

NOTICE TO ATTEND EXTRAORDINARY GENERAL MEETING IN QLEANAIR AB

The shareholders in QleanAir AB, reg. no. 556879-4548, are hereby given notice to attend an extraordinary general meeting at 09:00 a.m. on Thursday 9 March 2023 at QleanAir's offices at Torggatan 13 in Solna, Sweden. Registration for the meeting commences at 08:30 a.m.

The board of directors has decided, pursuant to Chapter 7, Section 4, Paragraph 2 of the Swedish Companies Act and the company's articles of association, to apply the possibility of proxy collection in conjunction with the extraordinary general meeting (see section *Proxy collection* below for further information).

Notice

Shareholders wishing to participate at the meeting must:

(i) be entered in the shareholders' register, kept by Euroclear Sweden AB (the Swedish Central Securities Depository & Clearing Organisation), on the record day which is Wednesday 1 March 2023; and

(ii) notify the company of their attendance and any assistant no later than Friday 3 March 2023. Notification can be made via letter to Setterwalls Advokatbyrå AB, Attn: Anna af Petersens, P.O. Box 1050, SE-101 39 Stockholm, Sweden or by e-mail to anna.afpetersens@setterwalls.se

Notification shall include full name, personal identification number or corporate registration number, address and daytime telephone number and, where applicable, information about representative, proxy and assistants. The number of assistants may not be more than two. In order to facilitate entry to the meeting, notification should, where applicable, be accompanied by powers of attorney, registration certificates and other documents of authority.

Nominee registered shares

Shareholders who have their shares registered in the name of a nominee must request temporary entry in the transcription of the share register kept by Euroclear Sweden AB (so-called voting rights registration) in order to be entitled to participate and vote for their shares at the meeting. The shareholder must inform the nominee well in advance of Wednesday 1 March 2023, at which time the register entry must have been made. Voting rights registration that has been requested by the shareholder at such time that the registration has been completed by the nominee no later than Friday 3 March 2023, will, however, be taken into account in the preparation of the share register.

Proxy voting

A shareholder represented by proxy shall issue a power of attorney which shall be dated and signed by the shareholder. If issued by a legal entity, the power of attorney shall also be accompanied by registration certificate or, if not applicable, equivalent documents of authority. Power of attorney forms for those shareholders wishing to participate by proxy will be available on the company's website www.qleanair.com. The original version of the power of attorney shall also be presented at the meeting.

Proxy collection

The board of directors has decided, pursuant to Chapter 7, Section 4, Paragraph 2 of the Swedish Companies Act and the company's articles of association, to apply the possibility of proxy collection in conjunction with the extraordinary general meeting. This means that shareholders who do not wish to participate in person at the meeting can submit a power of attorney to a representative appointed by the company, who participates in the meeting on behalf of the shareholder and votes in accordance with the shareholder's instructions. The representative appointed by the company may not be a member of the board of directors or the CEO of the company. Shareholders who wish to make use of this opportunity must complete and sign a special power of attorney form which will be available on the company's website www.qleanair.com. If issued by a legal entity, the power of attorney shall be accompanied by a registration certificate or, if not applicable, equivalent documents of authority.

Processing of personal data

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

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 implementation of a long-term incentive programme for the CEO by way of (i) a directed issue of warrants and (ii) approval of transfer of warrants;
7. Closing of the meeting.

The board of directors' proposed resolutions

Item 6. Resolution on implementation of a long-term incentive programme for the CEO by way of (i) a directed issue of warrants and (ii) approval of transfer of warrants

The board of directors proposes that the general meeting resolves on implementation of a long-term incentive programme (“**Warrant programme 2022/2025**”) for the company’s CEO by way of (i) a directed issue of warrants and (ii) approval of transfer of warrants on the terms and conditions set forth below. The warrants shall entitle to subscription of new shares in the company.

Background and reason for proposal

As of today, there are three share related incentive programmes for senior management and other key individuals. Please refer to “Existing share related incentive programmes” below for more information.

