

*N.B. The English language version of this notice is an unofficial translation. In case of any discrepancy between the English and Swedish language versions, the Swedish language version shall prevail.*

## Notice of Annual General Meeting in Sedana Medical AB (publ)

The shareholders in Sedana Medical AB (publ), reg. no. 556670-2519, are hereby given notice to attend the annual general meeting on Tuesday 28 May 2019 at 4 p.m. (CEST) at Erik Penser Bank, Apelbergsgatan 27, Stockholm. Registration for the meeting commences at 3:30 p.m. (CEST).

### Participation

A shareholder wishing to participate at the meeting must be entered as shareholder in the share register kept by Euroclear Sweden AB on the record date Wednesday 22 May 2019, and must notify the company of their attendance no later than on Wednesday 22 May 2019 at the following address: Sedana Medical AB (publ), Vendevägen 87, 182 32 Danderyd, Sweden. Notification can also be made by telephone: +46 (0)8- 124 05 200 or by e-mail to [corp@sedanamedical.com](mailto:corp@sedanamedical.com). Notification should include full name, address, daytime telephone number, personal identification number or corporate registration number, shareholding and information about representatives, proxies and assistants, if any.

### Nominee registered shares

Shareholders who have their shares registered in the name of a nominee must, in order to be entitled to participate at the meeting, register the shares in their own name (so-called "voting registration"). Such voting registration, which may be temporary, must be duly effected with Euroclear Sweden AB on the record day Wednesday 22 May 2019, which means that the shareholder must request the nominee well in advance of said date.

### Proxies etc.

Shareholders who are represented by proxy shall issue a written, dated power of attorney for the proxy or, should the right to vote for the shares be divided among different proxies, the proxies together with information on the number of shares each proxy is entitled to vote for. If the power of attorney is issued by a legal entity, the power of attorney shall be accompanied by a certified copy of the registration certificate or equivalent documents of authority evidencing the authority to issue the power of attorney. To facilitate entry to the meeting, a copy of the power of attorney and, if applicable, registration certificate should be sent to the company at the postal address or e-mail address set out above well in advance of the meeting. The original power of attorney shall also be presented at the meeting. A proxy form is available on the company's website [www.sedanamedical.com](http://www.sedanamedical.com) and can be sent, free of charge, to shareholders who so request and state their postal address.

### Proposed agenda

1. Opening of the meeting and election of chairman of the meeting
2. Preparation and approval of the voting list
3. Election of one or two persons to approve the minutes of the meeting
4. Determination of whether the meeting has been duly convened
5. Approval of the agenda
6. Presentation of the annual report and the auditor's report as well as of the consolidated accounts and the consolidated audit report
7. Presentation by the CEO, Christer Ahlberg
8. Resolution in respect of adoption of the profit and loss statement and the balance sheet as well as the consolidated profit and loss statement and the consolidated balance sheet
9. Resolution in respect of allocation of the company's profits according to the adopted balance sheet
10. Resolution in respect of discharge from liability for the members of the board of directors and the CEO
11. Determination of fees payable to the board of directors and the auditors
12. Determination of the number of ordinary board members and deputies, as applicable, as well as of the number of auditors a deputy auditor, as applicable
13. Election of board members and auditors as well as any deputies, as applicable
14. Resolution on principles for the appointment of and instructions for the nomination committee
15. Resolution on an authorisation for the board of directors to resolve upon issuances
16. Resolution on incentive programme 2019/2022 for employees and consultants by way of directed issue of warrants to a subsidiary for subsequent transfer to the participants, including:
  - A. Resolution on an issue of warrants to Sedana Medical Incentive AB;
  - B. Resolution on approval of a transfer of warrants to participants; and
  - C. Information regarding the preparation of the board of directors' proposal, costs for the programme, other outstanding share related incentive programmes, dilution etc.
17. Closing of the meeting

## The nomination committee's resolution proposals

The nomination committee of the company is composed of the following members:

- Karl Tobieson, chairman of the nomination committee and appointed by Linc AB
- Thomas Eklund, chairman of the board of directors
- Sten Gibeck, shareholder and board member
- Ola Magnusson, shareholder and board member

The nomination committee has presented the following resolution proposals in relation to items 1 and 11–14 on the proposed agenda.

