

Office translation – this document is an office translation of a proposal originally drafted in Swedish. In the event of discrepancy between this English version and the Swedish version, the Swedish version shall prevail.

Proposal by the board of directors of Instalco AB (publ) regarding the issue of warrants and the formation of a subsidiary

A. Formation of a Subsidiary

The board of directors proposes that the general meeting authorizes the board of directors or the person the board of directors authorizes, to form a wholly-owned subsidiary (the "Subsidiary"). The purpose of forming the Subsidiary is to introduce an incentive program for the group's key employees through the issue of warrants giving a right to subscribe for new shares in the Company following paragraphs B - D below.

The proposal aims to create conditions for strengthening the motivation of employees whom the group has identified as significant and trusted in the short and long term. The board considers that an incentive program following the presented proposal is to the benefit of both the group and the company's shareholders.

The authorization means that the board until the incentive program has been implemented, has the right to represent the Company at all general meetings of the Subsidiary. This includes authority for the board to, inter alia:

1. Form and register the Subsidiary;
2. Draw up all necessary company documentation attributable to the Subsidiary;
3. Appoint board members and other executives in the Subsidiary; and
4. Handle all contact with the Swedish Companies Registration Office due to the formation of the Subsidiary.

B. Issue of warrants 2020

The board of directors proposes that the general meeting resolves on a directed issue of a maximum of 989,256 warrants, resulting in increased share capital with a maximum of SEK 14,838.84 upon full exercise of the warrants. In addition, the following conditions shall apply to the decision.

1. The right to subscribe for the warrants shall, with deviation from the pre-emption rights for shareholders, solely be given to the Subsidiary, with the right and obligation to transfer the warrants to existing and new employees following what is set out below, at a price not being lower than the market value of the warrant

Office translation – this document is an office translation of a proposal originally drafted in Swedish. In the event of discrepancy between this English version and the Swedish version, the Swedish version shall prevail.

according to the Black & Scholes valuation model and according to the same conditions as for the issue.

2. The reason for the deviation from the pre-emption rights for shareholders is to introduce an incentive program whereby employees, through their own investment, can take part in and promote a positive value development of the Company's share during the period of the proposed program, and that the Company should be able to retain and recruit competent and dedicated staff.
3. The warrants shall be issued without payment.
4. Subscription of the warrants shall take place no later than 31 May 2020.
5. The board has the right to prolong the subscription period.
6. Each warrant entitles the holder to subscribe for one share in the Company. The subscription of shares under the warrants may take place during the period from May 22 2023, to June 16, 2023. The board of directors has the right to prolong the subscription period.
7. The subscription price per share shall be 115 per cent of the volume weighted average price of the Company's share five trading days after the 2020 annual general meeting. The subscription price may not be less than the quota value of the share.
8. Shares issued following subscription shall entitle holders thereof to participate in the distribution of dividends for the first time on the record date that occurs immediately following the subscription.
9. The warrants shall otherwise be subject to the terms and conditions as set out in Appendix A. As stated in the terms and conditions, the subscription price, as well as the number of shares that each warrant entitles to subscribe to, may be recalculated in the event of, among other things, a new issue or a bonus issue.

C. Resolution on approval of transfer of warrants

The board of directors proposes that the general meeting approves the Subsidiary's transfer of warrants on the following terms.

1. The right to acquire warrants from the Subsidiary shall be awarded selected categories of employees within the group (the "Participants") as follows.

| Category of Participants | Maximum number of warrants per Participant |
|--------------------------|--|
| Management | 25,000 |
| CEO:s subsidiary | 15,000 |

Office translation – this document is an office translation of a proposal originally drafted in Swedish. In the event of discrepancy between this English version and the Swedish version, the Swedish version shall prevail.

