

## **NOTICE OF ANNUAL GENERAL MEETING 2023 IN W5 SOLUTIONS AB (PUBL)**

The shareholders of W5 Solutions AB (publ), reg. no. 556973-2034 (the “**Company**”), are hereby summoned to the Annual General Meeting on Thursday, 20 April 2023, at 13:30 CET, at the Company’s office on Jakobsdalsvägen 19, Nacka Strand

### **Right to attend the Annual General Meeting etc.**

Shareholders who wish to participate in the Annual General Meeting shall

- be registered as of 12 April 2023 in the share register kept by Euroclear Sweden AB, and
- Give notice of participation to the Company no later than 14 April 2023.

In order to be entitled to participate in the Annual General Meeting, a shareholder whose shares are registered in the name of a nominee must, in addition to giving notice of participation in the Annual General Meeting, have its shares registered in its own name at Euroclear Sweden AB. Such registration, which may be temporary, must be executed at Euroclear Sweden AB not later than 14 April 2023, which means that the shareholder should make a request for such voting rights registration in good time before such date to the nominee. Shareholders may participate at the Annual General Meeting personally or by proxy and may bring no more than two assistants.

### **Notice of attendance and registration**

Notice of attendance may be made by post to W5 Solutions AB (publ), Att: Emma Zimmermann Lindvall, P.O. Box 1156, 131 26 Nacka Strand, Sweden, or by e-mail to [emma.z.lindvall@w5solutions.com](mailto:emma.z.lindvall@w5solutions.com) or at the website [www.w5solutions.com](http://www.w5solutions.com). Shareholders shall in their notice of attendance include their name, personal identification number or corporate registration number, postal address, phone number, shareholding and information regarding any proxies and assistants. Shareholders may bring not more than two assistants. Proxies shall submit relevant documents of authority prior to the general meeting. Forms of power attorney are available at the Company’s website, [www.w5solutions.com](http://www.w5solutions.com), and will be sent by post to such shareholders who contact the Company and provide their address.

### **Proxies**

If a shareholder participates by proxy, the power of attorney should be sent prior to the Annual General Meeting to W5 Solutions AB (publ), Att: Emma Zimmermann Lindvall, P.O Box 1156, 131 26 Nacka Strand, Sweden or by e-mail to [emma.z.lindvall@w5solutions.com](mailto:emma.z.lindvall@w5solutions.com). Forms of power attorney are available at the Company’s website, [www.w5solutions.com](http://www.w5solutions.com), and will be sent by post to such shareholders who contact the Company and provide their address.

### **Proposed Agenda**

1. Election of Chairman;
2. Preparation and approval of voting list;
3. Election of one or two persons to attest the minutes;
4. Determination of whether the Annual General Meeting has been duly convened;
5. Approval of the agenda;

6. Presentation of the annual report and auditor's report for the Company and for the group;
7. A presentation by the chief executive officer;
8. Resolution on
  - a) adoption of the income statement and the balance sheet, and the consolidated income statement and the consolidated balance sheet;
  - b) appropriation of the results in accordance with the adopted balance sheet;
  - c) discharge of liability for the members of the Board of Directors and the chief executive officer;
9. The Preparatory Committee's presentation of their proposals for the Annual General Meeting and the Preparatory Committee's proposal for the election of the Board of Directors and the auditor, as well as payable fees.
10. Determination of the fees payable to the members of the Board of Directors and the auditor;
11. Election of the Board of Directors and of the auditor;
12. Resolution on the establishing of a Nomination Committee and approval of instructions for the Nomination Committee.
13. Resolution on a long-term share saving program, issue of warrants and transfer warrants
14. Resolution on an authorisation for the Board of Directors to resolve upon issues of shares etc.;
15. Close of the Annual General Meeting.

## **Proposed resolutions**

### **Item 1 – Proposed election of Chairman**

As Company published by the Company in December 2022, the Company's group of current main shareholders – i.e. Swedish Defence Group AB alongside its three holding companies holding in total approximately 69,9 percent of shares and votes directly or indirectly as per the day of this notice – gathered support before the Annual General Meeting by a particularly appointed Preparatory Committee. With support from the Preparatory Committee, the main shareholders propose that the attorney Sandra Broneus shall be elected as Chairman of the Annual General Meeting, or, in the event of her absence, the person instead appointed by the main shareholders.

### **Item 8.b) – Proposed resolution on the appropriation of the results in accordance with the adopted balance sheet**

The Board of Directors has proposed that no dividends shall be paid and that all means available to the Annual General Meeting shall be carried forward.

