

NOTICE TO ATTEND THE EXTRAORDINARY GENERAL MEETING IN SMART EYE AKTIEBOLAG (PUBL)

The shareholders in Smart Eye Aktiebolag (publ), reg.no. 556575-8371 (the “Company”), with its registered office in Gothenburg, are hereby invited to the extraordinary general meeting (the “EGM”) on Friday 8 October 2021.

INFORMATION RELATED TO COVID-19

Due to the extraordinary situation that prevails as a result of the covid-19 pandemic, the EGM will be carried out through advance voting (postal voting) pursuant to temporary legislation. Thus, it will not be possible to attend in person or through proxy at the EGM; it will be an EGM without physical participation.

The Company welcomes all shareholders to exercise their voting rights at the EGM by advance voting in the order described below. Information about the resolutions adopted at the EGM will be published on Friday 8 October 2021 as soon as the outcome of the vote is finally compiled.

RIGHT TO PARTICIPATE AND NOTIFICATION

A shareholder who is entered in the share register maintained by Euroclear Sweden AB for the Company no later than Thursday 30 September 2021, and who has notified the Company of its intention to participate at the EGM by casting its advance vote to the Company no later than on Thursday 7 October 2021, has a right to participate at the EGM. See below for further information on advance voting.

NOMINEE-REGISTRERED SHARES

In order to be entitled to participate at the EGM through advance voting, shareholders who have their shares registered in the name of a nominee must temporarily re-register the shares in their own name. Shareholders who wish to make such re-registration, so-called voting rights registration, must make such request with their nominee well in advance of Monday 4 October 2021, at which time the re-registration must have been made.

ADVANCE VOTING

The shareholders may exercise their voting rights at the EGM only by voting in advance, so called postal voting in accordance with Section 22 of the Act (2020:198) on temporary exceptions to facilitate the execution of general meetings in companies and other associations.

A special form shall be used for advance voting. The form is available on www.smarteye.se. The advance voting form is considered as the notification of attendance to the EGM. The completed voting form must be submitted to the Company no later than Thursday 7 October 2021.

The completed and signed form shall be sent to "Extraordinary General Meeting 2021", Smart Eye Aktiebolag (publ), Attn. Anders Lyrheden, Första Långgatan 28 B, SE-413 27, Gothenburg, Sweden. A completed form may also be submitted by e-mail and is to be sent to extrastamma@smarteye.se. If the shareholder votes in advance by proxy, a power of attorney shall be enclosed to the form. Forms for proxy are available at the Company's website, www.smarteye.se, and will be sent free of charge to those shareholders who so request and state their postal address or e-mail address. If the shareholder is a legal entity, a certificate of incorporation or a corresponding document shall be enclosed to the form. The shareholder may not provide special instructions or conditions in the voting form. If so, the vote (i.e. the advance vote in its entirety) is invalid. Further instructions and conditions are included in the form for advance voting.

PROPOSED AGENDA

1. Election of Chairman at the extraordinary general meeting.
2. Election of one or two persons to approve the minutes.
3. Approval of the agenda.
4. Preparation and approval of the voting list.
5. Determination as to whether the extraordinary general meeting has been duly convened.
6. Proposed resolution on the adoption of a long-term incentive program for certain senior executives and other employees in the Smart Eye group.

PROPOSALS

Proposed resolution on the election of a Chairman at the EGM (item 1)

The board proposes that the Chairman of the Board Anders Jöfelt, or, if he has an impediment to attend, the person proposed by the Board, is appointed Chairman at the EGM.

Proposed resolution of the election of one or two persons to approve the minutes (item 2)

Linda Jöfelt and Per Sörner, or, in the event that one or both of them can't attend, the person or persons proposed by the Board, are appointed to approve the minutes of the EGM together with the Chairman. The assignment to approve the minutes at the EGM also includes controlling the voting list and that the received advance votes are correctly presented in the minutes.

Proposed resolution on the preparation and approval of the voting list (item 4)

The voting list proposed to be approved is the voting list prepared by the Company, based on the shareholders' register for the general meeting and the advance votes received, and as verified by the persons elected to approve the minutes.

