

NOTICE TO ATTEND EXTRAORDINARY GENERAL MEETING IN MODELON AB (PUBL)

The shareholders of Modelon AB (publ) ("Company") are hereby convened to an extraordinary general meeting on Tuesday 29 November 2022.

The meeting will be held through advance voting, so-called postal voting, in accordance with section 22 of the Swedish act (2020:198) on temporary exemptions to facilitate the implementation of general and association meetings. A general meeting with the opportunity to attend in person or through a representative will therefore not be held.

Notification etc.

Shareholders wishing to participate in the general meeting shall:

- partly, be entered in the shareholders' register kept by Euroclear Sweden AB on the record day Monday 21 November 2022 and
- partly, register by casting their postal vote according to the instructions below so that the postal vote is received by the Company no later than Monday 28 November 2022.

Advance voting by post or e-mail

Advance voting, so called Postal Voting, is done by shareholders by completing a special form and signing it, after which the form is sent to the Company by post to the address Modelon AB, ref: Jonas Eborn, IDEON Science Park, 223 70 Lund (Mark the letter "Extraordinary general meeting") or by e-mail to ir@modelon.com. The voting form will be available on the Company's website, www.modelon.com/investor-relations, or will be provided on request. The completed form must be available to the Company no later than Monday 28 November 2022. The postal vote may not be provided with special instructions or conditions. If this is the case, the entire vote is invalid. Further instructions and conditions can be found in the postal voting. The completed form will be considered as a notification of attendance of the shareholder at the annual general meeting.

Shareholders who intend to vote through proxy must issue a dated power of attorney for the proxy, signed by the shareholder and attached to the postal voting form when sent to the Company. The Company provides proxy forms on request and these are also available from the Company's website, www.modelon.com/investor-relations. If the shareholder is a legal entity, an attested copy of the certificate of registration or its equivalent for the legal entity must be enclosed. The period of validity of the power of attorney is permitted to extend to five years from the date of issue.

Nominee-registered shares

Shareholders who have had their shares registered with a nominee must, in order to be entitled to participate in the general meeting, temporarily register the shares in their own name in the share register kept by Euroclear Sweden AB as of the record date as described above. Shareholders who wish to register

their shares in their own name must, in accordance with the respective nominee's routines, request that the nominee make such registration. Registration of voting rights that has been requested by shareholders at such a time that the registration has been made by the nominee no later than Wednesday 23 november 2022 will be considered in the production of the share register.

Items at the meeting

1. Opening of the general meeting and election of chairman of the meeting
2. Preparation and approval of the voting register
3. Election of one or two persons to verify the minutes
4. Approval of the agenda
5. Determination as to whether the general meeting has been duly convened
6. Proposal for resolution on an offer to repurchase warrants
7. Proposal for resolution to implement a warrant-based incentive program for employees resident in Sweden
8. Proposal for resolution to implement an employee stock option program for employees resident outside Sweden
9. Proposal for resolution on cancellation of warrants
10. Closing of the general meeting

Item 1 – Election of chairman of the meeting

It is proposed that Christer Ljungberg is elected chairman of the general meeting, or in his absence, the one the board appoints.

Item 2 – Preparation and approval of the voting register

The voting list proposed for approval is the voting list prepared by the company, based on the Shareholders' register and advance votes received.

Item 3 – Election of one or two persons to verify the minutes

It is proposed that Mikael Bluhme is elected to verify the minutes, or in his absence, the one the board appoints.

Item 6 – Proposal for resolution on an offer to repurchase warrants

The board of directors proposes that the general meeting resolves that the Company shall make an offer to repurchase all outstanding warrants in Warrant Program 2019/2023, Warrant Program 2020/2024 and Warrant Program 2021/2025 on the below terms and conditions.

Per the day of the proposal there are 101,500 outstanding warrants of series 2019/2023:1 in Warrant Program 2019/2023, each entitling to subscribe for one share of series B in the Company at a subscription price of SEK 72 during the period from 1 March 2023 up to and including 14 April 2023; 7,000 outstanding warrants of series 2020/2024:1 in Warrant program 2020/2024, each entitling to subscribe for one share of series B in the Company at a subscription price of SEK 72 during the period from 15 May 2024 up to and including 30 June 2024; and 6,500 outstanding warrants of series 2021/2025:1 in Warrant program 2021/2025, each entitling to subscribe for one share of series B in the Company at a subscription price of SEK 60.30 during the period from 1 September 2025 up to and including 30 September 2025.

