



Proposal of the Board of Directors for resolution by the Extraordinary General Meeting of Shareholders on 28 November 2017 regarding the issuance of call options for repurchased shares and the conveyance of repurchased shares to key individuals in senior positions (“2017 Share-Based Incentive Programme”).

The Board of Directors proposes that the Extraordinary General Meeting of Shareholders resolve to adopt a long-term incentive programme known as the 2017 Share-Based Incentive Programme (the “Programme”). The Programme, which is proposed to include some 50 key individuals in senior positions in the Momentum Group, entails that participants will be offered an opportunity to acquire call options at market price for Momentum Group AB’s (publ) repurchased Class B shares in the Company and that participants will receive a certain subsidy on the paid premium for the options after a two-year period.

The Board of Director’s proposal also entails the Extraordinary General Meeting approves that the Company, in deviation from the shareholders’ preferential rights, will convey up to 250,000 of the Company’s repurchased Class B shares to the option holders at the established redemption price in connection with any redemption of the call options (subject to any recalculations).

The Company currently holds no shares in Momentum Group AB.

The proposal was prepared by the Company’s Compensation Committee in consultation with the Company’s Board of Directors. The decision to propose the Programme to the Extraordinary General Meeting of Shareholders was taken by the Board of Directors. The Company’s directors are not covered by the Programme.

The Programme has the following key conditions:

- a) The number of call options issued may not exceed 250,000, corresponding to approximately 0.9 percent of the total number of shares and approximately 0.6 percent of the total number of votes in the Company. Each call option entitles its holder to acquire one (1) repurchased Class B share in the Company on two occasions: 1) during the period starting 12 February up to and including 25 February 2021 (after the Company has published its interim report for the period 1 April-31 December 2020), and 2) during the period starting 12 May up to and including 25 May 2021 (after the Company has published its financial report for the period 1 April 2020-31 March 2021) (the “Redemption Periods”). However, the acquisition of shares may not take place during such a period when trading in shares in the Company is prohibited in accordance with Regulation (EU) No 596/2014 on market abuse of the European Parliament and of the Council issued on 16 April 2014 (“Market Abuse Regulation”) (or other equivalent legislation prevailing at any given time).
- b) The acquisition price (“Redemption Price”) for shares when redeeming call options is to correspond to 120 percent of the volume-weighted average price for the Company’s Class B shares on Nasdaq Stockholm during the period starting 22 November 2017 up to and including 5 December 2017. Under certain circumstances, the Redemption Price may be recalculated over the duration of the call option programme.
- c) The right to acquire call options will apply to some 50 key individuals in senior positions in the Momentum Group in Sweden, Norway and Finland. The proportion of call options offered to each individual for acquisition will vary depending on the employee’s position and level of responsibility. Approximately 15 percent of the call options may go to Group management and the remaining approximately 85 percent of the call options may go to other key individuals.

- d) If an individual entitled to receive a call options refrains, in whole or in part, from acquiring the offered call options then such unacquired call options will be distributed pro rata between the individuals entitled to receive call options who have presented a written application stating that they are interested in acquiring additional call options.
- e) The Board of Directors is to decide on the final distribution in accordance with the principles presented in items c) and d) above.
- f) A notification to acquire call options must be made not later than 8 December 2017.
- g) The premium for call options will correspond to the market value of the call options using an external independent assessment in accordance with an generally accepted valuation method (Black & Scholes model). The measurement period for the assessment of the option premium is to be based on the volume-weighted average price for the Company's Class B shares on Nasdaq Stockholm during the period starting 22 November 2017 up to and including 5 December 2017.
- h) Based on a price for the Company's share of SEK 90.25, and on other market conditions existing on 5 October 2017, the value per option has been calculated by the aforementioned rating institute at SEK 8.50, which gives a total value for all options of approximately MSEK 2.1.
- i) Issuing call options to employees outside Sweden is dependent on tax effects, that there are no legal obstacles and that the Board of Directors is of the opinion that such an issue can take place with reasonable administrative and financial resources. The Board of Directors will have the right to make minor adjustments to the Programme brought about by applicable foreign laws and rules.
- j) The call options are freely transferable, taking into consideration the right of refusal clause with the Company. The right of refusal of acquired call options is to be carried out at market value. The Company has the right to repurchase issued call options.
- k) The number of shares which the call options entitle the holders to acquire, and the Redemption Price, may be recalculated due to, for example, bonus issues, the consolidation or split of shares, new share issues or a reduction in share capital or similar measures. The date for the conveyance of shares may be brought forward due to a merger or similar measures.
- l) To encourage participation in the Programme, a subsidy in the form of cash gross salary will be paid to the option holder corresponding to the paid premium for each call option. The subsidy will be paid in December 2019 provided that the option holder has not been dismissed from the Group and that the call options acquired from the Company have not been divested before this date.
- m) The Company has the right to repurchase the call options from the holder in the event that the option holder does not wish to redeem all of the acquired call options and notifies the Company thereof during the Redemption Period. Options are to be acquired at a price corresponding to the highest market value at any given time. However, call options may not be repurchased during such a period when trading in shares in the Company is prohibited in accordance with the Market Abuse Regulation (or other equivalent legislation prevailing at any given time).
- n) Within the framework of the conditions and guidelines stated above, the Board of Directors is responsible for preparing and managing the details of the Programme.
- o) The complete terms and conditions for the options are presented in Appendix 1 on the Company's website at www.momentum.group.*

The costs of the Programme mainly comprise the subsidy to be paid in December 2019 in accordance with the above and the social security contributions that will accrue on this subsidy as well as administrative expenses for engaging external consultants and suppliers of administrative services in connection with the establishment of the call option programme. The total cost of the subsidy, including social security contributions, is estimated at MSEK 2.1 after corporate tax (based on the market conditions on 5 October 2017). The subsidy will be offset by the option premium totalling approximately MSEK 2.1, which the Company will receive upon conveyance of the call options, which is why the Programme does not entail any net cost to the Company's equity.

The reason for the deviation from the shareholders' preferential rights and the Board of Director's motive for implementing the Programme is to allow key individuals in senior positions in the Momentum Group, through their own investment, to participate in and promote a positive value growth trend for the Company's shares and thereby align their interests more closely with those of the Company's shareholders. The purpose of the Programme is also to contribute to a long-term increase in share ownership by managers and senior management in Momentum Group. In addition, the Programme is expected to create the conditions to retain and recruit qualified personnel to the Momentum Group, provide competitive remuneration and align the interests of the shareholders and senior executives. Against this background, the Board of Directors is of the opinion that the implementation of the Programme will have a positive impact on the continued development of the Momentum Group and that the Programme will benefit both the shareholders and the Company. The Company has no previous share-based incentive programme.

* Please note that the complete terms for the options are only available in Swedish since all participants of the Programme are based in the Nordic region.

The resolution of the General Meeting of Shareholders, as proposed by the Board of Directors above, is only valid if it is supported by shareholders representing at least nine-tenths of the votes cast and the shares represented at the Meeting.

This document is in all respects a translation of the Swedish original Proposal of the Board of Directors of Momentum Group AB (publ). In the event of any differences between this translation and the Swedish original, the latter shall prevail.