



# NOTICE TO ATTEND THE EXTRAORDINARY GENERAL MEETING OF IRRAS AB (PUBL)

The shareholders of IRRAS AB (publ), org.nr 556872-7134 (the “Company”), are hereby invited to the Extraordinary General Meeting to be held on Wednesday 3 August 2022. The Board of Directors has, in accordance with the Swedish Act on temporary exceptions to facilitate the execution of general meetings in companies and other associations (Sw. *lagen (2022:121) om tillfälliga undantag för att underlätta genomförandet av bolags- och föreningsstämmor*), resolved that the Extraordinary General Meeting shall be held without the physical presence of shareholders, proxies and external parties and that the exercise of voting rights only can be carried out by voting prior to the meeting.

## Notice of Attendance

A shareholder who would like to participate in the General Meeting shall:

- i. be entered in the register of shareholders maintained by Euroclear Sweden AB by the record date Tuesday 26 July 2022; and
- ii. notify the company of their attendance by casting their postal vote in accordance with the instructions under the heading “Postal voting” below so that the postal voting form is received by the Company no later than Tuesday 2 August 2022.

Shareholders who have had their shares registered in the name of a nominee must, in addition to registering by postal vote, temporarily register the shares in their own name so that the shareholder is entered in the share register as of Tuesday 26 July 2022. Such registration may be temporary (so-called voting rights registration) and shall be requested from the nominee in accordance with the nominee's procedures at such time in advance as the nominee may determine. Voting rights registrations made on or before Thursday 28 July 2022 will be taken into account in the preparation of the share register.

## Postal voting

A special form shall be used for postal voting. The form will be available on the Company's website, [www.irras.com](http://www.irras.com). Conditions and instructions for postal voting are set out in the form. The completed and signed postal voting form should be sent by post to IRRAS AB (publ), Attn: Sten Gustafsson or by e-mail to [EGM@irras.com](mailto:EGM@irras.com) and must be received by the Company no later than Tuesday 2 August 2022. The shareholder may not provide special instructions or conditions in the voting form. If so, the vote (i.e. the postal vote in its entirety) is invalid. If shareholders vote by proxy, a proxy must be attached to the postal voting form. Proxy forms can be found on the Company's website, [www.irras.com](http://www.irras.com). If the shareholder is a legal entity, a certificate of registration or other document of authority must also be attached.

## Proposed agenda

1. Opening of the meeting and election of chairman of the meeting
2. Preparation and approval of the voting list

3. Approval of the agenda
4. Election of one or two persons who shall approve the minutes of the meeting
5. Determination of whether the meeting has been duly convened
6. Resolution on amendment of the Articles of Association
7. Approval of the resolution by the Board of Directors to issue new shares with preferential rights for the shareholders
8. Resolution to implement an incentive scheme (LTIP 2022)
9. Resolution in respect of authorisation for the Board of Directors to resolve to issue shares, warrants and/or convertible bonds
10. Closing of meeting

### **Proposed resolutions**

The Board of Director's proposal regarding election of one or two persons who shall approve the minutes of the meeting (item 4) will be presented on the Company's website [www.irras.com](http://www.irras.com) well in advance of the General Meeting, and thereafter included in the postal voting forms that the Company will provide.

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

The Board of Directors proposes that Jörgen S. Axelsson is elected as Chairman of the Meeting.

### **Preparation and approval of the voting list (item 2)**

For voting list is proposed the voting list prepared by the Company, based on the share register as of 26 July 2022 and the postal votes received, and verified by the certifier.

### **Resolution on amendment of the Articles of Association (item 6)**

The Board of Directors proposes that the General Meeting resolves to amend the Articles of Association in accordance with the following:

<b>Current wording:</b>	<b>Proposed wording</b>
<b>§ 4 Share Capital</b> The share capital of the company shall amount to not less than SEK 1,800,000 and not more than SEK 7,200,000.	<b>§ 4 Share Capital</b> The share capital of the company shall amount to not less than SEK 15,000,000 and not more than SEK 60,000,000.
<b>§ 5 Number of shares and class of shares</b> The number of shares in the company shall be not less than 60,000,000 and not more than 240,000,000 shares.	<b>§ 5 Number of shares and class of shares</b> The number of shares in the company shall be not less than 500,000,000 and not more than 2,000,000,000 shares.

The decision shall be conditional on the Extraordinary General Meeting approving the Board's decision on a new issue of shares with preferential rights for the shareholders in accordance with item 7.

