

Appendix A

TERMS AND CONDITIONS FOR WARRANTS 2026/2029 IN BAWAT WATER TECHNOLOGIES AB

1. Definitions

For the purposes of these terms and conditions, the following terms mean:

“bank”	a bank or other institution appointed by the company to manage the administration of warrants in accordance with these terms and conditions;
“banking day”	a day in Sweden which is not a Sunday or other public holiday or which, with regard to payments of debt instruments, is not equated with a public holiday;
“Companies Act”	the Swedish Companies Act (Sw: aktiebolagslagen, (2005:551));
“company”	Bawat Water Technologies AB, reg. no. 559338-6443;
“CSD account”	securities account with Euroclear Sweden where the respective warrant holder's holding of warrants is registered or, where applicable, holdings of shares in the company that are added through subscription shall be registered.
“Euroclear Sweden”	Euroclear Sweden AB;
“market listing”	in connection with any share, securities or other right, listing of such share, security or right on a stock exchange, authorised marketplace, regulated marketplace, other trading platform operated by securities institutions or other equivalent trading venue;
“share”	a share in the company;
“share value”	the return value per share in the company, determined by the independent valuer engaged by the company in connection with such recalculation of the subscription price and the number of shares that each warrant gives the right to subscribe for, which shall be made on the basis of, <i>inter alia</i> , the share value in the event that none of the company's shares are listed on the market at the time;
“subscription”	subscription for new shares which takes place by exercising a warrant against monetary payment under these terms and conditions;
“subscription price”	the price at which subscription of new shares may be made under these terms and conditions;

"subscription period"	the period during which subscription of new shares may be made under these terms and conditions;
"warrant"	the right to subscribe for a new share against cash payment under these terms and conditions; and
"warrant holder"	a person who is the holder of a warrant

2. Number of Warrants, registration, etc.

The total number of warrants amounts to a maximum of 1,460,486.

The warrants may be subject to registration by Euroclear Sweden in a CSD register under the Central Securities Depositories and Financial Instruments Accounts Act (1998:1479), in which case no physical warrant certificates will be issued.

The company does not intend to make an initial public offering of the warrants.

3. The right to subscribe for new shares

One warrant entitles the warrant holder to subscribe for one (1) new share in the Company at a subscription price corresponding to 110 % of the volume weighted average price of the Company's share during the period from and including October 1, 2026, to and including October 30, 2026. However, the subscription price may not be less than the quota value of the share.

Recalculation of the subscription price, as well as of the number of new shares each warrant entitles to subscription of, may take place in accordance with the circumstances set out in section 8. If the application of these provisions would mean that the subscription price would be less than the currently applicable quota value of the outstanding shares at that time, the subscription price will instead correspond to the currently applicable quota value of the outstanding shares at that time.

4. Subscription

The warrants may be exercised to subscribe for new shares during the period from and including November 16, 2029, to and including November 30, 2029. Each warrant entitles the holder to subscribe for one (1) new share in the company (if no recalculation shall be made in accordance with these terms and conditions).

The subscription period may be brought forward or postponed in accordance with the provisions of section 8 below.

Subscription may only be made of the total number of whole shares to which the total amount of warrants simultaneously exercised by one and the same warrant holder gives the right to subscribe to.

Subscription takes place using the application form (subscription list) provided by the Company and/or the bank, duly completed, signed and submitted to the address specified in the application form.

All rights attached to the warrants cease, if notification of subscription is not made within the prescribed time period. The Board of Directors shall, however, have the right to extend the subscription period.

Subscription is binding and may not be revoked.

5. Payment

Simultaneously with the subscription, payment in cash shall be made for the number of shares to which the subscription relates. Payment is to be made to the bank account provided in the application form (subscription list). Payment for subscribed shares that exceeds the quota value of the shares shall be added in full to the unrestricted share premium reserve.

6. Execution of subscription

As subscription is made and payment provided in accordance with sections 4 and 5 above, the subscription is executed. At that point, any excess part of warrants which, according to paragraph three of section 4 may not be exercised, are excluded. Such excess ceases with the subscription.

Subscription is executed by the Board's decision to allocate the new shares to the warrant holders, after which the new shares are entered in the company's share register (maintained by Euroclear Sweden) and in the warrant holder's CSD account as interim shares. After registration with the Swedish Companies Registration Office, the registration of the new shares in the the share register and the CSD account will become final.

As set out in section 8 below, subscription may in certain cases be effected only at a later certain date and then with the application of the recalculated subscription price and recalculated number of shares that each warrant gives the right to subscribe to.