### **Item 10 – Proposed determination of the fees payable to the members of the Board of Directors and the auditors**

The main shareholders with support from the Preparatory Committee will present the proposal for the determination of the fees payable to the members of the Board of Directors and the auditors in good time before the Annual General Meeting.

### **Item 11 – Proposed election of the Board of Directors and of the auditor**

The main shareholders with support from the Preparatory Committee will present the proposal for the election of the Board of Directors and of the auditor in good time before the Annual General Meeting.

## **Item 12 - Resolution on establishing a Nomination Committee and approval of instructions for the Nomination Committee**

The main shareholders with support from the Preparatory Committee will present the proposal on a resolution on establishing a Nomination Committee and approval of instructions for the Nomination Committee in good time before the Annual General Meeting.

## **Item 13 – Proposed resolution on a long-term share saving program, issue of warrants and transfer warrants**

The board of the Company proposes that the annual general meeting resolves to implement a long-term share saving program (“**Share Saving Program 2023/2026**”) to employees in the Company in accordance with (A) and (B) below.

The purpose of the proposal is to create conditions for retaining and increasing the motivation of senior executives, employees, and key personnel in the Company. The board believes that it is in the interests of all shareholders that such persons, who are deemed to be of importance for the Company’s development, have a long-term interest in a good share price development of the Company’s shares. Through the proposed program, a long-term ownership commitment is created, which is expected to stimulate an increased interest in the business and performance development.

The proposed program has a three-year performance period, starting either 1st May 2023 or 1st October 2023, and ending three years following the start date (respectively a “**performance period**”). Participation in the program is suggested to be offered to all employees in the Company, under the condition that participants make a personal investment in Company shares (“**investment shares**”). For each investment share, the participant may receive additional shares in the Company after the performance period subject to the fulfillment of the performance conditions (“**performance share**”). The board’s intention is to propose a similar program at the annual general meeting 2024.

### **Item 13A – Approval of Share Saving Program 2023/2026**

The board proposes that the Annual General Meeting resolves to implement Share Saving Program 2023/2026 in accordance with the following terms:

1. Share Saving Program 2023/2026 is proposed to include approx. 130 participants divided into three categories, whereof each participant may be granted a maximum number of performance shares as specified under item 5.
2. A maximum of 168,004 performance shares may be granted to participants in Share Saving Program 2023/2026.
3. Participation in Share Saving Program 2023/2026 requires that participants make a personal investment in the Company’s shares. Participants shall be offered to purchase investment shares for a fixed amount, however not more than what is specified under item 5.
4. Purchase of investment shares shall be made each month during the period from and including 25th May 2023 up to and including 25th April 2024 for participants that have been invited to participate in the program at the latest 1st May 2023 and during the period from and including 25th November 2023 up to and including 25th October 2024 for participants that have been invited to participate in the program at the latest 1st November 2024. The share purchase shall be administrated by a third party through a salary reduction that the Company, in accordance with agreements with each participant, will transfer to such third party that purchase shares on the behalf of each participant.
5. The participants are divided into three categories based on their respective role in the Company. The maximum number of investment shares that each participant may participate

with, and the maximum number of performance shares that may be granted to each participant per investment share follows from, and shall not exceed what is specified in the below table:

Category	Maximum number of investment shares per participant	Maximum number of performance shares per participant	Maximum number of investment shares per category
Category A, consisting of maximum 6	1,372	5,488	32,928
Category B, consisting of maximum 20	823	2,469	49,380
Category B, consisting of maximum 104	412	824	85,696

6. Allotment of share rights prerequisites that the participants employment with the Company has not been terminated, with certain exceptions for customary “good leaver”-situations.
7. Allotment of performance shares is, in addition to what is stated in the above clause, conditional upon the fulfillment of one or more of the performance conditions regarding the Company’s revenue, profit (“EBITA”), and/or total shareholder return (“TSR”) (the “**performance conditions**”). The performance conditions have a minimum level and a maximum level. Performance shares will vest pro-rata in relation to the fulfillment of the performance conditions between minimum and maximum level in accordance with the below stated levels:
  - a. One third of the performance shares are subject to a performance condition regarding the Company’s revenue. The minimum level for allotment requires that the Company’s remuneration in average has increased with at least 19 percent annually during the performance period. If the Company’s revenue has increased with in average more than 49 percent annually during the performance period, one third of the granted performance shares will be allotted. Revenue growth shall be calculated based on the Company’s quarterly reports for the period from and including Q2 2025 up to and including Q1 2026 and shall be compared to the revenue for the period from and including Q2 2022 up to and including Q1 2023, for participants that enter into Agreement on participating in Share Saving Program 2023/2026 at the latest of 1st May 2023. For participants that enter into Agreement on participating in Share Saving Program 2023/2026 after 1st May 2023 but no later than 1st November 2023, revenue growth shall be calculated based on the Company’s quarterly reports for the period from and including Q4 2025 up to and including Q3 2026 and shall be compared to the revenue for the period from and including Q4 2022 up to and including Q3 2023.
  - b. One third of the performance shares are subject to a performance condition regarding the Company’s EBITA. The minimum level for allotment requires that the Company’s EBITA in average has increased with at least 44 percent annually during the performance period. If the Company’s EBITA has increased with in average more than 65 percent annually during the performance period, one third of the granted performance shares will be allotted. EBITA growth shall be calculated based on the Company’s quarterly reports for the period from and including Q2 2025 up to and including Q1 2026 and shall be compared to the EBITA for the period from and