### **Election of chairman of the meeting (item 1)**

The nomination committee proposes that Thomas Eklund is elected as chairman of the meeting.

### **Election of board members and auditors as well as determination of the fees payable to the board of directors and auditors, etc. (items 11–13)**

The board of directors currently consists of six ordinary members without deputy members and the company currently has one auditor and one deputy auditor. The nomination committee proposes that the board of directors shall continue to consist of six ordinary members without deputy members and that the company shall continue to have one auditor and one deputy auditor.

The board of directors currently consists of the ordinary members Thomas Eklund (chairman), Sten Gibeck, Bengt Julander, Ola Magnusson, Michael Ryan and Eva Walde. The nomination committee proposes re-election of all current board members and re-election of Thomas Eklund as chairman of the board of directors for the period until the end of the next annual general meeting. It is further proposed that Christina Kallin is re-elected as auditor and Caroline Ljungberg as deputy auditor for the period until the next annual general meeting.

The nomination committee proposes that fees payable to the board of directors for the period until the end of the next annual general meeting shall amount to a total of SEK 625,000, out of which SEK 325,000 shall be paid to the chairman, SEK 100,000 shall be paid to the proposed member Eva Walde and SEK 50,000 shall be paid to each of the proposed members Sten Gibeck, Bengt Julander, Ola Magnusson and Michael Ryan. The nomination committee further proposes that the company's auditor shall be paid in accordance with approved invoices, within the frames of the quote.

Further information regarding the proposed board members is available on [www.sedanamedical.com](http://www.sedanamedical.com).

### **Resolution on principles for the appointment of and instructions for the nomination committee (item 14)**

The nomination committee proposes that the general meeting resolves on adoption of principles for the appointment of and instructions for the nomination committee in accordance with the following.

#### ***Principles for the appointment***

The chairman of the board shall, by the end of the third quarter of Sedana Medical's financial year each year, ensure that the company's three largest shareholders or ownership groups by vote are invited to appoint one member each to be included in the nomination committee. The reconciliation is based on Euroclear Sweden AB's shareholder list (owner grouped) as of the last banking day of September or any other evidence that shareholders or group of owners at this time report as evidence of their shareholding.

The nomination committee shall consist of a total of at least three members, including the chairman of the board of directors, who is included in the nomination committee and convenes the first meeting of the nomination committee.

The composition of the nomination committee shall be published as soon as it has been appointed. The chairman of the nomination committee shall, unless the members agree otherwise, be the member appointed by the by vote largest shareholder. However, the chairman of the board of directors or other board members shall not be chairman of the nomination committee. The nomination committee shall hold its mandate until a new nomination committee has been appointed. No fees shall be paid to the members of the nomination committee.

Shareholders who has appointed a member of the nomination committee is entitled to vacate such a member and appoint a new member of the nomination committee.

### ***Assignments of the nomination committee***

The nomination committee shall prepare and propose to the annual general meeting:

- election of chairman of the meeting
- election of chairman and members of the board of directors of the company
- election of auditor and, if applicable, deputy auditor
- proposals for fees payable to the chairman and members of the board of directors, auditor and, if applicable, for committee work
- potential changes of current principles for the appointment of and instructions for a nomination committee

### ***Meetings***

The nomination committee shall meet when required in order for the nomination committee to fulfill its duties, but no less than twice a year.

The nomination committee is quorate when at least half of the members participate. However, resolutions may not be made unless all members, where possible, have had the chance to participate in the matter. As resolution of the nomination committee applies, the opinion which more than half of the members present vote for shall apply or, in case of equal number of votes, the opinion which the chairman of the nomination committee supports.

