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THE BOARD OF DIRECTORS' PROPOSAL FOR THE ANNUAL GENERAL MEETING IN Q-LINEA AB (PUBL) ON 25 MAY 2021

The board in Q-linea AB (publ), reg. no. 556729–0217 (the “**Company**”) proposes that the general meeting of shareholders resolves (A) on the introduction of an employee stock option program for the Company’s employees, (B) on a directed issue of warrants to the Company, in order to ensure the Company’s delivery of shares according to employee stock option program 2021/2024 and to cover cash flow effects from potential social security costs arising from employee stock option program 2021/2024, and (C) on approval of transfer of warrants or shares in the Company to the participants in the employee stock option program. Resolutions in accordance with A, B and C above are conditional on each other and are therefore proposed to be adopted jointly.

The board considers that it is essential and in all shareholders’ interest that the Company’s employees, who are considered to be important for the Company’s further development, has a long-term interest in a good growth in value of the shares in the Company. A personal long-term ownership commitment can be expected to contribute to an increased interest in the Company’s operations and development, as well as raise the participants’ motivation to achieve or exceed the Company’s strategic and operational goals, and to create a sense of community between the employees and the shareholders.

The employee stock option program is proposed to comprise a maximum of 160,650 employee stock options that can be granted to current and additional employees that are not covered by any of the Company’s previous incentive programs. The board may allow exceptions for participants to be part of more than one program. In addition, it is proposed that a maximum of 50,476 warrants be issued to cover any cash flow effects as a result of the employee stock option program.

The maximum dilution effect of employee stock option program 2021/2024 is estimated to 0.77 percent of the share capital and the votes in the Company (calculated based on the number of existing shares in the Company at the time of the notice), provided full exercise of all employee stock options and warrants issued to cover potential cash flow effects from social security costs. The estimation does not take into account already outstanding performance share rights in the long-term incentive programs implemented in 2018 and 2019 nor to outstanding options in the employee stock option program decided in 2020.

This proposal was prepared by the remuneration committee and thereafter by the board in consultation with external counsel.

A. Employee stock option program 2021/2024

The board proposes that the general meeting of shareholders resolves on the introduction of employee stock option program 2021/2024 essentially on the following terms.

1. The employee stock option program 2021/2024 shall include not more than 160,650 employee stock options.
2. The employee stock options shall be assigned to program participants free of charge.

3. Each employee stock option shall entitle the holder to, at the achievement of certain goals after a three-year vesting period, acquire one (1) new common share in the Company at an exercise price corresponding to 125 percent of the volume-weighted average price of the Company's share according to Nasdaq Stockholm's price list during the period ten (10) trading days before 25 May 2021. The subscription price can, however, in no case be less than the quotient value.
4. Offering of employee stock options shall be decided by the Company's board of directors and offered to persons that are employed by the Company on 15 June 2021 which are not covered by any of the Company's previous share related incentive programs. Employees who are available for participation in the employee stock option program 2021/2024 are proposed to be granted a maximum of 3,570 employee stock options each.
5. The employee stock options may be exercised for the subscription of common shares in the Company, in accordance with the terms for the employee stock options, provided that certain strategic and operational goals, set out by the board, are achieved. The goals will be set by the board in advance and will be linked to important events in the Company's development such as progress in product development, product approvals and commercialisation.
6. The right to participate in employee stock option program 2021/2024 is subject to the participant entering into an option agreement with the Company.
7. Issued employee stock options do not constitute securities and may not be transferred, pledged or otherwise disposed by the holder.
8. The employee stock options are tied to the participant's employment in the Company. If the employment in the Company is terminated before the employee stock options are exercised for share subscription, all employee stock options which have not yet been exercised by the participant expire without right of exercise.
9. If a general meeting should resolve on e.g. an increase or decrease of the number of outstanding shares during the term of the employee stock options, recalculation can be performed to maintain the value of the employee stock options. Decisions on recalculation shall be made by the board of directors of the Company.
10. The board or a person designated by the board shall have the right to decide on minor deviations in the program that may be needed to fulfill the purpose of the program.
11. Participation in employee stock option program 2021/2024 requires, first, that such participation may lawfully be made, secondly, that such participation according to the Company's assessment can be made with reasonable administrative costs and financial efforts.

B. Directed issue of warrants to the Company

To enable the Company's delivery of shares under employee stock option program 2021/2024 and to cover potential social security costs arising from employee stock option program 2021/2024, the board of directors proposes that the annual general meeting of shareholders resolves on a directed issue of no more than 211,126 warrants, out of which 50,476 warrants are proposed to be issued to cover cash flow effects from potential social security costs arising from employee stock option program 2021/2024, according to the following terms.

