

*This is a translation. In case of any discrepancies, the Swedish original shall prevail.*

## **Invitation to the Annual General Meeting of Safello Group AB (publ)**

Shareholders of Safello Group AB (publ), 556892-3550 ("**Company**"), are hereby invited to the Annual General Meeting to be held on Wednesday 27 April 2022.

The Board of Directors of Safello Group AB has decided that the Annual General Meeting shall be held via voting per mail, without the physical presence of shareholders, proxies or external parties which implies that the shareholders' voting rights may be exercised only by voting per mail prior to the Annual General Meeting in accordance with the procedure set forth below, pursuant to the Swedish Act (2022:121) on Temporary Exemptions to Facilitate the Execution of General Meetings in Companies and Associations.

The CEO Frank Schuil and CFO Johan Edin will comment on the financial year 2021 in a live presentation which will be held digitally before the Annual General Meeting, at 13.00 CET on 20 April 2022. A link to access the presentation will be published on the Company's website, <https://safello.com>. The presentation does not form part of the formal Annual General Meeting.

### **Notice of attendance**

Shareholders who wish to participate in the Annual General Meeting must:

- be registered in the shareholder register maintained by Euroclear Sweden AB ("**Euroclear**") as per Tuesday 19 April 2022, or alternatively, if the shares are nominee-registered, request the nominee to register the shares in the shareholder's own name by Thursday 21 April 2022,
- notify their intention to participate by having submitted a mail vote in accordance with the instructions under the heading "Mail voting" below in such a manner that the Company has received the mail vote by Tuesday 26 April 2022.

In addition to giving notice to participate by submitting a mail vote, shareholders with nominee-registered shares held via a bank or other nominee must, in order to be able to participate in the Annual General Meeting, request the nominee to register the shares in the shareholder's own name in the shareholders register kept by Euroclear (voting registration). As stated above, the nominee must have performed such registration with Euroclear by Thursday, 21 April 2022. Therefore, the shareholder must contact its nominee well in advance of such day and re-register its shares in accordance with the nominee's instructions.

### **Mail voting**

The Board of Directors has decided that the shareholders shall have the opportunity to exercise their voting rights only by mail pursuant to Sections 20 and 22 of the Swedish

Act (2022:121) on Temporary Exemptions to Facilitate the Execution of General Meetings in Companies and Associations.

For mail voting, a special form shall be used which is available at the Company's website, <https://safello.com> and at the Company's headquarters, Malmkillnadsgatan 32, 111 51 Stockholm.

The shareholders may in the voting form request that a resolution regarding one or several items on the proposed agenda shall be postponed to a continued general meeting, which must not be held solely by mail voting. Such continued general meeting for resolution on a certain item shall be held if the Annual General Meeting adopts a resolution thereon or if shareholders representing not less than one-tenth of all shares in the Company so request.

Filled in and signed voting forms may be sent by regular mail to Safello Group AB (publ), Att. AGM, c/o WeWork, Malmkillnadsgatan 32, 111 51 Stockholm or via e-mail to [agm@safello.com](mailto:agm@safello.com). Completed voting forms must be received by the Company by Tuesday 26 April 2022. If shareholders submit their postal vote through proxies a signed and dated power of attorney shall be attached to the voting form. The validity period of the power of attorney is maximum one year from the date of issue unless a longer validity period is specifically stated in the power of attorney, in which case the validity period must not exceed five years after the date of issue. Proxy forms are available at the Company's headquarters (on the address stated above), website <https://safello.com>, and may be sent free of charge to shareholders who so request and provide their postal or e-mail address. If the shareholder is a legal entity, a registration certificate or other authorization document must be attached to the voting form. Shareholders are not allowed to include special instructions or conditions in the mail vote. If special instructions or conditions are included, such mail votes become invalid. Further information and conditions can be found in the form for mail voting.

For information regarding the Annual General Meeting or requests to have the form for mail voting sent per regular mail or e-mail, please contact the Company at [agm@safello.com](mailto:agm@safello.com).