The board of directors is of the opinion that share related incentive programmes strengthen the retention of those participating and motivates them to create shareholder value. The board of directors assess that these objectives are in line with all shareholders’ interests and evaluates whether to propose share related incentive programmes annually or when deemed appropriate.

On 28 November 2022, Sebastian Lindström took office as new CEO of the company. This proposal has been presented to enable participation in a share related incentive programme for the CEO (the “**Participant**”).

Terms and conditions for the issue of warrants

1. The company shall issue no more than 445,776 warrants. Each warrant entitles to subscription of one (1) new share in the company, each with a quotient value of SEK 0.50. If all warrants are subscribed, transferred to and exercised by the Participant for subscription of new shares, the company’s share capital will increase by SEK 222,888 (subject to potential recalculations in accordance with customary terms and conditions to be applicable in relation to the warrants).
2. The warrants may, with deviation from the shareholders’ preferential rights, only be subscribed for by the company after which they are to be transferred to the Participant in accordance with the resolution adopted by the general meeting and instructions from the company’s board of directors. The reason for the deviation from the shareholders’ preferential rights is that the warrants are to be used within the proposed incentive programme.
3. Subscription of warrants shall be made on a subscription list on 15 March 2023 at the latest. The board of directors shall be entitled to prolong the subscription period.
4. The company is not to pay anything for the warrants.
5. The warrants may be exercised for subscription of new shares during the period from and including 1 April 2026 until and including 31 October 2026. Subscription of new shares may however not take place during so-called closed periods according to the EU Market Abuse Regulation, or otherwise in breach of relevant insider rules and regulations (including the company’s internal guidelines in this respect). Warrants that have not been exercised for subscription of new shares by 31 October 2026 shall lapse.
6. Each warrant shall entitle the warrant holder to subscribe for one (1) new share in the company at a subscription price of SEK 40 per share. Any amount that exceeds the quotient value shall be transferred to the nonrestricted share premium account.
7. The warrants shall also be subject to the terms and conditions set forth in Schedule A to the board of directors’ complete proposal.

8. The chairman of the board of directors, the CEO or a person appointed by the board of directors shall be authorised to make any minor adjustments required to register the resolution with the Swedish Companies Registration Office.

Transfer of warrants to the Participants

The warrants are to be transferred to the Participant against a premium payable by the Participant corresponding to the theoretical market value of the warrants as of the date of transfer, calculated by an independent valuation agent engaged by the company by use of the Black & Scholes valuation model. The market value is preliminary estimated to SEK 0.73 per warrant, based on a market value of the underlying share corresponding to SEK 20.70 (calculation based on the closing price on 17 February 2023).

Existing share related incentive programmes

Warrants giving right to subscribe for new shares in the company have been issued under three separate incentive programmes for senior management and other key individuals pursuant to resolutions adopted at an extraordinary general meeting held on 26 June 2020, the annual general meeting held on 12 May 2021 and the annual general meeting held on 12 May 2022, respectively. As of today, 138,192 warrants are held by participants in the first programme, 72,968 warrants are held by participants in the second programme and 92,520 warrants are held by participants in the third programme, i.e. 303,680 warrants in total (the rest of the warrants issued under the respective incentive programme will not be possible to exercise for subscription of new shares). Each warrant entitles to subscription of one (1) new share in the company. Warrants in the first incentive programme have an exercise price of SEK 41.83 for each new share and may be exercised for subscription of new shares during the period from and including 1 July 2023 until and including 31 January 2024. Warrants in the second incentive programme have an exercise price of SEK 81.99 for each new share and may be exercised for subscription of new shares during the period from and including 1 June 2024 until and including 31 December 2024. Warrants in the third incentive programme have an exercise price of SEK 43.24 for each new share and may be exercised for subscription of new shares during the period from and including 1 June 2025 until and including 31 December 2025.

If all outstanding warrants in the abovementioned incentive programmes were to be exercised, the company's share capital would increase with SEK 151,840 through the issuance of 303,680 new shares (subject to potential recalculations in accordance with the terms and conditions for the warrants), each with a quotient value of SEK 0.50. This would lead to a dilution corresponding to approximately 2 percent of the total share capital and number of shares and votes in the company (calculation based on the share capital (SEK 7,429,600) and number of shares and votes (14,859,200) in the company as of today).