7. Dividends in respect of new Shares

Shares that have been added due to new subscription entitle to dividend for the first time on the record date for dividends that occurs the closest after the new shares are registered in the share register kept by Euroclear Sweden AB.

8. Recalculation of the Exercise Price, etc.

8.1 Bonus Issue

If the company carries out a bonus issue, subscription that takes place at such a time that it cannot be executed to such an extent that shares added through the subscription can be admitted as interim shares in the company's share register no later than the seventeenth calendar day before the General Meeting that is to resolve on the issue, shall be executed only after the meeting has resolved on the issue.

A share that is added through subscription executed after the resolution on the issue may not partake in the bonus issue.

In connection with subscriptions effected after the adoption of the resolution to carry out the bonus issue, a re-calculated subscription price and a re-calculated number of shares which each warrant entitles the warrant holder to subscribe for shall be applied. The recalculations shall be made by the company according to the following formulas:

$$\text{recalculated subscription price} = \frac{(\text{previous subscription price}) \times (\text{the number of shares prior to the bonus issue})}{(\text{the number of shares after the bonus issue})}$$

$$\text{recalculated number of shares for which each warrant entitles to subscription} = \frac{(\text{previous number of shares which the warrant entitled the warrant holder to subscribe for}) \times (\text{the number of shares after the bonus issue})}{(\text{number of shares prior to the bonus issue})}$$

The subscription price and the number of shares re-calculated in accordance with the above shall be determined by the company at the latest after two bank days following the adoption by the General Meeting of the resolution to carry out the bonus issue, and final registration in the share register and on the warrant holder's CSD account of shares that are added through subscription will take place only after the record date for the bonus issue. Prior to this, such share will only be provisionally entered in the share register and CSD account and will not entitle to participation in the bonus issue.

8.2 Reverse share split or share split

If the company carries out a reverse share split or share split, subscription that takes place at such a time that it cannot be executed to such an extent that shares added through the subscription can be admitted as interim shares in the company's share register no later than the seventeenth calendar day before the General Meeting that is to resolve on the reverse share split or share split, shall be executed only after the meeting has resolved on the reverse share split or share split.

A share that is added through subscription executed after the resolution on the reverse share split or share split may not partake in the reverse share split or share split.

In connection with subscriptions effected after the adoption of the resolution to carry out the reverse share split or share split, a re-calculated subscription price and a re-calculated number of shares which each warrant entitles the warrant holder to subscribe for shall be applied. The recalculations shall be made by the company according to the following formulas:

$$\text{recalculated subscription price} = \frac{(\text{previous subscription price}) \times (\text{the number of shares prior to the reverse share split or share split})}{(\text{the number of shares after the reverse share split or share split})}$$

$$\text{recalculated number of shares for which each warrant entitles to subscription} = \frac{(\text{previous number of shares which the warrant entitled the warrant holder to subscribe for}) \times (\text{the number of shares after the reverse share split or share split})}{(\text{number of shares prior to the reverse share split or share split})}$$

The subscription price and the number of shares re-calculated in accordance with the above shall be determined by the company at the latest after two bank days following the adoption by the General Meeting of the resolution to carry out the reverse share split or share split, and final registration in the share register and on the warrant holder's CSD account of shares that are added through subscription will take place only after the the reverse share split or share split has been executed by registration with Euroclear Sweden.

Prior to this, such share will only be provisionally entered in the share register and CSD account and will not entitle to participation in the reverse share split or share split.

8.3 New issue of shares

Where the company carries out a new issue of shares subject to the pre-emptive rights of the shareholders to subscribe for new shares in exchange for cash payment or payment through set-off of claims against the company, the following shall apply:

- (a) Where the Board of Directors resolves to carry out the share issue contingent upon the approval of or pursuant to authorisation by the General Meeting, the resolution of the share issue shall set forth the last date on which shares issued pursuant to subscription entitle the warrant holders to participate in the share issue. Such a date may not be earlier than the tenth calendar day after the publication of the Board's issue resolution. Subscription made at such a time that it cannot be executed, to such an extent that the subscription cannot be included as interim shares in the company's share register on the said date, shall be executed only after that date.

Share that is added through subscription executed after the above mentioned date does not entitle to participation in the issue.

- (b) Where the General Meeting resolves to carry out the share issue, subscription shall be effected, where application for subscription is made at such time that it cannot be effected on or before the seventeenth calendar day prior to the General Meeting which resolves to carry out the share issue, after the resolution on the share issue by the General Meeting.

Share that is added through subscription executed after the issue resolution does not entitle to participation in the rights issue.