The Board of Directors as well as the CEO shall be authorised to make such minor adjustments to the decision that may prove necessary for registration of the decision with the Swedish Companies Registration Office. For a valid resolution in accordance with this item, it is required that the resolution is supported by shareholders who represent at least two thirds of both the votes cast and the shares represented at the meeting

### **Approval of the resolution by the Board of Directors to issue new shares with preferential rights for the shareholders (item 7)**

The Board of Directors proposes that the Extraordinary General Meeting resolves to approve the Board of Directors' resolution of 4 July 2022, to increase the Company's share capital by a

maximum amount of SEK 21,459,961.80 through the issue of a maximum number of 715,332,060 ordinary shares, each with a quota value of SEK 0.03. The following terms and conditions shall apply to the rights issue.

1. The shareholders of the Company shall have preferential rights to subscribe for the new shares in relation the number of shares previously held, whereby one existing share entitles to subscribe for nine new ordinary shares. For each share held on the record date, the shareholder receives one subscription right, whereby one subscription right entitles to subscribe for nine new ordinary shares.
2. In case not all shares have been subscribed for by exercise of subscription rights, the Board of Directors shall decide that allotment of shares subscribed for without subscription rights shall take place up to the maximum amount of the issue, whereby the Board of Directors primarily will allot shares to those who also subscribed for shares based on subscription rights, and in the event of over subscription, *pro rata* to their subscription based on subscription rights. Secondly, the Board of Directors will allot shares to those who subscribed for shares without subscription rights, and if full allotment cannot be made, *pro rata* to their subscription. To the extent not possible, allotment shall be made through drawing of lots, and finally, subject to such allocation being required in order for the issue to be fully subscribed, to the guarantors of the rights issue.
3. The record date for determining which shareholders shall be entitled to subscribe for new shares on a preferential basis shall be 5 August 2022.
4. The subscription price is SEK 0.3 per share which in the case of full subscription provides issuing proceeds of up to approximately MSEK 215.
5. Subscription for new shares based on subscription rights shall be made through payment in cash during the period from 9 August 2022 until and including 23 August 2022. The Board of Directors shall be entitled to extend the subscription period.
6. Subscription without subscription rights shall be made through notice on special application form during the period from 9 August 2022 until and including 23 August 2022. The Board of Directors shall be entitled to extend the subscription period. Payment for the new shares shall be made at the latest three business days following the date of the dispatch of a contract note to the subscriber, specifying allocation of shares, or such later date as the Board of Directors may decide.
7. The share premium shall be transferred to the unrestricted premium reserve.
8. The new shares shall entitle to dividends as from the first record date for dividends following registration of the rights issue with the Swedish Companies Registration Office.
9. Trading with subscription rights will take place during the period from 9 August 2022 until and including 18 August 2022. Trading in BTA (Paid Subscribed Shares) will take place from 9 August 2022 until and including 25 August 2022.

The rights issue is conditional upon that the articles of association are amended in accordance with item 6 above. The Board of Directors, the CEO or the person appointed by the Board of Directors, shall have the right to make the minor adjustments to the above decisions that may prove necessary in connection with registration with the Swedish Companies Registration Office or Euroclear Sweden AB.

In connection with the rights issue, the Company has received subscription commitments from Bacara Holdings Limited and Lexington Holding Assets Ltd. to subscribe for shares corresponding to their respective *pro rata* share of the rights issue (approximately 27.5 percent) conditional on that their combined ownership after the rights issue does not represent a shareholding of 30 percent or more. Spetses Investments Limited (“Spetses”), an investment

vehicle managed by Levant Capital, has undertaken to guarantee approximately 46.6 percent of the rights issue, corresponding to SEK 100 million. A Swedish institutional shareholder has undertaken to subscribe for such number of shares corresponding to their *pro rata* share of the rights issue up to a total issue proceeds of SEK 180 million and after new shares in the rights issue have been subscribed for with or without subscription rights or by allotment according to Spetses' guarantee commitment, and provided that their ownership following the rights issue does not exceed their current ownership in the Company. In total, the rights issue is covered by subscription commitments and guarantee commitments corresponding to approximately 77.2 percent of the rights issue, representing an issue proceeds of at least SEK 166 million. No commission is paid in respect of the subscription and guarantee commitments except for compensation to Spetses regarding its costs and expenses.