including Q2 2022 up to and including Q1 2023, for participants that enter into Agreement on participating in Share Saving Program 2023/2026 at the latest of 1st May 2023. For participants that enter into Agreement on participating in Share Saving Program 2023/2026 after 1st May 2023 but no later than 1st November 2023, EBITA growth shall be calculated based on the Company's quarterly reports for the period from and including Q4 2025 up to and including Q3 2026 and shall be compared to the EBITA for the period from and including Q4 2022 up to and including Q3 2023.

- c. One third of the performance shares are subject to a performance condition regarding the Company's total shareholder return. The minimum level for allotment requires that the average annual TSR amounts to at least 11 percent during the performance period. If the Company's average annual TSR during the performance period exceeds 27 percent, one third of the granted performance shares will be allotted. TSR shall be determined taking into account the volume weighted average price of the Company's share at Nasdaq First North Growth market during a period of ten trading days from and including 1st May 2023 for participants that enter into Agreement on participating in Share Saving Program 2023/2026 at the latest of 1st May 2023, and from and including 1st November 2023 for participants that enter into Agreement on participating in Share Saving Program 2023/2026 at the latest of 1st November 2023, and shall be compared to the volume weighted average price of the Company's shares during a corresponding period in 2026.
8. The granted performance shares will vest three years following the start of the program (6th May 2026).
9. Subject to performance shares being granted and vested, each performance share entitles the participant to, during the period from and including 1st June 2026 up to and including 1st August 2026 or from and including 1st December 2026 up to and including 1st February 2027, be allotted one warrant free of charge that entitles to subscription of one (1) share in the Company for a price corresponding to the shares quota value (the Company's current quota value is 0.05 SEK).
10. Participation in Share Savings Program 2023/2026 requires that such participation can legally take place, and that such participation according to the Company can take place to reasonable administrative costs and financial contributions.
11. The board shall be responsible for the agreements with the participants and the administration of Share Saving Program 2023/2026. In conjunction therewith, the board shall have the discretionary right to make certain adjustments to meet obligations or market conditions abroad. The board shall also, under extraordinary circumstances, have the right to limit the extent of or prematurely terminate the Share Saving Program 2023/2026, in full or in part.
12. The number of shares that each performance shares entitles to purchase of shall be recalculated in the event of a share split, rights issue, or similar corporate event with the ambition that the economic value of a performance share shall remain unaffected of such events.

#### **Item 13B – Issue of warrants and approval of transfer of warrants to participants**

To enable the Company to deliver shares to participants in Share Saving Program 2023/2026, the board proposes that the annual general meeting resolves to issue a maximum of 168,004 warrants of series 2023/2026, without consideration, to a wholly owned subsidiary to the Company (the “**Subsidiary**”) in accordance with the following terms:

1. Right to subscribe for the warrants shall, with deviation from the shareholders pre-emptive rights, only accrue to a wholly owned subsidiary to the Company. Transfer of 168 004 may be made during one or many occasions to the participants Share Saving Program 2023/2026, in accordance with the terms for Share Saving Program 2023/2026.
2. The reason for deviation from the shareholders pre-emptive rights is the implementation of Share Saving Program 2023/2026.
3. Warrants shall be issued without consideration.
4. Subscription of warrants shall take place within 30 days following the issue decision. The board shall have the right to extend the subscription period.
5. Each warrant shall entitle to subscription of one share in the Company during a period from and including 1st June 2026 up to and including 1st February 2027.
6. Each warrant shall entitle to subscription of one (1) share in the Company at a subscription price corresponding to the share's quota value. Recalculation may be made in accordance with the complete warrant terms.
7. The newly issued shares shall carry the right to receive dividend for the first time on the record day that falls closest after the warrants has been exercised.
8. For the warrants, the terms as specified in the warrant terms shall otherwise apply.
9. The board, or anyone appointed by the board, is suggested to be authorized to make minor adjustments as might prove necessary in conjunction with the registration of the warrants at the Swedish Companies Registration Office.