The Company shall make an offer to repurchase the warrants at market value at the time of the repurchase. The calculation of the market value shall be performed by Öhrlings PricewaterhouseCoopers AB, as an independent valuation institute, applying the Black & Scholes valuation model. The Company shall make the offer on 14 December 2022 and a warrant holder who wishes to accept the offer must submit acceptance to the Company no later than 16 December 2022. The board of directors shall have the right to postpone the time of making the offer as well as to prolong the acceptance period.

An acceptance of the offer must cover all warrants that the holder holds within the framework of the above-mentioned warrant programs to be valid. It is up to the holder to accept the offer or not, but acceptance is one of the prerequisites for being entitled to acquiring new warrants within the framework of the new warrant program which is proposed to be resolved on under item 7. If the market value of the warrants is SEK zero, the holder shall transfer his/her warrants to the Company free of charge upon acceptance of the offer. The board of directors shall be responsible for the preparation and management of the offer within the framework of the above-mentioned conditions.

Öhrlings PricewaterhouseCoopers AB has made a preliminary valuation of the market value of a warrant of each series, applying the Black & Scholes valuation model. Based on an assumed share price of SEK 21.50 at the time of the repurchase, the remaining term, an assumed volatility of 40 percent, a risk-free interest rate of 2.25 percent and full compensation through recalculation in the event of payment of any dividend during the term of the warrants (i) the market value of a warrant of series 2019/2023:1 has been calculated to SEK zero, (ii) the market value of a warrant of series 2020/2024:1 has been calculated to SEK 0.056 and (iii) the market value of a warrant of series 2021/2025:1 has been calculated to SEK 0.735. Upon repurchases, the market values will be determined based on updated assumptions and then known parameters. Based on the preliminary valuation, the purchase price would amount to SEK 5,170 in total upon full acceptance/full repurchase of warrants. Thus, the total purchase price is estimated to be very low. The total purchase price will fall well below the amount which is disposable according to Chap. 17, Secs. 3 and 4 of the Swedish Companies Act.

For information on the motive for the proposal, reference is made to the information under the heading "Background and motive for the proposal" under item 7 below. For a valid resolution in accordance with the proposal, the resolution must be supported by shareholders with more than half of the votes cast.

Item 7 – Proposal for resolution to implement a warrant-based incentive program for employees resident in Sweden

The board of directors proposes that the general meeting resolves to implement a warrant-based incentive program for employees in the Group resident in Sweden (the "Warrant Program 2022/2026") through (A) a resolution to issue warrants of series 2022/2026:1 to the Company's wholly owned subsidiary Modelon Göteborg AB (the "Subsidiary") and (B) a resolution to approve transfers of warrants of series 2022/2026:1 from the Subsidiary to employees in the Group resident in Sweden, as set out below.

(A) Proposal for resolution to issue warrants of series 2022/2026:1

The board of directors proposes that the meeting resolves to issue a maximum of 50,000 warrants of series 2022/2026:1 on the following terms and conditions:

1. With deviation from the shareholders' preferential rights, the warrants may only be subscribed for by the Subsidiary, with the right and obligation for the Subsidiary to transfer the warrants to some employees in the Group resident in Sweden in accordance with what is stated in the proposal under (B) below. The Subsidiary shall not be entitled to dispose of the warrants in any other way than what is stated in the proposal under (B) below.