Proposed resolution on the adoption of a long-term incentive program for certain senior executives and other employees in the Smart Eye group (item 6)

The Board of Directors proposes that the general meeting resolves to introduce a new long-term incentive program ("**LTIP 2021:2**") which shall consist of 137,500 warrants that may be allotted to participants (the "**Warrants**") for the benefit of certain senior executives and other employees in, and participants who in the foreseeable future may be employed within, the Smart Eye group. LTIP 2021:2 means that the Company issues a maximum of 137,500 Warrants. The right to subscribe for Warrants shall, with deviation from the shareholders' preferential rights, be allocated to the wholly owned subsidiary JN Data i Göteborg AB ("**JN Data**"), with the right and obligation for JN Data to handle

the Warrants in accordance with the terms of LTIP 2021:2. JN Data shall, in accordance with instructions from the Company's Board of Directors, be entitled to transfer the Warrants to the appropriate participant or a financial intermediary in connection with exercise. Each Warrant entitles to subscription of one share.

Employees shall be allotted Warrants free of charge no later than 30 November 2021 (the "**Allotment Date**"). LTIP 2021:2 will include certain senior executives and other employees (approximately 126 current employees in total), and participants who may be employed within the Smart Eye group in the foreseeable future, and shall, following a decision by the Company's Board of Directors, mainly be distributed in accordance with the following:

- i. The deputy CEO in Affectiva Inc. may be allotted no more than 7,500 Warrants in total.
- ii. Other senior executives may together be allotted no more than 25,000 Warrants in total.
- iii. Other key employees may together be allotted no more than 50,000 Warrants in total.
- iv. Other employees may together be allotted the remaining Warrants which will amount to no more than 55,000.

Subject to the fulfilment of certain conditions, each Warrant entitles the holder to acquire one share in the Company at a predetermined price during the period from (and including) 15 November 2024 to (and including) 15 December 2024. The price per share shall correspond to 125 percent of the volume weighted average price of the Smart Eye share during the five trading days preceding the Allotment Date. The subscription price shall be paid in cash.

In order for the Warrants to entitle the participant to acquire a share:

- i. the participant must have been employed by the Smart Eye group until (and including) the date of the publication of the Company's financial report for the third quarter of 2024 or, if no such report is made public, 1 November 2024 (the "**Vesting Period**"), and
- ii. the total shareholder return based on share price increases and reinvestment of any dividends shall amount to at least 30 percent calculated on the volume weighted average price 10 trading days before the meeting and the volume

weighted average price 10 trading days prior to the publication of the Company's quarterly financial report for the third quarter 2024 or, if such a report is not published, 1 November 2024, as applicable.

The exercise price as set out above shall be rounded to the nearest SEK 0.10, whereby SEK 0.05 shall be rounded downwards. The exercise price and the number of shares that each Warrant entitles to subscription for shall be recalculated in the event of a split, consolidation, new share issue etc. in accordance with market practice.

Based on the existing number of shares in the Company, upon exercise of all 137,500 Warrants, LTIP 2021:2 will result in a full dilution corresponding to approximately 0.7 percent of the total number of outstanding shares in the Company. If all outstanding incentive programs in the Company are included in the calculation, the corresponding maximum dilution, at the time of the general meeting, amounts to approximately 2.4 percent of the share capital. Upon full exercise of the Warrants, the share capital will increase by a maximum of SEK 13,750.

Information on the Company's existing incentive programs is found in the annual report for the financial year 2020 and on the Company's website, www.smarteye.se.

LTIP 2021:2 will be recognized in accordance with K3, which means that the Warrants will be expensed as a personnel expense over the Vesting Period. The Warrants are distributed free of charge to employees and may thus give rise to social fees and costs in accordance with the accounting principles of K3. The Board of Directors estimates that the costs for LTIP 2021:2 will be limited and the Board of Directors has thus decided not to propose any actions for covering these to the EGM.

