

# Extraordinary general meeting in Midsummer

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The board of directors of Midsummer AB (publ) has resolved to convene an extraordinary general meeting to be held on Friday, December 1, 2023, in order to resolve on the approval of the board of directors' resolution on a rights issue of shares, an issue authorization for the board of directors and a long-term incentive program as proposed by the board of directors. More detailed information about the contents of the proposals may be obtained from the complete notice to the extraordinary general meeting below and the complete proposals for the resolutions, which will be published on the company's website no later than two weeks before the extraordinary general meeting.

## **Notice of extraordinary general meeting of Midsummer AB (publ)**

Midsummer AB holds an extraordinary general meeting on Friday, December 1, 2023, at 2:00 pm, at Elektronikhöjden 6, Järfälla, Sweden. Registration starts at 1:30 pm.

## **Requirements for participation**

Shareholders wishing to attend the meeting must:

- i. be recorded as a shareholder in the share register kept by Euroclear Sweden AB as of Thursday, November 23, 2023,
- ii. notify the company the intention to attend no later than Monday, November 27, 2023.

Notification of attendance shall be made by e-mail to [info@midsummer.se](mailto:info@midsummer.se). Upon notification, please state name or company name, personal ID number or company registrational number, address and telephone number during the day.

## **Nominee registered shares**

In order to participate in the meeting, those whose shares are registered in the name of a nominee must have their shares owner-registered with Euroclear Sweden AB as of Thursday, November 23, 2023. Re-registration may be temporary (so-called voting rights

registration) and is requested from the nominee in accordance with the nominee's routines at such time in advance as the nominee determines. Voting rights registration that the shareholder has requested and has been issued by the nominee no later than Monday, November 27, 2023, will be accepted in the preparation of the share register.

### **Proxies and proxy forms**

Anyone who is not personally present at the meeting may exercise their voting rights at the meeting through a written, signed and dated power-of-attorney. A proxy form is available on the company's website, [www.midsummer.se](http://www.midsummer.se). The proxy form can also be obtained from the company at Elektronikhöjden 6, Järfälla. If a power-of-attorney has been issued by a legal entity, a copy of the registration certificate or equivalent authorization document for the legal entity must be attached to the form. The power-of-attorney may not be older than one year unless a longer period of validity is stated in the power-of-attorney, however, no longer than five years. To alleviate entry to the meeting, proxy forms, registration certificates and other authorization documents should be provided to the company well in advance of the meeting.

### **Proposed agenda**

1. Opening of the meeting
2. Election of chair of the meeting
3. Preparation and approval of voting list
4. Approval of the agenda
5. Election of one or two persons to approve the minutes
6. Examination of whether the meeting has been duly convened
7. Resolution to approve the board of directors' resolution on a rights issue of shares
8. Resolution on an issue authorization for the board of directors
9. Resolution on warrant program 2023/2027
10. Closure of the meeting

### **PROPOSED RESOLUTIONS**

#### **Item 7 – The board of directors' proposal for a resolution to approve the board of directors' resolution on a rights issue of shares**

The board of directors proposes that the meeting approves the board of directors' resolution to issue new shares, mainly in accordance with the following.

1. The share capital of the company shall be increased by not more than SEK 3,105,598.68 through the issue of not more than 77,639,967 shares.
2. The right to subscribe for shares shall be granted to the shareholders of the company pro rata to the number of shares they own in the company held on the record date, whereby one (1) existing share in the company entitles to one (1) subscription right, and five (5) subscription rights entitles to subscription of three (3) new shares.
3. The record date for determining which shareholders are entitled to subscribe for new shares with preferential rights shall be December 6, 2023.

4. The subscription price shall be SEK 0.85 per share. Payment for the subscribed shares shall be made by cash payment. However, the board of directors right to allow set-off retrospectively in accordance with Chapter 13, Section 41 of the Swedish Companies Act is noted.

5. Payment for shares subscribed for in the rights issue of shares which exceeds the quota value of the shares shall in its entirety be added to the share premium fund.

6. Subscription of shares shall be made as of and including December 8, 2023, up until and including December 22, 2023. Subscription of shares with preferential rights (i.e. with the support of subscription rights) shall be made by payment. Subscription of shares without preferential rights (i.e. without the support of subscription rights) shall be made on a subscription list. The board of directors shall have the right to resolve on an extension of the subscription period.