In connection with subscriptions which are effected at such time that no right to participate in the share issue arises, a re-calculated subscription price and a recalculated number of shares which each warrant entitles the warrant holder to subscribe for shall be applied. The recalculations shall be made by the company according to the following formulas:

$$\text{recalculated subscription price} = \frac{(\text{previous subscription price}) \times (\text{the average market price of the share during the subscription period set forth in the resolution approving the issue (the "average share price")})}{((\text{the average share price}) + \text{the theoretical value of the subscription right (the "value of the subscription right")})}$$

$$\text{recalculated number of shares for which each warrant entitles to subscription} = \frac{(\text{previous number of shares which the warrant entitled the warrant holder to subscribe for}) \times ((\text{the average share price}) + (\text{the value of the subscription right}))}{(\text{the average share price})}$$

The average share price shall be deemed to be equivalent to the average of the calculated average values, for each trading day during the subscription period, of the highest and lowest transaction price according to the official price list of the exchange where the

company is listed. In the event no transaction price is quoted, the latest bid price which is quoted shall form the basis of the calculation. Days on which neither a transaction price nor a bid price is quoted shall be excluded from the calculation.

The theoretical value of the subscription right shall be calculated according to the following formula, subject to the value being determined as zero if the formula gives a negative result:

$$\text{value of subscription right} = \frac{\begin{array}{l} \text{(the maximum number of new shares that may be} \\ \text{issued according to the resolution approving the} \\ \text{issue)} \times \text{(the average share price)} - \text{(the} \\ \text{subscription price of the new share)} \end{array}}{\begin{array}{l} \text{(number of shares prior to the adoption of the} \\ \text{resolution approving the issue)} \end{array}}$$

The subscription price and the number of shares re-calculated in accordance with the above shall be determined by the company at the latest after two bank days following the expiry of the subscription period as decided in the issue resolution and final registration in the share register and on the CSD account of shares added through subscription only after the re-calculations have been completed. Prior to this, execution will only be preliminary – applying the subscription price and number of shares each warrant holder may subscribe for before the re-calculations – whereby the new shares will be provisionally entered in the share register and CSD account with a note that the re-calculations may entail that the number of shares thus provisionally registered may increase upon final registration, and does not entitle to participation in the issue.

8.4 Issue of warrants or convertibles

Does the company carry out an issue of warrants or convertibles with preferential rights for the shareholders to subscribe for the warrants or convertibles against cash payment or payment by set-off or, in the case of warrants, without payment, the provisions of the first paragraph (a) and (b) of clause 8.3 above shall apply *mutatis mutandis* with regard to the execution of subscription and the right to participate in the issue that shares accruing through subscription grant.

If the issue is carried out, a recalculated subscription price and a recalculated number of shares that each warrant gives the right to subscribe for shall be applied upon subscription which executes at such a time that shares accruing through the subscription do not entitle to participate in the issue. The recalculations shall be made by the company according to the following formulas:

$$\text{recalculated subscription price} = \frac{\begin{array}{l} \text{(previous subscription price)} \times \text{(the average market} \\ \text{price of the share during the subscription period} \\ \text{determined in accordance with the issue resolution} \\ \text{(the "average share price"))} \end{array}}{\begin{array}{l} \text{(the average share price)} \times \text{(the theoretical value of} \\ \text{the subscription right (the "value of the subscription} \\ \text{right"))} \end{array}}$$

$$\text{recalculated number of shares that each warrant entitles the holder to subscribe for} = \frac{(\text{previous number of shares that each warrant gives the right to subscribe}) \times ((\text{the average share price}) + (\text{the value of the subscription right}))}{\text{the average share price}}$$

The average price of the share shall be calculated in accordance with the provisions of clause 8.3 above.

If the subscription right is subject to market listing, the value of the subscription right shall be deemed to correspond to the average of the highest and lowest price quoted for the subscription right during each trading day during the subscription period determined in accordance with the subscription period determined in accordance with the price list on which the subscription right is primarily listed.

If the subscription right is not subject to market listing, the value of the subscription right shall, as far as possible, be determined on the basis of the change in market value of the company's shares which, according to an independent valuer hired by the company, can be judged to have arisen as a result of the issue.

When recalculation is to take place in accordance with the above, the recalculation subscription price and the recalculated number of shares that each warrant gives the right to subscribe for shall be determined by the company no later than two banking days after the end of the subscription period determined in accordance with the issue resolution and final registration in the share register and in the CSD account of shares that are added through subscription only after the recalculations have been determined. Prior to this, subscription is only made provisionally – applying the subscription price applicable before the recalculations and the number of shares that each warrant entitles the holder to subscribe for – whereby the new shares are provisionally entered in the share register and in a CSD account with a note that the recalculations may entail that the number of shares thus provisionally registered may increase upon final registration, and does not give the right to participate in the issue.

