shall be rounded upwards. The exercise price and the number of shares that each warrant entitles to subscription for shall be re-calculated in the event of a split, reversed split, new share issue etc. in accordance with customary re-calculation terms. Complete re-calculation terms are set out in [Appendix B](#).

### **B. Adoption of ESOP 2023/2027**

The board of directors proposes that the EGM resolves to adopt ESOP 2023/2027 in accordance with below terms and conditions.

A maximum of 47,333,226 employee stock options ("**Employee Stock Options**") may be allocated to the participants in the ESOP 2023/2027. Allocation shall occur as soon as practicably possible following the approval by the EGM and at latest on 12 January 2024.

The ESOP 2023/2027 shall comprise employees in the Company or subsidiaries to the Company (the "**Participants**"). The Participants are divided into different categories based on their respective roles within the group. The allocation is set out below:

| Category | Maximum number of Employee Stock Options per Participant | Maximum number of Employee Stock Options in the Category |
|----------|----------------------------------------------------------|----------------------------------------------------------|
| CEO      | 13,253,303                                               | 13,253,303                                               |
|          | 6,626,652                                                | 23,666,614                                               |
|          | 2,366,661                                                | 10,413,309                                               |

Other senior executives (maximum of 4 individuals)

Other key individuals (maximum of 11 individuals)

Any Employee Stock Options that are not allotted to the Participants in accordance with the above may be reserved in the Company for future recruitments within corresponding categories as above and may – in accordance with instructions from the board of directors – on one or more occasions, however no later than 1 April 2024 and provided that the allotment is in accordance with good practice on the stock market, be transferred to persons newly employed in the Company or its subsidiaries. Corresponding principles for allotment (number of Employee Stock Options that may be allotted) and conditions for the right to be allotted Employee Stock Options etc. as stated in this proposal shall be applied. A person who is recruited may be allotted Employee Stock Options at the time when he/she enters into an employment contract with the Company or a subsidiary in the group, regardless of whether the employment takes place later. The reason why any future employees may be allotted warrants at such a time between the allotment and the subscription period for shares may be less than three years is that the board of directors considers it important that also such employees, for the reasons that apply to the ESOP 2023/2027 in general, are given the opportunity to participate in a value growth in the company's share already at the beginning of the employment. Since the time period – depending on when the Employee Stock Options are exercised – corresponds to, exceeds or in some cases falls short of three years by a small margin, the board of directors considers that this deviation can be legitimized.

Allocation of Employee Stock Options is in each case conditional on that (i) the relevant Participant's employment with the Company or its subsidiaries has not been terminated or discontinued and (ii) the Participant has entered into a separate employee stock option agreement with the Company. The board of directors shall ensure that the agreements with the Participants contain terms that prohibit transfers and pledges of the Employee Stock Options and for vesting of the Employee Stock Options in accordance with below principles.

The Employee Stock Options shall be allocated to the Participants free of charge.

The allocated Employee Stock Options shall be vested with 1/3 after 12 months (year 2025), then an additional 1/3 shall be vested after 12 months (year 2026) and an additional 1/3 shall be vested 12 months thereafter (year 2027) calculated from the first date of allocation. Vesting requires that the Participant is still employed by the Company or its subsidiaries. If the Participant's employment is terminated by the Participant or due to the Participant's breach of contract, all Employee Stock Options shall immediately expire for the Participant and cannot be exercised by the Participant. If the employment is terminated for other reasons, vested Employee Stock Options may be exercised, however the right to Employee Stock Options not yet vested will expire. In individual cases, the board shall have the right to deviate from the foregoing. In the event that a Participant's employment is terminated, the board shall – if consistent with good practice on the stock market – have the right to reallocate the Employee Stock Options that the Participant are not entitled to exercise among the other Participants, provided that the above limits are not exceeded. The final terms and conditions shall be determined by the board of directors and determined in separate

employee stock option agreement.

Provided that the Employee Stock Options have been allocated and vested each Employee Stock Option entitles the holder a right to, during the period commencing on 13 January 2027 up until and including 13 July 2027, acquire one (1) warrant in the Company that will be issued in accordance with item A above and that shall be transferred from the Company to the Participants in accordance with Item C below.

Participation in the ESOP 2023/2027 is in each case conditional upon that such participation is legally possible as well as possible with reasonable administrative cost and financial efforts according to the assessment of the board of directors.

The board of directors shall be responsible for preparing the agreements with the Participants and the administration of the ESOP 2023/2027. In connection therewith, the board of directors may make adjustments in order to fulfill specific rules or market conditions outside Sweden. Furthermore, in extraordinary cases, the board of directors is entitled to limit the extent of the ESOP 2023/2027, or terminate the ESOP 2023/2027 in advance, in whole or in part. The board of directors is also entitled to bring forward vesting and the time of exercise of the employee stock options in certain cases, such as in the event of a public takeover bid, liquidation, merger and similar measures.