The Participant does not hold any warrants issued within previously implemented incentive programmes.

Warrant agreement

The warrants will be governed by a warrant agreement to be entered into between the company and the Participant. The warrant agreement will include a so-called vesting structure, certain transfer restrictions and other terms and conditions customary for such agreements. The vesting period until a share may be acquired may as a general rule not be less than three years.

Costs, dilution, etc.

There are costs associated with the incentive programme in respect of valuation, consultancy services and costs for registration and practical management of the programme. The costs are appraised to around TSEK 50.

Other than the warrants described under “Existing share related incentive programmes” above, there are no share or share price related incentive programmes outstanding in the company as of today.

Upon full subscription, transfer and exercise of all 445,776 issued warrants, a total of 445,776 new shares will be issued in the company (subject to potential recalculations in accordance with customary terms and conditions applicable for the warrants). This would lead to a dilution corresponding to approximately 2.91 percent of the total share capital and number of shares and votes in the company (calculation based on the share capital (SEK 7,429,600) and number of shares and votes (14,859,200) in the company as of today).

Accounting for the new shares that may be issued under the proposed incentive programme, the key ratio earnings per share for the full year 2022 had then been changed in such way that the result per share had been changed from SEK 0.89 to SEK 0.87 (rounded off and the calculation excludes the existing incentive programmes and is based on the dilutive effect without taking costs associated with the programme into consideration).

The above calculations regarding costs, dilution and impact on key ratios are subject to recalculations in accordance with the customary recalculation terms set out for the programmes.

Approval of transfer of warrants from to the Participants

A resolution to issue warrants in accordance with this proposal also includes an approval of the transfer of warrants to the Participants.

Preparation of the proposal

This proposal has been prepared by the board of directors together with external consultants. The final proposal has been presented by the board of directors.

Majority requirements

The proposed implementation of a long-term incentive programme by way of a directed issue of warrants, and the approval of the transfer of warrants to the Participant, is governed by the provisions in Chapter 16 of the Swedish Companies Act (Sw. Aktiebolagslagen (2005:551)), and a valid resolution therefore requires that the proposal is supported by shareholders representing at least nine-tenths (9/10) of the votes cast as well as of all shares represented at the meeting.

Number of shares and votes in the company

The total number of shares in the company at the time of issuance of this notice is 14,859,200. The company does not hold any of its own shares.

Shareholders' right to request information

Pursuant to Chapter 7 section 32 of the Swedish Companies Act (Sw. aktiebolagslagen (2005:551)) the board of directors and the CEO are under a duty to, if any shareholder so requests and the board of directors believe that it can be done without material damage to the company, provide information at the meeting regarding circumstances that may affect the assessment of an item on the agenda.

Documentation

The board of directors' complete proposal to item 6 in the proposed agenda and documents pursuant to Chapter 14 Section 8 of the Swedish Companies Act (Sw. aktiebolagslagen) will be kept available at the company's office no later than two weeks before the meeting. The documents will be sent free of charge to shareholders who so request and state their postal address. The documents will also be made available not later than the aforementioned date on the company's website www.qleanair.com. All the above mentioned documents will also be presented at the general meeting.

Stockholm, February 2023

The board of directors**For more information, please contact**

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About QleanAir

QleanAir is a niche premium provider of clean indoor environment solutions. The company's business model is based on lease contracts for modular solutions with a full-service offer. QleanAir solutions are developed using filter technology that traps, filters and recycles indoor air. The company has close to 12,000 installed units at more than 3,500 customers on the markets for EMEA, APAC and the Americas. For full year 2022, net sales amounted to 455 MSEK and adjusted operating margin was 10.9 percent. QleanAir's head office is in Solna in Sweden, and the share is traded on Nasdaq First North Premier Growth Market, ticker QAIR. FNCA Sweden is Certified Adviser +46 8 528 00 399. For more information go to qleanair.com.

Attachments

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