7. Subscription of shares may also be made without subscription rights. In the event that all new shares are not subscribed for with subscription rights (i.e. with preferential rights), the board of directors will resolve, within the framework of the maximum amount of the rights issue, on the allotment of shares subscribed for without subscription rights. In such cases, allotment shall be made in the following order:

- a. **Firstly**, allotment shall be made to those who have subscribed for shares with subscription rights, regardless of whether or not they were shareholders on the record date and, in case of oversubscription, pro rata to the number of subscription rights exercised to subscribe for shares and, insofar as this is not possible, by lottery.
- a. **Secondly**, allotment shall be made to those who have notified their interest in subscribing for new shares without subscription rights and, in case of oversubscription, in proportion to their notified interest and, insofar as this is not possible, by lottery.
- a. **Thirdly**, allotment shall be made to those who have provided guarantee commitments regarding subscription of shares, in proportion to such commitments and, insofar as this is not possible, by lottery.

8. Payment for shares subscribed for without preferential rights shall be made no later than two (2) banking days from the announcement of the allotment (transaction note). The board of directors shall be entitled to prolong the time for payment.

9. The new shares which are issued through the rights issue of shares entitle to dividend for the first time on the record date for dividends that occurs the closest after the new shares are registered in the share register kept by Euroclear Sweden AB.

The board of directors, or its nominee, is entitled to resolve on any minor changes in the resolution that may be required when registering the resolution at the Swedish Companies Registration Office, Euroclear Sweden AB or due to other formal requirements.

#### **Item 8 – The board of directors' proposal for a resolution on an issue authorization for the board of directors**

The board of directors proposes that the meeting resolves on an issue authorization, mainly in accordance with the following.

The board of directors proposes that the meeting resolves to authorize the board of directors to up until the next annual general meeting, on one or several occasions and with or without preferential rights for the shareholders, against cash payment or against payment through set-off or in kind, or otherwise on special conditions, resolve to issue new shares, warrants and/or convertibles. However, such issue of shares must never result in the company's issued share capital or the number of shares in the company at any time, being increased by more than a total of 10 per cent at the time when the issue authorization is first utilized.

The reason for the proposal and the possibility to deviate from shareholders' preferential rights in the proposal is, among other things, to facilitate for the company to carry out payments in shares or to otherwise procure the financing of the company in an active and appropriate manner.

The board of directors further proposes that the meeting authorizes the board of directors, or the person appointed by the board of directors, to make minor changes to the above resolution that may prove necessary for registration with the Swedish Companies Registration Office.

#### **Item 9 – The board of directors' proposal for a resolution on warrant program 2023 /2027**

The board proposes an implementation of a long-term incentive program for the CEO and certain members of management in the Midsummer AB group (the "**Company**") in accordance with the below main terms, whereby warrants will be issued without payment of any consideration to the Company which will thereafter transfer the warrants to employees of the group for the warrants market price. It is proposed that the resolutions under the items below are conditional upon each other and made jointly as one resolution.

Proposal for resolution on transfer of warrants to certain employees

##### *Reasons for the board's proposal for Warrant Program 2023/2027*

The board deems it to be in the interest of the Company and its shareholders that certain employees of the company share the financial interests of the shareholders by being offered to acquire warrants in an incentive program. Such offer is expected to lead to increased motivation and an increased sense of belonging with the Company, as well as to an increased interest in the business and performance of the Company. The effects are amplified by the fact that the program is implemented on market terms where the persons concerned take part in stock price increases, but also take a personal risk by paying a market-based price for the warrants.

##### *Transfer and allotment*

The board proposes that the meeting resolves on transfer of up to a total of 12,250,000 warrants to certain employees in accordance with the following terms.

The right to acquire warrants shall vest in accordance with the following:

Group	Category	Participants	Warrants (per participant)
Group 1	CEO, deputy CEO and Operations Manager	3	1,500,000
Group 2	Senior executives	7	750,000
Group 3	Other key personnel	10	250,000

If there are remaining warrants following subscriptions up to the guaranteed level according to the above, remaining warrants may be distributed among the participants irrespective of category. However, participants may be allotted not more than twice the number of warrants compared to the guaranteed allotment. The total number of warrants in the issue may not be exceeded.

In the event that not all participants who wish to subscribe for the maximum number of warrants may receive full allotment, the remaining warrants shall be allotted these participants pro rata in relation to the participants guaranteed number of warrants, however not exceeding the maximum allotment. The board resolves on the final allotment.

Allotment is conditional upon the subscriber, at the time of allotment, being employed or engaged by the group and at such time not having resigned or had their employment /assignment terminated and entering into an agreement with the Company giving the Company a right to first refusal as well as a right to repurchase the warrants in certain conditions.

#### *Costs and dilution associated with the program*

The Company will partly subsidize the warrant premium to be paid by the participant for the warrants, with the purpose of facilitating and encouraging a personal long-term interest in the Company by senior executives and key personnel. Hence, the Company will through a cash bonus subsidize half of the amount each participants is to pay for the warrants. The subsidy will be paid in connection with the subscription of the warrants. Information on the total cost of the subsidy will be provided in the complete proposal for warrant program 2023/2027, which will be made available no later than two weeks before the meeting.