If the rights issue is not fully subscribed, Spetses may as a result of the guarantee commitment, after the right issue, achieve an ownership corresponding to 30 percent or more of the voting rights in IRRAS. The maximum ownership that Spetses may hold of capital and votes in the company amounts to approximately 52.8 percent. The Swedish Securities Council has granted Spetses an exemption from the obligation to make a mandatory public offer that could arise if Spetses' guarantee commitment needs to be fulfilled. A condition for the Swedish Securities Council's decision to grant an exemption from the obligation to make a mandatory public offer is that the shareholders at the General Meeting approve the resolution by the Board of Directors on the right issue with at least two thirds of both votes cast and represented shares at the meeting, disregarding the shares held and represented by Spetses. Spetses does not currently own any shares in IRRAS.

### **Resolution to implement an incentive scheme (LTIP 2022) (item 8)**

The Board of Directors proposes that the Extraordinary General Meeting resolves to introduce a Long-Term Incentive Plan 2022 (LTIP 2022) for a total of no more than 12,100,000 ordinary shares. This proposal is divided into four items:

- A Terms of LTIP 2022.
- B Hedging regarding LTIP 2022 shall be implemented through a direct issue of Class C shares.
- C If item B is not approved, the Board proposes that hedge of LTIP 2022 shall take place via an equity swap agreement with a third party.
- D Other matters related to LTIP 2022.

#### *A Terms of LTIP 2022*

##### *A.1 Introduction*

The Board proposes that the General Meeting approves LTIP 2022.

##### *A.2 Rationale*

The Board wishes to introduce a long-term incentive program to employees in order to provide incentives for employees to exert maximum effort for the success of the Company and any affiliate and provide means by which the employees may benefit from the increase in value of the Company's share. In addition, the incentive program is introduced to make it easier for the Company to recruit new employees and to retain the Company's key employees.

##### *A.3 Other share-related incentive programs*

Information about IRRAS's current incentive programs is available in the annual report for the financial year 2021, note 2 and 10, and on the Company's website, [www.iras.com](http://www.iras.com).

#### *A.4 Basic features of LTIP 2022*

LTIP 2022 consists of employee stock options to be transferred to employees and consultants within the IRRAS group. The employee stock option entitles the holder to acquire shares in IRRAS in accordance with the following main conditions.

- The employee stock options are granted free of charge.
- The employee stock options can be transferred to participants, current or new employees and consultants, during the period until the end of the next Annual General Meeting.
- The number of employee stock options granted to participants, will be based on fixed performance requirements. Options granted to new employees and to the CEO as part of his new role as CEO will not be subject to performance requirements.
- Each employee stock option granted entitles the holder to acquire one ordinary share in the Company at a strike price corresponding to 110 percent of the average of the volume-weighted share price of the company's share measured over ten trading days prior to the grant date.
- The employee stock options will be subject to vesting during the term of the option. The options are not conditioned by measurable criteria since the Company is in an early commercialization phase.
- The employee stock options, after being vested in accordance with the above, can be exercised for acquisition of ordinary shares from the third anniversary of the grant date up until the eighth anniversary of the grant date.
- The employee stock options may not be transferred or pledged.
- The employee stock options shall only be exercised if the holder is still employed by, or active as a consultant in, the group or within a certain time after the last day of employment or the day on which the consulting assignment is terminated.
- The Board shall design the structure and complete terms of the stock option program based on the guidelines resolved at the General Meeting.

#### *A.5 Participation in LTIP 2022*

LTIP 2022 is directed towards a maximum of 90 employees and consultants, divided into five categories of participants:

<b>Category</b>	<b>Maximum number of employee stock options per person</b>
A) CEO (maximum 1 person)	6,335,000 <sup>[1]</sup>
B) Executive management (maximum 4 persons)	1,350,000
C) Managers (maximum 14 persons)	675,000
D) Key contributor (maximum 56 persons)	315,000
E) Individual contributor (maximum 15 persons)	135,000

#### *A.6 Allocation*

The right to receive employee stock options shall apply to current and future employees and consultants. Allocation will take place after the record date for the rights issue according to point 7 above.

#### *A.7 Implementation and administration etc.*

The intention is that the Board shall launch LTIP 2022 as soon as practically possible after the General Meeting. The Board will administer LTIP 2022, but the Board may delegate all or part of the administration of LTIP 2022 to one or more committees or external service providers.