As reasons for deviation from the shareholders' preferential rights, the Board of Directors invokes the following. Incentive programs contribute to higher motivation and commitment among employees and strengthen the ties between the employees and the Company. Furthermore, it is the Board's assessment that LTIP 2021:2 will contribute to the opportunities to recruit and retain knowledgeable and experienced employees and is expected to increase employees' interest in the operations and performance of the Company. Overall, it is the Board's assessment that LTIP 2021:2 will benefit both the employees and the Company's shareholders through an increased share value.

The Board of Directors, or a special committee set up by the Board, shall be responsible for preparing the detailed design and administration of the terms and conditions of LTIP 2021:2, in accordance with the presented terms and guidelines including provisions on recalculation in the event of an in-between bonus issue, share split, rights issue and/or similar measures. In connection therewith, the Board of Directors shall be entitled to make adjustments to meet specific foreign regulations or market conditions. The Board of Directors shall also be entitled to make other adjustments if significant changes occur in the Smart Eye group or in its environment that would result in that the adopted terms for the LTIP 2021 no longer fulfils their objectives

LTIP 2021:2 has been prepared by the Board of Directors in consultation with the Company's executive management and has been discussed by the Board of Directors at a meeting in September 2021.

MISCELLANEOUS

SPECIAL MAJORITY REQUIREMENT

For valid resolution in accordance with item 6 above, it is required that the proposal is supported by at least nine tenths (9/10) of the shares represented and votes cast at the EGM.

NUMBER OF SHARES AND VOTES

The number of shares and votes in the Company amounts to 19,929,157 per the day for the issuance of this notice. All shares are of the same class. The Company does not hold any treasury shares.

DOCUMENTS

Documents according the Swedish Companies Act are available at the Company and at the Company's website, www.smarteye.se, and will be sent to those shareholders who so request and state their postal address or e-mail address.

INFORMATION BEFORE THE EGM

The Board of Directors and the CEO shall, if requested by a shareholder, and if the Board believes that it can be done without material harm to the Company, provide information regarding circumstances that may affect the assessment of a matter on the agenda. A request for such information shall be made in writing to "Extraordinary General Meeting 2021", Smart Eye Aktiebolag (publ), Attn. Anders Lyrheden, Första Långgatan 28 B, SE-413 27, Gothenburg, Sweden, or by e-mail to extrastamma@smarteye.se, no later than Tuesday 28 September 2021. The information will be made available at the Company's premises on Första Långgatan 28 B, SE-413 27, Gothenburg, Sweden and on www.smarteye.se on Friday 1 October 2021 at the latest. The information will also be sent, within the same period of time, to the shareholder who so request and state their postal address or e-mail address.

PROCESSING OF PERSONAL DATA

For information about how your personal data is processed, it is referred to the privacy notice available at Euroclear's webpage: <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

Gothenburg in September 2021

Smart Eye Aktiebolag (publ)

The Board of Directors

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About Smart Eye



Press Release
23 September 2021 20:00:00 CEST

Smart Eye is leading the way towards safe and sustainable transportation. Every year, 1.2 million people lose their lives in traffic-related accidents around the world, another 50 million are injured. Our firm belief is that science and technology can help turn this around.

For over 20 years Smart Eye has developed artificial intelligence (AI) in the form of eye tracking technology that understands, supports and predicts a person's intentions and actions. By carefully studying eye, facial and head movement, our technology can draw conclusions about a person's awareness and mental state. Our eye tracking technology is used in the next generation of cars, commercial vehicles and providing new insights for research within aerospace, aviation, neuroscience and more.

Smart Eye's solutions are used around the world by more than 800 partners and customers, including the US Air Force, NASA, BMW, Audi, Boeing, Volvo, GM, and Harvard University.

Visit www.smarteye.ai for more information.

Visit our investor web for more financial information: <http://www.corp.smarteye.se/en/>

Smart Eye is listed on Nasdaq First North Growth Market. Erik Penser is Certified Adviser and can be reached at +46-8-463 8000 or certifiedadviser@penser.se.

Attachments

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