### **Proposed agenda**

1. Opening of the Annual General Meeting
2. Election of a chairman for the Annual General Meeting
3. Election of one or two persons to certify the minutes
4. Preparation and approval of the voting list
5. Approval of the agenda
6. Determination of whether the meeting has been duly convened
7. Presentation of the annual accounts and auditor's report, and of the consolidated accounts and auditor's report on the consolidated accounts

8. Resolution on:
  - a) adoption of the income statement and balance sheet and of the consolidated income statement and balance sheet
  - b) disposition of profit or loss according to the adopted balance sheet
  - c) discharge from liability for the members of the Board of Directors and the CEO
9. Resolution on the number of board members and auditors
10. Resolution on board members' and auditors' fees
11. (a-g) Election of board members and auditors
12. Resolution to establish a long term incentive program by a directed new issue of warrants to the participants
13. Resolution to authorize the Board of Directors to resolve on issues of shares or convertibles
14. Resolution to change the Articles of Association
15. Resolution to authorize the Board of Directors to make minor adjustments to the resolutions made at the Annual General Meeting in connection with registration with the Swedish Companies Registration Office and Euroclear Sweden AB
16. Conclusion of the meeting

### **Proposals for resolutions**

#### **Proposal for election of chairman for the Annual General Meeting (item 2)**

The Board of Directors proposes the chairman of the Board of Directors, Jacob Jacobsson, as chairman for the Annual General Meeting, or in the event of his absence, another person designated by the Board of Directors.

#### **Proposal for election of one or two persons to certify the minutes (item 3)**

The Board of Directors proposes that Johan Edin, CFO, is appointed to, jointly with the chairman of the Annual General Meeting, attest the minutes, or in the event of his absence, another person designated by the CEO. The assignment shall also include, in addition to attest the minutes jointly with the chairman of the Annual General Meeting, to verify the voting list and that the received mail votes are correctly reflected in the minutes.

#### **Proposal for preparation and approval of the voting list (item 4)**

The voting list that is proposed to be approved under item 4 on the agenda is the voting list that the Company has prepared based on the shareholders register and received mail votes which have been verified and approved by the person approving the minutes.

**Proposal for resolution on disposition of profit or loss according to the adopted balance sheet (item 8b)**

The Board of Directors proposes that no dividend is made to the shareholders for the financial year 2021 and that the balance according to the adopted balance sheet, amounting to SEK 67,130,358, is carried forward.

**Proposal for resolution on the number of board members and auditors (item 9)**

It is proposed that the number of board members shall be five (5) regular board members and that the number of auditors shall be one (1) without deputy auditors.

**Proposal for resolution on board members' and auditors' fees (item 10)**

It is proposed that the Annual General Meeting resolves on payment of directors' fees of SEK 100,000 to the chairman of the board and each of the board members who are independent in relation to the Company and the largest shareholders (i.e. shareholders controlling ten (10) percent or more of the shares or votes in the Company) for the period until the next Annual General Meeting. No directors' fees will be payable to other board members.

It is proposed that auditors' fees be paid as per approved invoice.

**Proposal for election of board members and auditors (item 11a-g)**

It is proposed that the Annual General Meeting resolves on re-election of the following board members for the period until the end of the next Annual General Meeting:

- a) Frank Schuil
- b) Jacob Jacobsson
- c) Sepehr Alavi
- d) Knut Pedersen
- e) Johan Lorenzen

It is further proposed that:

- f) Jacob Jacobsson is re-elected as chairman of the Board of Directors.

It is further proposed that:

- g) WeAudit Sweden AB are re-elected as the Company's auditor with Mikael Klöver as chief auditor.

**Proposal for resolution to establish a long term incentive program by a directed new issue of warrants to the participants (item 12)**

*Summary of the incentive program*

The Board of Directors proposes that the Annual General Meeting resolves to establish a long term incentive program where the Company offers employees and consultants in the Company to subscribe for warrants issued by the Company. The right to subscribe for warrants shall be granted to employees and consultants in the Company. The Company's board members will not be allotted warrants, except for Frank Schuil who is

CEO of the Company and is therefore encompassed by the proposed program in his capacity as employee.

The Board of Directors' proposal implies that the Annual General Meeting resolves on:

- (i) establishing a long term incentive program, and
- (ii) a directed issue of maximum 350,000 warrants to employees and consultants in the Company.

