

Proposal by the Board of Directors of Nobia AB (publ), reg. no. 556528-2752, regarding performance share plan and transfer of bought-back shares

The Board of Directors proposes that the Annual General Meeting resolves on a performance share plan ("**Performance Share Plan 2022**") for Nobia AB (publ) ("**Nobia**") and on transfer of bought-back shares according to items A) and B) below.

(A) Performance Share Plan 2022

1.1 Performance Share Plan 2022 in brief

The Performance Share Plan 2022 is designed to drive a long-term value growth for the shareholders and essentially follows the same structure as the performance share plan adopted at the Annual General Meeting 2021. The purpose of the Performance Share Plan 2022 is to link the employees' rewards to the company's future earnings and value growth and thereby reward both shareholders and the employees concerned. Furthermore, a long-term incentive plan is also considered to facilitate the company's recruitment and retention of key employees, particularly outside of Sweden, where approximately 60 per cent of the target group for Performance Share Plan 2022 are employed.

To participate in the plan a personal investment in shares in Nobia is required. After the vesting period, the participants will be allocated shares in Nobia free of charge, provided that certain conditions are fulfilled. In order to be entitled to allotment of shares, the participant must have had continued employment in the Nobia Group during the vesting period and none of the invested shares shall have been transferred during the same period. In addition, allocation of shares requires that performance targets related to average operating profit (EBIT) are fulfilled.

1.2 Participants in Performance Share Plan 2022

Performance Share Plan 2022 comprises approximately 80 employees consisting of senior executives, senior managers and employees with senior positions within the Nobia Group, divided into two categories. The first category includes the President, group management team and senior managers (approximately 20 persons) and the second category comprises employees with senior positions within the Nobia Group (approximately 60 persons).

1.3 The personal investment and allocation of share rights

To participate in Performance Share Plan 2022, the participant is required to acquire shares in Nobia at market price over Nasdaq Stockholm ("**Saving Shares**") to a value corresponding to either 25, 50, 75 or 100 per cent of the participant's investment cap. Category one has an investment cap of 10% of the annual contractual salary 2022 before tax and each Saving Share entitles to a maximum of six (6) share rights. Category two has an investment cap of 5% of the annual contractual salary 2022 before tax and each Saving Share entitles to a maximum of four (4) share rights. Allocation of shares in Nobia shall normally occur within two weeks after announcement of Nobia's interim report for the first quarter of 2025.

1.4 Terms for share rights

The following conditions apply to share rights:

- (a) Share rights are allocated free of charge.
- (b) The participants are not entitled to transfer, pledge or divest the share rights or exercise any shareholders' rights regarding the share rights during the vesting period.
- (c) Allocation of Nobia shares under the share rights shall normally take place within two weeks after announcement of Nobia's interim report for the first quarter of 2025. To be entitled to receive shares, it is required, with certain exemptions, that the participant remains employed within the Nobia Group and that none of the Saving Shares acquired initially have been disposed of during the vesting period. In addition, allocation of shares requires that Nobia has fulfilled performance target according to item 1.5 below.
- (d) If Nobia pays dividends to the shareholders, the participants in Performance Share Plan 2022 will be compensated by an increase in the number of shares that each share right qualifies for.

1.5 Performance target

Allocation requires that target levels established by the Board of Directors are achieved related to average operating profit during the financial years 2022-2024. The Board of Directors will adjust the outcome for items affecting comparability and for effects of any bought-back shares in Nobia.

If the established minimum level for the performance target is achieved, the share rights will entitle to 25 per cent allocation. If the minimum level in the range is not achieved, the share rights will not give entitlement to any allocation while each share right gives entitlement to one Nobia share if the maximum level in the range is achieved. Between the minimum level and the maximum level, allocation will be linear, based on the values in between.

The Board of Directors intends to present the fulfilment of the performance targets in the annual report for 2024. The outcome of Performance Share Plan 2022 will also be included in Nobia's remuneration report for 2025.

1.6 Formulation and administration

The Board of Directors, or a specific committee appointed by the Board of Directors, shall be responsible for the formulation and administration of Performance Share Plan 2022 within the scope of the terms and directions set out herein. If the delivery of shares to persons outside of Sweden cannot be achieved at reasonable costs and with reasonable administrative efforts, the Board of Directors may decide that participants outside of Sweden may instead be offered cash-based settlement. The Board of Directors shall also be entitled to divest shares on behalf of participants in connection with allocation, to cover the employee's tax duty. If significant changes occur in Nobia or in the conditions in which it operates, which would have the effect that the resolved terms and conditions for allocation and the possibility to use the share rights no longer are appropriate, the Board of Directors shall be entitled to make other adjustments.

1.7 Specific evaluation before allocation of shares

Before the number of shares that are to be allocated based on the share rights is finally determined, the Board of Directors shall assess if the outcome of Performance Share Plan 2022 is reasonable. This assessment is made in relation to Nobia's financial result and position, the stock market and other conditions in general. If the Board of Directors in its assessment considers that the outcome is not reasonable, the Board of Directors may reduce the number of shares to be allocated.