2. The reasons for the deviation from the shareholders' preferential rights is that the warrants shall be used within the framework of Warrant Program 2022/2026.
3. The warrants shall be issued free of charge to the Subsidiary.
4. Subscription of warrants shall be made on a separate subscription list on 16 December 2022 at the latest. The board of directors shall have the right to prolong the subscription period.
5. Each warrant entitles the holder to subscribe for one new share of series B in the Company against cash payment at a subscription price corresponding to 170 percent of the volume weighted average price paid for the Company's share of series B on Nasdaq First North Growth Market during the period from 30 November 2022 up to and including 13 December 2022. The subscription price shall be rounded off to the nearest even hundredth of a SEK, whereupon SEK 0.005 shall be rounded upwards. Upon subscription of shares, the part of the subscription price that exceeds the quotient value of the previous shares shall be allocated to the non-restricted share premium fund.
6. The warrants may be exercised for subscription of shares during the period from 15 May 2026 up to and including 30 June 2026.
7. Shares issued upon exercise of warrants confers right to dividend for the first on the next record date for dividends which occurs after subscription is effected.
8. The full terms and conditions for the warrants of series 2022/2026:1 are set forth in Schedule 7A (the "Terms"). According to the Terms the subscription price and the number of shares which each warrant confers right to subscribe for may be recalculated in the event of a bonus issue, new issue, issue of warrants or convertibles and under some other circumstances. Further, the period for exercise of warrants may be brought forward or be postponed in some cases.
9. If all warrants are subscribed for, all warrants are transferred to employees in the Group resident in Sweden in accordance with what is stated in the proposal under (B) below and all warrants are exercised for subscription of shares, the Company's share capital will increase by SEK 4,187.61 (with reservation for eventual recalculation according to the Terms).
10. The board of directors, or anyone appointed by the board of directors, shall be authorized to make such minor formal adjustments in the issue resolution that may be required in connection with registration of the resolution at the Swedish Companies Registration Office.

(B) Proposal for resolution to approve transfers of warrants of series 2022/2026:1

The board of directors proposes that the general meeting resolves to approve that the Subsidiary, within the framework of Warrant Program 2022/2026, transfers a maximum of 50,000 warrants of series 2022 /2026:1 to employees in the Group resident in Sweden on the following terms and conditions:

1. Employees in the Group resident in Sweden shall be entitled to acquire warrants from the Subsidiary as set out below:
 - a. Members of the management team of the Company, country managers and key employees who are of special importance for the Company resident in Sweden (excluding Magnus Gäfvert, Jonas Eborn and Johan Andreasson, who are founders of the Company) (maximum 5 persons) ("Category 1") shall be offered to acquire 3,000 warrants each.
 - b. Personnel managers, business development managers, senior experts and employees with other senior roles resident in Sweden (maximum 16 persons) ("Category 2") shall be offered to acquire 1,500 warrants each.

- c. Other employees resident in Sweden (maximum 22 persons) ("Category 3") shall be offered to acquire 500 warrants each.

In this context, employees refer to full-time and part-time employees, however not probationary employees or hourly employees.

An employee may apply for acquisition of a lower, but not a higher, number of warrants than he/she is offered to acquire.

2. Upon acquisition, the warrants shall be transferred free of charge to the employees. Since the employees will acquire the warrants free of charge, the employees will be benefit taxed for the benefit, i.e. a value corresponding to the market value of the warrants, at the time of the acquisition. The calculation of the warrant's market value shall be performed by Öhrlings PricewaterhouseCoopers AB, as an independent valuation institute, applying the Black & Scholes valuation model.

3. Application for acquisition of warrants shall be made on a special application form on 16 December 2022 at the latest. The board of directors shall have the right to prolong the application period.

4. A prerequisite for being entitled to acquire warrants from the Subsidiary is (i) that the entitled person is employed by a company within the Group at the time of the acquisition and that he/she at that time has neither given nor received any notice of termination of his/her employment, (ii) that acquisition of warrants can take place in accordance with applicable laws, (iii) that the entitled person, if he/she is covered by the repurchase offer that is proposed to be resolved on under item 6, accepts the repurchase offer and completes the transfer, and (iv) that the employee at the time of the acquisition has entered into a so-called pre-emption agreement with the Company, according to which the employee is obliged to offer the Company, or the person designated by the Company, to buy the warrants if the employee intends to transfer the warrants or where the employee's employment in the Group ceases within a certain time and in some other cases.

5. Warrants of series 2022/2026:1 which are not transferred to employees, as well as warrants of series 2022/2026:1 which, where applicable, are later repurchased, may be canceled.

Background and motive for the proposal and the reason for the deviation from the shareholder's preferential rights

The Company's share of series B was admitted to trading on Nasdaq First North Growth Market on 28 April 2021. The structure of the outstanding incentive programs, where an employee in general may only participate in one outstanding program at a time, was thus set before the Company's share of series B was admitted to trading. The structure implies that the outcome for an employee during a four-year period is completely dependent on the value/price of the Company's share of series B at the time of acquisition /allocation, respectively during a shorter period that falls approximately four years after the acquisition /allocation of the warrants/employee stock options. According to the board of directors' assessment, a program structure with new yearly programs, each with a term of three or just over three years, with a lower allocation per year, but where all employees (excluding the founders of the Company) are offered to acquire warrants or be allotted employee stock options each year, would be more suitable. Such a structure would create greater conditions for the programs to pay out in different cycles of the share price development.

