

***THE ENGLISH VERSION OF THE SUMMON IS AN UNCERTIFIED TRANSLATION AND IN THE EVENT OF ANY INCONSISTENCY BETWEEN THE ENGLISH SUMMON AND THE SWEDISH SUMMON, THE SWEDISH VERSION SHALL PREVAIL.***

## **POWERCELL SWEDEN AB (PUBL)**

### **Proposed resolutions**

The nominations committee has presented the following proposals for resolutions (excluding the proposals under paragraph 13 section 2, paragraph 14 and paragraph 15 which have been put forth by the Board of Directors).

#### 2. Election of a chairman for the shareholders meeting

Eric Ehrencrona from law firm MAQS Advokatbyrå is proposed as the chairman of the Annual General Meeting.

#### 10. Determination of the fees payable to the directors and the auditors

Fees paid to the Board of Directors for the period between the present Annual General Meeting until the next Annual General Meeting are proposed to be paid the amount of SEK 750,000, of which the chairman of the Board of Directors shall be paid SEK 250,000, and each of the other directors elected by the Annual General Meeting who are not employed by the company, SEK 100,000.

In addition, the nominations committee proposes that the meeting resolve that directors will, if tax circumstances are appropriate for invoicing and provided that it is cost-neutral for the company, be afforded the possibility to invoice the Board of Directors' fees through their companies. In the event a director invoices the Board of Directors' fee through his/her company, the fee shall be increased in an amount corresponding to employer payroll taxes and value added tax pursuant to law.

The Board of Directors proposes that no fees be paid to the remuneration committee and audit committee as these committees consists of the Board of Directors.

It is proposed that fees be paid to the auditors according to invoice approved by the company.

#### 11. Determination of the number of directors and alternate directors

The nominations committee proposes that the number of directors for the period until the next Annual General Meeting is held amount to seven directors and three alternate directors.

#### 12. Election of the Board of Directors, nominating committee and audit company

The re-election is proposed of directors Per Wassén, Dirk De Boever, Magnus Jonsson, Göran Linder, André Martin, Åsa Severed as well as the new election of Per Nordberg, for the period until the end of the next annual general meeting.

The re-election is proposed of alternate directors Andreas Gunnarsson, Mattias Silfversparre and Sven Vandeputte for the period until the end of the next annual general meeting.

Magnus Jonsson is proposed as the chairman of the Board of Directors for the period until the end of the next annual general meeting.

The re-election is proposed of Öhrlings PricewaterhouseCoopers AB as auditor of the company for the period until the end of the next annual general meeting.

It is proposed that the company shall continue to have a nominations committee consisting of four persons. Each of the company's three largest shareholders determined by votes, including closely-associated persons, as this term is defined in the Chapter 21, section 1 of the Companies Act, as per 30 September 2017 shall each be entitled to appoint a member of the nominations committee. None of the three persons appointed in this respect may be directors

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on the company's Board of Directors. In addition, the nominations committee shall consist of a member appointed by the Board of Directors who will also convene meetings of the nominations committee. The nominations committee's term of office extends until a new nominations committee is appointed. The nominations committee's task is to present proposals prior to the Annual General Meeting regarding the number of directors to be elected by the meeting, Board of Directors' fees, a chairman and other directors on the Board of Directors, a chairman of the general meeting and election of auditors and auditors' fees.

In the event that any of the three members of the nominations committee appointed by the three largest shareholders determined by votes resigns prematurely, the shareholder who appointed the resigning member shall be entitled to appoint a new member. In the event that any of the three largest shareholders determined by votes sells all, and not just part of, its shares in the company before the nominations committee has completed its duties, the fourth largest shareholder by votes, etc. shall instead appoint a new member on behalf of such shareholder.

### 13. Resolutions regarding guidelines for determination of salaries and other compensation paid to the President and senior management

#### *Compensation to the Board of Directors*

Compensation to the Board of Directors is determined by the Annual General Meeting based on proposals from the nominations committee. However, the Board of Directors is entitled to commission an individual director to perform consultancy services on behalf of the company. Directors elected by the meeting shall in special cases receive fees for services within their respective areas of competence, which do not constitute Board of Directors' work. With respect to the services, a fee on market terms will be payable which must be approved by the Board of Directors.

#### *Compensation to company management*

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

*Salaries and other benefits:* Compensation to the company management shall be comprised of a fixed salary and pension. The fixed salaries are normally reviewed on a calendar year basis. In addition to fixed salaries, there may be variable salaries provided that the variable part never exceeds 25 percent of the annual salary. In addition, the company management shall be entitled to customary non-monetary benefits such as a company car and occupational healthcare. In addition to these benefits, other benefits may also be offered on an individual basis

*Pension:* Company management shall be offered premium-based or defined-benefit pension agreements. In premium-based solutions, the premium shall correspond to the premium contributions which apply from time to time for ITP 1/ITP 2, or a maximum of 25 percent of gross salary. In the premium-based agreement, the pension will correspond to the sum of premiums and any return, without any guaranteed pension level. Under the premium-based pension plan, there is no defined time for retirement.