1.8 Scope

The number of Saving Shares allocated under Performance Share Plan 2022 is based on the size of the participant's investments and the price of the Nobia share at the time of acquisition. The maximum

number of shares in Nobia that can be allocated to the participants under Performance Share Plan 2022 amounts to 850,000. Including the shares that may be divested on Nasdaq Stockholm to cover costs related to Performance Share Plan 2022, the total amount of shares in Nobia that can be emanated under the Performance Share Plan 2022 shall be limited to 1,040,000, which represents approximately 0,6 per cent of the outstanding shares and votes. The number of shares included in Performance Share Plan 2022 shall, under conditions that the Board of Directors stipulates, be subject to recalculation where Nobia implements a bonus issue, a share split or a reverse share split, a rights issue or similar corporate actions, with regard to customary practice for similar incentive plans.

1.9 Hedging

In order to secure the delivery of Nobia shares under Performance Share Plan 2022, the Board of Directors proposes that the Board of Directors will be entitled to decide on alternative methods for transfer of Nobia shares under the plan. The Board of Directors therefore proposes that it be entitled to transfer bought-back Nobia shares to the participants or to enter into so-called equity swap agreements with third parties in order to fulfil its obligations under the plan (pursuant to item B) below). The Board of Directors regards the first alternative, i.e. the transfer of bought-back shares to the participants, to be the most cost efficient and flexible arrangement for the delivery of Nobia shares.

1.10 Estimated costs and key ratios

The share rights cannot be pledged or transferred to others. The value for each share equals the share price. Based on the assumptions *inter alia* that all persons who have been offered participation in the plan participate, that the participants make maximum investments, a full achievement of the maximum levels of the performance target, that approximately 80 per cent of the participants stay in the plan and with certain estimated social security costs, the aggregate estimated costs are approximately SEK 47 million. This estimate is based on generally accepted valuation models using the closing price for the Nobia share on 14 January 2022.

The costs would be equivalent to approximately 0,5 per cent of the market capitalisation for Nobia and full achievement of the performance target, based on the closing price for the Nobia share on 14 January 2022. The plan has no limitation on maximum profits per share right for the participants and therefore no maximum social security costs can be calculated.

The costs are treated as staff costs in the profit and loss accounts during the vesting period, in accordance with IFRS 2 on share-based payments. In the profit and loss accounts, social security costs will accrue in accordance with UFR 7 over the vesting period. The size of these costs will be calculated on the Nobia share price development during the vesting period and allocation of the share rights.

1.11 The preparation of the proposal

Performance Share Plan 2022 has been initiated by the Board of Directors and prepared together with external advisors based on an evaluation of previous incentive plans. The plan has been prepared by the Remuneration Committee and processed at Board meetings during the first months of 2022.

1.12 Other incentive plans in Nobia

Please refer to Nobia's website and annual report for 2021 for a description of all Nobia's other share-based incentive plans. Nobia has no share-based incentive plans other than those described therein.

1.13 The proposal by the Board of Directors

Referring to the description above, the Board of Directors proposes that the Annual General Meeting resolves to introduce Performance Share Plan 2022.

1.14 Majority requirement

A resolution to introduce Performance Share Plan 2022, in accordance with the Board of Directors' proposal, is valid where supported by shareholders holding more than half of the votes cast at the Annual General Meeting.

(B) Transfer of shares under Performance Share Plan 2022

2.1 Background

In order to implement Performance Share Plan 2022 in a cost-efficient and flexible manner, the Board of Directors has considered different methods for ensuring the delivery of Nobia shares to participants upon allocation under Performance Share Plan 2022.

Based on these considerations, the Board of Directors intends to ensure delivery by transferring shares held by Nobia to the participants. A transfer of Nobia's bought-back shares in this way requires a particularly high majority to be met at the Annual General Meeting. In the event that the Board of Directors' proposal regarding the transfer of bought-back shares to the participants does not receive the required majority, the Board of Directors intends to enter into an equity swap agreement with a third party to secure that delivery of Nobia shares can be made to the participants.

2.2 The Board of Directors' proposal on resolution of transfer of bought-back shares to the participants

The Board of Directors therefore proposes that the Annual General Meeting resolves on the transfer of bought-back shares in accordance with the terms set out below:

- (a) Transfer can be made of a maximum of 850,000 Nobia shares to participants in Performance Share Plan 2022 (or a higher number that may result from a recalculation due to Nobia implementing a bonus issue, a share split or a reverse share split, a new share issue or similar measures, in accordance with what is customary practice for corresponding incentive plans).
- (b) The transfer of shares shall be made without payment and at the time according to the terms and conditions when the participants in Performance Share Plan 2022 are entitled to receiving allocation of shares.

The reason for the deviation from shareholders' preferential rights is that the transfer of the shares is part of executing Performance Share Plan 2022. Therefore, and in light of the above, the Board of Directors considers it to be to the benefit of Nobia to transfer shares in accordance with the proposal.

2.3 Majority requirement

The Board of Directors' proposal under item 2.2 above is valid if supported by shareholders holding no less than nine-tenths of both the votes cast and the shares represented at the Annual General Meeting. The Board of Directors' proposal pursuant to this item B) is conditional upon that the Board of Directors' proposal on Performance Share Plan 2022 is approved by the Annual General Meeting (item A) above).

Stockholm, March 2022

Nobia AB (publ)
Board of Directors