Furthermore, it is noted that the price of the Company's share of series B has largely been halved over the past year. Per the day of the proposal, the share price is around SEK 20. The current share price is well below the price at which any of the outstanding incentive programs begins to pay out. The current share price would need to triple to quadruple for the programs to give any pay out at all, and this, in some cases, in a short time. Considering the share price development and the currently unstable stock market, it is the board of directors' assessment that the outstanding incentive programs lack value and no longer serves their purpose. The programs no longer contribute to motivate the Group's employees or to create competitive employment conditions.

It is the board of directors' opinion that the outstanding incentive programs should, to the extent possible, be replaced by new share-related incentive programs, which can serve their purpose – to increase the possibility to recruit, retain and motivate the Group's employees. The board of directors wants the Company to be able to offer all employees (excluding the founders of the Company), i.e. both employees who hold warrants or employee stock options in any of the outstanding programs and employees who do not hold any warrants or employee stock options since before, to participate in the new programs, however without changing the terms and conditions of any outstanding warrants or employee stock options and without risking a more than marginally higher total potential dilution. After considering various alternatives, the board of directors has concluded putting forward four proposals for resolutions, which together are assessed to be able to achieve this.

Supplementary information in connection with the proposals under (A) and (B) above

Per the day of this proposal there are 11,016,471 shares in the Company, whereof 1,426,218 shares of series A and 9,590,253 shares of series B. A share of series A entitles to ten votes and a share of series B entitles to one vote.

If all warrants that can be issued within the framework of Warrant Program 2022/2026 (warrants of series 2022/2026:1) are subscribed for, transferred and exercised for subscription of shares of series B, the number of shares and votes in the Company will increase by 50,000 (with reservation for eventual recalculation according to the Terms), which corresponds to a dilution of approx. 0.45 percent of the number of shares and approx. 0.21 percent of the number of votes in the Company.

There are six outstanding share related incentive programs in the Company since earlier – Warrant Program 2019/2023, Employee Stock Option Program 2019/2023, Warrant Program 2020/2024, Employee Stock Option Program 2020/2024, Warrant Program 2021/2025 and Employee Stock Option Program 2021/2025. Per the day of this proposal there are 101,500 outstanding warrants in Warrant Program 2019/2023, 77,500 outstanding employee stock options in Employee Stock Option Program 2019/2023, 7,000 outstanding warrants in Warrant Program 2020/2024, 8,500 outstanding employee stock options in Employee Stock Option Program 2020/2024, 6,500 outstanding warrants in Warrant Program 2021/2025 and 18,500 outstanding employee stock options in Employee Stock Option Program 2021/2025. Each warrant in Warrant Program 2019/2023 and employee stock option in Employee Stock Option Program 2019/2023 entitles for subscription/acquisition of one share of series B in the Company at a subscription price/an exercise price of SEK 72 during the period from 1 March 2023 up to and including 14 April 2023. Each warrant in Warrant Program 2020/2024 and employee stock option in Employee Stock Option Program 2020/2024 entitles for subscription/acquisition of one share of series B in the Company at a subscription price/an exercise price of SEK 72 during the period from 15 May 2024 up to and including 30 June 2024. Each warrant in Warrant Program 2021/2025 and employee stock option in Employee Stock Option Program 2021/2025 entitles for subscription/acquisition of one share of series B in the Company at a subscription price/an exercise price of SEK 60.30 during the period from 1 September 2025 up to and including 30 September 2025. The Company's obligations under the employee stock option programs (delivery of shares) have been secured by warrants.

Besides this proposal, the board of directors proposes that the meeting shall resolve to implement an employee stock option program for employees in the Group resident outside Sweden ("Employee Stock Option Program 2022:2026") (see separate proposal).