8.5 Certain other offers to the shareholders

If the company in cases other than those referred to in clauses 8.1–8.4 above carries out (i) an offer to shareholders with preferential rights in accordance with the principles of Chapter 13, Section 1 first paragraph of the Companies Act to acquire securities or rights of any kind from the company or (ii) a dividend to shareholders, with the aforementioned preferential rights, of such securities or rights (in both cases the "offer"), the provisions of paragraph (a) and (b) of clause 8.3 above shall apply *mutatis mutandis* to the execution of subscriptions and the right to participate in the offer that shares accruing through subscription.

If the offer is executed, a recalculated subscription price and a recalculated number of shares that each warrant entitles the holder to subscribe for shall apply to subscriptions executed at such a time that shares accruing through the subscription do not entitle to participate in the offer. The recalculations shall be made by the company according to the following formulas:

$$\text{recalculated subscription price} = \frac{(\text{previous subscription price}) \times (\text{the average market price of the share during the acceptance period determined for the offer or, in the event of a dividend, during a period of 25 trading days from the date on which the share is quoted without the right to part of the dividend (the "average share price")})}{((\text{the average share price}) + (\text{the theoretical value of the right to participate in the offer (the "value of the purchase right")})})}$$

$$\text{recalculated number of shares that each warrant entitles the holder to subscribe for} = \frac{(\text{previous number of shares that each warrant entitles the holder to subscribe for}) \times ((\text{the average share price}) + (\text{the value of the purchase right}))}{\text{the average share price}}$$

The average share price shall be calculated in accordance with the provisions of clause 8.3 above.

If the shareholders receive purchase rights and these are subject to market listing, the value of the purchase right shall be deemed to correspond to the average of the highest and lowest price quoted during the purchase right for each trading day during the application period determined for the offer according to the price list on which the purchase right is primarily quoted. In the absence of quotation of the price paid, the latest quoted bid price shall instead be included in the calculation. Days without quotation of either the price paid or the bid price shall not be included in the calculation.

If shareholders do not receive purchase rights or if these are not subject to market listing, but the securities or rights covered by the offer are either already listed on the market or listed on the market in connection with the offer, the value of the right to purchase (i) if the securities or rights in question are already quoted on the market, shall be deemed to correspond to the average of the trading day fixed for each trading day during the period of acceptance determined for the offer or, in the case of dividends, during a period of 25 trading days from the first day on which the share is quoted without entitlement to part of the dividend, calculated the average of the highest and lowest price quoted during that day for those securities or rights according to the price list on which the said securities or rights are primarily quoted, where applicable, less the consideration paid for them in connection with the offer, or (ii) if the securities or rights in question are listed on the market in connection with the offer, are considered as equivalent to the average for each trading day for a period of 25 trading days calculated from and including the first day of such listing, calculated as the average of the highest and lowest price paid of such securities or rights listed during the day, according to the price list on which said securities or rights are primarily listed, where applicable reduced by the fee paid for these in connection with the offer. In the absence of a listing of a price paid, the latest listed purchase price will be included in the calculation instead. Days without quotation of either the price paid or the bid price shall not be included in the calculation. When the value of the right of purchase is to be calculated in accordance with (ii) of this paragraph, when converting the subscription price and the number of shares to which each warrant gives the right to subscribe in

accordance with the formulas above, the average price of the share will refer to the average market price during the period in (ii) in this paragraph the stated period is 25 trading days instead of the period specified in the formulas above.

If the shareholders do not receive purchase rights or if these are not subject to market listing, and the securities or rights covered by the offer are neither already quoted on the market nor listed on the market in connection with the offer, the value of the purchase right shall, as far as possible, be determined on the basis of the change in the market value of the company's shares which, in the opinion of an independent valuer engaged by the company, can be judged to have arisen as a result of the offer.

When recalculation is to be made as above, the recalculated subscription price and the recalculated number of shares that each warrant gives the right to subscribe for shall be determined by the company no later than two banking days after the end of the period during which the share's average market price is to be calculated in the recalculations as above, and final registration in the share register and in the CSD account of shares that are added by subscription only after the recalculations have been determined. Prior to this, subscription is only made provisionally – applying the subscription price applicable before the recalculations and the number of shares that each warrant entitles the holder to subscribe for – whereby the new shares are provisionally entered in the share register and in a CSD account with a note that the recalculations may entail that the number of shares thus provisionally registered may increase upon final registration, and does not entitle to participation in the offer.