#### *B. Hedge of LTIP 2022 via issuance of Class C shares*

##### *B.1 Resolution to authorise the Board to issue redeemable and convertible Class C shares*

The Board shall be authorised to resolve on the directed issue of Class C shares on the following terms and conditions:

- a) The maximum number of Class C-shares to be issued are 15,100,000.
- b) With a deviation from the shareholders' preferential rights, the new shares may only be subscribed for by one external party after arrangement in advance.
- c) The amount to be paid for each new share (the subscription price) shall equal the share's quota value at the time of subscription.
- d) The authorisation may be exercised on one or several occasions until the Annual General Meeting 2023.
- e) The new Class C shares shall be subject to Chapter 4, Section 6 of the Swedish Companies Act (conversion restriction) and Chapter 20, Section 31 of the Swedish Companies Act (redemption restriction).

The purpose of the authorisation is to hedge the undertakings of the company according to all of the Company's outstanding incentive programs, including LTIP 2022. The authorisation pertains to a total of 15,100,000 Class C shares, of which a maximum of 12,100,000 Class C shares can be issued to secure the Company's commitments pursuant to LTIP 2022.

##### *B.2 Resolution to authorise the Board to decide on repurchase of Class C shares*

The Board shall be authorised to decide on the repurchase of Class C shares in the Company on the following terms:

- a) Repurchase may be made through an acquisition offer addressed to all owners of Class C shares in the Company.
- b) The number of Class C shares that may be repurchased may not exceed 15,100,000 shares.
- c) Repurchases shall be made at a cash price per share corresponding to the quota value applicable at the time of repurchase.
- d) The Board shall have the right to determine remaining conditions for the repurchase.
- e) It shall be possible to repurchase so-called interim shares regarding Class C shares, from Euroclear Sweden AB designated Paid Subscribed Share (BTA).
- f) The authorisation may be exercised on one or more occasions until the Annual General Meeting 2023.

The purpose of the authorisation is to secure the Company's commitments in accordance with all of the Company's outstanding incentive programs, including LTIP 2022.

### *B.3 Resolution on transfer of ordinary shares*

The General Meeting is proposed to decide on the transfer of ordinary shares to participants in all of the Company's at each time outstanding incentive programs, including LTIP 2022, on the following terms and conditions.

- a) Ordinary shares may be transferred to the participants.
- b) The terms for these transfers, the number of shares in each transaction and the time of the transactions shall follow the terms of each outstanding incentive program at each time, including LTIP 2022.
- c) The number of ordinary shares that may be transferred within each incentive program may be subject to customary recalculations as a result of cash dividends, bonus issue, split, rights issue and/or similar events.

### *C. Hedge of LTIP 2022 via an equity swap agreement with a third party*

Should the majority required under item B above not be reached, the Board proposes that the Extraordinary General Meeting resolves that the expected financial exposure of LTIP 2022 shall be hedged by the Company being able to enter into an equity swap agreement with a third party on terms in accordance with market practice, whereby the third party in its own right shall be entitled to acquire and transfer ordinary shares covered by the LTIP 2022.

### *D. Other matters in relation to LTIP 2022*

#### *D.1 Costs*

Costs related to employee stock options will be accounted for in accordance with IFRS 2 which stipulates that the employee stock options should be recorded as personnel expense in the income statement during the vesting period. A preliminary calculation, using a volatility of 37 percent, indicates an option value of approximately SEK 0.097 per employee stock option. Under the assumption of a share price of SEK 0.41 at the start of the program, a share price at the end of the three year period of SEK 0.82 (corresponding to a total share price increase of 100 percent during the vesting period), the total cost for the employee stock options amount to MSEK 1.7 which corresponds to an annual cost of about MSEK 0.6 before tax, provided that earnings take place over a 3-year period.

#### *D.2 Effect on important key ratios*

The annual costs for LTIP 2022 are calculated to amount to approximately 2.5 percent of IRRAS's revenues for the financial year 2021 and approximately 0.7 percent of IRRAS's salary costs for the financial year 2021.

#### *D.3 Dilution of existing shares and votes*

The number of ordinary shares outstanding in the company is 79,481,340. The proposal is conditional on the General Meeting resolving on a rights issue in accordance with item 7 above. LTIP 2022 implies, upon exercise of all 12,100,000 of employee stock options, a full dilution corresponding to approximately 1.5 percent of the total number of shares and votes outstanding in the Company after the new issue of shares provided that the new issue of shares is fully subscribed. The number of outstanding ordinary shares after a fully subscribed new issue of shares is 794,813,400.

