

CERTAIN MAJOR SHAREHOLDERS' PROPOSAL ON IMPLEMENTATION OF A LONG-TERM INCENTIVE PROGRAMME FOR BOARD MEMBERS BY WAY OF (i) A DIRECTED ISSUE OF WARRANTS AND (ii) APPROVAL OF TRANSFER OF WARRANTS

Certain major shareholders in OssDsign AB proposes that the annual general meeting resolves on implementation of a long-term incentive programme (**Warrant programme 2022/2025:2**) for board members by way of (A) directed issue of no more than 285,371 warrants of series 2022/2025:2 (of which no more than 199,760 warrants of series 2022/2025:2A and no more than 85,611 warrants of series 2022:2025:2B) to the company and/or any of its subsidiaries (the company or a subsidiary, as applicable, hereinafter referred to as the "**LTIP Company**", and the group where the company is parent company, hereinafter referred to as the "**Group**"), as set forth in item A below, and (B) approval of transfer of the issued warrants from the LTIP Company to certain board members as set forth in item B below.

Main terms of the incentive programme

The incentive programme shall encompass four out of the five existing board members and the proposed new board member in the company (the "**Participants**"). The incentive programme does not encompass Viktor Drvota. Participation in the incentive programme requires election of the board members concerned at the annual general meeting.

The incentive programme entails that Participants, who have entered into an agreement with the LTIP Company (the "**Warrant Agreement**"), are offered to acquire warrants at market value, calculated as set forth below. Warrants may be transferred to the Participants free-of-charge provided that it does not entail negative tax consequences for the Group (only applicable with respect to Participants in other jurisdictions than Sweden).

The Warrant Agreement will include a so-called vesting structure, a re-purchase right for the LTIP Company applicable under certain circumstances, certain transfer restrictions and other terms and conditions customary for such agreements with some potential differences due to requirements under local law.

Each warrant shall entitle the warrant holder to subscribe for one (1) new share in the company.

The subscription price per new share is to be determined based on a certain percentage (130%) of the volume weighted average trading price for the company's share on Nasdaq First North Growth Market during a period of ten (10) trading days before the annual general meeting on 1 June 2022. More detailed provisions for determining the subscription price are set forth below.

The warrants may be exercised for subscription of new shares during the period from and including 1 July 2025 until and including 31 December 2025. Subscription of new shares may however not take place during so-called closed periods according to the EU Market Abuse Regulation, or otherwise in breach of relevant insider rules and regulations (including the

company's internal guidelines in this respect). Warrants that have not been exercised for subscription of new shares by 31 December 2025 shall lapse.

The rationale for the incentive programme

This proposal has been presented considering that the company competes for qualified board members in an internationally competitive market. The overall purpose is to align the interests of the members of the board of directors with those of the shareholders and thereby create maximum long-term value adding commitment. The incentive programme is also intended to create a long-term focus on increase in earnings and growth amongst the Participants.

As of today, there are two share related incentive programmes board members in the form of warrants issued in 2019, which will expire in 2022 ("Warrant programme 2019/2022:2") and warrants issued in 2021, which will expire in 2024 ("Warrant programme 2021/2024:2"). Please refer to "Existing share related incentive programmes" in the board of directors' proposal on implementation of a long-term incentive programme for employees and contractors for more information.

This proposal has been presented as a complement to Warrant Programme 2021/2024:2 and in view of the share price development and the assessment that Warrant programme 2019/2022:2 no longer fulfils its purpose and will not entail any dilution for existing shareholders.

Existing share related incentive programmes

As of today, there are three different share related incentive programmes for employees and contractors out of which there are two different warrant programmes from 2019 (divided into 2019/2022:1A and 2019/2022:1B) and 2021 (divided into 2021/2024:1A and 2021/2024:1B), respectively, expiring in 2022 and 2024, respectively, and one employee stock option programme (so called qualified employee stock options which are held by Swedish employees only) from 2019 which expires in 2022. In addition, there are two share related incentive programmes for board members in the form of warrants issued in 2019, which will expire in 2022 (Warrant programme 2019/2022:2), and warrants issued in 2021, which will expire in 2024 (Warrant programme 2021/2024:2). Please refer to "Existing share related incentive programmes" in the board of directors' proposal on implementation of a long-term incentive programme for employees and contractors for more information.