1. The right to subscribe for the warrants shall, with deviation from the shareholders' preferential rights, apply to the Company. Oversubscription cannot occur.
2. The reason for the deviation from the shareholders' preferential rights is that the issue is a step in the introduction of employee stock option program 2021/2024, and to cover cash flow effects from potential social security costs arising from employee stock option program 2021/2024.
3. The warrants are issued free of charge.
4. Subscription of warrants shall be made within three weeks from the date of the issue decision. The board has the right to extend the subscription period.
5. The increase of the Company's share capital may, upon full exercise of the warrants, amount to a maximum of SEK 10,556.30.
6. The warrants can be exercised through the application for subscription of new common shares during the period from registration at the Swedish Companies Registration Office up to and including 30 September 2024.
7. The subscription price for the share on exercise of the warrants is SEK 0.05. The subscription price may, however, not be less than the quotient value of the Company's share. If the subscription price exceeds the quota value of the previous shares, the excess amount must be reported in the unrestricted share premium fund.
8. The board of directors, or a person designated by the board, is authorized to make minor adjustments that are required for the registration and execution of the decision.

The complete terms and conditions for the warrants are set out in "Terms and conditions of warrants of series (2021/2024:1) to subscribe for new shares in Q-linea AB (publ)". In the terms and conditions, it is stated that the subscription price, as well as the number of new shares to which each warrant entitles the holder to subscribe, may be recalculated in the event of a bonus issue, issue of shares and certain other cases.

C. Approval of the transfer of warrants or shares in the Company

The board of directors proposes that the general meeting of shareholders resolves to approve (i) that the Company may transfer no more than 160,650 warrants or shares in the Company to participants in employee stock option program 2021/2024, or otherwise dispose of the warrants to secure the Company's commitments in connection with employee stock option program 2021/2024 in connection with that the warrants in employee stock option program 2021/2024 may be exercised for subscription of new

shares by the participants, and (ii) that the Company may dispose of no more than 50,476 warrants to cover potential cash flow effects from social security costs in accordance with the terms of employee stock option program 2021/2024.

Costs for employee stock option program 2021/2024

The costs for employee stock option program 2021/2024, which are recognized in the income statement, are calculated in accordance with the accounting standard IFRS 2 and are accrued on a straight-line basis over the three-year vesting period. The calculation has been performed with the following assumptions: (i) a share price for Q-linea's common share of SEK 155.00 at the start of the vesting period; (ii) an assessment of future volatility regarding Q-linea's common share; (iii) full exercise of the employee stock options; (iv) an annual staff turnover of 4.3 percent based on Q-linea's history. In total, this results in a maximum cost of the program of approximately SEK 4.1 million, excluding social security costs. The social security costs are estimated to amount to approximately SEK 0.7 million at an assumed annual increase of the share price of 10 percent until the warrants are expected to be exercised to subscribe for new shares.

Existing long-term incentive programs (LTIP) in the Company

LTIP 2018

At an extraordinary general meeting on 12 November 2018, a long-term incentive program (LTIP 2018) was resolved upon in the form of a performance share-based program. The rights to receive performance shares were granted free of charge in March 2019. The program measures performance over a three-year period starting in March 2019 and the performance goals are linked to various operational sub-goals during this period. The goals include product development, product approval and commercialisation being achieved, which is in line with the Company's business strategies. The performance share rights are earned if the performance goals are achieved.

LTIP 2019

At the annual general meeting on 22 May 2019, a long-term incentive program (LTIP 2019) was resolved upon in the form of a performance share-based program. The rights to receive performance shares were granted free of charge in December 2019. The program measures performance over a three-year period starting in December 2019 and the performance goals are linked to various operational sub-goals during this period. The goals include product development, product approval and commercialisation being achieved, which is in line with the Company's business strategies. The performance share rights are earned if the performance goals are achieved.

Employee stock option program 2020/2023

At the annual general meeting on 26 May 2020, a long-term incentive program was resolved upon in the form of an employee stock option program. The employee stock options were granted free of charge during June 2020. The employee stock options can be used to subscribe for ordinary shares in the Company provided that certain strategic and operational goals set by the board are met and that the subscriber's employment in the Company remains at the time of exercising the employee stock option. The goals are linked to important events in the Company's development, such as progress in product development, product approvals and commercialization.

There are no other share-based incentive programs in the Company.

Majority requirements

Resolution on the proposal requires, for its validity, that a minimum of nine tenths of the votes cast and the shares represented at the meeting support the resolution.

Uppsala in May 2021
Q-linea AB (publ)
The board of directors