The purpose of the proposed incentive program is to facilitate retention and recruitment of competent employees to the Company, increase the participants' motivation, loyalty and alignment of interest with the Company's shareholders as well as facilitating own shareholding in the Company and thereby promote shareholder value and long term value creation of the Company. Since the warrants are subscribed for by the participants at market value and also presuppose a positive development of the Company's share price the exercise doesn't require fulfillment of any performance criteria.

#### *Issue of warrants 2022/2025*

The Board of Directors proposes that the Annual General Meeting resolves on issue of warrants in accordance with the terms set forth below.

#### *Number of warrants to be issued*

The Company shall issue a maximum 350,000 warrants.

#### *Subscription right*

The right to subscribe for warrants shall, with deviation from the shareholders' preferential right, be granted to employees and consultants in the Company.

#### *The reason for deviation from the shareholders' preferential right*

The reason for deviation from the shareholders' preferential right is to through the incentive program facilitate retention and recruitment of competent employees to the Company, increase the participants' motivation, loyalty and alignment of interest with the Company's shareholders as well as facilitating own shareholding in the Company and thereby promote shareholder value and long term value creation of the Company.

#### *Subscription period*

The warrants shall be subscribed for on a separate subscription list during the period from and including 14 May 2022 up to and including 8 June 2022.

#### *Over subscription*

Over subscription may not occur.

#### *Subscription price and payment*

The warrants shall be issued to the participants in the program with the maximum allotment that is set forth under section "Allotment" below. The warrants shall be

acquired at market value as further specified under section “Price and valuation” below. Payment of the warrants shall be made in cash to the Company’s bank account no later than 15 June 2022.

#### *Price and valuation*

The warrants will be acquired at market value and the price (warrant premium) shall be determined according to the Black & Scholes valuation model. The valuation of the warrants shall be made by an independent advisor. The warrants’ preliminary market value has, according to a valuation performed by an independent advisor, based on a market value of the underlying share of SEK 8,60 (the closing price of the Company’s share on Nasdaq First North Growth Market on 23 March 2022), been determined to an amount of SEK 2,98 per warrant based on a subscription price of SEK 12,90 per share. For the preliminary valuation the independent advisor has used a risk free interest rate of 0 percent, a volatility of 70 percent and average expected dividends of 0 percent during the term of the warrants. The market value will be finally determined in connection with the subscription period for the warrants based on the Reference share price (as described in section “Warrant terms” item (ii) below).

#### *Warrant terms*

(i) each warrant entitles the warrant holder to subscribe for one newly issued share in the Company;

(ii) the subscription price for each newly issued share shall be an amount corresponding to 150 percent of the “Reference share price” (as defined below).

The “Reference share price” amounts to the average volume weighted share price for the Company’s share on Nasdaq First North Growth Market during the period from and including 9 May 2022 up to and including 13 May 2022 and the Reference share price and the subscription price calculated in accordance with the above shall be rounded off to the nearest SEK 0,01, whereby SEK 0,005 will be rounded off downwards. The Board of Directors shall have the right to postpone the period for establishing the Reference share price if an independent advisor determines that the development of the share price during the subscription period for the warrants implies that the valuation of the warrants based on the reference period ending on 13 May 2022 deviates from the market value of the warrants during the subscription period.

(iii) The subscription right may be exercised during the period from and including 15 June 2025 up to and including 15 September 2025. According to the terms and conditions for the warrants, the exercise period may be prolonged if participants are hindered from exercising their subscription rights due to applicable laws regarding insider trading or similar.

(iv) The new shares will entitle to dividend for the first time on the record day for payment which is the first such day following the execution of the subscription.

(v) The complete terms and conditions for the warrants will be available at the latest three weeks prior to the Annual General Meeting at the Company’s office (address as

stated above) and will also be sent free of charge to shareholders who so request and provide their postal address. According to the terms and conditions for the warrants the subscription price and the number of shares that each warrant entitles the holder to subscribe for may be subject to recalculation in certain cases.

#### *Increase of the share capital*

If all 350,000 warrants are subscribed for and exercised, the Company's share capital will increase with a maximum amount of SEK 17,500 (based on a quotient value of SEK 0,05) subject to such recalculation of the number of shares that each warrant entitles the holder to subscribe for in accordance with the complete terms and conditions for the warrants. To the extent that the subscription price exceeds the quotient value the excess amount shall be allocated to the non-restricted share premium reserve.