A report of the nomination committee's work, including proposals and a statement from the nomination committee, shall be published on the company's website well in advance of the annual general meeting.

### ***Changes to these principles and instructions***

These principles for the appointment of and instructions for the nomination committee shall apply until the general meeting resolves otherwise. The nomination committee shall regularly evaluate these principles and instructions, as well as the work of the nomination committee, and submit proposals to the annual general meeting for such potential changes of these principles and instructions as are deemed appropriate by the nomination committee.

## **The board of directors' resolution proposals**

### **Resolution in respect of allocation of the company's profits according to the adopted balance sheet (item 9)**

The board of directors proposes that the company's accumulated profits shall be carried forward in new account.

### **Resolution on an authorisation for the board of directors to issue new shares (item 15)**

The board of directors proposes that the general meeting resolves on an authorisation for the board of directors to, at one or more occasions during the period until the next annual general meeting, with or without deviation from the shareholders' preferential rights, resolve on new issues of shares which, in aggregate, does not exceed 15 percent of the total number of shares outstanding after exercise of the authorisation, based on the number of shares outstanding in the company at the time when the authorization is first exercised. A new issue may be made with or without stipulation regarding non-cash consideration, set-off or other conditions referred to in Chapter 13, Section 5, first paragraph, 6 of the Swedish Companies Act. The purpose of the authorisation is to give the board of directors' flexibility in its work to ensure that the company can be contributed with capital for the financing of the business in an appropriate manner, to effect business or product acquisitions, and/or to enable the company's ownership base to be broadened.

### **Resolution on incentive programme 2019/2022 for employees and consultants by way of a directed issue of warrants to a subsidiary to be subsequently transferred to the participants (item 16)**

The board of directors of Sedana Medical AB (publ) (the "Company") proposes that the annual general meeting resolves to establish a long-term incentive programme by way of issue of warrants to Sedana Medical Incentive AB, reg. no. 559109-8826 (the "Subsidiary"), for subsequent transfer to senior executives, other key persons and other co-workers (jointly "Co-workers") of the Company and the Group (as defined below) ("Incentive Programme 2019/2022") in accordance with what is stated in this item 16 and items 16A-16C below.

### **Background and purpose**

The purpose of the proposal is to establish conditions to recruit and maintain qualified personnel in the Group and to increase the motivation of the Co-workers of the Group, by reaching an increased community of interest between the Co-workers and the shareholders of the Company. The board of directors finds that it is in all shareholders' interest that current and future Co-workers (employees and consultants) have a long-term interest in a positive development of the price of the shares in the Company. A long-term ownership engagement is expected to stimulate an increased interest for the business and the earnings as a whole and is expected to increase motivation for the participants in Incentive Programme 2019/2022.

Co-workers (employees and consultants) of the Company and the Company's branches in Germany and Spain, as well as of the Company's subsidiaries in the United Kingdom, Ireland, Norway and France (jointly the "Group") will be offered to participate in the incentive programme.

Resolutions in accordance with items 16A and 16B below shall be made as one resolution and the resolutions are therefore conditional upon each other. As items 16A and 16B are governed by the provisions in Chapter 16 of the Swedish Companies Act (Sw. Aktiebolagslagen (2005:551)), valid resolutions require that the proposals are supported by at least nine-tenths (9/10) of the votes cast as well as of all shares represented at the meeting.

***Resolution on an issue of warrants to Sedana Medical Incentive AB (item 16A)***

The board of directors of the Company proposes that the annual general meeting resolves upon an issue of not more than 370,000 warrants, which upon exercise may result in an increase in the share capital of the Company of not more than SEK 37,000. The warrants shall entitle to subscription of new shares in the Company. For the issue of warrants, the following terms shall apply.