If the warrants of series 2023/2026 are exercised in full, the share capital will increase by 8,400.20 SEK.

#### **Dilution and costs etc.**

The maximum dilution for current shareholders resulting from Share Saving Program 2023/2026 is 1.25 percent of the total number of outstanding shares in the Company. Dilution has been calculated as the number of additional shares in relation to current number of outstanding shares plus additional shares.

The performance shares will be accounted as a personnel cost during the performance period, without affecting the Company's cash flow. If performance shares are exercised, Share Saving Program 2023/2026 will in addition to above entail social security contributions. The total costs of social security contributions will in part depend on the employee's employment conditions, in part of how many performance shares that has been granted and vested, and in part of the value of the benefit that the participants obtain, i.e., the value of the performance shares at exercise in 2026 or 2027. Social security contributions will be accounted on the income statement during the performance period.

Based on the assumptions that all performance shares under Share Saving Program 2023/2026 is granted and vested, a share price of 160 SEK at the time of allotment of the performance shares and an average percentage for social security contributions of 31,42 percent, the total costs for the program including social security contributions, is expected to amount to approx. 20.3 million SEK, which corresponds to approx. 13 percent of the Company's total yearly employee costs (including social security contributions) calculated based on estimated employee costs for the financial year 2022.

## **Preparation of the proposal**

The proposal has been prepared by the board in collaboration with external advisors.

## **Majority requirements**

The board's proposal to implement Share Saving Program 2023/2026 in accordance with item (A) and approval of issue and transfer of warrants to participants in Share Savings Program 2023/2026 in accordance with item (B) above shall be considered as an overall proposal and shall be decided as one decision. For a valid decision under item A and B requires support by nine tenths (9/10) of both the voted cast and the shares represented at the annual general meeting.

## **Item 14 – Proposed resolution on an authorisation for the Board of Directors to resolve upon issues of shares etc.**

The Board of Directors has proposed that the Annual General Meeting authorises the Board to, within the limits for shares and share capital which apply at all times under the Company's articles of association, on one or several occasions during the period until the next Annual General Meeting, resolve upon the issue of shares, warrants and/or convertibles with or without preferential rights for the shareholders, where the total number of new shares may not correspond to more than twenty-five (25) per cent of the total number of outstanding shares in the Company at the time of the Annual General Meeting 2023. Such resolution may include conditions on payment in kind, by way of set-off or in cash.

The purpose of the authorisation and any potential deviation from the shareholders' preferential rights is that it shall be possible to execute issues in a time-efficient manner in order to finance acquisitions of businesses or investments in new or current operations, as well as to satisfy the Company's capital requirements and to increase the Company's financial flexibility.

The Board of Directors, or such person appointed by the Board, is authorised to make any smaller adjustments to this resolution that may be necessary for the proper registration with the Swedish Companies Registration Office (Sw. *Bolagsverket*) or due to other formal requirements.

## **Available documents**

Accounting documents and the auditors' statement regarding the financial year of 2022, as well as other necessary documents, will during at least three weeks prior to the Annual General Meeting be held available on the Company's webpage ([www.w5solutions.com](http://www.w5solutions.com)) and at the Company, W5 Solutions AB (publ), Jakobdalsvägen 19, 131 52 Nacka Strand, Sweden. Copies of these documents will be sent free of charge to shareholders who request it and provide their postal address. The required documents will be presented at the Annual General Meeting.

## **Information at the Annual General Meeting**

Pursuant to Chapter 7 Section 32 of the Swedish Companies Act (2005:551), shareholders are in some circumstances entitled to request information from the Company's board of directors and managing director at the general meeting.

## **Number of shares and votes**

At the time of the publication of the notice, the total number of shares in the Company amount to 13,265,404. The total number of votes amount to 13,265,404.

## **Processing of personal information**

For information on how the Company processes your personal information, please refer to the privacy policy, which is available on Euroclear's website

<https://www.euroclear.com/dam/ESw/Legal/Privacy%20notice%20BOSS%20-%20final%20220324.pdf>.

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Stockholm in March 2023

**W5 Solutions AB (publ)**

*The Board of Directors*