If the general meeting resolves in accordance with the board of directors' proposals, all those offered to participate in the new programs would join the new programs and all new warrants and employee stock options would be exercised for subscription/acquisition of share of series B in the Company, the number of shares and votes in the Company would increase by 103,500 (with reservation for eventual recalculation according to the terms and conditions for the respective program), provided that warrants held by the Company to secure delivery of shares would be used for the delivery of shares to the employee stock option holders, which corresponds to a dilution of approx. 0.93 percent of the number of shares and approx. 0.43 percent of the number of votes in the Company in total.

The dilution effects have been calculated as the number of additional shares and votes in relation to the number of existing and additional shares and votes.

As the structure of the proposals is such that employees who hold warrants or employee stock options in outstanding programs cannot choose to remain in these programs and simultaneously participate in the new programs, the potential dilution of the outstanding programs and the proposed new programs should not be added together. The maximum total potential dilution should instead be calculated based on the assumption that all employees who hold warrants or employee stock options in outstanding programs choose to stay in these programs and that only employees who do not hold any warrants or employee stock options since before join the new programs. In such a case, the number of shares and votes in the Company would increase by 234,500 in total (with reservation for eventual recalculation according to the terms and conditions for the respective program), which corresponds to a dilution of approx. 2.08 percent of the number of shares and approx. 0.97 percent of the number of votes in the Company in total. Dilution effects have been calculated in the way described above. However, it is unlikely that all employees who hold warrants or employee stock options in outstanding programs will choose to stay in these programs. The reason therefore is that it, according to the board of directors' assessment, is more favorable for them to participate in the new programs.

Preliminary valuation, costs and effects on key figures

Öhrlings PricewaterhouseCoopers AB has made a preliminary valuation of the market value of a warrant of series 2022/2026:1, applying the Black & Scholes valuation model. Based on an assumed share price of SEK 21.50 at the time of the issuance of the warrants, an assumed subscription price of SEK 36.55 upon exercise of the warrants, a term of 3.54 years, an assumed volatility of 40 percent, a risk-free interest rate of 2.25 percent and full compensation through recalculation in the event of payment of any dividend during the term, the market value of a warrant of series 2022/2026:1 has been calculated to SEK 3.29. When transferring the warrants to employees, the market value will be determined based on updated assumptions and then known parameters.

Since the warrants will be transferred to employees free of charge, Warrant Program 2022/2026 will cause costs, partly in the form of accounting salary costs (corresponding to the benefit value) and partly in the form of social security contributions. If all warrants that may be issued within the framework of Warrant Program 2022/2026 are transferred to employees and the market value of the warrant at the time of the transfer corresponds to the preliminary valuation, the accounting salary costs are estimated to amount to approx. SEK 165,000 and the costs for social security contributions are estimated to amount to approx. SEK 52,000.

Warrant Program 2022/2026 will have a marginal effect on the Company's key figures.

Preparation of the proposal

The proposal has been prepared by the board of directors together with external advisors.

Majority requirements

It is proposed that resolutions in accordance with the proposals under (A) and (B) above be adopted as one joint resolution. For a valid resolution in accordance with the proposals, the resolution must be supported by shareholders with at least nine-tenths of the votes cast as well as the shares represented at the meeting. Further, a resolution in accordance with the proposals shall be conditional on the meeting having previously resolved on the repurchase offer that is proposed to be resolved on under item 6.

Item 8 – Proposal for resolution to implement an employee stock option program for employees resident outside Sweden

The board of directors proposes that the general meeting resolves to implement an employee stock option program for employees in the Group resident outside Sweden (the "Employee Stock Option Program 2022 /2026"), as set out in (A) below.

In order to secure the Company's obligations under Employee Stock Option Program 2022/2026, the board of directors also proposes that the meeting resolves on a directed issue of warrants of series 2022/2026:2 to the Company's wholly owned subsidiary Modelon Göteborg AB (the "Subsidiary"), as well as an approval of transfer of warrants of series 2022/2026:2 from the Subsidiary, as set out in (B) below.