1. The right to subscribe for the warrants shall, with deviation from the shareholders' preferential rights, only vest in the Subsidiary, with a right and obligation to, at one or several occasions, transfer the warrants to current and future Co-workers (employees and consultants) of the Company in accordance with instructions from the board of directors of the Company and otherwise in accordance with guidelines specified in item 16B below.
2. The warrants shall be subscribed for by the Subsidiary no later than on 30 May 2019 on a separate subscription list, with a right for the board of directors of the Company to extend the subscription period.
3. The warrants shall be subscribed for by the Subsidiary without any consideration paid.
4. Each warrant entitles to subscription of one (1) new share in the Company during the period from and including 1 July 2022 until and including 30 November 2022.
5. The subscription price for one (1) new share upon exercise of a warrant shall be determined to an amount equal to 130% of the volume weighted average payment rate for the Company's share on Nasdaq First North during the period from and including 12 May 2019 until and including 12 June 2019.
6. A new share subscribed for by exercise of a warrant carries a right to dividends as of the first record day for dividends after the new shares have been registered in the share register maintained by Euroclear Sweden AB.
7. The reason for the issue and for the deviation from the shareholders' preferential rights is to implement Incentive Programme 2019/2022 (read more under "Background and purpose" under item 16 above).
8. Complete terms and conditions apply for the warrants, including customary conditions regarding re-calculation, which inter alia implies that the subscription price as well as the number of shares a warrant entitles to subscription of may be re-calculated in certain cases.

***Resolution on approval of transfer of warrants to participants (item 16B)***

The board of directors proposes that the annual general meeting resolves to approve that the Subsidiary may transfer not more than 370,000 warrants 2019/2022 in the Company to current and future Co-workers of the Group, or otherwise dispose of the warrants in order to fulfill the Company's and the Subsidiary's obligations by reason of Incentive Programme 2019/2022, on the following terms and conditions.

1. Current and future Co-workers of the Group (employees as well as consultants) will, within the framework of Incentive Programme 2019/2022, be offered to acquire warrants in four different categories as set out below.
  - A. Members of the group management who do not previously hold warrants in the Company (not more than two (2) current co-workers) are offered to acquire a maximum of 45,000 warrants each and in total not more than 90,000 warrants.
  - B. Other members of the group management (not more than five (5) current co-workers) are offered to acquire a maximum of 30,000 warrants each and in total not more than 150,000 warrants.
  - C. Other senior key persons and specialists (not more than two (2) current co-workers) are offered to

acquire a maximum of 20,000 warrants each and in total not more than 40,000 warrants.

- D. Other co-workers (not more than 35 current co-workers and not more than nine (9) future co-workers) are offered to acquire a maximum of 5,000 warrants each and in total not more than 220,000 warrants, out of which 45,000 warrants shall be earmarked for future co-workers.
2. A Co-worker who gives notice of acquisition of warrants will not be guaranteed to acquire the notified number of warrants. In case of over-notification by persons who are offered to acquire warrants in accordance with the above, by which the total number of warrants that Co-workers wish to acquire exceeds the total number of warrants 2019/2022 (i.e. 370,000 warrants), allotment shall at first hand be made pro rata in relation to the notified number of warrants and secondly by way of a draw of lots executed by the Company.
  3. A condition for being entitled to acquire warrants within the frames of Incentive Programme 2019/2022 is that a Co-worker, in an agreement entered into with the Subsidiary, undertakes to sell back acquired warrants to the Subsidiary if the participant's employment in or engagement with the Company or the Group ceases before three (3) years have passed from the day of transfer of the warrants to the participant.
  4. Transfer of the warrants shall be made at a price equal to the warrants' market value as of the date of the transfer, which shall be calculated by use of the Black & Scholes valuation model by an independent valuation agent.
  5. Notification for acquisition of warrants shall be made during the period from and including 29 May 2019 up to and including 12 June 2019 (the "**Notification Period**"). The warrants shall thereafter be transferred to the participants no later than on 20 June 2019, by when payment for the warrants shall also be made.
  6. Should there be warrants 2019/2022 left to allot at the end of the Notification Period, the Subsidiary shall be entitled to transfer such warrants to future Co-workers in the Group, if any (employees as well as consultants).
  7. Board members in the Company shall not be a part of Incentive Programme 2019/2022.