Costs, dilution, etc.

There are costs associated with the incentive programme in respect of valuation, consultancy services and costs for registration and practical management of the programme.

In addition to the above, the company's costs for the programme may include social security costs and Medicare Tax in relation to the part directed to Participants resident in the U.S (*i.e.* warrants of series 2022:2025:2B). Potential social security costs and Medicare Tax are calculated on the difference between the acquisition cost for new shares and the value of the company's shares at the time of exercising the warrants. The tax rate for social security costs is

currently 6.20 percent and the Medicare Tax is currently 1.45 percent. Social security costs are only payable in respect of a certain yearly income (currently USD 147,000) whilst Medicare Tax does not have a similar limit. The potential costs in respect of U.S. participants will thus be dependent on the development of the share price as well as the U.S. Participants' other income from the Group and will not be payable at all should the warrants not be exercised for subscription of new shares. The total cost for the incentive programme will thus depend on the outcome of the programme.

U.S. Participants are expected to be offered the possibility to acquire a maximum of 85,611 warrants under the incentive programme. Potential costs in relation to Participants resident in the U.S. are appraised to a maximum of approximately SEK 1.57 per warrant (approximately TSEK 135 in total) based on today's tax rates and the assumption that the value of the company's shares at the time of exercise of the warrants is SEK 30 per share and an assumed subscription price of SEK 9.53 per new share (the calculation is based on the maximum total tax rate as of today, i.e. 7.65 percent). The potential costs are appraised to a maximum of approximately SEK 2.33 per warrant (approximately TSEK 200 in total) should the value of the company's shares at the time of exercise of the warrants instead be SEK 40 per share with the same subscription price (please note that the aforementioned examples are only intended to illustrate the costs in different scenarios and are not a reflection of any appraised development of the share price).

Other than the warrants and employee stock options described under "Existing share related incentive programmes" above, there are no share or share price related incentive programmes outstanding in the company as of today.

Upon full subscription, transfer and exercise of all 285,371 issued warrants, a total of 285,371 new shares will be issued in the company (subject to potential recalculations in accordance with customary terms and conditions applicable for the warrants). This would lead to a dilution corresponding to approximately 0.5 percent of the total share capital and number of shares and votes in the company as of today. The dilution calculation does not take into account potential new shares as a result of existing incentive programmes or the incentive programme for employees and contractors proposed to be adopted at the annual general meeting meaning that the potential dilution may be lower than the aforementioned.

Accounting for the new shares that may be issued under the proposed incentive programme, the key ratio earnings per share for the full year 2021 had then been changed in such way that the result per share had been changed with SEK 0.02 (the calculation excludes other share related incentive programmes and is based on the dilutive effect only without taking costs associated with the proposed incentive programme into consideration).

Costs related to the warrants for U.S. participants will be accounted for in accordance with IFRS 2 according to which the warrants shall be expensed as a personnel cost over the vesting period. The total costs for the warrants are estimated to a maximum of TSEK 51 during the term of the programme (according to IFRS) based on the maximum dilutive effect in relation to the total number of shares in the company as of today.

The above calculations regarding costs, dilution and impact on key ratios are subject to potential recalculations in accordance with the customary recalculation terms set out for the programme.

Preparation of the proposal

This proposal has been prepared by certain major shareholders together with external consultants. The final proposal has been presented by said shareholders.

Majority requirements

The proposed incentive programme is subject to the provisions in Chapter 16 of the Swedish Companies Act (Sw. Aktiebolagslagen (2005:551)), and a valid resolution therefore requires that the proposal is supported by shareholders representing at least nine-tenths (9/10) of the votes cast as well as of all shares represented at the annual general meeting.