8.6 Equal treatment of warrant holders and shareholders

If the company implements a measure referred to in clauses 8.3–8.5 above, the company may, at its option, offer all warrant holders the same preferential rights as the shareholders to participate in the issue or offer. In doing so, each warrant holder shall, despite the fact that subscription has not been made or executed, be deemed to be the owner of the number of shares that the warrant holder would have received if subscription had been made and executed according to the subscription price and the number of shares that each warrant gives the right to subscribe for if subscription had been executed at such a time that the share accruing through the subscription gave the right to participate in the issue or offer in question.

If the company offers the warrant holders preferential rights in accordance with the preceding paragraph, no recalculation of the subscription price or the number of shares that each warrant gives the right to subscribe for shall be made in accordance with paragraphs 8.3–8.5 above or paragraph 8.9 below in connection with the issue or offer.

8.7 Extraordinary dividend

If the company pays a cash dividend to the shareholders in an amount per share which, together with other dividends paid per share during the same financial year, exceeds ten per cent of the average price of the share during a period of 25 trading days immediately preceding the date on which the Board of Directors of the company announces its intention to submit proposals for such dividend to the General Meeting (the average price shall be calculated in accordance with the provisions of paragraph 8.3 above). Subscriptions made at such a time that they cannot be executed to such an extent that shares resulting from the subscription can be included as interim shares in the company's share register no later than the seventeenth calendar day before the General Meeting that is to resolve on the dividend shall be executed only after the meeting has resolved on the dividend.

Shares that are added through subscription made after the dividend resolution do not entitle to receive part of the dividend.

If the dividend is paid, a recalculated subscription price and a recalculated number of shares that each warrant gives the right to subscribe for shall be applied in the case of subscriptions executed at such a time that shares accruing through the subscription do not entitle to receive part of the dividend. The recalculations shall be based on the part of the total cash dividend per share that exceeds ten percent of the average price of the share during the above-mentioned period (the "extraordinary dividend") and shall be performed by the company according to the following formulas:

$$\text{recalculated subscription price} = \frac{(\text{previous subscription price}) \times (\text{the average market price of the share during a period of 25 trading days from the date on which the share is quoted without the right to share in the extraordinary dividend (the "average share price")})}{((\text{the average share price}) + (\text{the extraordinary dividend paid per share}))}$$

$$\text{recalculated number of shares that each warrant entitles the holder to subscribe for} = \frac{(\text{previous number of shares that each warrant entitles the holder to subscribe for}) \times ((\text{the average share price}) + (\text{the extraordinary dividend paid per share}))}{(\text{the average share price})}$$

The average share price shall be calculated in accordance with the provisions of clause 8.3 above.

When recalculation is to be made as above, the recalculation subscription price and the recalculated number of shares that each warrant gives the right to subscribe for shall be determined by the company no later than two banking days after the end of the above-stated period of 25 trading days and final registration in the share register and in the CSD account that are added through subscription only after the recalculations have been determined. Prior to this, the subscription is only carried out provisionally – applying the subscription price applicable before the recalculations and the number of shares that each warrant gives the right to subscribe for – whereby the new shares are provisionally entered in the share register and in a CSD account with a note that the recalculations may mean that the number of shares thus provisionally registered may increase upon final registration, and does not give the right to receive part of the dividend.

8.8 Reduction of share capital

If the company carries out a reduction of the share capital with repayment to the shareholders (with or without cancellation/redemption of shares), and the reduction is mandatory, subscription shall take place at such time that it cannot be executed to such an extent that shares added through the subscription can be included as interim shares in the company's share register no later than on the seventeenth calendar day before the General Meeting that is to decide on the reduction, be executed only after the meeting has resolved on the reduction.

Shares that are added through subscription made after the reduction decision do not give the right to receive part of what is repaid and are not covered by any cancellation/redemption of shares.

If the reduction is effected, a recalculated subscription price and a recalculated number of shares that each warrant gives the right to subscribe for shall be applied to subscriptions executed after the reduction decision. The recalculations shall be made by the company according to the following formulas:

$$\text{recalculated subscription price} = \frac{(\text{previous subscription price}) \times (\text{the average market price of the share during a period of 25 trading days from the date on which the share is quoted without the right to refund (the "average share price")})}{((\text{the average share price}) + (\text{the actual amount refunded per share}))}$$

$$\text{recalculated number of shares that each warrant entitles the holder to subscribe for} = \frac{(\text{previous number of shares that each warrant entitles the holder to subscribe for}) \times ((\text{the average share price}) + (\text{the actual amount refunded per share}))}{(\text{the average share price})}$$

If the reduction is made through redemption of shares, when recalculating the subscription price and the number of shares that each warrant gives the right to subscribe for as above, instead of the actual amount repaid per share, a calculated repayment amount shall be used as follows:

$$\text{estimated refund amount per share} = \frac{((\text{the actual amount refunded per redeemed share}) - (\text{the average market price of the share during a period of 25 trading days immediately preceding the date on which the share is quoted without the right to participate in the reduction (the "average share price")})}{((\text{the number of shares in the company on the basis of which a share is redeemed}) - 1)}$$

The average share price shall be calculated in accordance with the provisions of clause 8.3 above.