(A) Proposal for resolution to implement Employee Stock Option Program 2022/2026

The board of directors proposes that the meeting resolves to implement Employee Stock Option Program 2022/2026 on the following substantial terms and conditions:

1. Employee Stock Option Program 2022/2026 shall consist of a maximum of 53,500 employee stock options.
2. Each employee stock option confers the holder a right to acquire one new share of series B in the Company at an exercise price corresponding to 170 percent of the volume weighted average price paid for the Company's share of series B on Nasdaq First North Growth Market during the period from 30 November 2022 up to and including 13 December 2022. The exercise price shall be rounded off to the nearest even hundredth of a SEK, whereupon SEK 0.005 shall be rounded upwards. The exercise price and the number of shares that each employee stock option confers right to acquire may be subject to recalculation in the event of a bonus issue, reverse share split or share split, new issue of shares, issue of warrants or convertibles, and in some other cases, whereupon the recalculation terms and conditions for the warrants proposed to be issued in accordance with (B) shall be applied.
3. The employee stock options shall be offered to employees in the Group resident outside Sweden as set out below:
 - a. Members of the management team of the Company, country managers and key employees who are of special importance for the Company resident outside Sweden (excluding Hubertus Tummescheit, who is a founder of the Company) (maximum 7 persons) ("Category 1") shall be offered 3,000 employee stock options each.

- b. Personnel managers, business development managers, senior experts and employees with other senior roles resident outside Sweden (maximum 13 persons) ("Category 2") shall be offered 1,500 employee stock options each.
- c. Other employees resident outside Sweden (maximum 26 persons) ("Category 3") shall be offered 500 employee stock options each.

In this context, employees refer to full-time and part-time employees, however not probationary employees or hourly employees.

4. Notice of participation in Employee Stock Option Program 2022/2026 shall have been received by the Company on 16 December 2022 at the latest. The board of directors shall have the right to prolong the notification period.

5. Employee stock options shall be allotted to the participants in the program in close connection with the expiration of the notification period.

6. The employee stock options shall be allotted free of charge.

7. The allotted employee stock options will be vested on 15 May 2025. Vesting requires that the participant is still employed in the Group and that he/she has neither given nor received any notice of termination of his /her employment as of the date when the vesting occurs.

8. The employee stock options shall not constitute securities and shall not be able to be transferred or pledged. However, the rights under the employee stock options are transferred to the estate in the event of the participant's death.

9. Allotted employee stock options that have been vested may be exercised during the period from 15 May 2026 up to and including 30 June 2026. The board of directors has the right to limit the number of occasions for delivery of shares during the exercise period.

10. Participation in Employee Stock Option Program 2022/2026 requires (i) that such participation is in accordance with applicable laws, (ii) that participation can be executed with reasonable administrative costs and financial efforts according to the Company's assessment, and (iii) that the participant, if he/she holds employee stock options allotted in any of the outstanding employee stock option programs, i.e. Employee Stock Option Program 2019/2023, Employee Stock Option Program 2020/2024 and/or Employee Stock Option Program 2021/2025, waives and returns these to the Company.

11. The employee stock options shall be governed by separate agreements with each participant. The board of directors shall be responsible for the preparation and management of Employee Stock Option Program 2022/2026 within the above-mentioned substantial guidelines. The board of directors shall have the right to, within the framework of the agreement with each participant, make the reasonable changes and adjustments of the terms and conditions of the employee stock options that are deemed suitable or appropriate as a result of local employment law or tax law or administrative conditions. This may mean, among other things, that continued vesting of employee stock options may take place in some cases when otherwise would not have been the case. The board of directors shall also have the right to advance vesting and the timing of exercise of employee stock options in certain cases, such as in the case of a public takeover bid, liquidation, merger and similar measures. Finally, the board of directors shall have the right to, in extraordinary cases, limit the scope of, or prematurely terminate, Employee Stock Option Program 2022 /2026, in whole or in part.

(B) Proposal for resolution on issue of warrants of series 2022/2026:2 as well as approval of transfer of warrants

In order to enable the Company's delivery of shares under Employee Stock Option Program 2022/2026, the board of directors proposes that the meeting resolves to issue a maximum of 53,500 warrants of series 2022/2026:2 on the following terms and conditions:

