

THE BOARD'S PROPOSAL FOR WARRANT PROGRAM 2023/2026

The board proposes an implementation of a long-term incentive program for the CEO and certain members of management in the Midsummer AB group (the “**Company**”) in accordance with the below main terms, whereby warrants will be issued without payment of any consideration to the Company which will thereafter transfer the warrants to employees of the group for the warrants market price. It is proposed that the resolutions under the items below are conditional upon each other and made jointly as one resolution.

Proposal for resolution on transfer of warrants to certain employees

Reasons for the board's proposal for Warrant Program 2023/2026

The board deems it to be in the interest of the Company and its shareholders that certain employees of the company share the financial interests of the shareholders by being offered to acquire warrants in an incentive program. Such offer is expected to lead to increased motivation and an increased sense of belonging with the Company, as well as to an increased interest in the business and performance of the Company. The effects are amplified by the fact that the program is implemented on market terms where the persons concerned take part in stock price increases, but also take a personal risk by paying a market-based price for the warrants.

Transfer and allotment

The board proposes that the meeting resolves on transfer of up to a total of 1,990,000 warrants to certain employees in accordance with the following terms.

The right to acquire warrants shall vest in accordance with the following:

<i>Group</i>	<i>Category</i>	<i>Participants</i>	<i>Warrants</i>
Group 1	CEO and EVP	2	170,000
Group 2	Group Management	11	115,000
Group 3	Other Key Employees	7	55,000

If there are remaining warrants following subscriptions up to the guaranteed level according to the above, remaining warrants may be distributed among the participants irrespective of category. However, participants may be allotted not more than twice the number of warrants compared to the guaranteed allotment. The total number of warrants in the issue may not be exceeded.

In the event that not all participants who wish to subscribe for the maximum number of warrants may receive full allotment, the remaining warrants shall be allotted these participants pro rata in relation to the participants guaranteed number of warrants, however not exceeding the maximum allotment. The board resolves on the final allotment.

Allotment is conditional upon the subscriber, at the time of allotment, being employed or engaged by the group and at such time not having resigned or had their employment/assignment terminated and entering into an agreement with the Company giving the Company a right to first refusal as well as a right to repurchase the warrants in certain conditions.

The warrants shall be transferred on market terms at a price which will be determined on a calculated market value for the warrants at the time of the transfer. Per 29 March 2023, the value of a warrant amounted to SEK 0.39, which corresponds to the market value of the warrant using an established valuation method (Black & Scholes).

Costs and dilution associated with the program

As the warrants are issued to the participants on market terms, the Company will not incur any costs for social security contributions in connection with the incentive program. Against this background, there is no need for the Company to hedge for costs associated with the program. Consequently, the program will also not affect any key performance indicators.

Full participation and exercise of the warrants will give rise to a dilutive effect of app. 2.79 percent.

Preparation of the matter

The proposal for the general meeting has been prepared by the board together with Advokatfirman Lindahl KB and BDO AB.

Other incentive programs

The Company has, at the time of the extraordinary general meeting, no other long-term incentive programs.

Proposal for resolution on issue of warrants

The board proposes that the meeting resolves on an issue of warrants in accordance with the following.

1. The Company shall issue a maximum of 1,990,000 warrants where each warrant shall entitle the holder to subscribe for one new share in the Company, as a consequence of which the Company's share capital may increase by a maximum of SEK 79,600.
2. Disapplying the shareholders' pre-emption rights, the right to subscribe for the warrants shall vest in the Company, with the right and obligation to transfer the warrants to the employees in accordance with item A above. The reason for disapplying the shareholders' pre-emption rights is that the board wishes to implement an incentive program for employees in the group.
3. The warrants will be issued without payment of any consideration. Subscription shall be affected no later than 30 June 2023. The board shall be entitled to extend the subscription period.
4. Any excess amount (share premium) shall be entered under the free share premium reserve.
5. The warrants are governed by special warrant terms and conditions, Appendix. The warrant terms and conditions state, among other things, the following conditions.
 - a. For each warrant, the holder is entitled to subscribe for one new share against payment in cash at a subscription price of SEK 8 per share.
 - b. The subscription price and the number of shares which can be subscribed for on the basis of a warrant may be subject to adjustment in accordance with the terms and conditions for the warrants. Recalculation can also take place when subscribing for shares through a so-called Net Strike formula.
 - c. Subscription for shares based upon warrants may take place during a period of five months commencing on the day after the Company's quarterly report for Q1 report for the financial year 2026 has been made public. In the event that the Company has not made public any such quarterly report prior to 1 June 2026, subscription may take place from 1 June 2026 up until and including 1 October 2026.
 - d. Shares subscribed for by using the warrant shall entitle to dividend for the first time at the record date for dividend nearest occurring after subscription has taken place.

A resolution on the board's proposals above is only valid if supported by shareholders holding at least nine-tenths of both the votes cast and the shares represented at the meeting.

The board, or a person appointed by the board, shall be authorised to make the minor adjustments to the meeting's decision which may be deemed necessary in order to register the decision with the Swedish Companies Registration Office, Euroclear Sweden AB or due to other formal requirements.

Järfälla in March 2023
Midsummer AB (publ)
The board of directors