When recalculation is to be made as above, the recalculated subscription price and the recalculated number of shares that each warrant gives the right to subscribe for shall be determined by the company no later than two banking days after the end of the latest period of 25 trading days to be applied to the conversions as described above and final registration in the share registry and in the CSD account of shares accrued through subscription only after the conversions have been determined. Prior to this, the subscription is only carried out preliminarily – applying the subscription price applicable before the conversion and the number of shares that each warrant gives the right to subscribe for – whereby the new shares are entered provisionally in the share register and

in a CSD account with a note that the recalculations may entail that the number of shares thus provisionally registered may increase upon final registration, and does not give the right to receive part of what is repaid and is not covered by any redemption of shares.

8.9 Recalculation if the company's shares are not listed on the market

8.9.1 If the company carries out a measure as referred to in the clauses 8.3-8.5 or 8.8 above or clause 8.14 below and none of the company shares are listed on the market on the date of the measure, the provisions of such clause will apply, however, the reference to the average price of the share in the applicable conversion formula will instead be considered to be the share value.

8.9.2 If none of the company shares are listed on the market, the following will apply instead of the corresponding provisions in clause 8.7 above. If the company pays a cash dividend to shareholders in an amount that, along with other cash dividends paid during the same financial year, exceeds 50 per cent of the company profit/loss after tax according to the established profit and loss statement or, if applicable, consolidated profit and loss statement for the financial year immediately before the year in which the dividend is resolved, subscriptions that take place at such time that it cannot be executed to such an extent that the share that is added through the subscription can be included as interim shares in the company's share register no later than the seventeenth calendar day before the General Meeting that is to resolve on the dividend, will only be executed once the meeting has resolved on the dividend.

Shares that will be added through subscription executed after the dividend resolution, do not give the right to receive part of the dividend.

If the dividend is distributed, a converted subscription price and a converted number of shares to which each warrant provides a right to subscribe will be applied to subscriptions executed at such time that shares added through the subscription do not give the right to receive share of the dividend. The conversions will be based on the part of the total cash dividend per share that in total exceeds 50 per cent of the stated profit after tax ("the extraordinary dividend") for the company and will otherwise be carried out in accordance with the provisions of clause 8.7 above, however, the reference to the average price of the share in the conversion formulas will instead be considered to be the share value.

8.10 Alternative conversion method

If the company carries out a measure referred to in paragraphs 8.1–8.5 or 8.7–8.8 above or paragraph 8.14 below and should, in the company's opinion, the application of the conversion formulae intended for this purpose, having regard to the technical design of the measure or for any other reason, not be able to take place or result in the financial compensation received by the warrant holders in relation to the shareholders not being reasonable, the company shall carry out the recalculations of the subscription price and the number of shares that each warrant gives the right to subscribe for in the way the company deems appropriate to obtain a reasonable result.

8.11 Rounding

When recalculating the subscription price and the number of shares that each warrant gives the right to subscribe for in accordance with this item 8, the subscription price shall be rounded to a whole number of Swedish öre, whereby amounts of 0.5 Swedish öre shall be rounded up.

8.12 Compulsory acquisition

If shares in the company are subject to compulsory acquisition, the provisions of Chapter 22 in the Companies Act apply regarding the right to subscribe and have subscription executed.

8.13 Merger

If (i) the General Meeting of shareholders decides to approve a merger plan whereby the company is to be merged into another company or (ii) the Board of Directors of the company decides that the company shall be merged into a parent company, subscription may not thereafter be made or executed. The right to subscribe and the obligation to execute subscription ceases with the decision of the General Meeting or, where appropriate, the decision of the Board of Directors.

If the merger is not completed, subscription may again be made and executed in accordance with these terms and conditions.

No later than 60 calendar days before the General Meeting decides on the approval of the merger plan or, where applicable, the Board of Directors decides whether the company should be merged into a parent company, the warrant holders shall be notified of the planned merger. The notification shall include a reminder that subscription may not be made or executed after the General Meeting has decided to approve the merger plan or, where applicable, the Board of Directors has decided that the company shall be merged into a parent company, as well as a reminder of the earlier subscription period in accordance with the paragraph below.