Overall the board assesses that the warrant premium, the warrant term and the subsidy for the warrants, as well as the principal for the allocation of the warrants to the employees, are reasonable in light of market practise and the Company's need to be able to stimulate the work effort of the participants through the offer of participation in the warrant program.

Full participation and exercise of the warrants will give rise to a dilutive effect of app. 6.3 percent.

## *Preparation of the matter*

The proposal for the general meeting has been prepared by the board together with Advokatfirman Lindahl KB.

### Proposal for resolution on issue of warrants

The board proposes that the meeting resolves on an issue of warrants in accordance with the following.

1. The Company shall issue a maximum of 12,250,000 warrants where each warrant shall entitle the holder to subscribe for one new share in the Company, as a consequence of which the Company's share capital may increase by a maximum of SEK 490,000.
2. Disapplying the shareholders' pre-emption rights, the right to subscribe for the warrants shall vest in the Company, with the right and obligation to transfer the warrants to the employees in accordance with the above. The reason for disapplying the shareholders' pre-emption rights is that the board wishes to implement an incentive program for employees in the group.
3. The warrants will be issued without payment of any consideration. Subscription shall be affected no later than December 29, 2023. The board shall be entitled to extend the subscription period.
4. Any excess amount (share premium) shall be entered under the free share premium reserve.
5. The warrants are governed by special warrant terms and conditions. The warrant terms and conditions state, among other things, the following conditions.
  - a. For each warrant, the holder is entitled to subscribe for one new share against payment in cash at a subscription price of SEK 2 per share.
  - a. The subscription price and the number of shares which can be subscribed for on the basis of a warrant may be subject to adjustment in accordance with the terms and conditions for the warrants. Recalculation can also take place when subscribing for shares through a so-called Net Strike formula.
  - a. Subscription for shares based upon warrants may take place during a period of five months commencing on the day after the Company's quarterly report for Q4 report for the financial year 2026 has been made public. In the event that the Company has not made public any such quarterly report prior to March 31, 2027, subscription may take place from April 16, 2027, up until and including April 30, 2027.
  - a. Shares subscribed for by using the warrant shall entitle to dividend for the first time at the record date for dividend nearest occurring after subscription has taken place.

The board of directors, or its nominee, is entitled to resolve on any minor changes in the resolution that may be required when registering the resolution at the Swedish Companies Registration Office, Euroclear Sweden AB or due to other formal requirements.

## Majority requirements

A resolution under item 8 will not be valid unless supported by shareholders representing at least two thirds of both the votes cast and the shares represented at the general meeting.

A resolution under item 9 will not be valid unless supported by shareholders representing at least nine tenths of both the votes cast and the shares represented at the general meeting.

## Documents

The complete documents in accordance with the Swedish Companies Act will be available at the company and on the company's website and will be sent immediately without charge to any shareholders who so request and has states their address. The documents will also be available at the meeting.

## Information at the meeting

The shareholders are reminded of their right to request information from the board of directors and the CEO according to the Swedish Companies Act.

## Processing of personal data

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

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Stockholm in November 2023

## Midsummer AB (publ)

*The board of directors*

### For additional information, please contact:

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## About Midsummer

Midsummer is a Swedish solar energy company that develops, manufactures and sells solar cells to construction, roofing and solar cell installation companies and also manufactures, sells and installs solar roofs directly to end customers. The company also develops and sells equipment for the production of flexible thin film solar cells to strategically selected partners and machinery for research. The solar cells are of CIGS technology (consist of copper, indium, gallium and selenide) and are thin, light, flexible, discreet and with a minimal carbon footprint compared with other solar panels.



The solar roofs are produced in Sweden using the company's own unique DUO system which has taken the position as the most widespread manufacturing tool for flexible CIGS solar cells in the world. The Company's shares (MIDS) are traded on Nasdaq First North Growth Market with G&W Fondkommission as Certified Adviser. Please visit [midsummer.se](http://midsummer.se)

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This press release contains forward-looking statements that reflect Midsummer AB's current view of future events as well as financial and operational development. Words such as "intend", "assess", "expect", "may", "plan", "estimate" and other expressions involving indications or predictions regarding future development or trends, not based on historical facts, identify forward-looking statements and reflect Midsummer AB's beliefs and expectations and involve a number of risks, uncertainties and assumptions which could cause actual events and performance to differ materially from any expected future events or performance expressed or implied by the forward-looking statement. The information contained in this press release is subject to change without notice and, except as required by applicable law, Midsummer AB does not assume any responsibility or obligation to update publicly or review any of the forward-looking statements contained in it and nor does it intend to. You should not place undue reliance on forward-looking statements, which speak only as of the date of this press release. As a result of these risks, uncertainties and assumptions, you should not place undue reliance on these forward-looking statements as a prediction of actual future events or otherwise.

## **Attachments**

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