#### *D.4 Adjustment authorisation*

The Board, or a person appointed by the Board, shall be authorised to make any minor adjustments to the above resolutions that may be necessary in connection with the registration with the Swedish Companies Registration Office and Euroclear Sweden AB respectively.

#### *D.5 Preparation of the proposal*

The basis for LTIP 2022 has been prepared by the Board of the Company. The work has been supported by external advisors and has been made in consultation with shareholders. The Board has thereafter decided to present this proposal for the General Meeting. Except for the staff that have prepared the matter upon instruction from the Board, no employee that may be a participant of LTIP 2022 has participated in the preparations of the program's terms.

#### *D.6 Majority requirements*

The resolution according to this item 8 is conditional on the General Meeting resolving on a rights issue in accordance with item 7 above. Further, the resolution by the General Meeting regarding the implementation of LTIP 2022 according to item A above shall be conditional on the General Meeting resolving either in accordance with the Board's proposal under item B above or in accordance with the Board's proposal under item C above.

The resolution according to item A above shall require a majority of more than half of the votes cast at the General Meeting. A valid resolution under item B above requires that shareholders representing not less than nine-tenths of the votes cast as well as the shares represented at the General Meeting approve the resolution. A valid resolution under item C above shall require a majority of more than half of the votes cast at the General Meeting.

#### **Resolution in respect of authorisation for the Board of Directors to resolve to issue shares, warrants and/or convertible bonds (item 9)**

The Board of Directors proposes that the Extraordinary General Meeting authorises the Board of Directors to, on one or several occasions during the period until the next Annual General Meeting, with or without deviation from the shareholders' preferential rights, resolve on share issues, issues of warrants and/or issues of convertible bonds that involve the issue of or conversion to a maximum of shares, corresponding to 20 percent of the share capital and the voting rights, based on the number of shares in the Company at the time of the Extraordinary General Meeting with the addition of the shares added in the rights issue in accordance with item 7 above.

The purpose of the authorisation and the reason for the deviation from the shareholders' preferential rights, if any, is to enable the Company to carry out issues in a time-efficient way to finance acquisitions or investments in new or existing businesses. The issuance of shares, warrants and/or convertible bonds under the authorisation shall, in case of deviation from the shareholders' preferential rights, be made at a subscription price according to the prevailing market conditions at the time of the issuance of the shares, warrants and/or convertible bonds. Payment for subscribed shares, warrants and/or convertible bonds shall be made in cash, in kind or by way of set-off.

A valid resolution by the General Meeting pursuant to the proposal above requires that the resolution be supported by shareholders representing at least two-thirds of both the votes cast and the shares represented at the General Meeting.

#### **Shareholders right to submit questions**



The Board of Directors and the CEO shall, if any shareholder so requests and the Board of Directors believes that it may be done without significantly harming the Company, provide information regarding circumstances that may affect the assessment of an item on the agenda. A request for such information shall be made in writing to the Company via mail to IRRAS AB (publ), Attn: Sten Gustafsson, Box 160, 101 23 Stockholm or by e-mail to EGM@irras.com, no later than 24 July 2022. The information shall be available on the Company's website [www.irras.com](http://www.irras.com) and on the Company's head office as stated above no later than 29 July 2022.

## **Other**

As of 4 July 2022, there are a total of 79 481 340 ordinary shares and votes in the Company. There are no class C shares issued. The Company does not hold any of its own shares. For information about how your personal data will be processed, see <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

## **Meeting documents**

Proxy forms and other documents required by the Companies Act will be available at the Company's office at the above address and will be sent free of charge to any shareholder who requests them and provides his/her postal address. The documents are also available on the Company's website [www.irras.com](http://www.irras.com).

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Stockholm, July 2022

*Board of Directors*

## **For more information, please contact:**

### **USA**

Will Martin  
President and CEO  
[ir@irras.com](mailto:ir@irras.com)

### **Europe**

Sten Gustafsson  
Director, Investor Relations  
[sten.gustafsson@irras.com](mailto:sten.gustafsson@irras.com)  
+46 102 11 5172

*The information was released for public disclosure, through the agency of the contact person above, on July 4, 2022, at 19:00 (CET).*

<sup>[1]</sup> Up to 4,760,000 options granted to the CEO are linked to the CEO position and will not be subject to fixed performance requirements as described above.