Notwithstanding paragraph 4 above regarding the subscription period, the warrant holders have the right to subscribe and have subscription executed from the date of the notice mentioned in the preceding paragraph, provided, however, that subscription can be executed to such an extent that shares resulting from the subscription can be included as interim shares in the company's share register no later than the day before the General Meeting that is to consider the question of approval of the merger plan or, where applicable, the meeting of the Board of Directors that is to consider the question of whether the company should be included in a parent company.

8.14 Division

8.14.1

If the General Meeting decides to approve a draft terms of division whereby some of the company's assets and debts are taken over by one or more other companies, subscriptions made at such a time that they cannot be executed to such an extent that shares resulting from the subscription can be included as interim shares in the company's share register no later than the seventeenth calendar day before the General Meeting that is to decide on approval of the draft terms of division, be executed only after the meeting has decided on the division plan.

Shares that are added through subscription executed after the decision on the division plan do not entitle to receive part of the the division consideration.

If the division is executed, a recalculated subscription price and a recalculated number of shares that each warrant gives the right to subscribe for shall be applied to subscriptions executed after the decision on the division plan. The recalculations shall be made by the company according to the following formulas:

$$\text{recalculated subscription price} = \frac{(\text{previous subscription price}) \times (\text{the average market price of the share during a period of 25 trading days from the date on which the share is quoted without the right to part of the division consideration (the "average share price")})}{((\text{the average share price}) + \text{the value of the division consideration paid per share})}$$

$$\text{recalculated number of shares that each warrant entitles the holder to subscribe for} = \frac{(\text{previous number of shares that each warrant entitles the holder to subscribe for}) \times ((\text{the average share price}) + (\text{the value of the division consideration paid per share}))}{(\text{the average share price})}$$

The average share price shall be calculated in accordance with the provisions of clause 8.3 above.

To the extent that the division consideration is paid in the form of shares or other securities subject to market quotation, the value of the division consideration shall be deemed to correspond to the average of the highest and lowest price quoted during each trading day during the above period of 25 trading days calculated as the average of the highest and lowest price quoted during the day for such shares or other securities according to the price list on which they are primarily quoted. In the absence of quotation of the price paid, the latest quoted bid price shall instead be included in the calculation. Days without quotation of either the price paid or the bid price shall not be included in the calculation.

To the extent that the division consideration is paid in the form of shares or other securities which are not subject to market quotation, but which are quoted on the market in connection with the division, the value of the division consideration shall be deemed to correspond to the average of the average of the highest and lowest price quoted during that day for each trading day from the first day of such quotation of the highest and lowest price quoted during that day according to the price list on which the said shares or securities are primarily listed. In the absence of quotation of the price paid, the latest quoted bid price shall instead be included in the calculation. Days without quotation of either the price paid or the bid price shall not be included in the calculation. To the extent that the value of the share consideration is to be calculated in accordance with this paragraph, the conversion of the subscription price and the number of shares that each warrant entitles the holder to subscribe for according to the formulas above shall refer to the average market price of the share during the period of 25 trading days specified in this paragraph instead of the period specified in the formulas above.

To the extent that the division consideration is paid in the form of shares or other securities that are not subject to market listing, and these shares or other securities are not quoted on the market in connection with the division, the value of the division consideration shall, as far as possible, be determined on the basis of the change in the market value of the company's shares which, in the opinion of an independent valuer engaged by the company, can be assessed to have arisen as a result of the division.

When recalculation is to take place as above, the recalculation subscription price and the recalculated number of shares that each warrant gives the right to subscribe for shall be determined by the company no later than two banking days after the end of the period of 25 trading days during which the share's average market price shall be calculated at the recalculations and final registration in the share register and in the CSD account of shares that are added through subscription only after the recalculations have been determined. Prior to this, the subscription is only made provisionally – applying the subscription price and number of shares that each warrant entitles to subscribe for before the recalculations – whereby the new shares are provisionally entered in the share register and in a CSD account with a note that the recalculations may mean that the number of shares thus provisionally registered may increase upon final registration, and does not give the right to receive part of the share consideration.

- 8.14.2 If the General Meeting decides to approve a draft terms of division whereby the company is to be divided by taking over all of the company's assets and debts by two or more other companies, subscription may not thereafter be made or executed. The right to subscribe and the obligation to execute subscription ceases with the decision of the General Meeting.

If the division is not carried out, subscription may again be made and executed in accordance with these terms.

No later than 60 calendar days before the General Meeting decides on the approval of the draft terms of division, the warrant holders shall be notified of the proposed division. The notification shall contain a reminder that subscription may not be made or executed after the General Meeting has decided to approve the draft terms of division and also a reminder of the earlier subscription period in accordance with the paragraph below.