1. With deviation from the shareholders' preferential rights, the warrants may only be subscribed for by the Subsidiary.
2. The reasons for the deviation from the shareholders' preferential rights is to enable the implementation of Employee Stock Option Program 2022/2026.
3. The warrants shall be issued free of charge to the Subsidiary.
4. Subscription of warrants shall be made on a separate subscription list on 16 December 2022 at the latest. The board of directors shall have the right to prolong the subscription period.
5. Each warrant entitles the holder to subscribe for one new share of series B in the Company against cash payment at a subscription price corresponding to 170 percent of the volume weighted average price paid for the Company's share of series B on Nasdaq First North Growth Market during the period from 30 November 2022 up to and including 13 December 2022. The subscription price shall be rounded off to the nearest even hundredth of a SEK, whereupon SEK 0.005 shall be rounded upwards. Upon subscription of shares, the part of the subscription price that exceeds the quotient value of the previous shares shall be allocated to the non-restricted share premium fund.
6. The warrants may be exercised for subscription of shares during the period from the day of registration of the issue resolution at the Swedish Companies Registration Office up to and including 30 June 2026.
7. Shares issued upon exercise of warrants confers right to dividend for the first time on the next record date for dividends which occurs after subscription is effected.
8. The full terms and conditions for the warrants of series 2022/2026:2 are set forth in Schedule 8A (the "Terms"). According to the Terms the subscription price and the number of shares which each warrant confers right to subscribe for may be recalculated in the event of a bonus issue, new issue, issue of warrants or convertibles and under some other circumstances. Further, the period for exercise of warrants may be postponed in some cases.
9. If all warrants are subscribed for and all warrants are exercised to enable delivery of shares under Employee Stock Option Program 2022/2026, the Company's share capital will increase by SEK 4,480.74 (with reservation for eventual recalculation according to the Terms).
10. The board of directors, or anyone appointed by the board of directors, shall be authorized to make such minor formal adjustments in the issue resolution that may be required in connection with registration of the resolution at the Swedish Companies Registration Office.

The board of directors further proposes that the meeting resolves to approve that the Subsidiary may transfer warrants of series 2022/2026:2 to the participants in Employee Stock Option Program 2022/2026 free of charge in connection with exercise of the employee stock options in accordance with the terms set out in (A) above, or in another way dispose of the warrants in order to be able to secure the Company's

obligations in relation to Employee Stock Option Program 2022/2026 (e.g. by transferring the warrants to a third party who exercises them and deliver shares to the participants). The board of directors proposes that warrants of series 2022/2026:2 that are not needed in order to secure the Company's obligations may be cancelled.

The motive for the proposal and the reason for the deviation from the shareholder's preferential rights

For information on the motive for the proposals under (A) and (B) above, reference is made to the information under the heading "Background and motive for the proposal" under item 7 above.

Dilution and information about other share-related incentive programs

Per the day of this proposal there are 11,016,471 shares in the Company, whereof 1,426,218 shares of series A and 9,590,253 shares of series B. A share of series A entitles to ten votes and a share of series B entitles to one vote.

If all employee stock options that can be allotted within the framework of Employee Stock Option Program 2022/2026 are allotted, vested and exercised for acquisition of shares of series B in the Company and warrants of series 2022/2026:2 are used to deliver the shares, the number of shares and votes in the Company will increase by 53,500 (with reservation for eventual recalculation according to the Terms), which corresponds to a dilution of approx. 0.48 percent of the number of shares and approx. 0.22 percent of the number of votes in the Company.

Besides this proposal, the board of directors proposes that the meeting shall resolve to implement a warrant-based incentive program for employees resident in Sweden ("Warrant Program 2022/2026") (see separate proposal).

For information on outstanding share-related incentive programs and information on total dilution, reference is made to the information under the corresponding heading in the proposal for a resolution to implement a warrant-based incentive program for employees in the Group residing in Sweden.

Preliminary valuation, costs and effects on key figures

The employee stock options do not have a market value since they are not transferable. However, Öhrlings PricewaterhouseCoopers AB has, as an independent valuation institute, made a preliminary calculation of the theoretical value of an employee stock option allotted within the framework of Employee Stock Option Program 2022/2026, applying the Black & Scholes valuation model. Based on an assumed share price of SEK 21.50 at the time of the allotment of the employee stock options, an assumed exercise price of SEK 36.55 upon exercise of the employee stock options, a term of 3.54 years, an assumed volatility of 40 percent, a risk-free interest rate of 2.25 percent and full compensation through recalculation in the event of payment of any dividend during the term of the employee stock options, the theoretical value of an employee stock option allotted within the framework of Employee Stock Option Program 2022/2026 has been calculated to SEK 3.29. The limitations in the disposal rights have not been considered in the valuation. Upon allotment of employee stock options, the theoretical value will be determined based on updated assumptions and then known parameters.