| | |
|------------|-------|
| Key people | 5,000 |
|------------|-------|

2. Only persons belonging to the above categories shall be offered a right to acquire warrants. The board of directors shall decide which persons shall be included in each category. Allotment will be based on experience, ability, and performance and will never exceed the maximum number of warrants per Participant listed above.
3. A Participant may subscribe for a lower number of warrants than is offered to the Participant. Any warrants that have not been subscribed for, or which are repurchased by the Subsidiary following the pre-emption clause described in sub-section 8 below, should be reserved for future recruitment of employees in the company, whereby the guidelines for allocation stated above shall be applied. In such allotment, the price (premium) of the warrants shall correspond to the calculated market value of the warrants, calculated as below, at the time of the transfer.
4. The warrants shall be transferred on market terms at a price (premium) determined based on an estimated market value of the warrants using the Black & Scholes valuation model carried out by an independent valuation institution.
5. Any transfer of warrants to Participants shall be subject to that the acquisition of the warrants can legally take place and that, according to the board's assessment, such transfer can be made with reasonable administrative and financial efforts.
6. Payment of the subscribed warrants shall be made within three banking days following notification of subscription by the Participant.
7. Guaranteed allotment will not occur. Over-subscription is not allowed.
8. In connection with the transfer of warrants to the Participant, the Subsidiary and the Participant shall sign an agreement containing a pre-emption clause in favour of the Subsidiary. In short, the pre-emption clause entails that if the Participant wishes to transfer or otherwise sell the warrants to a third party, the Participant must first offer the Subsidiary, or a person that the Subsidiary designates, to repurchase the warrants. The warrants shall furthermore be subject to a right for the Subsidiary, or the person that the Subsidiary designates, to repurchase the warrants if a Participant's employment in or assignment for the group ceases during the term of the warrants.

D. Details of the warrants program

1. Dilution

Office translation – this document is an office translation of a proposal originally drafted in Swedish. In the event of discrepancy between this English version and the Swedish version, the Swedish version shall prevail.

At full subscription with the support of all warrants, a maximum of 989,256 new shares may be issued, corresponding to a dilution of approximately 2 percent of both the current number of outstanding shares and the maximum number of additional shares from previous programs, however, subject to the conversion of the number of shares that each warrant eligible for the subscription.

2. *Impact on key figures and costs for the Company, etc.*

The Company's earnings per share will not be affected by the issue as the exercise price of the warrants exceeds the current market value of the share at the time of the issue. The Company's future earnings per share may be affected by the potential dilution effect of the warrants if the Company reports both a positive result and the exercise price falls below market value.

The warrants will be transferred at market value and should not entail any social security contributions for the group in Sweden or Finland. In Norway, social security contributions for the group arise in connection with the possible exercise of the warrants, according to a percentage of currently 14.1 percent. In addition to this, no benefit will arise and thus no personnel costs for the Company. The warrants program will entail certain limited costs in the form of external consulting fees and administration regarding the warrants program.

The warrants are only expected to have a marginal impact on the Company's key figures.

3. *Calculation of the market value*

The independent valuation institution/accounting firm PricewaterhouseCoopers will calculate the value of the warrants according to the Black & Scholes valuation model.

4. *Preparation of the proposal*

The principles for the warrant program have been worked out by the Company's board of directors. The proposal has been prepared with the support of external advisors and after consultations with shareholders. The board has subsequently decided to present this proposal to the general meeting. In addition to the officials who prepared the question following instructions from the board, no employee who may be covered by the program participated in the design of the conditions.

5. *Other incentive programs*

Office translation – this document is an office translation of a proposal originally drafted in Swedish. In the event of discrepancy between this English version and the Swedish version, the Swedish version shall prevail.

In 2017, the Company has issued warrants to senior executives and other key personnel in the Group as follows:

- 964,825 warrants of series 2017/2020: 1, each entitled to subscribe for a new share in the Company at a subscription price of 66 per share. Subscription can be made from the day following the publication of the Company's quarterly report for the first quarter of 2020 and up to and including 30 June 2020.
- 964,825 warrants of series 2017/2020: 2, each entitled to subscribe for a new share in the Company at a subscription price of 71.50 per share. Subscription can be made from the day following the publication of the Company's quarterly report for the first quarter of 2020 and up to and including 30 June 2020.

6. *Authorizations and decision rules*

The General Meeting instructs the board of directors of the Company to execute the decision in accordance with paragraph C above.

The board of directors, or whoever the Board appoints, is authorized to make the minor adjustments required for the decision to be registered with the Swedish Companies Registration Office and Euroclear Sweden AB.

Instalco AB (publ)
The board of directors