Regardless of what is stated in item 4 above regarding the subscription period, the warrant holders have the right to subscribe and have subscription executed from the date of the above-mentioned notification, provided, however, that subscription can be executed to such an extent that shares that are added through the subscription can be included as interim shares in the company's share register no later than the day before the General Meeting that is to consider the issue of approval of the division plan.

- 8.15 Liquidation

If it is decided that the company shall go into liquidation, subscription may not be made or executed thereafter. The right to subscribe and the obligation to execute the subscription ceases with the liquidation decision, regardless of the basis for the decision and regardless of whether it has gained legal force.

If the liquidation ceases, subscription may again be made and executed in accordance with these conditions.

No later than 60 calendar days before the General Meeting decides on whether the company should go into voluntary liquidation in accordance with Chapter 25, Section 1 of the Companies Act, warrant holders shall be notified of the planned liquidation. The notification shall contain a reminder that subscription may not be made or executed after the General Meeting has decided that the company shall go into liquidation and also a reminder of the earlier subscription period in accordance with the paragraph below.

Regardless of what is stated in item 4 above regarding the subscription period, the warrant holders have the right to subscribe and have subscription executed from the date of the above-mentioned notification, provided, however, that subscription can be executed to such an extent that shares resulting from the subscription can be included as interim shares in the company's share register no later than the day before the General Meeting that is to consider the question of whether the company should go into liquidation.

8.16 Bankruptcy

If the court declares the company bankrupt, subscription may not be made or enforced thereafter. The right to subscribe and the obligation to execute the subscription ceases with the bankruptcy decision, regardless of the basis for the decision and regardless of whether it has gained legal force.

If the bankruptcy decision is rescinded, subscription may again be made and executed in accordance with these terms.

8.17 Public takeover offer

The company's Board of Directors shall immediately notify warrant holders whose address is known to the company if a public takeover bid has been made. Upon such notice, the warrant holder shall, notwithstanding what is stated in item 4 above regarding the earliest date for the right to subscribe for new shares, be entitled to subscribe for shares from and including the date of the notice as otherwise stated in these terms and conditions. The right to subscribe for shares under this paragraph shall cease if and when the offeror has announced its decision to withdraw the public takeover offer. A public takeover offer means a public offer to holders of shares to tender all shares.

9. Nominees

If a warrant is nominee registered in accordance with Chapter 5, Section 14 of the Companies Act, such nominee shall be considered a warrant holder for the purposes of these terms and conditions.

10. Notices

Notices with respect to the warrants shall be given by mail to each warrant holder and other rights holder registered in a CSD account.

In the event that the warrants are market listed, notices shall, where applicable, be given in accordance with the provisions applicable due to the market listing.

11. Amendments of these terms and conditions

The company is entitled to decide on amending these terms and conditions to the extent required by legislation, court decisions or decisions of authorities, or if otherwise – in the opinion of the company – it is appropriate or necessary for practical reasons and the warrant holders' rights are not deteriorated. The warrant holders shall without undue delay be notified of any changes.

12. Confidentiality

The company, the bank or Euroclear Sweden may not, without authorisation, disclose information on warrant holders to third parties.

The company is entitled to access Euroclear Sweden's reconciliation register over CSD accounts, from which, inter alia, shows who is registered for the warrants.

13. Limitation on Liability

With respect to the actions incumbent on the company, the bank, or Euroclear Sweden, they shall – concerning Euroclear Sweden with regard to the provisions of the Accounts Act – not be deemed liable for loss resulting from Swedish or foreign legal decrees,

Swedish or foreign action by authorities, acts of war, strikes, blockades, boycotts, lockouts or similar circumstances. The conditions regarding strike, blockade, boycott and lockout also apply if the company, the bank or Euroclear Sweden themselves undertake, or is the object of, such actions.

The company, the bank, or Euroclear Sweden shall not be obligated to pay compensation for any loss arising in other situations if the company or, when applicable, the bank or Euroclear Sweden, has exercised normal prudence. In addition, the company and the bank shall not in any case be liable for indirect damages.

In the event the company or the bank is hindered from taking any action by circumstances such as those described in the first paragraph in this section, such action may be deferred until the hindrance has ceased to exist.

14. Dispute resolution and applicable law

Disputes arising from these terms and conditions or related legal issues shall be finally settled by arbitration in accordance with the Stockholm Chamber of Commerce Rules for Simplified Arbitration. The seat of arbitration will be Stockholm. The Swedish language will be used in arbitration (unless the disputing parties agree otherwise).

The terms and conditions and related legal issues shall be interpreted and applied in accordance with Swedish law.