Employee Stock Option Program 2022/2026 will cause costs, partly in the form of accounting salary costs and partly in the form of social security contributions. Based on the assumption that the theoretical value of an employee stock option is SEK 3.29, the accounting salary costs are estimated to amount to approx. SEK 176,000, distributed over the vesting period. In some countries, the employee stock options will cause costs in the form of social security contributions upon exercise of the options. Based on the assumption that all employee stock options are allotted, vested and exercised for acquisition of shares and the assumption that the share price are tripled up to the date of exercise, the costs for social security contributions are estimated to amount to approx. SEK 140,000. Given the small amounts, no measures are proposed to hedge costs for social security contributions.

Employee Stock Option Program 2022/2026 will have a marginal effect on the Company's key figures.

Preparation of the proposal

The proposal has been prepared by the board of directors together with external advisors.

Majority requirements

It is proposed that resolutions in accordance with the proposals under (A) and (B) above be adopted as one joint resolution. For a valid resolution in accordance with the proposals, the resolution must be supported by shareholders with at least nine-tenths of the votes cast as well as the shares represented at the meeting.

Item 9 – Proposal for resolution on cancellation of warrants

The board of directors proposes that the general meeting resolves to approve that the Company and the Subsidiary cancel (i) all warrants of series 2019/2023:1, 2020/2024:1 and 2021/2025:1 which the Company or the Subsidiary hold or may hold after repurchases that may take place due to the repurchase offer that is proposed to be resolved on under item 6, and (ii) all warrants of series 2019/2023:2, 2020/2024:2, 2021/2025:2 which the Subsidiary holds and which are not needed in order to secure the Company's obligations.

For a valid resolution in accordance with the proposal, the resolution must be supported by shareholders with more than half of the votes cast.

Shareholders' right to request information

The Board of Directors and the Managing Director shall, if any shareholder so requests and the Board considers that this can be done without significant harm to the Company, provide information on circumstances that may affect the assessment of a matter on the agenda, circumstances that may affect the assessment of the Company's or subsidiary's financial situation and the Company's relationship with another group company. Such a request from shareholders must be submitted in writing to the company no later than ten days before the general meeting by post to the address Modelon AB, ref: Jonas Eborn, IDEON Science Park, 223 70 Lund (Mark the letter "Extraordinary General Meeting") or by e-mail to the address ir@modelon.com. The information will be available on the Company's website www.modelon.com/investor-relations and at the Company's office at Modelon AB, IDEON Science park, 223 70 Lund no later than five days before the meeting. The information is also sent to the shareholder who requested it and provided his address.

Documentation for the general meeting

The annual report and auditors' report, a complete set of proposals for the resolutions, and, where applicable, reasoned opinions as well as other documents pursuant to the Swedish Companies Act will be available from the Company's office with address Modelon AB, IDEON Science Park, 223 70 Lund and on the Company's website, www.modelon.com/investor-relations, not later than two weeks before the meeting. Copies of the documents are sent to shareholders who have requested this and provided their postal address free of charge.

Processing of personal data

For information on how personal data is processed in connection with the general meeting, please refer to the privacy policy available on Euroclear Sweden AB's website, <https://www.euroclear.com/dam/ESw/Legal/Integritetspolicy-bolagsstammor-svenska.pdf>.

Lund in November 2022

Modelon AB (publ)

The Board of Directors

For further information, please contact:

Magnus Gäfvert, CEO

Cell phone: +46-73-324 59 04

magnus.gafvert@modelon.com

Investor Relations: ir@modelon.com

About Modelon

Modelon offers systems modeling and simulation software that accelerates product innovation, development and operations in a range of industries. Modelon's flagship product, Modelon Impact, is a cloud-native system simulation software platform featuring a collaborative browser-based interface and thousands of proven models and components spanning a broad range of applications. Headquartered in Lund, Sweden, and with global reach, Modelon is an expert industry leader in model-based systems engineering with a focus on leveraging open standard technologies.

Modelon AB is listed on Nasdaq First North Growth Market with ticker symbol MODEL B. Redeye AB is appointed the Company's Certified Adviser.

Attachments

NOTICE TO ATTEND EXTRAORDINARY GENERAL MEETING IN MODELON AB (PUBL)