*Notice of termination period and severance pay:* The notice of termination period shall not exceed one year when notice is given by the company, and not greater than six months when

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notice is given by the employee. Upon termination by the company, severance pay is, in addition, payable in an amount corresponding to not more than six months' salary.

*Incentive programmes:* Resolutions regarding share and share price-related incentive programmes directed to company management shall be taken by the general meeting.

*Remuneration committee:* The Board of Directors shall act as the company's remuneration committee. The Board of Directors shall prepare issues regarding remuneration principles, compensation and other employment terms and conditions for company management. The more detailed principles regarding setting salaries, pensions and other benefits shall be set forth in a salary policy established by the Board of Directors in relation to the company management.

*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. If such deviation takes place, information regarding this and the reason for the deviation shall be reported at the next Annual General Meeting.

Resolutions as set forth above, require the approval of shareholders representing more than half of the votes cast.

#### 14. Resolutions regarding authorization of the Board of Directors to issue shares and/or warrants and/or convertibles

The Board of Directors propose that the Annual General Meeting authorizes the Board of Directors to resolve, on one or several occasions, to resolve 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 of 8,956,878 new shares.

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 Board of Directors, the President 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 with the Swedish Companies Registration Office.

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

#### 15. Resolution regarding issue of warrants

The board proposes the Annual General Meeting to resolve on a warrant issue in the company in two series (P03 and P04).

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P03

The board proposes that the issue of warrants in the company shall not exceed more than 1,186,789 warrants (P03) entitling for subscription of no more than 1,186,786 shares. With derogation from the shareholders pre-emptive right, only a wholly owned subsidiary to the company which will be acquired prior to the Annual General Meeting ("Subsidiary") shall be entitled to subscribe for warrants. After subscribing, the Subsidiary shall both have the right, and the obligation, if instructed by the board of directors of the company, to transfer the warrants to managing executives, key employees and employees in the company or its subsidiary in accordance with stated below. The issue of warrants is made without consideration to the Subsidiary. Subscription of warrants shall be made directly in the minutes of the Annual General Meeting.

Each warrant shall entitle the owner to subscribe for one new share in the company during the period of 1 May 2019 up to and including 31 May 2019. The subscription price for each share when exercising the warrant shall be set to a value calculated as follows: the average market price of the share of the company during April 2017 \* 1.35. Share issued after subscription entitle to dividend as of the financial year of subscription.

If fully subscribed and if all warrants are used, the share capital of the company will increase by SEK 26,109.292 divided in 1,186,786 shares. Based on the current number of shares and votes, the dilution of shares because of the proposed warrants will be no more than approximately 2.65 percent (1,186,786 / 44,784,392).

P04

The board proposes that the issue of warrants in the company will not exceed more than 1,186,787 warrants (P04) entitling for subscription of no more than 1,186,787 shares. With derogation from the shareholders pre-emptive right, only the Subsidiary shall be entitled to subscribe for warrants. After subscribing, the Subsidiary shall both have the right, and the obligation, if instructed by the board of directors of the company, to transfer the warrants to managing executives and key employees in the company or its subsidiary in accordance with stated below. The issue of warrants is made without consideration to the Subsidiary. Subscription of warrants shall be made directly in the minutes kept at the Annual General Meeting.

Each warrant shall entitle the owner to subscribe for one new share in the company during the period of 1 May 2020 up to and including 31 May 2020. The subscription price for each share when using the warrant shall be decided 1 May 2018 and be calculated as follows: the average market price of the share of the company during the period 1 April 2018 up to and including 30 April 2018\* 1.35. Share issued after subscription entitle to dividend as of the financial year of subscription.

If fully subscribed and if all warrants are used, the share capital of the company will increase by SEK 26,109.314 divided in 1,186,787 shares. Based on the current number of shares and votes, the dilution of shares because of the proposed warrants will be no more than approximately 2.65 percent (1,186,787 / 44,784,392).

The below stated details applies on both proposed series i.e. P03 and P04.

The reason for derogating from the shareholders pre-emptive right is that the board of directors wishes to promote the long-term interest of the company by offering managing executives, key employees and employees the opportunity to participate in an incentive program that will allow them to take part in the development of the company. This is expected to increase the commitment for the business among the managing employees and key employees.

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The board also proposes the AGM to resolve on approving that the Subsidiary is entitled to transfer the above issued warrants to managing executives, key employees and employees of the company or its subsidiary, or otherwise dispose the warrants in order to complete the obligations of the company in respect to above stated programs of warrants.

When transferring warrants from the Subsidiary to managing executives, key employees and employees, payment shall be made at the market price established by Black & Scholes valuation model for warrants. Since the warrants shall be transferred at the established market price, the incentive program should not result in any costs, besides minor costs for drafting and administrating.

Resolution on adopting the incentive programs through a warrant issue presumes that the shareholders voting for the proposal at the meeting represent at least 9/10 of the number of represented shares and votes of the Annual General Meeting.

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Gothenburg, April 2017  
The Board of Directors of  
Powercell Sweden AB (publ)