#### *Authorisation*

The Board of Directors shall be entitled to prolong the time for subscription and payment of the warrants. The Board of Directors, or a person appointed by the Board of Directors, shall be authorized to make minor adjustments to the resolution made at the Annual General Meeting as may be required in connection with registration with the Swedish Companies Registration Office and Euroclear Sweden AB.

#### *Allotment*

The warrants shall be allotted by the Board of Directors in accordance with the following principles:

(i) The Company's CEO (group 1) may be allotted a maximum of 150,000 warrants, participants in group 2 may be allotted a maximum of 100,000 warrants, participants in group 3 may be allotted a maximum of 20,000 warrants, participants in group 4 may be allotted a maximum of 10,000 warrants. The maximum total number of warrants allotted to the participants may however not exceed 350,000 warrants. Members of the Company's board of directors will not be allotted warrants, except for Frank Schuil who is CEO of the Company.

(ii) Allotment of warrants shall be made no later than 15 June 2022, or if the Board of Directors resolves to prolong the period for subscription and payment, such later date for allotment as decided by the Board of Directors. Allotment may only be made to the extent that the total number of warrants under the program does not exceed 350,000 warrants. The last day for allotment according to this item (ii) shall not apply in relation to warrants that have been repurchased pursuant to item (v).

(iii) If a person granted a right to subscribe for warrants does not wish to subscribe for the entire offered portion, warrants not subscribed for by such person may be offered to other existing and new employees included in the categories described in item (i) above. The maximum number of such additional warrants that may be allocated to each participant within the respective category may not exceed the maximum number set forth in item (i) above.

(v) In connection with the participants' subscription of warrants in the program the Company shall reserve the right to repurchase warrants if the participant's employment with the Company terminates or if the participant wishes to transfer warrants. Such repurchased warrants may be allocated in accordance with items (i) and (ii) above.

<b>Group</b>	<b>Number of participants</b>	<b>Participants</b>
Group 1	Up to 1	Chief executive officer
Group 2	Up to 6	Management
Group 3	Up to 20	Other key personnel
Group 4	Up to 20	Other employees (and external consultants)

#### *Dilution*

If all 350,000 warrants 2022/2025 are subscribed for and exercised, this will imply a dilution of approximately 1,61 percent (based on the total number of shares and the dilution that exercise of existing warrants as per the date of this notice would imply).

#### *Other share based incentive programs*

At the time of the Annual General Meeting the Company has two outstanding share based incentive programs. The Company has one incentive program for management and employees (Series M 2021/2024) which encompass in total 891,068 subscribed for and fully paid warrants, and one for the Company's board members and chairman who are independent in relation to the Company and the largest shareholders (i.e. in relation to shareholders who control ten (10) percent or more of the shares or votes in the Company)) (Series B 2021/2024) which encompass in total 100,000 subscribed for and fully paid warrants. Except for the category of participants, the same terms apply for both programs which are summarized below.

The warrants were subscribed for at market value amounting to SEK 0,69 per warrant, valued by an independent advisor based on the Black and Scholes valuation model. The programs have a term of three years and each warrant entitles the holder to subscribe for one share in the Company at a subscription price of SEK 23,63 during the period 1 March until 30 April 2024. If all warrants in both programs are exercised it will imply a dilution of approximately 4,6 percent (based on the total number of shares as per the day of this notice).

#### *Costs*

The participants will subscribe for the warrants at market value. The program is only expected to imply certain limited costs for the Company in relation to external advisors and administration of the program.



### *Preparation of the proposal*

The incentive program has been prepared by the Board of Directors and prepared at a board meeting during March 2022. Frank Schuil, board member and CEO of the Company who is encompassed by the proposed program in his capacity as employee, has not taken part in the preparation of the program.

### *Majority requirement*

For a decision in accordance with this proposal, the resolution must be supported by shareholders representing at least nine-tenths of both the votes cast and the shares represented at the Annual General Meeting.

### **Proposal for resolution to authorize the Board of Directors to resolve on issues of shares or convertibles (item 13)**

The Board of Directors proposes that the Annual General Meeting resolves on authorization for the Board of Directors to, on one or more occasions until the next Annual General Meeting 2023, resolve on new issues of shares or convertibles against payment in cash, payment in kind or by set-off or subject to other conditions and also with the right to deviate from the shareholders' preferential right.