A. Directed issue of warrants

1. The company shall issue no more than 285,371 warrants of series 2022/2025:2 (of which no more than 199,760 warrants of series 2022/2025:2A and no more than 85,611 warrants of series 2022:2025:2B).
2. Each warrant entitles to subscription of one (1) new share in the company, each with a quotient value of SEK 0.0625. If all warrants are subscribed, transferred to and exercised by the Participants for subscription of new shares, the company's share capital will increase by SEK 17,835.6875 of which SEK 12,485 in relation to warrants of series 2022/2025:2A and SEK 5,350.6875 in relation to warrants of series 2022:2025:2B (subject to potential recalculations in accordance with customary terms and conditions to be applicable in relation to the warrants).
3. The warrants may, with deviation from the shareholders' preferential rights, only be subscribed for by the company and/or any of its subsidiaries after which they are to be transferred to the Participants in accordance with the resolution adopted by the general meeting. The reason for the deviation from the shareholders' preferential rights is that the warrants are to be used within the proposed incentive programme.
4. Subscription of warrants shall be made on a subscription list on 30 June 2022 at the latest. The board of directors shall be entitled to prolong the subscription period.
5. The company is not to pay any subscription price for the warrants. Any subsidiary subscribing for warrants shall pay a subscription price corresponding to the theoretical market value of the warrants, calculated by an independent valuation agent engaged by the company by use of the Black & Scholes valuation model. The value of the underlying share shall be determined by use of the same period for measurement as used in relation to the establishment of the subscription price for new shares in

accordance with item 7 below. Payment is to be made in connection with subscription of warrants and not later than on 30 June 2022. The board of directors shall be entitled to prolong the time period for payment.

6. The warrants may be exercised for subscription of new shares during the period from and including 1 July 2025 until and including 31 December 2025.
7. The subscription price per new share is to be determined based on a certain percentage (130%) of the volume weighted average trading price for the company's share on Nasdaq First North Growth Market during a period of ten (10) trading days before the annual general meeting on 1 June 2022. If no trading price is recorded for a particular trading day within the specified period, such day shall not be taken into account, but the period shall instead be extended forwards in time with the number of succeeding trading days required for the period to comprise ten (10) trading days with a recorded trading price. The subscription price thus calculated shall be rounded off to the nearest whole SEK 0.01, whereupon SEK 0.005 shall be rounded upwards. The subscription price may never be below the quotient value of the shares.
8. Warrants of series 2022/2025:2A shall also be subject to the terms and conditions set forth in Schedule 2A and warrants of series 2022/2025:2B shall also be subject to the terms and conditions set forth in Schedule 2B.
9. The chairman of the board of directors, the CEO or a person appointed by the board of directors shall be authorised to make any minor adjustments required to register the resolution with the Swedish Companies Registration Office.

B. Approval of transfer of warrants to the Participants

A resolution to issue warrants in accordance with this proposal also includes an approval of the transfer of warrants to the Participants.

The warrants are to be transferred to the Participants against a premium payable by the Participants corresponding to the theoretical market value of the warrants as of the date of transfer, calculated by an independent valuation agent engaged by the company by use of the Black & Scholes valuation model. Warrants may be transferred to the Participants free-of-charge provided that it does not entail negative tax consequences for the Group (only applicable with respect to Participants in other jurisdictions than Sweden). The market value is preliminary estimated to SEK 0.55 per warrant, based on a market value of the underlying share corresponding to SEK 7.33 and assuming a subscription price of SEK 9.53 per new share.

The Participants may be allocated warrants as set forth below. No Participant may be offered a higher number of warrants than the maximum allocation set forth below.

Category	Maximum number of warrants per Participant	Maximum number of warrants within the respective category
Chairman of the board of directors	114,149	114,149
Proposed new board member	85,611	85,611
Other board members (3 persons)	28,537	85,611
Total		285,371

A Participant can choose to acquire a lower but not a higher number of warrants than offered to the Participant.

For Participants in other jurisdictions than Sweden, it is implied that transfer of warrants is legally possible and that transfer, in the company's opinion, can be carried out with reasonable administrative and financial efforts. The company shall have the right to adjust the terms of the Warrant Programme 2022/2025:2 to the extent required in order for allotment of warrants to participants in other jurisdictions, to the extent practically possible, to be made under the same conditions imposed by the Warrant Programme 2022/2025:2.