#### **C. Approval of transfer of warrants**

The Participants shall have the right to acquire warrants from the Company in accordance with the terms of the ESOP 2023/2027 in accordance with point B above.

One (1) Employee Stock Option entitles the right to acquire one (1) warrant. Notification of acquisition of warrants shall be made during the period commencing 13 January 2027 up until and including 13 July 2027. The warrants are acquired free of charge by the Participants.

In connection with notification of acquisition of warrants, the Participant shall submit an irrevocable power of attorney to a representative of the Company that authorizes the representative of the Company, in the name of the Participant and on his or her behalf, to exercise the warrants for subscription of shares immediately after the Company has transferred the warrants to the Participant.

#### **D. Dilution and costs for ESOP 2023/2027 etc.**

##### *Dilution*

Upon exercise of all warrants in ESOP 2023/2027 up to 47,333,226 shares may be issued which corresponds to a dilution on a fully diluted basis of approximately 4.5 per cent of the total number of shares and votes in the Company (with reservation for any re-calculation). The calculation is based on the maximum number of shares and votes which can be issued divided with the total number of shares and votes on a fully diluted basis, i.e. including the shares that may be issued in regard to outstanding warrants, after such issue.

##### *Costs*

The Employee Stock Options will be expensed over the vesting period, without affecting the

Company's cash flow. If Employee Stock Options are exercised, the ESOP 2023/2027 will also entail costs in the form of social security contributions. The total costs for social security contributions depend on the Participant's employment status, on the number of vested Employee Stock Options and on the value of the benefit that the Participant ultimately receives, i.e. the value of the Employee Stock Options upon exercise in 2027. In addition, the Company's costs for the Employee Stock Option Program 2023/2027 are related costs for preparation, implementation and administration of the program as well as costs for external advisors.

Based on the assumption that all Employee Stock Options under ESOP 2023/2027 will be vested, an assumed share price of SEK 1.05 (which represents a 100% increase in the share price) when the Employee Stock Options are exercised and an assumed social security rate of approximately 31.42 percent for the Swedish participants and none for the participants from the Netherlands, the total costs for the program will amount to approximately SEK 9.9 million, of which social security contributions of SEK 1.0 million, during the three-year period of the program. The total costs on an annual basis, over a three-year period, correspond to 7.8 percent of the Company's total salary costs for employees (including social security contributions) calculated on the salary costs for the financial year 2022.

If all Employee Stock Options are allocated and vested, all warrants are transferred to the Participants, the warrants are in the money at the time they can be exercised and all warrants are exercised to subscribe for shares, the Company will at that time receive issue proceeds of approximately SEK 29.8 million (based on an assumed share price of SEK 0.525 at the issuance of the the options).

In case the board of directors resolves to bring forward vesting due to a public takeover bid, the Company will in separate agreements offer the Participants a right to receive a cash bonus payment to cover the net tax cost that arises for the Participant in connection with the exercise of the Employee Stock Options. This bonus payment may entail a future cost for the Company.

#### *Outstanding incentive programs*

As a part of the preparation of this proposal the board of directors has decided to cancel all outstanding employee stock options and related warrants under LTI 2021/2024 and LTI 2022/2025 and thereby terminate the employee stock option programs in advance. The restricted share units issued under LTI 2021/2024 have not been canceled.

The number of restricted share units issued under LTI 2021/2024 amounts to 419,000. The restricted share units are vested with 1/3 each year for a three-year period and vesting presuppose that the participant is still employed. Each restricted share unit that has been vested entitles the right to acquire a share in the Company corresponding to the quota value of the share during the exercise period. The exercise period for the restricted share units commencing on 1 September 2024 up until and including 31 October 2024.

#### *Preparation of proposal*

The proposal to the ESOP 2023/2027 has been prepared by the remuneration committee and has been finalized by the board of directors with assistance from external advisors and after consulting

with some of the Company's major shareholders.

**E. Authorization and majority requirement**

The board of directors, the CEO or the person appointed by the board of directors shall be entitled to make the minor adjustments of the decision required in connection with the registration thereof.

The proposals according to A-C shall be managed and seen as one and the same resolution.

For the present resolution to be valid it is required that the proposal is approved by shareholders holding at least nine-tenths (9/10) of both the votes cast and the shares represented at the general meeting.

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Stockholm, November 2023

**Mendus AB (publ)**

*The board of directors*