The purpose of the authorization and the reason for deviation from the shareholders' preferential right is to enable the raising of capital to pursue strategic operational efforts. As Safello is pursuing a Crypto-as-a Service route, a fruitful agreement with one or several financial institutions would require Safello to add headcount and could also add to working capital requirements. The proposed authorization would add flexibility for the Board of Directors to execute an equity or equity-linked transaction quickly.

The authorization shall be limited whereby the Board of Directors may not resolve to issue convertibles and/or shares that implies the issuance of or conversion into shares corresponding to more than ten (10) percent of the total number of shares in the Company at the time of the issue resolution, corresponding to an issuance of 2,144,066 shares calculated on the basis of the current number of issued shares including after full dilution with regard to outstanding warrants as at the day of the notice. To the extent that a new issue is made with deviation from the shareholders' preferential right, the issue shall be made at market terms.

The Board of Directors, or a person appointed by the Board of Directors, shall be authorized to make minor adjustments to the resolution made at the Annual General Meeting as may be required in connection with registration with the Swedish Companies Registration Office and Euroclear Sweden AB.

For a decision in accordance with this proposal, the resolution must be supported by shareholders representing at least two-thirds of both the votes cast and the shares represented at the Annual General Meeting.

### **Proposal for resolution to change the Articles of Association (item 14)**

The Board of Directors proposes that the Annual General Meeting resolves to change the Articles of Association in all material respects in accordance with the following. The purpose is to facilitate the execution of General Meetings after the Swedish Act (2022:121) on Temporary Exemptions to Facilitate the Execution of General Meetings in Companies and Associations has expired.

A new paragraph is inserted: § 8 Collection of proxy forms, voting by post and presence of third parties at general meetings

Proposed wording: "Third parties who are not shareholders in the company may be present or otherwise follow the proceedings at the general meeting on the conditions laid down by the Board of Directors. The Board of Directors may collect proxies pursuant to the procedure stated in the second paragraph in Chapter 7 Section 4 in the Swedish Companies Act. The Board of Directors may resolve, prior to a general meeting, that the shareholders shall be entitled to exercise their voting rights prior to the general meeting by post pursuant to the procedure stated in Chapter 7 Section 4a in the Swedish Companies Act."

For a decision in accordance with this proposal, the resolution must be supported by shareholders representing at least two-thirds of both the votes cast and the shares represented at the Annual General Meeting.

### **Proposal to authorize the Board of Directors to make minor adjustments to the resolutions made at the Annual General Meeting in connection with registration with the Swedish Companies Registration Office and Euroclear Sweden AB (item 15)**

The Board of Directors proposes that the Annual General Meeting authorizes the Board of Directors, or a person appointed by the Board of Directors, to make minor adjustments to the resolutions made at the Annual General Meeting as may be required in connection with registration of the resolutions with the Swedish Companies Registration Office or Euroclear Sweden AB.

### **Documentation**

The annual report, the auditor's statement, complete proposed resolutions and other documentation pursuant to the Swedish Companies Act will all be available at the Company's headquarter (address as above) at the latest three weeks prior to the Annual General Meeting. Copies of documents will be sent free of charge to shareholders who so request and provide their postal address. The shareholders register will be available at the Company's headquarters. All documentation, including the shareholders register, will be presented by being made available in such a way.

### **Shareholders' right to information**

Since there will be no possibility to participate physically in person or via advisor at the Annual General Meeting there will be no possibility to ask questions at the Annual

General Meeting. Questions pursuant to Chapter 7 Section 32 of the Swedish Companies Act may instead be submitted in writing in advance to Safello Group AB (publ), Att. AGM, c/o WeWork, Malmskillnadsgatan 32, 111 51 Stockholm or via e-mail to [agm@safello.com](mailto:agm@safello.com) by 17 April 2022. The information will be provided by making available the questions and answers at the Company's headquarter (address as above) and website <https://safello.com> by 22 April 2022. The information is also sent within the same time to shareholders who so request and provide their address.

### **Personal data**

For information about how personal data is processed in connection with the Annual General Meeting please see the privacy notice available on Euroclear's website, <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>

\* \* \*

Stockholm, March 2022  
**Safello Group AB (publ)**  
*The Board of Directors*