***Information about the preparation of the board of director's proposed resolution, costs for the programme, other outstanding share related incentive programmes, dilution etc. (item 16C)***

#### **Preparation of the proposal**

The proposal for Incentive Programme 2019/2022 has been prepared by the board of directors of the Company and external advisors.

#### **Valuation**

Transfer of warrants 2019/2022 shall be made at a price corresponding to the market value of the warrants, entailing that no social security contributions should arise for the Company or the Subsidiary in connection with the transfer of warrants. The market value of the warrants will be finally settled by an independent valuation agent at the time of the transfer of the warrants to the participants in Incentive Programme 2019/2022, by use of the Black & Scholes valuation model. The valuation will be made based on the following assumptions:

- The risk-free interest rate during the term of the warrants will be 0.08%.
- The volatility in the Company's share during the term of the warrants will be 35.91%.
- No dividends or other value transfers will be performed during the term of the warrants.

#### **Costs and effects on key performance indicators**

As the warrants are transferred at market value, it is the Company's assessment that there will be no social security charges for the Company as a result of the transfers. The costs are therefore estimated to consist only of limited costs for implementation and administration of the incentive programme.

The programme is expected to have a marginal effect on the Company's key performance indicators.

#### **Dilution**

The total number of registered shares and votes at the date of this proposal is 19,276,59. The dilution effect of Incentive Programme 2019/2022 is estimated to amount to a maximum of 1.88% of the total number of shares and votes in the

Company (based on the current number of shares in the Company irrespective of outstanding warrants), assuming full exercise of all offered warrants 2019/2022.

## Number of shares and votes in the company

As of the date of issuance of this notice, the total number of shares and votes in the company amounts to 19,276,591. The company does not hold any of its own shares.

## Majority requirements

As resolutions under items 16A and 16B are governed by the provisions in Chapter 16 of the Swedish Companies Act (Sw. Aktiebolagslagen (2005:551)), valid resolutions in accordance with the proposals requires that the proposals are supported by shareholders representing at least nine-tenths (9/10) of the votes cast as well as of all shares represented at the meeting. For a valid resolution in accordance with item 15 it is further required that the proposal is supported by shareholders representing at least two-thirds (2/3) of the votes cast as well as of all shares represented at the meeting.

## Information at the meeting

The board of directors and the CEO are under a duty to, if any shareholder so requests and the board of directors deems that it can be made without material damage to the company, provide information at the meeting regarding circumstances which may affect the assessment of a matter on the agenda or of the company's economic situation. The duty to provide information also comprises the company's relation to the other group companies, the consolidated financial statements and such circumstances regarding subsidiaries which are set out in the foregoing sentence.

## Documentation

The annual report and the auditor's report, including the consolidated accounts and the consolidated auditor's report, will be kept available at the company's offices with address Sedana Medical AB (publ), Vendevägen 87, 182 32 Danderyd, Sweden, and at [www.sedanamedical.com](http://www.sedanamedical.com) no later than three weeks before the meeting. Complete proposals under items 14–16, including complete terms and conditions for warrants 2019/2022, will be kept available accordingly no later than two weeks before the meeting. All said documentation, as well as this notice, will also be sent by post, free of charge, to shareholders who so request and state their postal address. All the above-mentioned documentation will also be presented at the annual general meeting. The nomination committee's complete proposals under items 11–13 are included in this notice.

## Processing of personal data

For information on how your personal data is processed in connection with the annual meeting, see <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

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Stockholm in April 2019  
Sedana Medical AB (publ)  
The board of directors