

THE BOARD'S PROPOSAL REGARDING AN INCENTIVE PROGRAMME AND ISSUANCE OF WARRANTS TO EMPLOYEES AND CONSULTANTS (LTIP 8)

The board of directors in Maha Energy AB (publ) (the “**Company**”) proposes that the general meeting resolves on an incentive programme for the Executive Management and other employees and consultants of the Company and its subsidiaries (together, the “**Group**”) through issuance of warrants entitling to subscription of new shares in the Company as set forth below.

Background

The proposal to launch an incentive programme by the issuance of warrants is presented by the board of directors of the Company in order to strengthen the retention of Executive Management and other employees and consultants with the Group and to motivate these to create shareholder value. The board of directors assess that these objectives are in line with all shareholders' interests.

The programme encompasses current and future employees and consultants of the Group. Board members are not allowed to participate. Those entitled to participate in the incentive programme are hereinafter referred to as “**Participants**”.

The programme will be implemented through transfer of warrants to Participants during a period of three years.

Terms and conditions for the issue of warrants

1. The Company shall issue not more than 4,612,345 warrants. Each warrant entitles to subscription of one (1) new share, each with a quotient value of SEK 0.011.
2. The warrants may, with deviation from the shareholders' preferential rights, only be subscribed for by Maha Energy Inc (the “**Subsidiary**”), a subsidiary of the Company, after which the Subsidiary is to transfer the warrants to the Participants in accordance with the resolution adopted by the general meeting and instructions from the board of directors of the Company.
3. Subscription of warrants shall be made by the Subsidiary on a subscription list following the general meeting's issue resolution, but no later than 31 May 2023. The board of directors of the Company shall be entitled to prolong the subscription period.
4. The warrants shall be issued without consideration (i.e. free of charge) to the Subsidiary.
5. If all issued warrants are subscribed for by the Subsidiary, transferred to and exercised by the Participants for subscription of new shares, the Company's share capital

will increase with SEK 50,735.795 (subject to potential recalculations in accordance with the terms and conditions set forth in Schedule A).

6. The warrants may be exercised for subscription of new shares during the period as from registration of the warrants with the Swedish Companies Registration Office until and including 1 January 2030. Warrants that have not been exercised for subscription of new shares by 1 January 2030 shall lapse.
7. Each warrant shall entitle the warrant holder to subscribe for one (1) new share in the Company at a subscription price per share (the “**Exercise Price**”) of SEK 8.50. Any amount that exceeds the quotient value shall be transferred to the nonrestricted share premium account. The Exercise Price may never be below the quotient value of the shares.
8. The warrants are subject to customary recalculation conditions, set forth in Schedule A.

Allocation principles to be applied in relation to Participants

Warrants subscribed for by the Subsidiary shall be transferred to the Participants in accordance with instructions from the board of directors of the Company and the principles set forth below. Any resolution to transfer warrants to the Participants shall be made by the board of directors.

The transfers of warrants from the Subsidiary to the Participants are to be made without consideration (i.e. free of charge).

Warrants are granted under the incentive programme to employees of the Group, and are intended to align such individual’s and shareholder interests by attempting to create a direct relation between compensation and shareholder return. Participation in the incentive programme rewards overall corporate performance, as measured through the price of the shares in the Company. In addition, the incentive programme enables employees to develop and maintain a significant ownership position in the Company. No Participant may be offered more than 2,306,173 warrants.

Allocated warrants may be exercised for subscription of new shares in the Company during the period as from registration of the warrants with the Swedish Companies Registration Office until and including 1 January 2030. 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).

Warrant agreement

All warrants will be governed by warrant agreements to be entered into between each Participant and the Subsidiary in connection with the transfer of warrants from the Subsidiary. The warrant agreement will include a so-called vesting structure, certain transfer restrictions and other terms and conditions customary for such agreements. The period from allocation of warrants until a share may be acquired may not be less than three years and the warrants shall vest in tranches of one third (1/3) of the allocated warrants per year during a total vesting period of three years. Exception may be made from the period until a share may be acquired and the vesting period in certain situations, such as (i) where the Participant's employment or assignment as consultant is terminated or (ii) otherwise where exceptional circumstances exist as determined by the board of directors to allow flexibility for the Company in such situations. Such exceptions shall be included in the specific warrant agreements entered into with the Participants.

Reasons for the deviation from the shareholders' preferential rights

The reasons for the deviation from the shareholders' preferential rights is that the Company wishes to offer warrants to employees of the Group in order to strengthen the retention of employees and to motivate them to contribute to the creation of shareholder value.

Dilution, costs, etc.

Upon full subscription, transfer and exercise of all 4,612,345 issued warrants; a total of 4,612,345 new shares will be issued in the Company (subject to potential recalculations in accordance with standard terms and conditions set forth in Schedule A). This would lead to a dilution corresponding to approx. 3 percent of the total share capital and number of votes in the Company (based on the share capital and number of shares in the Company as of the date of this proposal and calculated as the maximum amount of share capital and number of shares that may be issued, divided by the total share capital and the total number of shares in the Company after the proposed warrants to be issued have been exercised).

The incentive programme is expected to have a marginal effect on the Company's earnings per share. The market value is preliminary estimated to SEK 5.22 per warrant, based on a market value of the underlying share corresponding to SEK 9.73 and the Exercise Price of SEK 8.50 per share.

Costs related to the issuance of warrants under the incentive programme will be accounted for in accordance with IFRS 2 and recognized as an expense in the income statement during the vesting period. The preliminary estimate of total cost to be recorded during the term of the programme is SEK 24,075,519. Ongoing administration costs and other costs of the programme are minimal.

Outstanding incentive programmes

In addition, 3,229,586 warrants are outstanding under four (4) Long Term Incentive Programs for employees and senior management of the Group, of which the first program comprises of 460,000 warrants (“**Program Four**”), the second program comprises of 1,048,286 warrants (“**Program Five**”), the third program comprises of 524,143 warrants (“**Program Six**”), and the fourth program comprises of 1,197,157 warrants (“**Program Seven**”). Each warrant under the respective program entitles to subscribe for one new share in the Company. The exercise price of the warrants corresponds to 100 percent of the volume weighted average last closing price for the Company’s share on Nasdaq First North Growth Market during the period from and including (i) 20 May 2020 until and including 27 May 2020 for Program Four, and corresponds to 100 percent of the volume weighted average last closing price for the Company’s share on Nasdaq Stockholm during the period from and including (ii) 21 May 2021 until and including 27 May 2021 for Program Five, (iii) 21 May 2021 until and including 27 May 2021 for Program Six, and (iv) 24 May 2022 until and including 31 May 2022 for Program Seven. The warrants may be exercised from and including (i) 1 June 2023 until and including 29 February 2024 for Program Four, (ii) 1 June 2024 until and including 28 February 2025 for Program Five, (iii) 1 June 2023 until and including 29 February 2024 for Program Six, and (iv) 1 June 2025 until and including 1 June 2030 for Program Seven.

Approval of transfer of warrants from the Subsidiary to Participants

A resolution to issue warrants in accordance with this proposal also includes an approval of the transfers of warrants from the Subsidiary 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

This proposal to adopt the incentive programme and to issue warrants, as well as the approval of the transfers of warrants from the Subsidiary to the Participants, is governed by the provisions in Chapter 16 of the Swedish Companies Act (*S.w. 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.

Miscellaneous

The chairman of the board of directors, the managing director 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.

The board of directors